CITY OF KENT DEPARTMENT OF PUBLIC SERVICE DIVISION OF ENGINEERING

MEMO

June 19, 2008

To:

Dave Ruller, City Manger

From: Gene Roberts/

Jack Hogue

RE:

2008-2009 Road Salt Purchase

The Service Department received a letter from Portage County Engineer, Michael Marozzi, regarding the City's ability to participate in the Ohio Department of Transportation's (ODOT) contract for the purchase of sodium chloride (road salt) for snow and ice control. Staff has reviewed the previous six years of data regarding the City's road salt usage and purchase as provided in the following table:

Year	Total Tons	Pric	e/Ton (Piled)
2002	4,131	\$	35.62
2003	6,215	\$	32.84
2004	4,677	\$	34.88
2005	4,415	\$	34.88
2006	1,860	\$	35.52
2007	5,048	\$	37.04

The six year average usage is 4,391 tons per year. The data variable low of 1,860 and high of 6,215 is due to the winter weather, timing of first and last snow event and data reporting is annualized by colander year which splits the winter. Additionally the cost per ton increase from 2002 to 2007 is a \$1.42 which is 4-percent increase. However, the price of road salt decreased \$2.76 from 2002 to 2003 when the City started to participate in a coop to purchase salt. The coop price increase from 2003 to 2007 is \$4.20 per ton equating to a 13-percent increase. In discussions with ODOT they are anticipating a 20-percent increase in there rock salt contract price from 2007 to 2008. They further advised that they have been informed that the increase will be across the board for all contracts, government and private.

The ODOT contract price for 2007 was \$35.13 per ton piled or \$33.13 per ton dumped. In comparison the City paid \$37.04 or \$1.91 per ton more through its coop agreement (5-percent more). It must be pointed out that the spot market price for salt during the worst of the 2007-2008 winter season approached \$150 per ton, if available, so the City's participation previously in the coop program created considerable savings for the City.

Based on ODOT 2007-2008 contract price per ton of \$33.13 and using the ODOT recommended increase of 20-percent the anticipated bid price of 2008-2009 is \$39.77 per ton piled and \$37.77 per ton dumped. The anticipated bid price will be a comparative increase to the City of \$2.73 per ton or a 7-percent increase.

The commitment requested will be for 4,000 tons. The agreement allows for the actual purchase to vary plus or minus 50% or we are actually committing to a minimum purchase of 2,000 tons and will have the maximum available of 6,000 tons. In the event that alternative sources is available at reduced pricing we will be positioned to take advantage.

Staff recommends that Kent City Council pass the necessary Resolution/Ordinance (required language attached) allowing the City to enter into an agreement to participate in the ODOT Contract for the purchase of rock salt for the 2008-2009 winter season. Although the exact price is not set staff's review of our historical costs indicates that the City will most likely receive its best price by participating in the ODOT purchase contract.

This issue has an extremely short time line as the resolution of participation needs to be received by ODOT's Office of Contract no later than Friday, July 11, 2008.

Cc: Jim Silver, Law Director
Barbara Rissland, Budget & Finance Director
James Bowling, P.E., City Engineer
file



MICHAEL A. MAROZZI, P.E., P.S.

PORTAGE COUNTY ENGINEER

5000 Newton Falls Road Ravenna, Ohio 44266 Phone: (330) 296-6411 (330) 296-2303 Fax:



Dept. of Public Service

June 12, 2008

TO:

All Portage County Cities

All Portage County Townships All Portage County Villages

FROM:

Michael A. Marozzi, P.E., P.S. - Portage County Engineer

SUBJECT:

2008-2009 SNOW AND ICE CONTROL: SALT BID

For the last several years, our department has participated in the sodium chloride (rock salt) bid through the Ohio Department of Transportation (ODOT). We again plan to participate for the 2008-2009 winter season. There are two other available cooperative purchasing groups but ODOT's prices have been the best lately. Whether or not you are aware, we have always made it a practice to offer the Townships and other political subdivisions throughout the County the opportunity to purchase their salt requirements through our Department.

With fuel costs on the rise, it might be a good time for some political subdivisions to consider participating in ODOT's bid directly instead of purchasing their requirements through our Department. For reference, last year ODOT's bid price for a ton of salt dumped was \$33.13. The year before that it was \$32.73 per ton. All city, village, and township political subdivisions in the state can participate directly in ODOT's salt purchasing program. Of course, when you purchase through our Department, we add a 25% overhead surcharge to the ODOT bid price. This covers our storage and material handling costs. Many of you can participate in ODOT's purchasing program directly and save this premium cost. The enclosed paperwork outlines the terms of participation. Since the minimum order is 1 truckload (22 tons, without a piler or 200 tons with a piler), you may or may not have adequate salt storage facilities to participate on your own. In addition, you must agree to purchase a minimum of 50% of your estimated salt tonnage requirements exclusively from the vendor awarded.

Should you wish to pursue this opportunity, you will need to act quickly as all participation agreements must be received by ODOT's Office of Contracts no later than Friday, July 11, 2008.

Please do not hesitate to contact us with any questions you may have about direct participation in ODOT's salt bid.

Enclosure



OHIO DEPARTMENT OF TRANSPORTATION

CENTRAL OFFICE, 1980 WEST BROAD STREET, COLUMBUS, OH 43223
TED STRICKLAND, GOVERNOR * JAMES G. BEASLEY, P.E., P.S., DIRECTOR

June 4, 2008

Portage

Portage County Engineer 5000 Newton Falls Road Ravenna, OH 44266 Attn: Paul Werah 330-296-6411

Re: 018-09, Salt-Sodium Chloride

Dear Municipality:

All political subdivisions desiring to participate with the Ohio Department of Transportation in the purchase of sodium chloride (rock salt) for the 2008-2009 winter season must complete and submit the enclosed participation agreement to the Office of Contracts. All agreements must be received by our office prior to July 11th, 2008. This will allow our office sufficient time to add your requirements to our bidding documents.

The participation agreement consists of the resolution/ordinance of the legislative authority or governing board of the political subdivision authorizing participation in this contract and agreeing to be bound by the invitation's terms and conditions.

Upon receipt of the agreement each political subdivision will get added to a list that will be maintained on the Office of Contracts web site. This list will be updated daily at this location: http://www.dot.state.oh.us/contract/ftp/Purchase/salt.doc.

You may fax the agreement to (614) 887-4022 and mail the original to the Ohio Department of Transportation, Office of Contracts, Purchasing Services, attention Jim Schurch, 1980 West Broad Street, 1st floor, Columbus, Ohio 43223.

If you have any questions please call Jim Schurch at 614-644-7880 or 800-459-3778.

Respectfully,

Thomas P. Pannett Acting Administrator Office of Contracts

TPP:js

c: file

ee: MAM RECEIVED

JUN 9 - 2008

MICHAEL A. MAROZZI PORTAGE COUNTY ENGINEER

OHIO DEPARTMENT OF TRANSPORTATION

Office of Contracts
Purchasing Services
Sodium Chloride (Rock Salt)
Contract 018

	DATE SUBMITTED:				
RESOLUTION / ORDINANO period: twelve months from de	SOLUTION / ORDINANCE as adopted for sodium chloride requirements for purchase. Effective iod: twelve months from date of award, inclusive.				
Colleges/Universities and Co	ordorations. Port Authorities	e provides the opportunity for Counties Regional Transit Authorities, State Ite in contracts of the Ohio Department of ites, or other articles;			
Now Therefore, Be it Ordain (Agent)	ed, Intending to Be Legally Bo	und That			
Hereby Requests Authority (Political Subdivision)	in The Name of				
100 Sakaronininin Latininininin 1000 (₹	partment of Transportation's Cont	ract for Sodium Chloride and Agrees:			
requirements indicate	To purchase a minimum of 50 percent up to 150 percent of the estimated salt tonnage requirements indicated below, exclusively from the vendor awarded the sodium chloride contract for the county in which said political subdivision is located.				
2) To be bound by the te	To be bound by the terms and conditions of the contract.				
To be responsible for contract.	To be responsible for payment directly to the vendor for the quantities purchased under the contract.				
To hold the Director of Transportation and the Ohio Department of Transportation harmless for any claim or dispute arising out of participation in a contract pursuant to Ohio Revised Code Section 5513.01(b)					
MINIMUM ORDER = 1 TRUCI	KLOAD / 22 TONS WITHOUT PII	LER OR 200 TONS WITH PILER			
STOCKPILE LOCATIONS	STOCKPILE CAPACITY	TONS REQUIRED (Estimated)			

Continued

Participating Political Subdivisions are intended beneficiaries under this contract and are real parties in interest with the capacity to sue and be sued in their own name without joining the state of Ohio, Ohio Department of Transportation. By signing and returning this agreement, you will be bound to participate in this contract during the upcoming winter season, upon award of the contract to a successful vendor. A participating Political Subdivision cannot change its position during this contract period. Termination of participation is effective upon the expiration date of the contract. Failure of a Political Subdivision to purchase its requirements from the awarded vendor shall invalidate participation for the following winter season.

Political subdivisions will be required to submit a new participation agreement form every year, indicating storage capacity and stating salt needs for the contract period.

(Authorized Signature and Title)	(Date)
(Print Exactly as Signed Above)	
(County Location)	(County Number)
(Political Subdivision)	
(Street)	(P.O. Box)
(City) (State)	(Zip plus 4)
(Contact Name Responsible for Ordering Salt)	(Phone Number)

Note: This Participation Agreement must Be Received by the Ohio Department of Transportation, Office of Contracts, Purchasing Services prior to the mailing of Invitation 018 each year.

Mail original to:

The Ohio Department of Transportation Office of Contracts, Purchasing Services Attention, Jim Schurch, Purchasing Coordinator 1980 West Broad Street, 1st floor Columbus, Ohio 43223

ATTACHMENT A SAMPLE RESOLUTION AUTHORIZING PARTICIPATION IN ODOT COOPERATIVE PURCHASING PROGRAM

WHEREAS, Section 5513.01 (B) provides the opportunity for Counties, Townships, Municipal Corporations, Conservancy Districts, Township Park Districts, Park Districts created under Chapter 1545 of the Revised Code, Port Authorities, Regional Transit Authorities, Regional Airport Authorities, Regional Water and Sewer Districts, County Transit Boards, State Universities or Colleges to participate in contracts of the Ohio Department of Transportation for the purchase of machinery, material, supplies or other articles.

NOW, THEREFORE,

Be it ordained by (the Political Subdivision):

SECTION 1.

That the (Agent) hereby requests authority in the name of (the Political Subdivision) to participate in the Ohio Department of Transportation contracts for the purchase of machinery, materials, supplies or other articles which the Department has entered into pursuant to Ohio Revised Code Section 5513.01 (B).

SECTION 2.

That the (Agent) is hereby authorized to agree in the name of (the Political Subdivision) to be bound by all terms and conditions as the Director of Transportation prescribes.

SECTION 3.

That the (Agent) is hereby authorized to agree in the name of (the Political Subdivision) to directly pay vendors, under each such contract of the Ohio Department of Transportation in which (the Political Subdivision) participates, for items it receives pursuant to the contract.

SECTION 4.

That (the Political Subdivision) agrees to be responsible for resolving all claims or disputes arising out of its participation in the cooperative purchasing program under Section 5513.01(B) of the Ohio Revised Code. The (Political Subdivision) releases and forever discharges the Director of Transportation and the Ohio Department of Transportation from all such claims, actions, expenses, or other damages arising out of its participation in the cooperative purchasing program which the (Political Subdivision) may have or claim to have against ODOT or its employees, unless such liability is the result of negligence on the part of ODOT or its employees.

MEMORANDUM DEPARTMENT OF COMMUNITY DEVELOPMENT City of Kent

Date: June 24, 2008

To: Dave Ruller, City Manager

From: Jennifer Barone, Development Engineer UKB

Re: 5751 Glad Boulvard – Horning Knolls subdivision sublot 6

Dedication of Right-of-Way for Rhodes Road

Copy: Gary Locke, Director of Community Development

Linda Copley, Clerk of Council Jim Silver, Law Director Gene Roberts, Service Director Jim Bowling, City Engineer



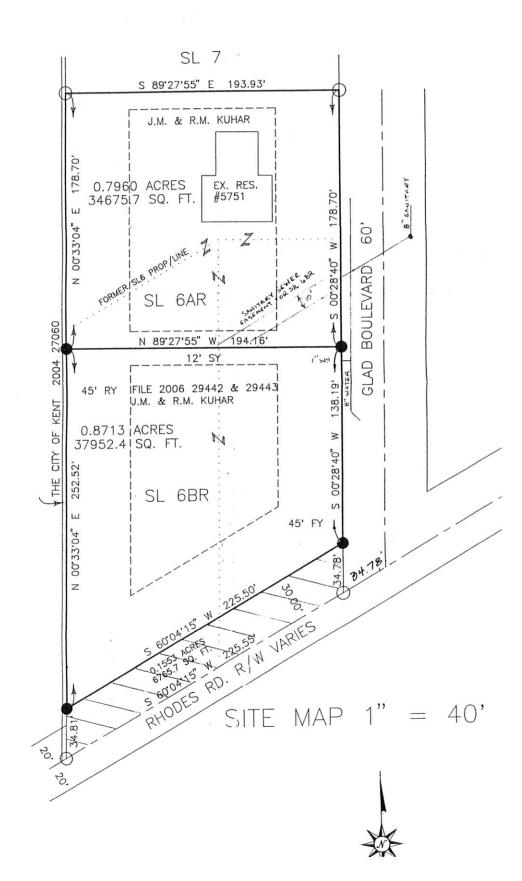
John and Rita Kuhar are reconfiguring (splitting/consolidating) sublot 6 and the two empty lots at the corner of Glad Boulevard and Rhodes Road to adjust the side property line to enlarge the 5751 Glad Blvd. property and consolidate the remaining two empty lots on the corner. This adjustment is necessary to allow adequate setback for an accessory building that the Kuhars plan to construct. Currently the property lines extend to the center of Rhodes Road. As part of this replat, the Kuhars are dedicating the Rhodes Road Right-of-Way to the City of Kent. The permit to construct cannot be issued until this replat is filed with Portage County.

I hereby respectfully request City Council agenda time for acceptance and dedication of Rhodes Road Right-of-way by John and Rita Kuhar. I am requesting that this be done by emergency declaration.

EPLAT TO ENLARGE SUB LOT 6 AND INCORPO

ORIGI

SITUATED IN THE CITY OF KENT, COUNTY OF



City Council approves gradual cuts to income tax credit through 2011

LORAIN — City Council approved reducing the city's income tax credit Monday night, but not before tweaking the numbers a little bit.

Mayor Tony Krasienko's investment plan had originally called to reduce the city's 2 percent income tax credit to 1 percent for residents who work elsewhere.

But a last minute proposal by Councilman Dan Given, D-at large, will instead reduce the credit slowly over three years to the planned 1 percent — allowing, Given said, more time for the economy to improve and for residents to get their finances in order.

"I really started to look at the community and the pain they were going through," Given said after the meeting. "I had to try and find a compromise."

Beginning in 2009, the income tax credit will be reduced to 1.5 percent. In 2010, the credit will be cut to 1.25 percent. The final reduction to 1 percent would occur in 2011.

The initial plan to chop 1 percentage point off the credit immediately would've given Lorain an additional \$3 million in 2009 and enough extra funds to lift the city out of a seven-year budget deficit and be nearly \$1 million in the black by 2010.

"It does stretch out the ultimate goal," Krasienko said during the meeting. "But as long as Council is on board with that, I wouldn't be opposed to it."

Council approved the amendment and voted 10-1 in favor of the ordinance.

Councilwoman Melanie Szabo, I-1st Ward, was the lone opponent. She said the timing just wasn't right.

"Honestly, I think people just don't have the money right now," she said after the meeting.

If Council would've chosen to do nothing, the city's deficit would've been more than \$3 million by 2012.

Krasienko said the city would then be forced to shut down several city departments and drastically scale back police and fire protection.

Law Director Mark Provenza said the ordinance had to be approved by this week in order for it to make it to the ballot by 2009 because the city has to allow time for voters to put it to referendum.

Andrew Winemiller, who was briefly Lorain's safety-service director, is working to take the city's previously approved \$20 license plate tax to referendum. He said his group will turn in more than enough signatures Thursday to do so.

Winemiller said he will immediately begin focusing its efforts on the income tax credit reduction.

"This is burdensome enough that the people need the opportunity to vote on it," Winemiller said.

Grace says City needs renewal and income tax increase

Lisa Roberson | The Chronicle-Telegram

ELYRIA — Mayor Bill Grace said he wants to consider asking voters to approve not only an income tax renewal but an income tax increase.

He said he could argue in favor of both proposals.

When asked Monday what he would recommend to City Council, he said he would choose prudence and go for the renewal, which expires every five years.

However, he said, a 0.25 percent tax on top of the 0.5 percent renewal would afford the city the revenue to look to the future in terms of added police and fire protection and more street repairs.

The last time the tax renewal was on the ballot — in March — it was overwhelmingly rejected. Failure this time could mean a \$6 million hit to the city's general fund, likely resulting in massive cuts.

That's why in the coming 30 days, Grace said council members, business owners and residents must start talking about the tax issue.

Grace's call for dialogue is similar to what Councilman Mike Lotko, D-at large, did at last month's Strategic Planning Committee meeting. While other council members were ready to make a decision that night to place the 0.5 percent renewal back on the ballot, Lotko urged everyone to step away from the table and re-evaluate the situation.

Council President Ken Burkhard, D-7th Ward, said no formal meetings have been set to discuss the issue. However, he feels the general consensus among council will be to go for the 0.5 percent renewal.

A month of discussion will still leave plenty of time for City Council to decide which route to take.

The Lorain County Board of Elections must be notified about issues for the ballot by 4 p.m. Aug. 21.

"It's worth having the discussion now so that come August an effective education campaign can be put forth to the residents," Grace said.

The renewal failed in large part last time because the city lacked an organized campaign, Grace said.