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**Public Works**

**City Transit**  
263-8152

**MEMORANDUM**

**Equipment Maintenance**  
**Roadway Maintenance**  
**Collection & Drainage**  
**Building & Grounds**  
**Engineering**

To: Gregg Mandsager, City Administrator  
CC: Fran Donelson, Secretary  
FROM: Randy Hill, Public Works Director  
DATE: February 28, 2011  
RE: Road Salt Purchase Agreement

**INTRODUCTION:**

The City of Davenport has requested all members of the salt purchasing consortium to secure the approval of their respective legislative bodies (i.e. City Council, Board of Supervisors) authorizing Davenport to act as the lead agency for the purchase.

**BACKGROUND:**

For many years the City of Davenport has taken the lead role in requesting bids for salt for many of the communities along the river in our region. During the previous two years this "consortium" has been receiving bids in the spring in order to get a better price before State (Iowa/Illinois) orders are placed. Our consortium has grown to include communities on both sides of the river.

**RECOMMENDATION/RATIONALE:**

Davenport's administrators want an agreement that stipulates we will pay 50% of our order between July 1, 2011 and July 10, 2011. After delivery the City of Davenport will submit an invoice for the balance. Last year one community did not make payment until late in the year requiring Davenport to cash flow them for the duration. The City was also burnt by a school district that ordered salt but cancelled the order once the salt had been received.

The relationship between the City's of Muscatine & Davenport for this specific purchase has been mutually beneficial. Further, the opportunity to purchase salt in a bulk order helps keep the price per ton manageable. We recommend moving forward with this agreement. RFP's for the salt purchase will go out in late March/early April with an anticipated award to be made in April.

**BACKUP INFORMATION:**

1. City of Davenport Road Salt Purchase Agreement for 2011-2112 Season
- 2.
- 3.
- 4.



ROAD SALT PURCHASE AGREEMENT FOR  
2011-2012 SEASON

**FORM TO BE RETURNED BY MARCH 10, 2011** – to City of Davenport,  
Purchasing Division, 226 W 4<sup>th</sup> St., Davenport, IA 52801

The City (County) of Muscatine agrees to order and purchase  
3,000 tons of salt with the Quad City joint salt bid, with the City of  
Davenport, as the agent for the purchase. We also acknowledge that our council or  
appropriate board has approved this purchase prior to this order. We agree to pay  
50% of our order between July 1, 2011 and July 10, 2011. After deliver, the City of  
Davenport will submit an invoice for the balance. We agree to pay that invoice with  
days of it being submitted.

We are also placing a reserve supplemental order of -0- tons.

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Government agency: City of Muscatine

Richard W. O'Brien  
Authorized signature

March 3, 2011  
DATE

Richard W. O'Brien  
Printed Name

Mayor  
Title