



AGENDA ITEM REPORT

DATE: April 20, 2021
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Award Annual Contract for Corrosion/Scale Inhibitor for Water Distribution

I. MOTION REQUESTED

- A) Award Invitation to Bid No. B210004BAG, Corrosion/Scale Inhibitor - Annual to Carus, LLC for the purchase and delivery of Corrosion/Scale Inhibitor, on an as-needed basis, for an initial term of three (3) years in the amount as approved in the department's annual adopted budget.
- B) Authorize the Chair to execute the contract documents on behalf of the Board of County Commissioners.
- C) Grant the County Manager or designee the authority to renew the contracts, for up to three (3) additional one (1) year periods, and to execute all associated documents, as approved in the departments' annual adopted budgets, if doing so is in the best interest of Lee County. There are no cost increases associated with the renewals.

II. ITEM SUMMARY

Awards an annual contract to Carus, LLC, as a result of a competitive bid solicitation to supply Corrosion/Scale Inhibitor for Lee County Utilities (LCU). The County received two (2) bids and selected the lowest unit cost per pound. The current vendor stated they chose not to submit a bid due to uncertainties in the raw material pricing. They anticipate volatile pricing over the next six months or more. The lowest bid submittal unit cost is a 27% increase from the current price, for an estimated annual increase of \$11,000. The contract does not allow automatic price increases and only allows for negotiated price increases in the event of significant industry-wide market changes. The initial contract is for a three-year period, with the option to renew for three additional one-year periods. Corrosion/Scale Inhibitor is used at the Corkscrew and Olga treatment facilities as an additive to control the corrosiveness of the finished water prior to distribution. Total expenditures for these services for the prior twelve-month period was \$41,235.20.

III. BACKGROUND AND IMPLICATIONS OF ACTION

- A) Board Action and Other History
 Procurement Management obtained bids for the project, known as Invitation to Bid No. B210004BAG, Corrosion/Scale Inhibitor - Annual. On the bid deadline of January 26, 2021, Procurement Management received two (2) bids and one (1) no bid.

 Staff recommends awarding the annual contract to Carus, LLC based on their bid submittal, which was the lowest unit cost per pound. The proposed unit cost is 0.48 cents per pound, which is a 27% increase from the current vendor's price. The current vendor stated they chose not to submit a bid due to uncertainties in the raw material pricing. They anticipate volatile pricing over the next six months or more.
- B) Policy Issues
- C) BoCC Goals
- D) Analysis
- E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	\$52,500
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	No
F)	Fund: Utilities Operating Program: Utilities Operating Project: Corrosion/Scale Inhibitor Account Strings: Various Operating	
G)	Fund Type?	Enterprise

H)	Comments:
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V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
SAA	3/11/2021	Cover Memo
Vendor Executed B210004BAG Corrosion Scale Inhibitor for Utilities Water Plants	3/11/2021	Cover Memo

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Tucker, Mary	Approved	4/7/2021 - 1:49 PM
Utilities	Keyes, Pamela	Approved	4/7/2021 - 4:22 PM
Budget Services	Guttery, Angela	Approved	4/8/2021 - 8:26 AM
Budget Services	Winton, Peter	Approved	4/8/2021 - 10:05 AM
County Attorney	Swindle, Amanda	Approved	4/9/2021 - 11:01 AM
County Manager	Brady, Christine	Approved	4/12/2021 - 12:07 PM