



**INDIAN RIVER COUNTY, FLORIDA  
DEPARTMENT OF UTILITY SERVICES**

**Date:** February 5, 2019

**To:** Jason E. Brown, County Administrator

**From:** Vincent Burke, P.E., Director of Utility Services  
Cindy Corrente, Utility Finance Manager

**Through:** Jennifer Hyde, Purchasing Manager

**Prepared By:** Terry Southard, Operations Manager, Utility Services  
Rich Meckes, Wastewater Superintendent

**Subject:** Synagro Dewatering and Sewage Sludge Removal Contract Renewal and Price Increase

**BACKGROUND/ ANALYSIS:**

On March 1<sup>st</sup>, 2016, the Indian River County Board of County Commissioners (BCC) approved the award for Bid 2016018 to Synagro for the operations of the Biosolids Dewatering Facility and sewage sludge removal. Indian River County Department of Utility Services (IRCDUS) has contracted with Synagro for biosolids dewatering and sewage sludge removal since 2005.

Article 7 of the agreement states that the contract period is binding for three consecutive years from the date of the agreement with an additional two 12-month terms. The three-year term will expire February 28, 2019. The terms of the contract allow for modification of pricing upon mutual agreement of both parties.

In a letter dated January 27, 2019, Synagro requested a price adjustment of 1.5%. The 1.5% rate increase is based upon the change in the Consumer Price Index (CPI) from December 2017 to December 2018, per the contract with Synagro. The new rates are reflected in the table below.

<i>Service</i>	<i>Current Price</i>	<i>Recommended Price</i>	<i>Actual Cost Oct.-Dec.</i>	<i>Projected Cost Oct.-Feb.</i>	<i>Projected Cost Mar.- Sept.</i>	<i>Projected Annual Total</i>
Sludge Hauling Per gallon	\$0.0275	\$0.0279	\$102,274	\$170,457	\$242,219	\$412,676
Sludge Dewatering Per ton	\$205.00	\$208.08	\$71,229	\$118,714	\$168,693	\$287,407

**FUNDING:**

Funds for this project are derived from the Operating fund. Operating funds are generated from water and sewer sales. The current budget is sufficient to cover the project annual total.

<b>Description</b>	<b>Account Number</b>	<b>Total Budget</b>
218 Sewage Sludge Removal	47121836-044730	\$562,000
257 Other Professional Services	47125736-033190	\$569,300

**RECOMMENDATION:**

The staff of Indian River County Department of Utility Services (IRCDUS) recommends that the Board of County Commissioners (BCC) approve the renewal of the contract with Synagro for one 12-month term and approve the 1.5% price increase effective March 1, 2019, and authorize the Chairman to execute the sample extension after approval by the County Attorney as to form and legal sufficiency. Staff also recommends the BCC authorize the Purchasing Manager to renew the agreement for the final term, upon recommendation by the Director of IRCDUS that the services provided are consistent with contractual requirements and renewal would be in the best interest of the County, and approval of the renewal document by the County Attorney as to form and legal sufficiency.

**ATTACHMENT:**

Sample Extension