


SUBJECT: Authorization to Purchase Sodium Chloride from Bering Marine Corporation for the amount of \$515,257.50






AGENDA OF: August 7, 2018

ASSEMBLY ACTION:

Approved Under the Consent
Agenda 8-7-18 

MANAGER RECOMMENDATION: Present to the assembly for consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: 

Route To:	Department/Individual	Initials	Remarks
	Purchasing		
	Public Works Director		17 July 18
	Finance Director		
	Borough Attorney		
	Borough Clerk		

ATTACHMENT(S): Fiscal Note: Yes X No _____
State of Alaska Negotiated Contract Award (1pg)

SUMMARY STATEMENT: The Matanuska-Susitna Borough utilizes sodium chloride in its winter road maintenance. This product is blended with the road sand and applied to areas where icing exists. The Borough will require approximately 3,335 tons of sodium chloride to meet its needs for the coming winter. In the past we have purchased this product utilizing the State of Alaska contract in order to take advantage of their bulk pricing. It is our intention to do so again this year.

MSB 3.08.360 allows the borough to enter into procurement agreements with the state when it is in the best interest of the borough. Competition was done by the State of Alaska, Department of Transportation and Public Facilities through a formal bidding process. Delivery of this product is required by October 31, 2018.

RECOMMENDATION OF ADMINISTRATION: Authorization to purchase **SODIUM CHLORIDE** from **BERING MARINE CORPORATION** for the amount of **FIVE HUNDRED FIFTEEN THOUSAND TWO HUNDRED FIFTY-SEVEN AND 50/100 DOLLARS (\$515,257.50) .**

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: August 7, 2018

SUBJECT: Authorization to Purchase Sodium Chloride from Bering Marine Corporation for the amount of \$515,257.50

ORIGINATOR: Purchasing

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT: <u>(YES)</u> NO
AMOUNT REQUESTED <u>\$ 515,257.50</u>	FUNDING SOURCE <u>RSA 270-292 Operating funds</u>
FROM ACCOUNT # <u>270-292.000.000.4xx xxx</u>	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY: <u>[Signature]</u>	CERTIFIED BY:
DATE: <u>7/18/18</u>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Personnel Services						
Travel						
Contractual						
Supplies	<u>515</u>					
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	<u>515</u>					

CAPITAL						
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REVENUE						
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FUNDING:

(Thousands of Dollars)


General Fund						
State/Federal Funds						
Other	<u>515</u>					
TOTAL	<u>515</u>					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: [Signature] PHONE: _____
 DEPARTMENT: _____ DATE: 7/19/18
 APPROVED BY: _____ DATE: _____

CONTRACT AWARD	STATE OF ALASKA Department of Transportation & Public Facilities Statewide Contracting & Procurement (3132 Channel Drive, Suite 350) P.O. Box 112500 Juneau, Alaska 99811-2500	CONTRACT AWARD NUMBER 2518H029
ORDERING DEPARTMENT: Department of Transportation & Public Facilities Statewide Contracting & Procurement P.O. Box 112500 Juneau, Alaska 99811-2500	COMMODITY CODE 19246	DATE OF CONTRACT February 2, 2018
	NUMBER & PERIOD OF RENEWAL OPTIONS Four (4) One-Year	PR NO. / DATE ASSIGNED N/A
	DATE INITIAL CONTRACT BEGINS February 2, 2018	DATE INITIAL CONTRACT ENDS February 28, 2019
CONTRACTOR: Bering Marine Corporation ADDRESS: 6400 South Airpark Place Anchorage, Alaska 99502 CONTACT NAME: Rick Gray TELEPHONE NUMBER: 907-249-0204 fax: 907-245-1744 EMAIL: rickg@lynden.com	GS VENDOR CODE:	
	ISSUED IN ACCORDANCE WITH BID #: 2518H029 DATED: December 18, 2017	
	PRICE ADJ. REQ. PRIOR TO EACH: December 15 - no later than January 15	
	CPI/PPI BASE INDEX POINTS & MO/YR:	
	REVIEW DATE: Dec. 1 RENEWALS EXPIRE (MO/YR): Feb. 2023	
ESTIMATED VALUE OF INITIAL TERM: \$3,500,000.00 REBID: 12/2023		
SEND INVOICE IN DUPLICATE TO: <input type="checkbox"/> Ordering Department OR <input checked="" type="checkbox"/> As Specified in Description		
NOTE: This order constitutes a binding commitment between the State and the contractor listed hereon. Unauthorized modification without the expressed prior approval of the contracting authority will result in a financial obligation on the contractor and/or unauthorized State personnel making the change.		
DESCRIPTION		
Contract for the as-needed purchase of Sodium Chloride, Type 1 in bulk form for delivery to various locations within Alaska for the Department of Transportation & Public Facilities. All terms and conditions of ITB #2518H029 apply.		
<u>CONTRACT TERMS:</u> February 2, 2018 through February 28, 2019 with four (4) one-year renewal options.		
<u>ORDERS:</u> Individual Purchase Orders will be issued by the Regional Procurement Offices on an as-needed basis with no guaranteed maximum quantities. Minimum orders will be 30 tons.		
<u>PRICES:</u> Prior to September 30, 2018, the price per ton for most locations noted in the Price List is \$154.50 , excluding the following locations which are: Cordova \$214.50 / Juneau \$170 / Sitka \$260.24		
At any time during the contract period, new F.O.B. Points may be added. The price per ton for a new destination shall be the same as the nearest priced delivery destination with the State reimbursing the additional freight costs.		
Orders placed <u>after September 30, 2018</u> shall be at the following rate (plus freight to final destination):		
CDPP	Price	Deliver
Anchorage	\$271.63/ton	30 days ARO
Fairbanks	\$338.25/ton	30 days ARO
Valdez	\$328/ton	30 days ARO
Seattle	\$150/ton	30 days ARO
<u>INVOICES:</u> Send invoices to the address on the ordering agency's Purchase Order. Additional shipping costs for new delivery destinations shall be invoiced as a separate line item with the actual receipts attached.		
CONTRACTING AUTHORITY NAME Becky Gattung	TITLE Procurement Specialist IV	SIGNATURE 
TELEPHONE NUMBER: (907) 465-8949		PAGE 1 OF 1
IMPORTANT: 1. Contract award number and ordering department name must appear on all invoices and documents relating to this order. 2. The State is registered for tax free transactions under Chapter 32, IRS Code, Registration No. 92-601185. Items are for the exclusive use of the State and not for resale.		
DISTRIBUTION: ORIGINAL TO CONTRACTOR ONE COPY TO JUNEAU GENERAL SERVICES ONE COPY TO RECEIVING DEPARTMENT SUPPLY SECTION		

Am 18-064