

**INDIAN RIVER COUNTY
OFFICE OF MANAGEMENT AND BUDGET
PURCHASING DIVISION**

DATE: September 24, 2018

TO: BOARD OF COUNTY COMMISSIONERS

THROUGH: Jason E. Brown, County Administrator

FROM: Jennifer Hyde, Purchasing Manager

SUBJECT: Award of Bid 2019006 – Annual Bid for Sulfuric Acid

BACKGROUND:

The Department of Utility Services requested the solicitation of annual bids to provide as needed delivery of sulfuric acid, which is used to treat water before it is fed into the RO membranes at the County’s water treatment plants. The current bid, was awarded to Shrieve Chemical Company on September 13, 2016, with the current term expiring on September 30, 2018. When asked to renew the bid for the final year of the award term, Shrieve indicated they were not able to renew at the current bid price of \$0.74 per gallon, due to a significant increase in both product cost and freight. The term of the new annual bid is October 1, 2018, through September 30, 2021, with the option for two additional one-year renewals.

BID RESULTS:

Advertising Date: August 22, 2018
 Bid Opening Date: September 12, 2018
 Demandstar Broadcast to: 122 Subscribers
 Bid Documents Downloaded by: 10 Vendors
 Replies: 3 Vendors

Bidder’s Name	Location	Per gallon unit price	Estimated annual cost for 168,000 gallons
Shrieve Chemical Company	The Woodlands, TX	\$1.26	\$211,680.00
Sulfuric Acid Trading Company, Inc.	Tampa, FL	\$1.32345	\$222,339.60
Univar USA, Inc.*		N/A	N/A

*Univar USA, Inc. submitted a statement of “no bid” without specifying a reason

ANALYSIS:

The low bid represents a 70% increase of \$0.52 per gallon. Staff has reviewed recent bids from other municipalities and has confirmed that prices have been rising. Staff will continue to monitor market pricing during the term of this award and use that information to determine whether renewal or rebid is in the best interest of the County.

SOURCE OF FUNDS:

Funds for sulfuric acid are budgeted in the chemical account in the operating fund. Operating funds are derived from water and sewer sales. The FY 2018/2019 budget included \$134,000 for acid that was based on the expiring bid's pricing of \$0.74 per gallon, and therefore a budget amendment is anticipated to be necessary in the future to cover the expected shortfall.

Account Number	Account Description	FY 18/19 Proposed Budget
47121936-035230	Wastewater Treatment – Chemicals	\$134,000

RECOMMENDATION:

Staff recommends the Board award bid 2019006 to Shrieve Chemical Company and authorize the Purchasing Division to issue blanket purchase orders to the recommended bidder. Staff also recommends the Board authorize the Purchasing Manager to renew this bid for two (2) additional one (1) year periods subject to satisfactory performance, vendor acceptance, and the determination that renewal of this annual bid is in the best interest of Indian River County.