



MEMORANDUM

TO: ERIC, CITY ADMINISTRATOR

FROM: GARY R. KRAMER, P.E., CITY ENGINEER/DIRECTOR OF PUBLIC WORKS

DATE: APRIL 4, 2016

SUBJECT: REQUEST FOR AUTHORIZATION TO BID SALT

RECOMMENDATION: We request authorization to solicit bids for 320 tons to be delivered in November/December 2016 AND an additional 1,000 tons for early 2017 delivery from the two sources listed below.

EXPLANATION: We began the 2015-2016 winter season with 5,004 tons of salt. In February/March 2016, an additional 1,017 tons was delivered. About 1,345 tons of salt were used during 7 winter events. We ended the winter with about 4677 tons remaining. To refill the dome and to assure an adequate supply in mid-winter the following purchases are recommended.

Table 1	Fall 2016 Delivery (tons)	Early 2016 Delivery Schedule	Early 2017 Delivery (tons)	2017 Delivery Schedule
APWA Coop	170	Nov/Dec 2016	300	Jan-Mar 2017
Secondary Supplier	150	August 1, 2016	700	February 1, 2017
Total	320		1000	

On occasions, the APWA coop delivery has been later than expected. Our secondary supplier salt has a contract delivery deadline date. We recommend continuing purchasing salt from the coop and a secondary supplier to assure an adequate supply when needed.

The remaining 2016 salt budget is \$96,953.45. The following predicted cost for 2016/2017 salt purchase is based on the average price per ton in 2015 of \$62.36 and a 3% price increase.

Table 1	Predicted Unit Price	Fall 2016 Delivery (tons)	Fall 2016 Predicted Cost	Early 2017 Delivery (tons)	Early 2017 Predicted Cost
Salt 2016/2017	\$64.23	320	\$20,554	1,000	\$64,230