

III.A.



DATE: May 20, 2013

TO: Michael G. Herring, ICMA-CM
City Administrator

FROM: James A. Eckrich, P.E. *JAE*
Public Works Director / City Engineer

RE: Metro St. Louis Cooperative Deicing Salt Program

As you know, the City of Chesterfield coordinates the process by which salt is purchased and delivered to members of the St. Louis Metro APWA Salt Cooperative (Coop). The Coop is comprised of 44 cities and two school districts which combine their purchasing power to obtain the best price possible for deicing salt.

The City of Chesterfield, on behalf of the Coop, most recently bid the purchase and deliver of deicing salt in the summer of 2011. At that time, the low bids were provided by North American Salt (\$41.89 / ton) and Beelman Logistics, LLC (\$8.38 / ton). North American Salt and Beelman Logistics have served the Coop well, and both are willing to provide their salt and delivery services in 2013 at the same unit price. The original contract allowed for one optional one year extension, which the City, on behalf of the Coop, exercised in 2012. Since another extension appears to be in the interest of all parties, I hereby request authorization to purchase salt and delivery again through these vendors in 2013. Such authorization will allow the continued use of vendors which have served the Coop well, ensures no unit cost increase, and saves the time and expense of bidding.

Action Recommended

This matter should be forwarded to the Planning and Public Works Committee for its consideration of approval of authorization for the City Administrator to execute contracts with North American Salt and Beelman Logistics LLC for the purchase and delivery of deicing salt at the prices previously provided. Said contract will include language to allow unlimited one year extensions, with the consent of both parties, provided any unit price increase does not exceed any increase in the consumer price index (CPI) as measured by the Department of Labor. If such authorization is granted, the price and service of both vendors would be analyzed each year and, if satisfactory, any contract extension could be approved by the City Administrator. If endorsed by the Planning and Public Works Committee, this proposal will ultimately require City Council approval.

Cc: Michael O. Geisel, Director of Public Services

JAE
5/29/13



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

Date: May 17, 2013

To: Jim Eckrich, Public Works Director

From: Mike O'Connor, Superintendent of Maintenance

A handwritten signature in blue ink, appearing to read 'MO', is located to the right of the 'From:' line.

Re: Extending the Bids for Metro St. Louis Salt Co-op

As you are aware in 2011 we went out to bid for salt for the “Metro St. Louis Salt Cooperative”. North American Salt Company was the low bidder. Their bid price for road salt, delivered to St. Louis was \$41.89. We were able to extend that price for the 2012-2013 year.

Per your direction, I contacted North American Salt Co. to inquire if they would be willing to extend that same price into the 2013-2014 season.

Please see the attached letter from North American Salt Co. in which they agree to extend said bid price for another year.

I recommend that we continue purchasing road salt from North American Salt Co. for the “Metro St. Louis Salt Co-op” for 2013 – 2014”.



North American Salt Company
9900 West 109th Street, Suite 600
Overland Park, Kansas 66210
www.compassminerals.com
T (913) 344-9200

May 15, 2013

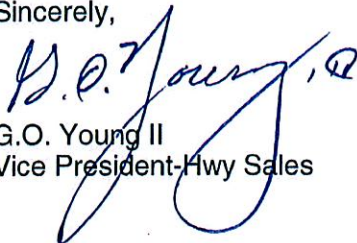
Mr. Michael O'Connor
Superintendent of Maintenance Operations
c/o City of Chesterfield
690 Chesterfield Parkway W
Chesterfield, MO 63017

Dear Mr. O'Connor:

I hope this letter finds you well. Per your e-mail communication with Sean Lierz, North American Salt Company proposes to renew the de-icing salt contract with the Metro St. Louis Salt Cooperative. The same price (\$41.89 per ton for barge delivery to Beelman River Terminal), terms and conditions as the 2012-2013 agreement would apply through March 31, 2014. If you accept, please provide your potential salt requirement for the upcoming winter season.

Please review this proposal, sign below and return to us if you wish to accept the offer. Our fax number is 913-338-7945. Contact Sean if you have any questions at 800-323-1641 ext. 9330.

Sincerely,



G.O. Young II
Vice President-Hwy Sales

Jim Eckrich
Public Works Director

BID RECOMMENDATION - DEICING SALT

As you know, the City of Chesterfield coordinates the process by which salt is purchased/delivered to all members of the St. Louis Metro Branch APWA Salt Cooperative - 44 cities and 2 school districts! As detailed in the enclosed MEMO, prepared by Brian McGownd, Public Works Director/City Engineer, North American Salt has agreed to honor the low bid that they submitted for 2011/2012 purchases and extend same for 2012/2013 purchases. That price was/is \$41.89/ton. Staff recommends that we accept this offer and enter into a contract for the upcoming snow-removal season, based upon this price.

Having reviewed the information provided by Mr. McGownd, I join with him in recommending to you, on behalf of the **members of the St. Louis Metro Branch APWA Salt Cooperative**, that this contract be awarded to **North American Salt**, at a total price of **\$41.89/ton**.

If you have any questions, please contact Mr. McGownd or me, prior to Monday's meeting.

*bid by
Council
7/16/12
✓ JERRY
→ WHITTLE
→ GEISEL
→ McGownd*

MEMORANDUM



DATE: June 27, 2012
TO: Mike Herring, CA *BKM*
FROM: Brian McGownd, PWD/CE
RE: Bid recommendation, Deicing Salt

As you know, every summer we solicit bids to provide deicing salt to various municipalities in conjunction with the St. Louis Metro Branch APWA Salt Cooperative. In 2011, the low bid, which City Council approved, was submitted by North American Salt Company. As you can see from the attached letter dated June 12, 2012, North American Salt has agreed to honor their 2011/2012 bid price of \$41.89 per ton for the upcoming 2012/2013 season.

Therefore, we recommend accepting the proposal submitted North American Salt Company dated June 12, 2012 in which they agree to hold their 2011/2012 bid price for deicing salt to the members of the salt coop for the upcoming 2012/2013 season.

If you have any questions or require additional information, please advise.

Concurrence: *Brian Whittle*
Brian Whittle, Finance Director/Assistant City Administrator

cc: Michael O. Geisel, Director of Planning and Public Works
Mike O'Connor, Superintendent of Maintenance Operations



North American Salt Company
9900 West 109th Street
Suite 800
Overland Park, Kansas 66210
www.compassminerals.com
T (913) 344-9100

June 12, 2012

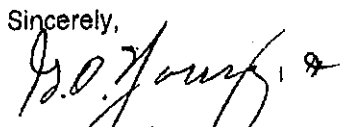
Mr. Michael O'Connor
Superintendent of Maintenance Operations
c/o City of Chesterfield
690 Chesterfield Parkway W
Chesterfield, MO 63017

Dear Mr. O'Connor:

I hope this letter finds you well. Per your e-mail communication with Sean Lierz, North American Salt Company proposes to renew the de-icing salt contract with the Metro St. Louis Salt Cooperative. The same price (\$41.89 per ton for barge delivery to Lange Stegmann), terms and conditions as the 2011-2012 agreement would apply through March 31, 2013. If you accept, please provide your potential salt requirement for the upcoming winter season.

Please review this proposal, sign below and return to us if you wish to accept the offer. Our fax number is 913-338-7945. Contact Sean if you have any questions at 800-323-1641 ext. 9330.

Sincerely,


G.O. Young II
Vice President-Hwy Sales

Michael O'Connor
Metro St. Louis Coop Representative

BID RECOMMENDATION - DEICING SALT

On behalf of the St. Louis Metro Branch APWA Salt Cooperative, our Public Works Department annually seeks competitive bids for the purchase of deicing salt. As detailed in the enclosed memo, prepared by Brian McGownd, Public Works Director/City Engineer, the bid covers total salt orders for TWO DELIVERY PERIODS: October - December, 2011 and January - April, 2012.

Having reviewed the information contained within said memo, I join with Mr. McGownd in recommending award of a contract to **North American Salt Company**, at a total price of **\$41.89/ton**, which is slightly lower than the price paid by the co-op, last year.

If you have any questions, please contact Mr. McGownd, or me, prior to Monday's meeting.

*Ok'd by
Council
8/1/11
✓ JMM*



MEMORANDUM

DATE: July 19, 2011
TO: Mike Herring, CA *BHM*
FROM: Brian McGownd, PWD/CE
RE: Bid recommendation, Deicing Salt

The Department of Public Works solicited bids from various salt suppliers, to provide deicing materials to various municipalities in conjunction with the St. Louis Metro Branch APWA Salt Cooperative. For several years, the Department of Public Works has coordinated the purchase and delivery of deicing materials to approximately 40 members of the salt coop. The salt coop allows the various municipalities to pool their purchase requests and gain the benefit of a large bulk user. This bid package provides for the supply of salt, delivered to a barge unloading facility designated by the City. A total of three bids were received. A detailed bid tabulation is attached.

I concur with the recommendation of our Superintendent of Maintenance Operations, Mike O'Connor, to accept the apparent low bid, as submitted by North American Salt Company, at the rate of \$41.89 per ton for deliveries through December 2011, and \$41.89 per ton for deliveries in the spring of 2012.

If you have any questions or require additional information, please advise.

Concurrence: *Kelly Vaughn*
Kelly Vaughn, Director of Finance and Administration

cc: Michael O. Geisel, Director of Planning and Public Works
Mike O'Connor, Superintendent of Maintenance Operations

✓
7/20/11



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

Date: July 12, 2011

To: Brian McGownd, Public Works Director

From: Mike O'Connor, Superintendent of Maintenance *MJO*

Re: Bids for Metro St. Louis Salt Co-op

Today we opened bids for salt, for the "Metro St. Louis Salt Cooperative, 2011 - 2012". We received a total of four bids. (see attached bid tabulation)

North American Salt Company was the low bidder, with a bid price of \$41.89 for both the fall 2011, and January 2012, deliveries. We have used this company in the past with satisfactory results.

I recommend that North American Salt Co. be awarded the bid to supply salt for the "St. Louis Metro Coop Salt purchases for 2011 - 2012".

BID RESULTS ONLY
ST. LOUIS COOPERATIVE DE-ICING SALT BID
10:00 A.M., TUESDAY, JULY 12, 2011

	FALL DELIVERY/2011	JANUARY DELIVERY 2012
1. NORTH AMERICAN SALT COMPANY	\$41.89	\$41.89
2. MORTON SALT COMPANY	\$51.62	\$51.62
3. CARGILL	\$44.39	\$44.39
4. CENTRAL SALT COMPANY	\$52.14	\$52.14

NOTICE: Bids were read randomly – These are bid tabulations – NOT AWARDS



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

Date: May 17, 2013

To: Jim Eckrich, Public Works Director

From: Mike O'Connor, Superintendent of Maintenance

Re: Extending Bids for Metro St. Louis Cooperative Deicing Salt Hauling
For Winter Season 2013-2014

A handwritten signature in blue ink, appearing to read 'MO', is located to the right of the 'From' line.

As you are aware we went out to bid for the “Unloading and Hauling of salt for the Metro St. Louis Salt Cooperative” in 2011. We were able to extend that bid price into the 2012-2013 season. (see attachments)

Per your direction I contacted Beelman Logistics LLC to inquire if they would be willing to extend that same bid price into the 2013-2014 salt delivery season.

Please see the attached letter from Beelman in which they agreed to extend those prices into the 2013-2014 year. The base price for managing and unloading the salt is \$2.39 per ton. Each municipality and/or school pays a different price for the hauling to their storage facilities. This price will also remain the same for each entity, and is based on the type of trucks that can be used and distance from their location to the river terminal.

I recommend we extend the “Unloading and Hauling of salt for the Metro St. Louis Salt Cooperative” for the St. Louis Metro Salt Co-op, for 2013-2014”, with Beelman Logistics LLC.

St. Louis, MO
UMR 181.5

Venice, IL
UMR 182.9



So. Chicago, IL
Calumet River
Mile Marker 331.1

May 15, 2013

Mr. Mike O'Connor
Chesterfield Co-Op

EMAIL: MOConnor@chesterfield.mo.us

Mike:

Beelman River Terminals, Inc. would be glad to keep the 2013 prices the same for handling the co-op salt for the upcoming 2013/2014 season.

We appreciate this business and look forward to many more of the same.

Sincerely,



Bobby Lee
Beelman River Terminals, Inc.
One Racehorse Drive
East St. Louis, IL 62205
618-646-5312

BID RESULTS - DEICING SALT - UNLOADING/DELIVERY

As detailed in the enclosed MEMO, prepared by Brian McGownd, Public Works Director/City Engineer, bids were recently opened regarding the unloading and delivery of deicing salt to each of the participants in the St. Louis METRO Branch APWA Salt Cooperative.

Based upon a review of Mr. McGownd's recommendation, I join with him in recommending to you award of a contract to **Beelman Logistics, LLC**, at a total cost of **\$8.38/ton**. This price has increased, from \$8.04/ton, under last year's contract with Lange Stegman. This increase is likely due to increased fuel costs. Obviously our total cost will depend upon the severity of the winter. We are fortunate in that we had a very mild winter, last year, and we have a substantial salt storage facility, which is currently FULL, containing approximately 6000 tons of salt.

If you have any questions, please contact Mr. McGownd or me, prior to Monday's meeting.

*ok'd by
Council
8/6/12*

→ WHITTLE
→ MCGOWND

How many tons?

001-072-5340

MEMORANDUM



DATE: July 27, 2012
TO: Mike Herring, CA
FROM: Brian McGownd, PWD/CE
RE: Bid recommendation, Deicing Salt Unloading and Delivery

The Department of Public Works solicited bids for unloading, loading and delivery by truck to various municipalities in conjunction with the St. Louis Metro Branch APWA Salt Cooperative. For several years, the Department of Public Works has coordinated the purchase and delivery of deicing materials to approximately 40 members of the salt coop. The salt coop allows the various municipalities to pool their purchase requests and gain the benefit of a large bulk user. This bid package provides for the administration and scheduling, unloading, trucking and delivery of deicing salt to each of the participating municipalities storage location. Due to the necessity of a barge unloading facility as well as trucking capabilities, a limited number of participants qualify to bid, therefore, a total of two bids were received.

I concur with the recommendation of our Superintendent of Maintenance Operations, Mike O'Connor, to accept the apparent low bid, as submitted by Beelman Logistics LLC. The itemized bid identifies the cost of service for each municipality, in the attached bid summary.

The bid cost to provide the unloading and delivery services to the City of Chesterfield's salt storage dome is \$8.38 per ton.

This bid, when taken in conjunction with the salt supply cost results in a delivered cost of \$50.27.

If you have any questions or require additional information, please advise.

Concurrence: Brian Whittle
Brian Whittle, Finance Director

cc: Michael O. Geisel, Director of Public Services
Mike O'Connor, Superintendent of Maintenance Operations



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

Date: July 27, 2012

To: Brian McGownd, Director of Public Works

From: Mike O'Connor, Superintendent of Maintenance *mo*

Re: Bids for Metro St. Louis Cooperative Deicing Salt Hauling
For Winter Season 2012-2013

On July 26, 2012 we opened bids for the "Unloading and Hauling of salt for the Metro St. Louis Salt Cooperative, 2012-2013".

We received two bids. Said bids include administration cost, which includes docking, unloading of barges, as well as management of delivery to each municipality. For the administration part of the bid, Beelman Logistics LLC is \$2.39, their bid for delivery is slightly higher than the other bidder, but when averaging in the administration and the delivery charges, their bid averages out to be less than the other bidder.

I recommend we award the "Deicing Salt Hauling Bid" for the St. Louis Metro Salt Co-op, for 2012-2013", to Beelman Logistics LLC.

Bid Form

To: The City of Chesterfield

Hauling of Snow and Ice Control Salt per Bid Specifications. The following bid for hauling of snow and ice control salt is submitted in response to your invitation to bid dated 7/26/2012. Bid proposal for unloading salt from barges at a St. Louis Mississippi River port facility and loading into trucks including managing and administration cost : \$ 2.39 per ton.

It is understood that the cost for hauling will be different to each Municipality. Please submit the cost of delivery per ton, from your unloading facility to each of the following locations. This cost will be added to your bid for the administration and unloading bid, which should be the same for every city.

Name & location of unloading facility:

Beelman River Terminal

One North Market

St. Louis, MO 63102

City of Delivery:

Arnold	\$ 5.44 /ton	Frontenac*	\$ 5.49 /ton
Ballwin	\$ 5.80 /ton	Glendale	\$ 5.49 /ton
Bel-Nor*	\$ 5.58 /ton	Greendale*	\$ 5.42 /ton
Bel-Ridge*	\$ 5.31 /ton	Hazelwood	\$ 5.41 /ton
Berkeley	\$ 5.05 /ton	Manchester	\$ 5.81 /ton
Black Jack	\$ 5.49 /ton	Maplewood	\$ 5.45 /ton
Brentwood	\$ 5.43 /ton	Maryland Heights	\$ 5.49 /ton
Bridgeton	\$ 5.36 /ton	Normandy	\$ 4.64 /ton
Charlack*	\$ 5.42 /ton	Northwoods	\$ 5.08 /ton
Chesterfield	\$ 5.99 /ton	Olivette*	\$ 5.42 /ton
Clayton	\$ 4.79 /ton	Overland	\$ 5.39 /ton
Crestwood	\$ 4.86 /ton	Pagedale	\$ 5.54 /ton
Creve Coeur	\$ 5.34 /ton	Pine Lawn	\$ 5.03 /ton
Des Peres	\$ 5.56 /ton	Richmond Heights	\$ 5.24 /ton
Ellisville	\$ 6.12 /ton	Rock Hill	\$ 5.28 /ton
Fairview Heights, IL	\$ 4.95 /ton	St. Ann	\$ 5.39 /ton
Fenton	\$ 5.32 /ton	St. John*	\$ 5.42 /ton
Ferguson	\$ 5.01 /ton	St. Peters	\$ 5.89 /ton

Bid Form

To: The City of Chesterfield

Hauling of Snow and Ice Control Salt per Bid Specifications. The following bid for hauling of snow and ice control salt is submitted in response to your invitation to bid dated JULY 26, 2012. Bid proposal for unloading salt from barges at a St. Louis Mississippi River port facility and loading into trucks including managing and administration cost: \$ 2.51 per ton.

It is understood that the cost for hauling will be different to each Municipality. Please submit the cost of delivery per ton, from your unloading facility to each of the following locations. This cost will be added to your bid for the administration and unloading bid, which should be the same for every city.

Name & location of unloading facility:

LANGE-STEIGMANN CO.

#1 ANGELICA ST.

ST. LOUIS, MO 63147

City of Delivery:

Arnold	\$ 5.45 /ton	Frontenac*	\$ 5.34 /ton
Ballwin	\$ 5.81 /ton	Glendale	\$ 5.34 /ton
Bel-Nor*	\$ 5.26 /ton	Greendale*	\$ 5.26 /ton
Bel-Ridge*	\$ 5.15 /ton	Hazelwood	\$ 5.26 /ton
Berkeley	\$ 5.15 /ton	Manchester	\$ 5.81 /ton
Black Jack	\$ 5.26 /ton	Maplewood	\$ 5.26 /ton
Brentwood	\$ 5.26 /ton	Maryland Heights	\$ 5.34 /ton
Bridgeton	\$ 5.26 /ton	Normandy	\$ 5.15 /ton
Charlack*	\$ 5.26 /ton	Northwoods	\$ 4.86 /ton
Chesterfield	\$ 5.81 /ton	Olivette*	\$ 5.26 /ton
Clayton	\$ 5.26 /ton	Overland	\$ 5.26 /ton
Crestwood	\$ 5.34 /ton	Pagedale	\$ 5.15 /ton
Creve Coeur	\$ 5.34 /ton	Pine Lawn	\$ 5.15 /ton
Des Peres	\$ 5.45 /ton	Richmond Heights	\$ 5.26 /ton
Ellisville	\$ 6.06 /ton	Rock Hill	\$ 5.34 /ton
Fairview Heights, IL	\$ 5.34 /ton	St. Ann	\$ 5.26 /ton
Fenton	\$ 5.45 /ton	St. John*	\$ 5.26 /ton
Ferguson	\$ 4.86 /ton	St. Peters	\$ 5.45 /ton

City of Delivery (cont'd)

Shrewsbury	\$	<u>5.26</u>	/ton
Sunset Hills*	\$	<u>5.45</u>	/ton
Town & Country*	\$	<u>5.45</u>	/ton
University City	\$	<u>5.26</u>	/ton
Vinita Park	\$	<u>5.15</u>	/ton
Webster Groves	\$	<u>5.26</u>	/ton
Wildwood	\$	<u>7.07</u>	/ton
Winchester	\$	<u>6.35</u>	/ton

Parkway			
School District	\$	<u>5.45</u>	/ton
Rockwood School			
District	\$	<u>6.65</u>	/ton

***Tandems only**

Exceptions:

JULY 23, 2012
Date

314-236-4060
Telephone

2012/2013 ICE MELT SEASON
Terms

RICH.COFFMAN@LANGE-SEGMANN.COM
Email Address

43-0835622
Federal Tax ID#

Rich Coffman - Gen. Mgr.
Signature & Title

LANGE-SEGMANN Co.
Company

#1 ANGELICA ST.
Address

ST. LOUIS, MO 63147
City/State/Zip Code