

WSDOT Snow and Ice Materials Contract Team

During conversations with maintenance directors from all over the U.S., it became apparent to WSDOT Director of Maintenance Operations Chris Christopher that Washington was paying significantly more for salt and than almost every other state. Chris directed Maintenance staff involved in the Snow and Ice Program to research the issue to discover why this was so.

Integral to this effort was the development of a map which indicated major salt sources, average yearly usage by state DOT, and average price paid per ton by state DOT. It soon became clear that the primary driver in salt cost was freight as a product of distance from salt source to end user. Washington was paying more because the closest salt source was Utah, whereas most other states had salt sources in much closer proximity. Salt moving domestically must be transported by truck or by rail, both of which are very expensive compared to the base cost of salt which is relatively cheap.

Armed with this information, the WSDOT Maintenance staff began researching other salt sources, other means of transport, and the capabilities of various vendors to procure and provide salt to locations of need within Washington. Concurrent to this effort was modification of the existing Snow and Ice Materials Contract in order to make it more attractive to prospective vendors. This process included the General Administration Contracts Office and the WSDOT Purchasing Office.

The old contract expired in June of 2008, so it was critical to have a new contract in place for the winter of 2008-2009. This happened to coincide with a major salt shortage resulting from the very severe winter of 2007-2008 which depleted salt supplies nationwide. Existing WSDOT salt vendors counseled that a rebid would result in much higher pricing and no new vendors willing to do business in Washington. Despite these warnings, the team decided to proceed with the rebid because potential rewards outweighed the associated risks.

When the Request for Bid hit the streets, WSDOT was very pleased to see an unprecedented number of bids for salt and deicer products along with some very attractive pricing. In addition, all successful bidders had a strong Washington presence which had not been the case previously. The primary new salt provider proposed to move salt into Seattle using ocean-going freight, taking advantage of Washington's presence on the coast, and using Chilean and Mexican salt as a source. Moving salt in quantities of 50 to 60 thousand tons at a time is much less expensive than transporting it by truck or rail in much lesser quantities.

Going into the winter of 2008-2009, Washington was the only state in the nation to see a net decrease in salt prices. It is estimated that WSDOT saved state taxpayers almost \$6 million over the first two years of the contract when compared to previous contract pricing. In addition, the supply chain has been much more reliable ending years of problematic delivery performance from previous vendors.

The Snow and Ice Material Contract Team consists of Maintenance Operations Branch Manager Monty Mills, Staff Superintendents Jay Wells and Jim Andersen, Purchasing Office Contract Specialist Gary Smith, and General Administration Contract Specialist Robert Paulsen. Director of Maintenance Operations Chris Christopher provided oversight and support, especially with regard to the decision to rebid during a time of relative uncertainty in the salt market.