

Memorandum

Department of Public Works



TO: Michael O. Geisel, P.E.
City Administrator

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

DATE: July 19, 2018

RE: Metro St. Louis Cooperative Deicing Salt Program

Please forward to PPW for review and concurrence of your recommendation to extend the Compass Materials procurement bid.
MO Geisel

As you know, the City of Chesterfield coordinates the purchase and delivery of deicing salt for all members of the St. Louis Metro APWA Salt Cooperative (Coop). The Coop is comprised of 51 cities and seven 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 opened bids for the purchase of deicing salt on June 17, 2015. At that time, Compass Minerals provided the low bid at a cost of \$49.23 per ton. This was significantly lower than the Coop paid in 2014, which was \$62.63 per ton, and even more significantly lower than the next lowest 2015 bid, which was \$71.17 per ton. Compass Minerals has served the Coop well and is willing to extend its 2015 prices again for an additional year. Accordingly, I recommend that we accept this price extension and once again purchase salt from Compass Minerals.

Unfortunately, Beelman Logistics was unwilling to extend its 2015 prices for delivery (\$8.62 / ton to Chesterfield). Accordingly, the Department of Public Works publicly advertised for bids for salt hauling and unloading. A public bid opening was held on July 11, 2018. Beelman Logistics submitted the one and only bid received, with the prices contained on the attached Bid Form. All prices have been raised, as expected, with the price to the City of Chesterfield increasing to \$11.45 per ton. The City Staff did contact Lange Stegmann, who has also provided this service in the past. A representative from Lange Stegmann stated that they were aware of the bid, but were unable to provide this service for the Coop in 2018 / 2019.

It is my recommendation that the City of Chesterfield approve the one year extension for salt by Compass Minerals, and the low bid for salt delivery by Beelman Logistics LLC. Once approved, City Staff will execute the documents necessary to initiate the 2018/2019 salt purchase on behalf of the Coop.

The City of Chesterfield Staff is currently in the process of obtaining the orders for salt, which will comprise the two salt deliveries, one of which will occur in late 2018 (fall) and one in early 2019 (winter). Due to the mild 2017/2018 winter, the City of Chesterfield's salt dome is full, and we will not order any salt for the fall order. We do anticipate the need for additional salt, and will plan to place an order for 3,000 tons of salt for the winter delivery. This will result in a total cost to the City of Chesterfield of \$182,040 which is well within budget (\$275,300). If you have questions or need additional information, please let me know.

Action Recommended

This matter should be forwarded to City Council for its consideration of approval of the salt extension with Compass Minerals, and the delivery contract with Beelman Logistics LLC.



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

Date: July 17, 2018

To: Jim Eckrich, Public Works Director

From: Mike O'Connor, Superintendent of Maintenance

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

A handwritten signature in black ink, appearing to read 'MO', is written over the 'From' line of the letterhead.

We recently advertised for bid for “Unloading and Hauling” of road salt for the “St. Louis Metro APWA Salt Cooperative”. We also sent invitations to bid to all firms we are aware of that perform this type of service.

On July 11, 2018 we publicly opened sealed bids for this service. Beelman Logistics, LLC was the only bidder to respond to our request for bids. Beelman’s price for unloading barges onto the delivery trucks, and management of delivery is \$3.32 per ton.

The delivery pricing to the individual municipalities and other entities are attached. All trucking cost has increase since our last bids were received in 2014, which is to be expected. Please note that municipalities and schools which require tandem trucks for deliveries have substantially increased. This is due to the fact that Beelman does not own tandem dump trucks and has to contract these deliveries with other trucking companies.

We have been using Beelman Logistics to perform the salt deliveries for several years and they have perform in an acceptable manner. I recommend we continue to use Beelman Logistics LLC for the “Unloading and Hauling of salt for the St. Louis Metro APWA Salt Cooperative”, for the upcoming season.

2018 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 11, 2018. Bid proposal for unloading salt from barges at a St. Louis Mississippi River port facility and loading into trucks including managing and administration cost : \$ 3.32 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

210 Bremen Ave

Venice, IL 62090

City of Delivery:

Arnold	\$ 6.54 /ton	Fenton	\$ 6.72 /ton
Ballwin	\$ 7.43 /ton	Ferguson	\$ 5.48 /ton
Bel-Nor	\$ 5.89 /ton	Frontenac*	\$ 11.05 /ton
Bel-Ridge*	\$ 9.90 /ton	Glendale	\$ 5.83 /ton
Berkeley*	\$ 10.20 /ton	Green Park	\$ 5.13 /ton
Black Jack*	\$ 9.90 /ton	Greendale	\$ 5.83 /ton
Breckenridge Hills*	\$ 9.45 /ton	Hazelwood	\$ 5.83 /ton
Brentwood	\$ 5.93 /ton	Ladue	\$ 5.89 /ton
Bridgeton	\$ 6.54 /ton	Manchester	\$ 7.43 /ton
Charlack*	\$ 10.45 /ton	Maplewood*	\$ 9.65 /ton
Chesterfield	\$ 8.13 /ton	Maryland Heights	\$ 6.54 /ton
Clayton	\$ 5.30 /ton	Normandy*	\$ 9.30 /ton
Cool Valley*	\$ 10.10 /ton	Northwoods*	\$ 8.75 /ton
Crestwood	\$ 5.66 /ton	Olivette*	\$ 10.50 /ton
Creve Coeur*	\$ 11.75 /ton	Overland*	\$ 10.80 /ton
Des Peres	\$ 6.36 /ton	Pagedale*	\$ 10.45 /ton
Ellisville	\$ 8.49 /ton	Pasadena Hills	\$ 5.55 /ton
Fairview Heights, IL	\$ 5.25 /ton	Pine Lawn	\$ 5.35 /ton

Richmond Heights	\$5.75	/ton
Rock Hill*	\$9.90	/ton
St. Ann	\$6.01	/ton
St. John*	\$10.20	/ton
St. Peters	\$8.66	/ton
Shrewsbury	\$5.48	/ton
Sunset Hills*	\$11.10	/ton
Town & Country*	\$11.55	/ton
University City*	\$9.01	/ton
Village of Hillsdale	\$5.54	/ton
Vinita Park*	\$10.54	/ton
Webster Groves	\$5.66	/ton
Wildwood*	\$15.30	/ton
Winchester	\$8.13	/ton
Woodson Terrace*	\$11.65	/ton

Ferguson Florissant		
School District*	\$ 9.30	/ton
Francis Howell		
School District*	\$ 12.85	/ton
Kirkwood		
School District*	\$ 10.20	/ton
Lindbergh		
School District*	\$ 10.25	/ton
Parkway		
School District*	\$ 13.55	/ton
Pattonville		
School District*	\$ 11.25	/ton
Rockwood		
School District*	\$ 12.65	/ton

NOTE: *Tandems only

Exceptions:

July 11, 2018
Date

Net 15 days from invoice date

Terms

26-0599880

Federal Tax ID#

Beelman Logistics, LLC

Company

One Racehorse Drive

Address


East St. Louis, IL 62205

City/State/Zip Code

618-646-5315
Telephone

jeffh@beelman.com

Email Address

 sales manager

Signature & Title



Compass Minerals
9900 W. 109th Street, Suite 100
Overland Park, KS 66210
www.compassminerals.com
913-344-9200

June 8, 2018

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

Dear Mr. O'Connor:

I hope this letter finds you well. Per your e-mail request, Compass Minerals agrees to renew the de-icing salt contract with the Metro St. Louis Salt Cooperative. The same price (\$49.23 per ton for barge delivery to St. Louis), terms and conditions as the 2017-2018 agreement would apply through March 31, 2019. 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. If you have any questions, my number is 913-344-9330.

Thank you,

Sean Lierz
Senior Sales Manager-Highway Sales

Sent to J.E. on 6/11/18