



INDIAN RIVER COUNTY, FLORIDA DEPARTMENT OF UTILITY SERVICES

Date: November 29, 2018
To: Jason Brown, County Administrator
From: Vincent Burke, P.E., 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 Chemical

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 4-6 weeks in order to assure 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.

Staff typically encumbers \$50,000.00 each time a quote is obtained, with encumbrances over \$25,000.00 requiring the County Administrator’s approval.

FUNDING:

Funds for the caustic soda purchase are available in the Chemicals account within the Utilities Operating Fund. Operating funds are derived from water and sewer sales. A total of \$256,000.00 is budgeted for Caustic Soda in Fiscal Year 2018/2019.

Description	Account Number	Amount
219 Water Treatment - Chemicals	47121936-035230	\$256,000.00

RECOMMENDATION:

Staff recommends that the Board of County Commissioners waive the requirement for bids for caustic soda for Fiscal Year 2018/2019 and authorize the Purchasing Manager, after approval by the Budget Office, to approve purchase orders and change orders for authorized firms up to the available budgeted amount.