



TOWN/VILLAGE OF HARRISON
DEPARTMENT OF PUBLIC WORKS

Anthony P. Robinson, Commissioner of Public Works
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October 7, 2015

Mayor Ron Belmont and
Members of the Village Board
Village of Harrison
1 Heineman Place
Harrison, New York 10528

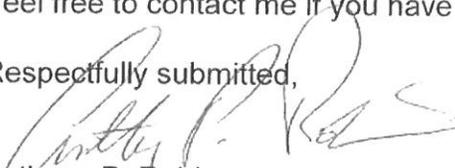
Re: Road Salt Purchase – Delayed Billing Option

Dear Mayor Belmont and Members of the Village Board:

Authorization is hereby requested for funding in the amount of \$355,000.00 for the purchase of road salt. This funding will be allocated in the 2016 DPW operating budget. We have been advised that we are able to purchase salt now under the New York State Office of General Services (NYSOGS) Contract for Road Salt and participate in the contract's Optional Delayed Billing Program (copy attached). Under the program we are able to purchase salt now with no payment required until January, 2016. This will allow us to replenish our diminished salt stores now, prior to the winter season and avoid distribution problems all municipalities experienced last year.

Feel free to contact me if you have any questions regarding this program.

Respectfully submitted,



Anthony P. Robinson
Commissioner of Public Works

APR/amg

Attachment

cc: Maureen MacKenzie, Treasurer

**GROUP 01800 – ROAD SALT, TREATED SALT AND EMERGENCY STANDBY ROAD SALT
(STATEWIDE)**

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Contractor shall furnish monthly summary reports no later than ten (10) days after the close of each calendar month for the months of September through March for General Services customer inventory fill activities. The monthly summary shall include, but is not limited to, quantity of salt in each stockpile at the beginning of the month, method of transportation of product to stockpiles and delivery locations, quantity of monthly additions to each stockpile, quantity of salt in each stockpile at the end of each month, and activation of satellite stockpiles, if applicable.

The contractor is obligated to maintain inventories adequate to provide deliveries of ordered quantities within the required time frames. Any failure by the contractor to deliver under contract terms may result in a "Buy Against" to that contractor.

If at any time during the contract period, extenuating circumstances arise and it is determined by the Office of General Services that the contractor does not have adequate inventory, award may be made at the discretion of the Office of General Services to another bidder.

The above shall also apply to any contract extension

6.8 Optional Delayed Billing Program

Contractor, at its option, may participate in a delayed billing program for the benefit of political subdivisions for orders delivered during September, October, and November 2015. Payment would not be required until January 2016. This program would be available to encourage fall season filling of stockpiles and storage sheds and accommodate the budget process of the political subdivisions. This program would be coordinated directly by the end user with the particular contractor. Contractor may also delay crediting/debiting fuel price adjustments until the end of the contract with the concurrence of the end users. Contractor must advise end users how they intend to process invoices upon receipt of first purchase order for salt. No changes to agreed-upon processing methodology may be made during the contract period.

6.9 Procurement Card

All bidders shall indicate (via Attachment 2 - *General Questions*) if they will accept the NYS Purchasing Card for orders not to exceed \$15,000.

6.10 Price

Price shall include all customs and duties and be net per ton, FOB destination designated on purchase order, including unloading of the bulk salt. Contract prices shall be firm except for price revisions permitted in accordance with the following clauses:

- PRICE ESCALATION BASED ON EXCEEDING 120% & 130% OF FILED REQUIREMENT
- PRICE ESCALATION BASED ON EXCEEDING 150% OF FILED REQUIREMENTS
- FUEL PRICE ADJUSTMENT
- PRICE ADJUSTMENT FOR RENEWALS

Furthermore, the stated prices may be adjusted periodically based on various provisions.

6.10.1 Price Escalation Based on Exceeding 120% & 130% of Filed Requirement

A price escalation will be permitted when delivery quantities exceed 120% of filed requirement per delivery location. Customers with multiple delivery sites (e.g. NYS DOT, NYS Thruway and County Highways) shall have their minimum/maximum delivery quantities determined based on the sum of all their sites serviced by a supplier.

An automatic unit price increase of 10% will be allowed once quantities delivered are over 120% of a user's filed requirement. Once deliveries exceed 130% of a user's filed requirement the automatic price increase will change to 15%. Contractors will continue to deliver to all customers including up to 150%. Failure to deliver may result in a "Buy Against" or a delivery deduction to the contractor.