



Legislation Text

File #: 23-0560R, **Version:** 1

RESOLUTION AUTHORIZING THE PURCHASE OF 10,880 TONS OF ROAD SALT FROM MORTON SALT, INC. IN THE AMOUNT OF \$680,979 FOR THE 2023-24 WINTER SEASON.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to purchase up to 10,880 tons of road salt from Morton Salt, Inc. for the 2023-24 winter season in the amount of \$680,979, payable from 110-500-1920-5223-01 (general fund, public works and utilities, street maintenance, salt and sand salt).

STATEMENT OF PURPOSE: This resolution authorizes the tax-exempt purchase of 10,880 tons of road salt for the 2023-24 winter street maintenance season in the amount of \$680,979. The City uses a salt/sand mixture to provide for safe and efficient transportation on the City's roadways.

Salt pricing is based on delivery location and there are four main delivery points in the City: 105 North 40th Avenue West, 1123 Mesaba Avenue, 2407 Commonwealth Avenue and Riley Road Salt shed. The price of salt for the 2023/2024 season is \$60.08 per ton for Mesaba Avenue; \$59.15 per ton for 40th Avenue West; \$68.19 per ton for Commonwealth Avenue; and \$62.94 per ton for Riley Road salt shed; a decrease of 0.66% from the 2022/2023 season.

This purchase is against Minnesota State Contract 230570, Release S-763(5). Per contract, the City is required to provide an estimate of tons of salt needed for the entire season, and is obligated to purchase at least 80 percent of that estimated total. The vendor is contractually obligated to provide up to 120 percent of the estimated total. Estimates are based on a five-year average. Estimated usage for last season was 13,600 tons with actual orders of 5,720 tons in fall 2022 and 10,047 tons in spring 2023 for a total of 15,767 tons. This season's estimate is also 13,600 tons.