

CONSENT ITEMS

RE: SALT PURCHASE – APWA COOP

DEPARTMENT: PUBLIC WORKS

PROGRAM: SNOW & ICE CONTROL

RECOMMENDATION: We request approval to purchase 1340 tons of salt through the APWA St. Louis salt coop at a cost of \$67,107.20.

EXPLANATION: During the past winter season 1,849 tons of salt were used. The salt dome currently contains 3,160 tons of salt. The requested purchased of 1,340 tons plus the 500 tons to be bid separately from a secondary supplier will fill the dome to its 5,000 ton capacity; assuring an adequate supply of salt for a severe winter. The highest salt usages were 3,919 and 3,884 tons during the 2002/2003 and 2010/2011 winters, respectively.

As stated in the attached June 18, 2013 letter, last winter's APWA St. Louis salt coop supplier, North American Salt Co. and the hauling contractor, Beelman Logistics LLC, will honor their last year's prices of \$41.89 and \$8.19 per ton, respectively.

The coop program does not provide for the purchase of additional salt in mid-winter.

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



DATE: JUNE 24, 2013



690 Chesterfield Pkwy W • Chesterfield MO 63017-0760
Phone: 636-537-4000 • Fax 636-537-4798 • www.chesterfield.mo.us

June 18, 2013

Gary Kramer
City of Ballwin
200 Park Dr.
Ballwin, MO 63011

Re: Ordering Salt for Snow Removal 2013-2014

Dear Coop Salt Participant:

The salt purchase for the coming winter through the St. Louis Metro APWA Salt Cooperative (Coop) will soon be underway. Both the salt provider (North American Salt Company) and the hauler (Beelman Logistics LLC) have agreed to hold their 2012 prices. Accordingly, there will be no per unit cost increase for 2013. If you desire to participate in the Coop again in 2013, please proceed as follows:

- 1) **Please complete the attached SNOW REMOVAL SALT NEEDS SURVEY and return by Email, or fax, to Linda at [REDACTED] or 636-537-4798 by FRIDAY, JULY 12, 2012.** Please complete the form in its entirety, and remember that it takes a minimum of six weeks for a barge to be loaded and travel up river. Plan ahead. We cannot simply adjust schedules or quantities once salt is ordered. From the information you provide, a tentative confirmation will be sent to you. Generally, we will follow our past practice of salt purchases near the beginning and the end of the snow removal season. *Early deliveries* should start before the snow season starts. Once ordered, the salt is on its way and you must be prepared to accept it when it is delivered. Finally, you should commit to having personnel available to receive salt whenever it is scheduled. It may require premium, overtime, or holiday pay. We do not control the date of delivery and will not pay demurrage.
- 2) **Submit a purchase order to the City of Chesterfield for the proposed amount of salt ordered between August 1 and August 30, 2013.** As mentioned above, North American Salt Company has offered to honor their 2012/2013 bid price of \$41.89 per ton for the upcoming 2013/2014 season. Their offer was accepted. The rate for the fall delivery and the winter delivery will be **\$41.89** per ton. Please simply multiply your order by \$41.89 per ton to obtain the amount of the purchase order. Prior to placing your order, we must receive a purchase order to the City of Chesterfield in the extended amount from your respective agency by the August 30, 2013 deadline. **If we do not receive a purchase order by that date your salt order will not be placed.** The purchase order should be emailed, mailed, or faxed to:

City of Chesterfield, Attn: Linda Jones
690 Chesterfield Parkway West
Chesterfield, MO 63017

Phone: 636-537-4762

Fax: 636-537-4798

E-mail: [REDACTED]

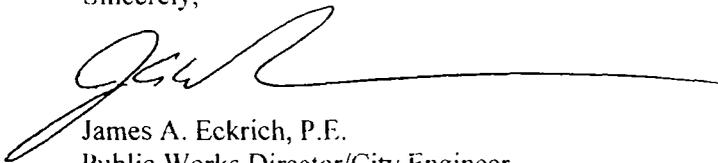
- 3) **Submit a purchase order to Beelman Logistics LLC for the delivery of the proposed amount of salt between August 1 and August 30, 2013.** As mentioned above, Beelman has offered to honor their 2012/2013 bid price per ton for the upcoming 2013/2014 season for the unloading, loading, hauling, and coordination of activities necessary to get the salt from the barge to you. Their offer was accepted. The delivery rate varies depending upon where your municipality is located. For your convenience, a table showing the rate for your municipality is attached. Please simply multiply your salt order by the delivery rate for your municipality to obtain the amount of the purchase order for delivery. Prior to placing your order, Beelman must receive a purchase order in the extended amount from your respective agency. Although The City of Chesterfield has consolidated the bid and coordinated the effort, you are individually contracting with Beelman Logistics LLC for this portion of the work. It is your responsibility to execute a purchase order with Beelman Logistics LLC for the unloading, hauling, and delivery of salt to your storage facility. **If Beelman does not receive a purchase order by the August 30, 2013 deadline your salt order will not be placed.** Again, please plan ahead and allow sufficient time for the receipt of your purchase order. Purchase orders to Beelman should be sent to:

**Beelman Logistics LLC, Attn: Sue Malik
One Racehorse Dr.
E St Louis, IL 62205
Phone: 618-646-5331
Fax: 618-646-5431
E-mail: [REDACTED]**

If you have changed the delivery location for salt, please contact Sue Malik at Beelman and let her know.

Each year, we remind the participating municipalities that the contract does not allow demurrage for the salt shipments. As such, each municipality must commit to receiving salt when it is delivered. It may arrive on a weekend, a holiday, or may require overtime. **IF YOU ARE NOT PREPARED TO ACCEPT DELIVERIES WHENEVER THEY ARRIVE, DO NOT ORDER THROUGH THE COOP.** We have no ability to reschedule or delay deliveries unless you are willing to pay the demurrage charges on the barges. If you have any questions, please contact Linda Jones at 636-537-4762.

Sincerely,



James A. Eckrich, P.E.
Public Works Director/City Engineer

Enclosures

CONSENT ITEMS

RE: SALT PURCHASE – SECONDARY SUPPLIER

DEPARTMENT: PUBLIC WORKS

PROGRAM: SNOW & ICE CONTROL

RECOMMENDATION: We request authorization to solicit bids for 500 tons through a secondary supplier.

EXPLANATION: During the past winter season 1,849 tons of salt were used. The salt dome currently contains 3,160 tons of salt. The combined purchase of 500 tons from a secondary supplier and 1,340 tons from the APWA St. Louis coop will fill the dome to its 5,000 ton capacity; assuring an adequate supply of salt for a severe winter. The highest salt usages were 3,919 and 3,884 tons during the 2002/2003 and 2010/2011 winters, respectively.

If needed, additional salt can be purchased in mid-winter through the secondary supplier. Additional salt cannot be purchased through the coop.

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

G.R.K.

DATE: JUNE 24, 2013