

PURCHASING AND LICENSING COMMITTEE

09-0618R

RESOLUTION AUTHORIZING CITY OFFICIALS TO CONTRACT WITH MORTON INTERNATIONAL, INC., MORTON SALT DIVISION, FOR THE PURCHASE AND DELIVERY OF ROAD SALT FOR THE 2009 - 2010 SEASON (OCTOBER THROUGH APRIL) AT A TOTAL AMOUNT OF \$861,038.44.

CITY PROPOSAL:

RESOLVED, that city officials are hereby authorized to contract with Morton International, Inc., Morton Salt Division, for the purchase and delivery of 15,000 tons of road salt for the 2009-2010 season (October through April) in accordance with state of Minnesota Contract #441103, Release S-803(5), specifications and pricing at \$53.71 per ton in the amount of \$805,650 plus sales tax of \$55,388.44, for a total combined amount of \$861,038.44, terms net 30, FOB destination, payable as follows from the General Fund 110, Department/Agency 120, Organization 1217-2140, and Object 5223:

- (a) \$344,415.38, 6,000 tons, budget year 2009 (October - December); and
- (b) \$516,623.06, 9,000 tons, budget year 2010 (January - April).

Approved:

Approved for presentation to council:

Director, Public Administration
Purchasing Agent ____
Manager Maintenance Operations ____

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

STATEMENT OF PURPOSE: This resolution authorizes the purchase of the annual road salt requirements for the 2009-2010 season (October - April) Morton International, Inc., Morton Salt Division, for a total of \$861,038.44, payable from the general fund. This purchase of 15,000 tons is based on state of Minnesota Contract #441103, Release S-803(5).

In comparing 2009-2010 with 2008-2009:

(a) The tonnage of 15,000 for 2009-2010 is the same as 2008-2009. The only difference is that this purchase order will cover the whole winter season instead of two orders that covered the end of one year and the first part of the new year;

(b) The city paid \$52.39 per ton to the same vendor in 2008-2009. For 2009-2010, the price has increased by \$1.32 per ton to \$53.71;

(c) The city participated in the St. Louis County bid process in 2008. This year, St. Louis County is on the state contract.

Salt is used during the winter season to de-ice roads for the prevention of accidents. Morton International, Inc., Morton Salt Division, is located in Chicago, Illinois.

Requisition 09-0547