

**Indian River County, Florida
Department of Utility Services
Board Memorandum**

Date: February 7, 2023

To: Michael C. Zito, Interim County Administrator

From: Sean C. Lieske, Director of Utility Services

Through: Jennifer Hyde, Purchasing Manager

Prepared By: Richard Meckes, Operations Manager, Utility Services
Michael Loveday, Wastewater Superintendent

Subject: Synagro Dewatering and Sewage Sludge Removal Contract Price Increase

Background:

On February 16, 2021, the Board of County Commissioners (BCC) awarded Bid 2021021 for the operation of the Biosolids Dewatering Facility (BDF) located at the County Landfill at 1350 74th Avenue SW, Vero Beach, to Synagro South, LLC (Synagro). The facility receives domestic residuals, septage, and grease from Indian River County wastewater treatment facilities, local septic tank haulers, and recreational vehicles. Synagro will operate the BDF, haul sludge from the three County-owned wastewater treatment facilities to the facility, and be responsible for dewatering the sludge and disposing of it in the County Landfill.

On February 1, 2022 the BCC approved the first annual extension of the contract, which was through February 28, 2023. On January 31, 2023, the BCC approved the extension of the contract through February 28, 2024. Article 4 of the Agreement provides an opportunity for Synagro to request a price increase in writing by January 1st of each year, to be effective for the upcoming term. Synagro has submitted a request to adjust the pricing in accordance with the CPI index (South), effective March 1, 2023. The amounts of the requested increases match the increase to CPI. The Synagro request for increase is on file in the Purchasing Division.

Analysis:

In order to cover expected costs for the remainder of the fiscal year, a change order to Synagro will be required.

<i>Service</i>	<i>Current Price</i>	<i>Recommended Price</i>	<i>Actual Cost Oct.-Dec. 2022</i>	<i>Projected Cost Annual Total</i>	<i>Original Contract Amount</i>	<i>Purchase Order Shortfall</i>
Sludge Hauling/Removal Per gallon (gal)	\$0.0299/gal	\$0.0322/gal	\$122,917	\$488,110	\$475,000	\$13,110
Sludge Dewatering/Other Professional Services Per dry ton	\$230.55/dry ton	\$248.99/dry ton	\$101,772	\$435,775	\$395,000	\$40,775
Total Change Order						\$53,885

Funding:

Funds for this project are derived from the Utilities operating fund. The sludge removal/hauling part of the change order will be paid from the Utilities/Wastewater Treatment/Sludge Removal account, number 47121836-044730, in the amount of \$13,110, and the sludge dewatering part of the change order will be paid from the Utilities/Sludge/Other Professional Services account, number 47125736-033190, in the amount of \$40,775. Utilities operating funds are generated from water and sewer sales.

Description	Account Number	Total Amount
Utilities/Wastewater Treatment/Sludge Removal	47121836-044730	\$13,110
Utilities/Sludge/Other Professional Services	47125736-033190	\$40,775

Recommendation:

The staff of the Indian River County Department of Utility Services recommends that the Board of County Commissioners authorize the Purchasing Manager to process a change order to Synagro South, LLC, in the amount of \$53,885.