

**City of Palmer  
Action Memorandum No. 16-058**

**Subject:** Authorizing the City Manager to Negotiate and Enter into a Contract with Bering Marine Corporation for the Purchase and Delivery of 150 Tons of Road Salt in the Amount of \$23,707.50.

**Agenda of: August 23, 2016**

**Council Action: APPROVED**

**Originator Information:**

**Originator:** Public Works Director  
**Date:** 7/26/2016      **Requested agenda date:** 8/23/2016

**Department Information √:**

Route to:	Department Director:	Signature:	Date:
	Community Development		
x	Finance		8/3/16
	Fire Department		
	Police Department		
x	Public Works		08/02/16

**Approved for presentation by:**

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

**Certification of Funds:**

Total amount of funds listed in this legislation: \$ 23,707.50

This legislation (√):

- Has no fiscal impact       Creates a positive impact in the amount of: \$ \_\_\_\_\_  
 Creates a negative impact in the amount of: \$ 23,707.50

Funds are (√):

- Budgeted      Line item(s): 01-17-40-6066 Road Salt and Sand  
 Not budgeted      Affected line item(s): \_\_\_\_\_

General fund unassigned balance (after requested budget modification): \$ \_\_\_\_\_

Enterprise unrestricted net position (after requested budget modification): \$ \_\_\_\_\_

Director of Finance Signature: 

**Attachment(s):**

- State of Alaska Contract Award 2513H031

**Summary statement:** This Action Memorandum 16-058 authorizes the City's annual purchase of salt that is mixed with sand for winter street maintenance and ice control. This purchase will utilize the governmental procurement provision of City code (PMC 3.21.230). This allows the City, without the use of the competitive bidding procedure, to use another governmental bid process through bid extension.

In this case, the State of Alaska solicited bids for the supply of Type 1 sodium chloride in bulk. Bering Marine Corporation was awarded the contract. Under that contract, the City will purchase 150 tons of road salt at a per ton cost of \$158.05 delivered to Palmer, for a total cost of \$23,707.50.

**Administration recommendation:** Authorize Action Memorandum 16-058.

<b>AGENCY CONTRACT AWARD</b>	<b>STATE OF ALASKA</b> Department of Transportation & Public Facilities Statewide Contracting & Procurement (3132 Channel Drive, Suite 310) P.O. Box 112500 Juneau, Alaska 99811-2500		<b>CONTRACT AWARD NUMBER</b> <b>2513H031</b>
	<b>ORDERING DEPARTMENT:</b> Department of Transportation & Public Facilities Statewide Contracting & Procurement P.O. Box 112500 Juneau, Alaska 99811-2500	<b>COMMODITY CODE</b> 19246	<b>DATE OF CONTRACT</b> February 19, 2013
<b>CONTRACTOR:</b> Bering Marine Corporation <b>ADDRESS:</b> 6441 South Airpark Place Anchorage, Alaska 99502  <b>CONTACT NAME:</b> Rick Gray <b>TELEPHONE NUMBER:</b> 907-249-0204 fax: 907-245-1744 <b>EMAIL:</b> rickg@bvanden.com	<b>NUMBER &amp; PERIOD OF RENEWAL OPTIONS</b> Four (4) One-Year	<b>PR. NO / DATE ASSIGNED</b> N/A	
	<b>DATE INITIAL CONTRACT BEGINS</b> February 19, 2013	<b>DATE INITIAL CONTRACT ENDS</b> February 28, 2014	
	<b>GS VENDOR CODE:</b>	<b>ISSUED IN ACCORDANCE WITH BID #:</b> 2513H031 <b>DATED:</b> Jan. 2, 2013	
	<b>PRICE ADJ. REQ. PRIOR TO EACH:</b>	<b>CP/PP/BI BASE INDEX POINTS &amp; MO/YR:</b>	
	<b>REVIEW DATE:</b>	<b>RENEWALS EXPIRE (MO/YR):</b>	
	<b>ESTIMATED VALUE OF INITIAL TERM:</b> \$3,600,000.00 <b>REBID:</b> 01/10		
<b>SEND INVOICE IN DUPLICATE TO:</b> <input type="checkbox"/> Ordering Department <b>OR</b> <input checked="" type="checkbox"/> As Specified in Description			
<b>NOTE:</b> This order constitutes a binding commitment between the State and the contractor listed hereon. Unauthorized modification without the expressed prior approval of the contracting authority will result in a financial obligation on the contractor and/or unauthorized State personnel making the change.			
<b>DESCRIPTION</b>			
Mandatory contract for the as-needed purchase of Sodium Chloride, Type 1 in bulk form for delivery to various locations within Alaska for the Department of Transportation & Public Facilities. All terms and conditions of ITB #2513H031 apply.			
<b>CONTRACT TERMS:</b> February 19, 2013 through February 28, 2014 with four (4) one-year renewal options.			
<b>ORDERS:</b> Individual Purchase Orders will be issued by the Regional Procurement Offices on an as-needed basis with no guaranteed maximum quantities. Minimum orders will be 30 tons.			
<b>PRICES:</b> Prior to September 30, 2013, the price per ton for all locations noted in the Price List is <u>\$144.26</u>			
At any time during the contract period, new F.O.B. Points may be added. The price per ton for a new destination shall be the same as the nearest priced delivery destination with the State reimbursing the additional freight costs.			
Orders placed <u>after September 30, 2013</u> shall be at the following rate (plus freight to final destination):			
	<b>CDDP</b>	<b>Price</b>	<b>Deliver</b>
	Anchorage	\$271.63/ton	30 days ARO
	Fairbanks	\$338.25/ton	30 days ARO
	Valdez	\$328/ton	30 days ARO
	Seattle	\$200/ton	30 days ARO
<b>INVOICES:</b> Send invoices to the address on the ordering agency's Purchase Order. Additional shipping costs for new delivery destinations shall be invoiced as a separate line item with the actual receipts attached.			
<b>CONTRACTING AUTHORITY NAME</b> Becky Gattung	<b>TITLE</b> Procurement Specialist IV	<b>SIGNATURE</b> <i>Becky Gattung</i>	
<b>TELEPHONE NUMBER:</b> (907) 465-8949	<b>PAGE 1 OF 1</b>		
<b>IMPORTANT:</b>			
1. Contact award number and ordering department name/num appear on all invoices and documents relating to this order. 2. The State is empowered by AS 39.05, 39.06, 39.07, 39.08, 39.09, 39.10, 39.11, 39.12, 39.13, 39.14, 39.15, 39.16, 39.17, 39.18, 39.19, 39.20, 39.21, 39.22, 39.23, 39.24, 39.25, 39.26, 39.27, 39.28, 39.29, 39.30, 39.31, 39.32, 39.33, 39.34, 39.35, 39.36, 39.37, 39.38, 39.39, 39.40, 39.41, 39.42, 39.43, 39.44, 39.45, 39.46, 39.47, 39.48, 39.49, 39.50, 39.51, 39.52, 39.53, 39.54, 39.55, 39.56, 39.57, 39.58, 39.59, 39.60, 39.61, 39.62, 39.63, 39.64, 39.65, 39.66, 39.67, 39.68, 39.69, 39.70, 39.71, 39.72, 39.73, 39.74, 39.75, 39.76, 39.77, 39.78, 39.79, 39.80, 39.81, 39.82, 39.83, 39.84, 39.85, 39.86, 39.87, 39.88, 39.89, 39.90, 39.91, 39.92, 39.93, 39.94, 39.95, 39.96, 39.97, 39.98, 39.99, 40.00.			
<b>DISTRIBUTION:</b> ORIGINAL TO CONTRACTOR ONE COPY TO REGIONAL OFFICE(S) ONE COPY TO RECEIVING DEPARTMENT SUPPLY SECTION			