

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

Date: March 24, 2022
To: Jason E. Brown, County Administrator
From: Sean C. Lieske, Director of Utility Services
Through: Jennifer Hyde, Purchasing Manager
Prepared by: Terry Southard, Operations Manager, Utility Services
Subject: Request to Piggy-Back Martin County Bid Process for Caustic Soda Chemicals

Background / Analysis:

Indian River County Department of Utility Services (IRCDUS) has two (2) water production plants 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.

IRCDUS has recently been piggybacking a bid from Martin County for caustic soda. The Martin County bid was awarded to Brenntag Mid-South Inc. (Brenntag) by their administrator, and not their Board of County Commissioners; therefore, the current annual limit of that contract, without Board approval, is our County Administrator’s \$75,000 authorization limit. Staff would like to continue to use Martin County piggy-back bid price of \$552.39 per dry ton by Brenntag until the contract expires on July 2, 2022. Current quotes from other vendors exceed \$800 per dry ton.

Funding:

Funds for caustic soda are available in the Utilities/Water Production/Chemicals account within the Utilities Operating Fund. Utilities operating funds are generated from water and sewer revenues. It is estimated that \$70,000 may be needed for caustic soda through July 2, 2022.

Description	Account Number	Amount
Utilities/Water Production/Chemicals	47121936-035230	\$70,000.00

Recommendation:

Staff recommends that the Board of County Commissioners approve the piggyback of the Martin County bid for caustic soda price of \$552.39 per dry ton, and authorize the Purchasing Manager to issue a purchase order to Brenntag Mid-South Inc. in the amount of \$70,000.