



Legislation Text

File #: 19-0150R, **Version:** 1

RESOLUTION AUTHORIZING THE PURCHASE OF AN ADDITIONAL 2,500 TONS OF ROAD SALT FROM MORTON SALT, INC., INCREASING THE PURCHASE ORDER BY \$88,876.00 FOR A TOTAL AMOUNT OF \$355,456.00

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to purchase an additional 2,500 tons of road salt from Morton Salt, Inc., in the amount of \$88,876.00, for a new total of \$355,456.00 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 purchase of an additional 2,500 tons of road salt for the spring 2019 street maintenance season in the amount of \$88,876.00, resulting in a total purchase of 10,000 tons for \$355,456.00. The City uses a salt/sand mixture to provide for safe and efficient transportation on the City's roadways. This additional salt is needed due to the ongoing snow and ice events this season.

This purchase is against Minnesota State Contract 131788, 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 if the City's needs increase. Estimates are based on a five-year average. Estimated usage for last season was 13,600 tons with actual orders of 7,245 tons in fall 2017 and 7,497 tons in spring 2018 for a total of 14,742 tons. This season's estimate is 14,500 tons, and the fall order was for 7,000 tons. With this purchase, we are above the 80 percent minimum purchase requirement yet still below the 120 percent contractor obligation.