

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20051269

- 1. ACTION REQUESTED/PURPOSE:** Approve Bid Waiver# W-050774 to waive the formal quotation procedure and allow the use of Direct Material Purchase Orders based on Covanta's competitive procurement process for purchase and delivery of certain reagents (e.g., lime, carbon, ammonia, propane, etc.) used at the WTE facility.
- 2. WHAT ACTION ACCOMPLISHES:** Allows Solid Waste/Covanta to purchase materials/reagents directly from suppliers as a cost saving measure. Estimated minimum savings to the County will be \$60,000 per year currently, \$90,000 per year with the expansion facility on-line.
- 3. MANAGEMENT RECOMMENDATION:** Staff recommends approval of requested motion.

4. Departmental Category: 8		A8A	5. Meeting Date: 09-20-2005
6. Agenda:	7. Requirement/Purpose: (specify)		8. Request Initiated:
<input type="checkbox"/> Consent	<input type="checkbox"/> Statute		Commissioner _____
<input checked="" type="checkbox"/> Administrative	<input type="checkbox"/> Ordinance		Department Public Works
<input type="checkbox"/> Appeals	<input checked="" type="checkbox"/> Admin. Code 4-1		Division Solid Waste
<input type="checkbox"/> Public	<input type="checkbox"/> Other		By: Lindsey J. Sampson
<input type="checkbox"/> Walk-On			

9. Background:

In accordance with the Operations/Maintenance Service Agreement between the County and Covanta, Covanta purchases certain materials/reagents utilized at the WTE facility and costs for these materials is reimbursed to Covanta on a 'pass-through' basis. With Covanta purchasing these materials, the County must also reimburse Covanta for the state sales tax. If the County makes purchases directly from the suppliers, the County is not required to pay the sales tax.

It is requested that Covanta uses its competitive purchasing procedure and continues to specify and coordinate materials requirements, shipping and receiving procedures. Such procedures can be performed more effectively by Covanta as they relate to the daily operations of the Facility. Currently anticipated materials include pebble lime (calcium-oxide), propane, activated carbon, and ammonia. Other materials may be added in the future.

Additional funds are not necessary.

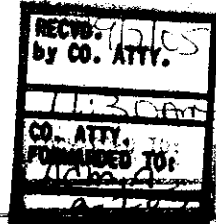
ATTACHMENTS:
(1) Justification for Waiver

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>[Signature]</i> 9-7-05	<i>[Signature]</i>				<i>[Signature]</i> 9/7/05	<i>[Signature]</i> 9/7/05	<i>[Signature]</i> 9/7/05	<i>[Signature]</i> 9/7/05	<i>[Signature]</i> 9-7-05

11. Commission Action:

Approved
 Deferred
 Denied
 Other

RECEIVED BY COUNTY ADMIN: 9-7-05 305 COUNTY ADMIN FORWARDED TO: 9/5/05 400M	
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ATTACHMENT #1

APPROVED: 7/9/02

(ALTERNATE BID PROCESS)

JUSTIFICATION FOR SOLE SOURCE AND/OR WAIVER PURCHASE

REQUISITION NUMBER TBD DATE 9-6-05

DEPARTMENT P.W. / Solid Waste BUSINESS UNIT OB - DISPOSAL

SUGGESTED VENDOR CURRENT WILL BE: (Pebble Lime)
CARMEUSE Lime & Stone, Inc.; TANNER INDUSTRIES, INC. (AMMONIA)
NORIT AMERICAS, INC. (CARBON); AMERIGAS (PROPANE)

ITEM DESCRIPTION AND REASON FOR SOLE SOURCE AND/OR WAIVER:
(MAY ALSO BE ATTACHED AS A MEMO)

Pebble Lime (CALCIUM OXIDE), ANHYDROUS AMMONIA,
POWDER & ACTIVATED CARBON, BULK PROPANE.

Lime - Bulk Delivery; PROPANE - Bulk Delivery

AMMONIA - Bulk Delivery; CARBON - 900-1000[#]
"SUPER-SACKS"

TECHNICAL CHARACTERISTICS:

MUST meet delivery & MATERIAL SPEC. REQUIREMENTS,
DELIVERIES COORDINATED w/ COVANTA Reg. Inc.,
COVANTA HILLSBOROUGH, COVANTA PASCO & COVANTA LAKE.

REASON FOR REQUESTING SOLE SOURCE:

() ITEM MUST MATCH EXISTING EQUIPMENT, WHICH IS:

() ITEM IS A REPAIR PART FOR EXISTING EQUIPMENT, WHICH IS:

() ITEM IS TO BE ATTACHED TO EXISTING ITEM, WHICH IS:

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() TECHNICAL CHARACTERISTICS OF REQUESTED ITEM ARE ESSENTIAL TO OUR NEEDS
 BECAUSE: REQUEST THAT COVANTA MAINTAINS BID
PROCESS SINCE IT IS COORDINATE W/ SUPPLIERS
DELIVERING TO ITS 4 FLORIDA FACILITIES.
 () NO OTHER MANUFACTURER OF THIS TYPE OF PRODUCT EXISTS

() OTHER MANUFACTURERS OF THIS TYPE OF PRODUCT DO NOT MEET OUR MINIMUM
 REQUIREMENTS:

MANUFACTURER'S NAME: COUNTY CURRENTLY PAYS

REASON: APPROX. \$60,000/YR ON

MANUFACTURER'S NAME: PASS-THROUGH SALES TAX

REASON: BASED ON \$1,000,000⁰⁰ ANNUAL

MANUFACTURER'S NAME: MATERIAL COST, DIRECT

REASON: PURCHASE WILL SAVE COUNTY

() OTHER THIS \$60,000.00.

MUST PERFORM PRICE OR COST ANALYSIS OR ATTACH NEGOTIATED PRICE QUOTE
 FROM VENDOR; LETTER FROM MANUFACTURER STATING SOLE SOURCE.

A) PRICE ANALYSIS PERFORMED

BASED ON:

Pebble lime (Quicklime) & Activated Carbon
PRICES THAT WE PAY NOW AS "PASS-
T-HROUGH" TO COVANTA ARE COMPARABLE
TO UTILITY DEPARTMENT PRICING;
i.e. COVANTA LIME \$134⁰⁰/TON. -
UTILITY LIME \$143.60/TON; COVANTA
CARBON 0.32 \$/lb - UTILITY CARBON 0.2925 \$/lb.

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B) COST ANALYSIS PERFORMED:

BASED ON:

SOLID WASTE DIVISION CURRENTLY REIMBURSES
COVANTA FOR "PASS-THROUGH" COSTS FOR
MATERIALS LISTED ABOVE. ANNUAL PURCHASE
IS APPROX. \$1,000,000.00⁺ TOTAL.

NOTE: THIS REQUEST IS TO UTILIZE THE WTE
OPERATOR'S BID PROCESS NOT WAIVE BIDS. COVANTA
IS TO OBTAIN BEST COMPETITIVE PRICING TO MEET
REQ'D MATERIAL & DELIVERY SPECIFICATIONS

Lindsay Langston

SIGNATURE AND TITLE OF REQUESTER

I, _____, AUTHORIZED BUYER,
CONCLUDE THE FOLLOWING:

() SOLE SOURCE JUSTIFICATION IS ADEQUATE AND PURCHASE IS AUTHORIZED WITHOUT COMPETITIVE BIDDING.

() SOLE SOURCE JUSTIFICATION IS INADEQUATE AND REQUISITION IS RETURNED TO DEPARTMENT.

() DUE TO TIME RESTRAINTS PURCHASE IS AUTHORIZED WITHOUT COMPETITIVE BIDDING.

() COMPETITIVE/NON-COMPETITIVE BID WAIVER APPROVED.

() ALTERNAT BID METHOD

BUYER

PURCHASING DIRECTOR

Revision Date: