

CITY COUNCIL BUDGET WORKSHOP AGENDA

NEWTON CITY COUNCIL
City Hall
101 West 4th Street South

BUDGET WORKSHOP
January 14, 2009
4:30 p.m.

AMERICANS WITH
DISABILITIES ACT
COMPLIANCE

*IS THERE ANYONE PRESENT WHO MAY REQUIRE SPECIAL
ASSISTANCE IN BEING ABLE TO PARTICIPATE IN THIS PUBLIC
MEETING?*

CALL TO ORDER

Roll Call

RESOLUTION

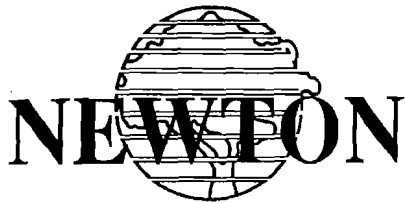
1. Resolution Approving Emergency Purchase of Salt (Council Report 09-003)

- City staff has been working over the last three weeks to find a new source of salt as we cannot purchase any more from our current contract. With demand outstripping supply, multiple sources were pursued with only one indicating interest at \$147/ton (vs. \$72.71 that we have purchased this year, \$43/ton last year). Staff was able to find one source willing to sell 500 tons at \$79.73/ton (approx. \$40,000). This resolution approves this emergency action.

DISCUSSION

2. Discussion on 2009 – 2010 Operating Budget

ADJOURN



To Honorable Mayor and Council

COUNCIL REPORT

FOR AGENDA
DATED

January 14, 2009

Page 1 of 1

Report 09-003

AGENDA ITEM RESOLUTION APPROVING EMERGENCY PURCHASE OF SALT

BACKGROUND

Extreme winter weather has created a tremendous demand for salt used to treat our roads. We are on pace to exceed our usage from last year. We have enjoyed being in a better position than last year as we are able to store and have on hand a much greater quantity of salt. However, significant usage has placed us in a position of needing to purchase an estimated 500 tons in addition to our 1200 tons.

City staff has been working over the last three weeks to find a new source of salt as we cannot purchase any more from our current contract. With demand outstripping supply, multiple sources were pursued with only one indicating interest at \$147/ton (vs. \$72.71 that we have purchased this year, \$43/ton last year). Staff was able to find one source willing to sell 500 tons at \$79.73/ton (approx. \$40,000). As time was of the essence, I approved an emergency purchase of this material to ensure the safety and wellbeing of our citizens. This resolution approves this emergency action.

RECOMMENDATION

Approval of this action to purchase additional salt.

Thomas R. Wardlow
Interim City Administrator

RESOLUTION NO. 2009 - _____

RESOLUTION APPROVING EMERGENCY PURCHASE OF SALT

WHEREAS, extreme winter weather has created a tremendous demand for salt used to treat our roads; and

WHEREAS, an estimated 500 tons of salt is needed in addition to our existing supply for the winter at an estimated cost of \$40,000; and

WHEREAS, the Interim City Administrator has authorized an emergency purchase of this material to ensure the safety and wellbeing of our citizens; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newton, that emergency purchase of salt estimated at \$40,000 is hereby approved.

PASSED ___ day of January, 2009.

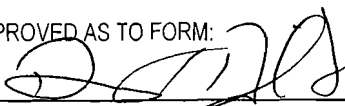
APPROVED ___ day of January, 2009.

Charles Allen, Mayor

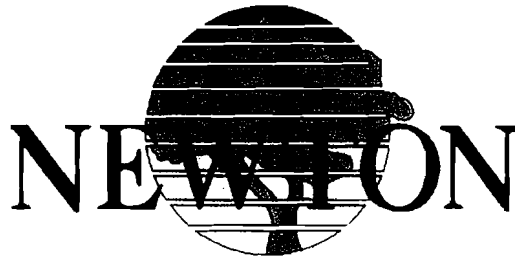
ATTEST:

Candice Van Zee, CMC,
City Clerk

APPROVED AS TO FORM:



Darrin T. Hamilton, City Attorney



TO: Thomas R. Wardlow, Interim City Administrator/Police Chief
FROM: David Stewart, Public Works Director/City Engineer *DS*
DATE: 1/9/09
RE: Salt

The winter of 2008/2009 is proving to be yet another record breaker for snow and ice. Last year was the 5th snowiest on record and this year we are on pace to break that record. As a result we are experiencing an extreme need for salt. At the end of December we had used approximately 800 tons of our 1200 ton supply. This is in contrast to last year where we used 530 tons out of a total of 1100 and a typical winter of 600-800 tons total. We continue to be blasted with weather and have a need for an additional 500 tons. Our current contract will not sell us any more (we were lucky to double our contract to 1200 tons before the winter as we had to place our order before a decision was made on the salt shed.) For the past three weeks we have searched multiple sources of salt with the only one agreeing to sell to us at \$147. Fortunately, we received word of an opportunity to purchase the salt we need at \$80/ton (\$79.73.) This includes a fuel surcharge currently at 7% that may fluctuate a few dollars up or down (\$76.80 to \$81.82). Time is of the essence as this is an immediate opportunity. I hereby request emergency authorization to purchase an additional 500 tons of salt for this fiscal year (approx. \$40,000).