



## STATE OF INDIANA

Michael R. Pence, Governor

DEPARTMENT OF ADMINISTRATION  
Procurement Division  
402 W Washington Street, Room W468  
Indianapolis, Indiana 46204  
317 / 232-3053

### Award Recommendation Letter

Date: June 18, 2014

To: Debra Walker, Deputy Commissioner  
Indiana Department of Administration

From: Stan Judson, Strategic Sourcing Analyst, IDOA

Subject: Recommendation for Selection for ASA 14-110, Road Salt

A handwritten signature in black ink that reads "D Walker". The signature is written in a cursive style and is positioned to the right of the "To:" field of the letter.

Based on the evaluation of the bids received, **Cargill and North American Salt** are recommended for a split award. Terms of this recommendation are included in this letter. Cargill is awarded line items 1-2, 7-11, 15-16, and 23-28. North American Salt is awarded line items 3-6, 12-14, and 17-22. Cargill claimed and received the Indiana Business preference which was worth a 1% credit towards their bid amount, based on volume.

The State of Indiana received four (4) proposals from the following bidders:

- Cargill, Inc.
- Detroit Salt Co.
- Morton Salt, Inc.
- North American Salt Co.

During an initial clarification round, Detroit Salt withdrew its bid.

When necessary, the state clarified with respondents to ensure specifications were met for each item.

The proposals were evaluated by the Indiana Department of Administration (IDOA) according to the criteria established in the bid documents.

**Bid**

The State went to bid for the items listed in the tables below:

**UNTREATED SALT**

| LINE | INDOT DISTRICT    | UNTREATED SALT FOR ENTITY    | COMMITMENT RANGE | 2014/2015 TOTAL EARLY FILL QUANTITY (100%) | 2014/2015 TOTAL SEASONAL QUANTITY (100%) | DELIVERY METHOD    |
|------|-------------------|------------------------------|------------------|--|--|--------------------|
| 1    | 10-Crawfordsville | INDOT & Other State Agencies | 80-150           | 9,215                                      | 30,935                                   | Delivered          |
| 2    |                   |                              |                  |  |  | Delivered + Loaded |
| 3    |                   | Local Governmental Entities  | 80-120           | n/a  | 19,805                                   | Delivered          |
| 4    | 20-Fort Wayne     | INDOT & Other State Agencies | 80-150           | 36,385                                     | 28,615                                   | Delivered          |
| 5    |                   |                              |                  |  |  | Delivered + Loaded |
| 6    |                   | Local Governmental Entities  | 80-120           | n/a  | 31,680                                   | Delivered          |
| 7    | 30-Greenfield     | INDOT & Other State Agencies | 80-150           | 44,109                                     | 18,787                                   | Delivered          |
| 8    |                   |                              |                  |  |  | Delivered + Loaded |
| 10   |                   | Local Governmental Entities  | 80-120           | n/a  | 18,768                                   | Delivered          |
| 11   | 40-LaPorte        | INDOT & Other State Agencies | 80-150           | 19,000                                     | 53,200                                   | Delivered          |
| 12   |                   |                              |                  |  |  | Delivered + Loaded |
| 13   |                   | Local Governmental Entities  | 80-120           | n/a  | 66,890                                   | Delivered          |
| 14   | 50-Seymour        | INDOT & Other State Agencies | 80-150           | 25,147                                     | 16,523                                   | Delivered          |
| 15   |                   |                              |                  |  |  | Delivered + Loaded |
| 16   |                   | Local Governmental Entities  | 80-120           | n/a  | 20,692                                   | Delivered          |
| 17   | 60-Vincennes      | INDOT & Other State Agencies | 80-150           | 30,400                                     | 1,600                                    | Delivered          |
| 18   |                   |                              |                  |  |  | Delivered + Loaded |
| 19   |                   |                              |                  |  |  | Dedicated Pile Fee |
| 20   |                   |                              |                  |  |  | Pick Up            |
| 21   |                   | Local Governmental Entities  | 80-120           | n/a  | 14,050                                   | Delivered          |
| 22   |                   |                              |                  |  |  |                    |

**TREATED SALT**

| <b>Line</b> | <b>INDOT DISTRICT</b> | <b>TREATED SALT FOR ENTITY</b>                     | <b>COMMITMENT RANGE</b> | <b>2014/2015 TOTAL QUANTITY</b> | <b>DELIVERY METHOD</b> |
|-------------|-----------------------|--|-------------------------|---------------------------------|------------------------|
| 23          | 10-Crawfordsville     | Local Governmental Entities & Other State Agencies | 80-120                  | 11,615                          | Delivered              |
| 24          | 20-Fort Wayne         | Local Governmental Entities                        | 80-120                  | 1,710                           | Delivered              |
| 25          | 30-Greenfield         | Local Governmental Entities                        | 80-120                  | 37,584                          | Delivered              |
| 26          | 40-LaPorte            | Local Governmental Entities                        | 80-120                  | 30,880                          | Delivered              |
| 27          | 50-Seymour            | Local Governmental Entities                        | 80-120                  | 13,420                          | Delivered              |
| 28          | 60-Vincennes          | Local Governmental Entities & Other State Agencies | 80-120                  | 1,100                           | Delivered              |

Respondents were given the opportunity to improve their initial pricing through a Best and Final Offer (BAFO) round. The respondent's pricing below was used for evaluation.

**Evaluation**

The final evaluation is detailed in the table below. The highlighted evaluation price is the recommended vendor for award. The pricing listed below shows an "average" price per ton for each vendor. To arrive at this calculation, IDOA took the total district pricing for each district (which included pricing for Early Fill and for Seasonal quantities) and divided that total by the number of tons requested in that district. The vendors will be held to the individual Early Fill and Seasonal pricing listed within their bids.

UNTREATED SALT

| LINE | INDOT DISTRICT    | UNTREATED SALT FOR ENTITY    | CARGILL | CARGILL (Evaluation Amount) | MORTON   | NORTH AMERICAN |
|------|-------------------|------------------------------|---------|-----------------------------|----------|----------------|
| 1    | 10-Crawfordsville | INDOT & Other State Agencies | \$92.61 | \$91.68                     | no bid   | \$95.95        |
| 2    |                   |                              | \$96.61 | \$95.64                     | no bid   | \$99.68        |
| 3    |                   | Local Governmental Entities  | no bid  | no bid                      | no bid   | \$94.27        |
| 4    | 20-Fort Wayne     | INDOT & Other State Agencies | no bid  | no bid                      | no bid   | \$102.14       |
| 5    |                   |                              | no bid  | no bid                      | no bid   | \$105.89       |
| 6    |                   | Local Governmental Entities  | no bid  | no bid                      | no bid   | \$99.07        |
| 7    | 30-Greenfield     | INDOT & Other State Agencies | \$72.59 | \$71.86                     | no bid   | \$109.59       |
| 8    |                   |                              | \$76.59 | \$75.82                     | no bid   | \$113.33       |
| 10   |                   |                              |         |                             |          |                |
| 11   |                   | Local Governmental Entities  | \$71.72 | \$71.00                     | no bid   | \$103.36       |
| 12   | 40-LaPorte        | INDOT & Other State Agencies | no bid  | no bid                      | no bid   | \$98.39        |
| 13   |                   |                              | no bid  | no bid                      | no bid   | \$102.13       |
| 14   |                   | Local Governmental Entities  | no bid  | no bid                      | no bid   | \$73.32        |
| 15   | 50-Seymour        | INDOT & Other State Agencies | \$82.34 | \$81.52                     | \$107.05 | \$84.44        |
| 16   |                   |                              | \$86.34 | \$85.48                     | \$112.05 | \$88.18        |
| 17   |                   | Local Governmental Entities  | no bid  | no bid                      | \$107.05 | \$80.08        |
| 18   | 60-Vincennes      | INDOT & Other State Agencies | no bid  | no bid                      | no bid   | \$79.45        |
| 19   |                   |                              | no bid  | no bid                      | no bid   | \$83.20        |
| 20   |                   |                              | no bid  | no bid                      | no bid   | \$1.75         |
| 21   |                   |                              | no bid  | no bid                      | no bid   | \$73.45        |
| 22   |                   | Local Governmental Entities  | no bid  | no bid                      | no bid   | \$72.99        |

**TREATED SALT**

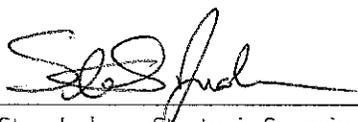
| Line | INDOT DISTRICT    | TREATED SALT FOR ENTITY                            | CARGILL | CARGILL (Evaluation Amount) | MORTON  | NORTH AMERICAN |
|------|-------------------|--|---------|-----------------------------|---------|----------------|
| 23   | 10-Crawfordsville | Local Governmental Entities & Other State Agencies | 85.71   | \$84.85                     | no bid  | \$110.19       |
| 24   | 20-Fort Wayne     | Local Governmental Entities                        | 84.48   | \$83.64                     | no bid  | \$119.44       |
| 25   | 30-Greenfield     | Local Governmental Entities                        | 79.91   | \$79.11                     | no bid  | \$118.30       |
| 26   | 40-LaPorte        | Local Governmental Entities                        | 79.91   | \$79.11                     | \$82.55 | \$81.92        |
| 27   | 50-Seymour        | Local Governmental Entities                        | 84.41   | \$83.57                     | no bid  | \$101.03       |
| 28   | 60-Vincennes      | Local Governmental Entities & Other State Agencies | 86.93   | \$86.06                     | no bid  | \$103.59       |

**Award Summary**

| Vendor         | Total Bid Amount | Awarded Amount   |
|----------------|------------------|------------------|
| Cargill        | \$ 20,905,695.01 | \$ 20,905,695.01 |
| North American | \$ 55,019,656.65 | \$ 28,886,462.61 |

During the course of evaluation, the state scrutinized all proposals to determine the viability of the proposed business solutions to meet the needs of the state. The Indiana Department of Administration evaluated the proposals based on the stipulated criteria outlined in the bid documents.

The term of the contract shall be for a period of one (1) year from the date of contract execution. There may be three (3) one year renewals for a total of four (4) years at the State's option.



Stan Judson, Strategic Sourcing Analyst  
Indiana Department of Administration