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Public Works

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MEMORANDUM

Equipment Maintenance
Roadway Maintenance
Collection & Drainage
Building & Grounds
Engineering

To: Mayor and City Council Members

CC: Gregg Mandsager, City Administrator

FROM: Brian Stineman, Director of Public Works

DATE: March 13, 2017

RE: Recommendation to Approve Purchase Order for Road Salt

INTRODUCTION:

The City of Davenport has extended an offer to the City of Muscatine to purchase their surplus road salt. They have offered to sell and deliver it to Muscatine Public Works for \$61.70 per ton.

BACKGROUND:

Davenport and Muscatine routinely cooperate to order salt for pavement deicing on a yearly basis. With the mild winter this year Davenport did not use all of the salt they purchased and therefore will not need to purchase salt in the fall. Muscatine has a need for 1,500 tons of salt and would have to purchase it in the fall to have it by next winter season. Since Davenport will not be ordering salt, Muscatine would have to order alone which would substantially drive up the cost. Davenport has offered to sell and deliver their surplus salt to Muscatine if we agree to purchase and accept delivery by March 31, 2017. In the past, salt has cost around \$65 per ton and does not include unloading fees at the dock and delivery, which is done using City trucks. The cost of \$61.70 includes delivery so this offer represents a substantial cost savings to the City of Muscatine. This action will require an amendment to the FY 2016/17 Snow and Ice Control Budget; however, this will eliminate the need to purchase salt in FY 2017/18 and the cost savings will allow for more street work to be accomplished.

RECOMMENDATION/RATIONALE:

The Public Works staff recommends approval of a purchase order to the City of Davenport in the amount of \$92,550 to purchase salt. This purchase will eliminate the need to purchase salt in FY 2018. Funding is available with an amendment to the Snow and Ice Control Budget.