

Indian River County, Florida  
Department of Utility Services  
Board Memorandum

**Date:** April 7, 2021  
**To:** Jason E. Brown, County Administrator  
**From:** Vincent Burke, PE, Director of Utility Services  
**Through:** Cindy Corrente, Finance Manager, Utility Services  
**Prepared by:** Terry Southard, Operations Manager, Utility Services  
**Subject:** Request to Waive Bid Process for Caustic Soda Chemicals

**Background / Analysis:**

Indian River County Department of Utility Services (IRCDUS) has two (2) water production facilities that use caustic soda for the treatment of water. With most chemicals used in water production, staff goes out to bid for an annual locked-in rate. However, the caustic soda market is quite volatile, and the bid process does not yield the best prices. Therefore, staff typically seeks price quotes every 8-12 weeks in order to ensure we are getting the lowest cost available for caustic. As a result, we process several purchase orders each year for caustic. IRCDUS typically obtains quotes from the same three vendors: Allied Universal Corp, Brenntag Mid-South Inc., and Harcros Chemicals Inc.

It is staff's intention to encumber a minimum of \$50,000.00 each time a quote is obtained. Encumbrances over \$35,000.00 require the County Administrator's approval.

**Funding:**

Funds for caustic soda are available in the Chemical account within the Utilities Operating Fund. Utilities operating funds are generated from water and sewer revenues. A total of \$256,000.00 is budgeted for caustic soda in Fiscal Year 2020/2021, with \$106,000.00 remaining available.

Description	Account Number	Amount
Water Production/Chemicals	47121936-035230	\$106,000.00

**Recommendation:**

Staff recommends that the Board of County Commissioners waive the requirement for bids for caustic soda and authorize the Purchasing Manager to approve purchase orders up to the available budgeted amount to the vendor offering the lowest or best quote.