

The History of UDOT Salt Purchasing

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SALTWORX

UDOT Salt Categories

- Early 2000's UDOT used categories A, B, C, & D to classify products. (Category D was a sole source "red salt")
- 2012 - 2015 categories changed almost yearly (Contracts allowed 35% pricing variance)
- 2015 - 2021 UDOT implemented a new "High Performance Salt category"
- 2021 - Present UDOT adopted a national standard created by the Clear Roads consortium. (Category 4B & 4C - "High Performance")



Problems with UDOT categories

- Since the 2000's a loophole in product categories has existed that allowed for single sourced red salt.
- Purchasing rules / laws have been navigated or manipulated to maintain the loophole. (IFB vs. RFP – 35% variance)
- Solicitation for current contract includes subjective criteria based on a multi-factor bid evaluation (RFI, quality control plan, delivery plan, production plan, etc.)
- SaltWorx, Broken Arrow, & Willow Creek protested the bid asking for a more “fair and equitable” contract



Problems with UDOT categories - continued

- SaltWorx requested UDOT combine categories 4B & 4C and purchase “Low Bid” (request declined & protest denied)
- UDOT purchases salt categorically in two segments
 1. White salt – purchased as “low bid”
 2. High Performance Salt – purchased by preference or perception



Clear Roads QPL explained

Category 4B- Corrosion Inhibited Solid Sodium Chloride **Modified Gradation**, Maximum Moisture Content 5% (Corrosion Percent Effectiveness 31% to 85%)

Product Name	Manufacturer	Corrosion Rate % Effectiveness	Concentration	Date Approved	Expiration
Ice Slicer RS	Redmond	80	N/A	10/13/2009	12/31/2024
Ice Slicer Super Blend Plus	Redmond	60	N/A	10/13/2009	12/31/2024
Ice Breaker MG	Willow Creek Salt	35	N/A	10/4/2021	12/31/2026

Category 4C- Corrosion Inhibited Solid Sodium Chloride - Grade 2, Maximum Moisture Content 5% **Standard Gradation**, Corrosion Percent Effectiveness 31% to 85%)

Product Name	Manufacturer	Corrosion Rate % Effectiveness	Concentration	Date Approved	Expiration
Clear Lane Enhanced Deicer	Cargill	54	N/A	10/2/2015	12/31/2024
Ice Kicker	SaltWorx	50	N/A	7/5/2016	12/31/2024
SOS Treated Salt	Envirotech Services Inc.	66	N/A	5/12/2017	12/31/2024
Ice Slicer CB	Envirotech Services Inc.	61	N/A	5/12/2017	12/31/2024
Leed Melt G500	Leed Salt	68	N/A	6/6/2018	12/31/2024
Ice Breaker SG	Willow Creek Salt	80	N/A	10/4/2021	12/31/2026
Ice Slicer RS	Redmond Minerals	75	N/A	1/26/2022	12/31/2027
SnowSlicer	Lyons Salt Company	51	N/A	9/6/2022	12/31/2027

- The only difference between 4B & 4C is gradation – (modified vs. standard)
- Red salt is qualified in both categories
- No objective data exists or has been presented to demonstrate any performance benefits of modified gradation vs. standard gradation



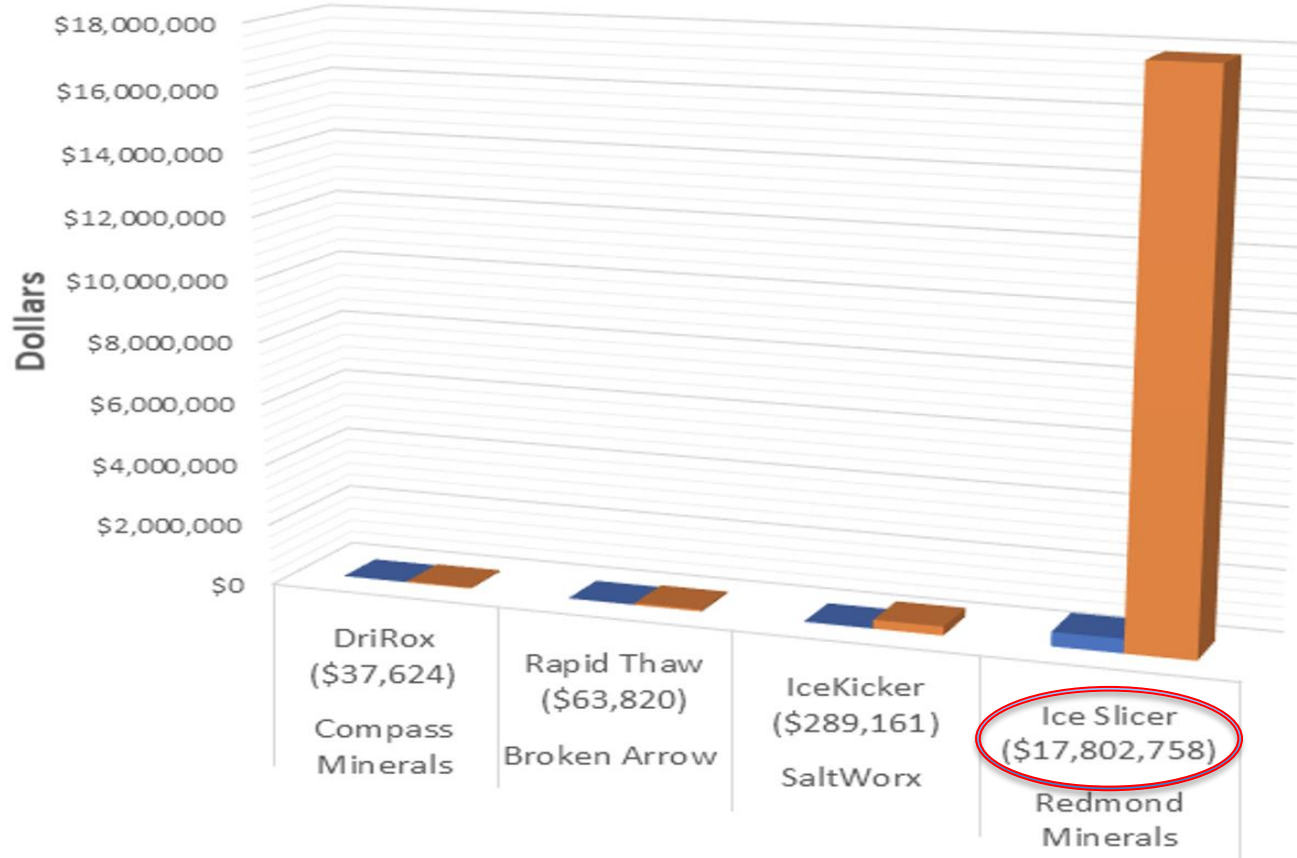
The Loophole Explained

- UDOT Uses ClearRoads National QPL 4B and 4C for solicitation purposes.
- No other state DOT solicits for Products 4B and 4C materials separately. Other states that bid for these products combine categories and consider 4B and 4C products as equals.
- Both marketed products listed on 4B are qualified by vendors as 4C products as well.
- There is no measurable objective difference in performance between 4B or 4C materials.
- UDOT bids for 4B and 4C materials separately. Thus allowing them to maintain the appearance of purchasing low bid materials.



Historical Results of Preferential Purchasing

UDOT High Performance Salt Sales 2015-2021



	Compass Minerals DriRox (\$37,624)	Broken Arrow Rapid Thaw (\$63,820)	SaltWorx IceKicker (\$289,161)	Redmond Minerals Ice Slicer (\$17,802,758)
■ Tons	521	1900	6445	464048
■ Dollars	37624	63820	289161	17802758

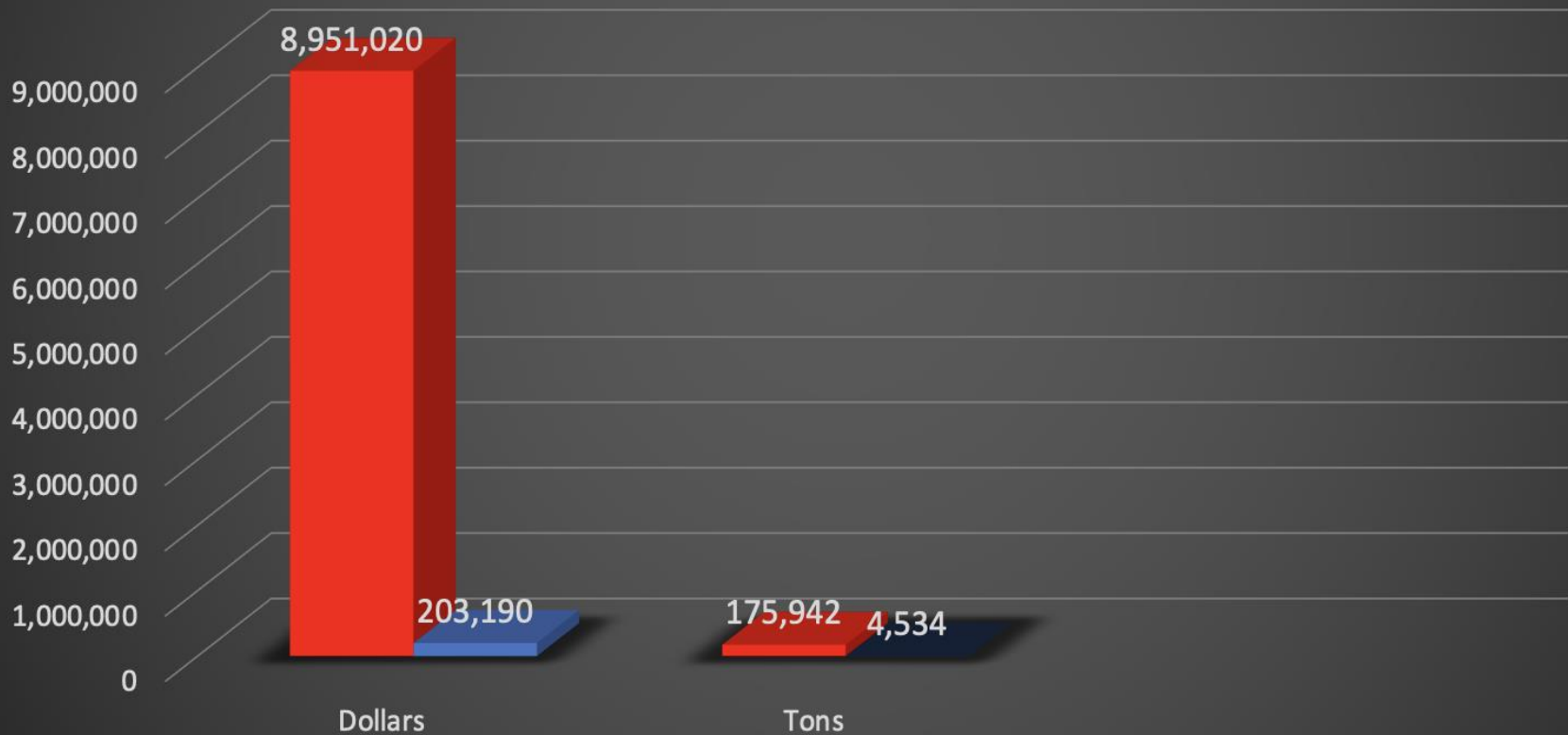


Evidence of Current Preferential Purchasing

UDOT 2022-23 Salt

Redmond - Ice Slicer

SaltWorx - IceKicker



2022 - 23 Potential Cost Savings

Region 1- High Performance Salt

- Average Cost Difference = \$24.06 per ton - (51% price premium)
- Estimated purchased tons = 33,000
- If "Low Bid" was purchased = **\$792,000**

Region 2 – High Performance Salt

- Average Cost Difference = \$18.63 per ton - (47% price premium)
- Estimated purchased tons = 35,000
- If "Low Bid" was purchased = **\$652,000**

Region 3 – High Performance Salt

- Average Cost Difference = \$4.68 per ton - (10% price premium)
- Estimated purchased tons = 40,000
- If "Low Bid" was purchased = **\$187,200**

Total Potential Savings this winter = **\$1,631,200 dollars**



ITD Pilot Test Using IceKicker

Winter of 2021 - 22

- ITD dedicated the Cascade shed to using IceKicker
- Saw a 42% reduction in salt usage
- Saved \$35,000 at that shed

Winter of 2022 - 23

- ITD dedicated the Cascade, Banks, New Plymouth, & Weiser sheds to using IceKicker (*Wanted to prove concept*)
- Saw a 45% reduction in salt usage (4500 tons total)
- Saved \$247,000 dollars total between 4 sheds

ITD is expanding the use of IceKicker to 7 additional sheds in 2023 - 24
(Total of 11 sheds)



Procurement Disparities Incurred by SaltWorx

SaltWorx was established in 2015

SaltWorx sales from 2015 to date are **\$745,000**

- If UDOT would recognize IceKicker as an equivalent product *(AND)* purchase “low bid” between both categories 4B and 4C
- SaltWorx would have sold **\$13,376,727** dollars in product *(half of the \$26,753,455 spent on red salt the past 7 years)*
- SaltWorx is the low bid on every location in Regions 1, 2, & 3
- Despite being low bid UDOT only ordered 4,534 tons



Proposed Remedy

- UDOT's reluctance to conform to industry standards has perpetuated disparate purchasing and further perpetuates the appearance of vendor favoritism.
- The solution to the current disparity is to simply do what other state DOTs have done; properly recognize category 4B and 4C materials as substantially equivalent for bidding purposes.
 1. Combining categories allows for equal bidding and promotes competition.
 2. Combining categories promotes objectivity in decision making and eliminates the appearance of subjective preferences
 3. Combining categories conforms to practices of other Departments of Transportation



Questions?

