Legislation Details (With Text)

File #:	20-0546R	**Name:**	
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File created:	7/1/2020	**In control:**	Public Works and Utilities
On agenda:	7/13/2020	**Final action:**	7/13/2020
Title:	RESOLUTION AUTHORIZING THE PURCHASE OF 6,600 TONS OF ROAD SALT FROM MORTON SALT, INC. IN THE AMOUNT OF $382,250.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:			

Date	Ver.	Action By	Action	Result
7/13/2020	1	City Council	adopted	

RESOLUTION AUTHORIZING THE PURCHASE OF 6,600 TONS OF ROAD SALT FROM MORTON SALT, INC. IN THE AMOUNT OF $382,250.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to purchase 6,600 tons of road salt from Morton Salt, Inc. in the amount of $382,250, 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 6,600 tons of road salt for the Fall/Winter 2020 street maintenance season in the amount of $382,250. 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 three main delivery points in the City: 105 North 40th Avenue West, 1123 Mesaba Avenue, and 2407 Commonwealth Avenue. The price of salt for the 2020/2021 season is $57.98 per ton for Mesaba Avenue; $57.45 per ton for 40th Avenue West; and $62.47 per ton for Commonwealth Avenue; a decrease of 9.1%, 10% and 3.5%, respectively.

This purchase is against Minnesota State Contract 177615, 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 6,314 tons in fall 2019 and 4,791 tons in spring 2020 for a total of 11,796 tons. This season's estimate is 14,000 tons.

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