

Frequently Asked Questions About the State's Salt Contracts & Options and Prices for Local Users

From the Vermont Office of Purchasing & Contracting (OPC), Department of Buildings & General Services, November 2, 2022, <http://www.bgs.vermont.gov/purchasing>

Links to the salt contracts, on the Office of Purchasing & Contracting (OPC) website, are below, after the Q & A.

Q1. How has the cross-section of contractors, and prices, been arrived at for this coming winter of 2022-2023?

A1. For the upcoming season of 2022-23, the Office of Purchasing & Contracting (OPC) engaged in dialogue with each of the contractors regarding potential renewal pricing. In most cases, the State was able to renew existing agreements, and where that wasn't feasible, a solicitation was issued with no bids being received. After which OPC succeeded in obtaining quotes from two contractors.

OPC's dialogue with the contractors who held the 2021-22 salt contracts resulted in the following **partial** arrangements from 2021-22 into 2022-23.

Compass Minerals agreed to supply ONLY 8 towns, in which they have supplied for the past few years. And although these cities/towns are provided with individual pricing from Compass Minerals, it is not through the State contract. They are not extending offers to supply to any other cities/towns outside of the following:

- City of Newport
- Town of Cambridge
- Town of Enosburgh
- Town of Hyde Park
- Town of Irasburg
- Town of St. Albans
- Town of Stowe
- Town of Westford

Cargill declined to offer any extended pricing to cities/towns through their State contracts. However, Cargill has stated they are able to supply salt separately to cities/towns outside of State contracts. Inquiries can be made using the contact information below:

Cargill Inc:
Amanda Knaus
(440) 590-6518
Amanda.Knaus@cargill.com

American Rock Salt declined to offer any extended pricing to cities/towns through their State contracts. However, American Rock Salt has stated they are able to supply salt separately to cities/towns outside of State contracts. Inquiries can be made using the contact information below:

American Rock Salt:
Jamie McClain
(888) 762-7258
jamie.mcclain@americanrocksalt.com

Q2. What could be the reasons for the exclusion of bids in 2022, for the Additional Purchasers?

A2. The State has no definitive or complete answers. It cannot force companies to bid, or to bid at a certain echelon of price, nor can it possibly know the thoughts of bidders and non-bidders.

However, some of the salt companies have specifically communicated to the State that the process, as it actually unfolds, ends up creating a disincentive to bid actively, or at all, during the State's bidding process, for pricing for non-State Additional Purchasers: (1) no Additional Purchasers are obligated to buy from the low bidder in the State's bidding process who is awarded a contract by the State for particular Additional Purchasers; (2) the price bid by the contractor awarded by the State for a given region, for Additional Purchasers in that region, becomes a publicly-posted price; (3) then, other companies, that were not low bidders during the State's bid event, approach and negotiate with individual Additional Purchasers at prices beneath the posted contracted price for Additional Purchasers; and as a result (4) the company awarded by the State for Additional Purchasers within a particular region then becomes *especially unlikely* to have significant actual sales to Additional Purchasers within that region, as a result of having "won" the bid and contract for those Additional Purchasers.

For reference, the State's salt contracts for Winter 2022 and 2023, are at:

[Current Statewide Contracts | Buildings and General Services \(vermont.gov\)](#)

(scroll down to: "ROAD SALT SUPPLIERS")

If you have further questions after reviewing these Q & A, please feel free to contact:

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