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Middlesex County program helps towns save on salt

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Municipalities throughout Middlesex County will literally be salting money away this coming winter.

Through its Common Cents Co-operative Purchasing Program, the county has used its economy of scale to negotiate a lower price than the state for treated road salt — \$64.50 per ton as opposed to state prices topping \$75 per ton depending on delivery location.

That's money in the bank for small towns such as Milltown gearing up for the winter.

"The county assists us and works with us very well if we need them," said Milltown Public Works Director Richard Williams. "We average anywhere between 200 and 300 tons of rock salt a year in Milltown. We use the county for a lot of our things like road improvement programs — we have them do milling and paving for us."

Last year, Middlesex County linked its Common Cents program with the Middlesex County Education Services Commission buying as a group to provide improved purchasing opportunities for all county school districts.

In April, the county was awarded a three-year \$100,000 per year state grant to establish a County Office of Shared Services. In May, the county established the office and appointed Maria Sirimis to serve as the director.

In terms of the rock salt required for its own road maintenance, the county will be saving \$218,800 through its negotiated price when compared to what it would have paid through the state. The county appropriated \$1.29 million to buy 20,000 tons of road salt.

"This is a wonderful example of what the county has been doing to save money for not only the county, but for municipalities through buying power," said Freeholder H. James Polos, liaison to the Shared Services committee. "Right now you hear about state government and federal government thinking about budget cuts in a bad economy and how to save money, trying to do more with less."

"We started the Common Cents program 10 years ago, and we've been at the cutting edge of that issue for years."

With widespread shortages of road salt nationally, and prices skyrocketing up some \$20 to \$30 per ton since 2007, the state Treasury Department's Division of Purchase and Property put out its bids early, locking in prices in June.

"We know that a shortage can happen, but we're very confident that with these suppliers, we'll be fine with any shortages going on," said Tom Bell, spokesman for the state Treasury Department. "We have our deliveries well-supplied and in place. From what I understand, some of suppliers in South America drove the prices up.

"The (state) price varies depending on the delivery locations and our average price, depending on DOT sites, is about \$66 a ton," Bell said. "We make some rock salt available to the counties too, and that average price to counties is now about \$85 to \$90 per ton."

The Cooperative Purchasing Program offers Middlesex County municipalities four ways to save tax dollars: natural gas purchasing; electric supply purchasing; water/wastewater program and equipment, services and supplies.

The Middlesex County Improvement Authority assists the county with the electricity aggregation and the water/wastewater partnerships segments of the Cooperative Purchasing Program. Since 1992, the improvement authority's Pooled Equipment Financing program has saved local governments more than \$3.3 million in equipment costs and debt service, while \$145 million in equipment has been leased purchased.