



Snow and Ice Management Budgeting Made Easy

How much will your snow and ice removal services cost this year?

How should you budget for winter maintenance, which is critical for ensuring the safety of your grounds and reducing the risk of accidents?

Snow and ice removal services are essential for ensuring the safety of your commercial property and reducing the risk of costly accidents that can damage your reputation and wallet. As a property manager, you recognize the importance of protecting the people who live, work and play on your grounds. Keeping surfaces clear of snow and ice requires proactive response, the right equipment, and expertise to safely operate machines and apply the correct de-icing materials.

All of these services come at a cost—but how much should you budget for snow and ice removal?

You've probably seen several different types of snow and ice removal contracts. The two most common are based on "time and materials", and the others are priced "per event." You can expect an invoice every time crews perform services on your property with these two types of contracts. A third option, "seasonal contracts" provide a fixed cost per month for snow removal services, which some property managers like because they know what they'll spend. Seasonal contracts also extend over multiple years so the price is fixed for several seasons. The other two types of contracts are subjected to annual material pricing volatility.

What exactly goes into snow pricing, and what costs should you plan for depending on how the contract is structured? Check out this helpful snow and ice removal budgeting tip sheet for answers.



How Snow & Ice Removal Contracts Are Structured

Snow and ice removal contracts can be structured in different ways based on: cost of time and materials; cost per event; or fixed cost per season. The type of contract you choose will influence the price you pay for services.

- ✓ **Time and Materials:** Rates for equipment and materials (per man-hour / per pound or ton) are agreed upon during the contract sales or renewal process. Time and materials contracts are best when we keep equipment and materials on the commercial property at all times, so crews simply report to the property to provide service. Time and materials are tracked via our mobile platform and clients receive detailed breakdowns of service following events. Every time labor, equipment and materials are in use, you're getting billed for those resources. Budgeting using this type of contract involves the most guess work.
- ✓ **Per Event:** You pay a set price per event/ per occurrence. Prices are based on snowfall. For example, the per event cost for a snow event where accumulation is 0 to 3 inches is less than an event that is 3 to 6 inches because crews can work more efficiently with less snow. It takes longer to service properties when there is more snowfall, so the labor hours required to clear the same area are greater. Per event pricing is agreed upon at the time of sales or contract renewal.
- ✓ **Seasonal:** Customers that want to carefully [manage their costs](#) might prefer a seasonal contract that has an agreed-upon cost for services per month, and the contract covers multiple years. We evaluate historical data and analyze past years' snow events to create the pricing. Customers can depend on paying that set cost, no matter how many events occur in a week, month or snow season. This type of contract takes the guesswork out of the cost of snow and ice removal services. It allows for a set budget spanning several years.



Understanding Contract Terms

What does de-icing agent mean? What is a snow-ready fee? These are good questions to ask to understand how terms might impact the cost of your snow and ice removal contract.

De-icing Agent: We use bulk rock salt for roadways, but this material can deteriorate cement, causing pitting and erosion. This is where de-icing agents come in. There are many formulations of de-icing agents available, each with unique properties concerning corrosiveness on different types of paving, how cold the product remains effective (yes there is a limit), and environmental impact. Each formulation also has its own price, with some materials being significantly more expensive than others. Klausing Group can recommend the best product for your property based upon your budget, safety, and environmental needs. De-icing agents used properly can maximize the efficiency of snow crews during an event.

Snow-Ready Fee: When snow and ice equipment and materials are stored on the client's property—in the case of time and materials contracts—we charge a snow-ready fee. This fee covers the cost of properly storing and preparing equipment for an event. It ensures the highest level of readiness prior to an event.

Money Saving Strategy: The Value of Snow Maps

Some areas of your commercial property will require immediate attention before, during and after a snow or ice event. Snow maps identify high, medium and low priority areas so those zones can be serviced accordingly. We use a color-coding system to identify the zones so you can easily see which areas of your commercial property will be serviced when. The more high-priority areas your property includes, the more frequency of service is required, therefore increasing the cost.

High priority: These include entrances, high-traffic areas and employee parking spaces. These areas are the first to be serviced, and must be maintained throughout an event. High-priority areas receive multiple services.

Medium priority: Less-used spaces include underutilized parking areas, loading bays that are infrequently or never used and secondary entrances. Medium-priority zones are serviced after high-priority areas are cleared.

Low priority: Drop lots and storage lots on industrial properties are two examples of low priority zones that get serviced after high- and medium-priority areas are cleared.



Take The Guesswork Out Of Snow And Ice Removal Budgeting

We never know what Mother Nature will deliver in winter. This can make budgeting for snow and ice removal feel like aiming at a moving target. If Central Kentucky gets hit with a number of large snow events, those property managers that chose per-event or time-and-materials contracts might greatly exceed their expected cost of service for the year.

If you want to take the guesswork out of [snow and ice removal](#) budgeting, opt for a seasonal contract with a fixed fee for winter services. That way, no matter what happens this winter, you'll be prepared with services to keep your property safe and to reduce risk for visitors—and you'll gain peace of mind that your costs are covered, no matter the weather report.

Want to learn more about how Klausing Group manages snow and ice removal services? Call us in Lexington at 859.254.0762 and Louisville at 502.264.0127. Or, fill out this simple [contact form](#) and we'll get in touch with you.