

CITY OF BETHLEHEM
INTER-DEPARTMENTAL CORRESPONDENCE

SUBJECT: Request for Approval by City Council of Contract Award or Contract Price Increase Pursuant to City Ordinance, Article 121.05 (a)

Project or Contract Reference: 2025 10 Friendship Park Improvements

TO: City Council, all members, and Council Solicitor

FROM: Michael Alkhal, P.E., Director of Public Works/City Engineer

DATE: September 5, 2025

On behalf of the Administration, pursuant to City Ordinances, Article 121.05, I request City Council's approval of the following recommendation of the referenced contract award or price increase.

- Check Type of Contract or Change:

☐ The contract is for over \$50,000 and required to be bid under the Third-Class City Code. We have advertised the above referenced project and received qualified bids. We recommend award of the contract to the bidder identified and for the reasons stated below.

☒ The recommendation is for a price increase of 10% or more for an existing contract over \$50,000 that was previously bid and awarded under the Third-Class City Code.

☐ The contract is for the engagement of professional services. We have received a proposal for professional services in connection with above referenced project.

- Is the contract appropriation or price increase included in this year's budget? ☒ yes ☐ no
- Identify contract funding sources (general fund, grants, loans, etc.....):

| | |
|---------|------------------------|
| FEDERAL | 69999-662048 |
| STATE | 69999-662048 |
| LOCAL | 69999-662048 |
| CDBG | 009A-90123, 009A-90124 |

- The name and address of the recommended Contractor/Professional Service Provider:

Grace Industries, Inc
7171 Airport Road
Bath, PA 18014

- Term of contract or estimated completion date, subject to standard extensions: December 31, 2025.
- Description of project or scope of services to be provided:

This project will enhance the current park conditions, creating a welcoming and safe space for all age groups and providing a positive atmosphere to the neighborhood. The improvements include installation of a new basketball court, splash pad, ADA compliant walkways, event plaza, upgraded playground, and shaded pavilion.

- State the actual or estimated price to the City or the proposed Department budget allowance for the initial term; and state payment rate per unit of service if applicable:

Original Contract \$965,952.73
 Change Order amount: \$211,308.50
 New Contract amount will sum up to \$1,177,261.23

- Number of renewal term options and duration of each renewal, if any: N/A
- Maximum dollar value of all renewals provided for beyond the original term as if all renewals were exercised: N/A
- Reasons for recommendation of Administration and Council approval of contract:

Total Change Order Amount: \$211,308.50

Splashpad Installation: \$151,000
 Basketball court subgrade stabilization: \$29,120
 Curb Installation at Penn St: \$15,525
 Drinking Fountain: \$15,663.50

Splashpad Installation: The vendor awarded to supply and install equipment for the splashpad could not meet HUD labor requirements associated with installation of the pad. Grace Industries met these labor requirements and will utilize a subcontractor to provide the installation services at a cost that was quoted by the vendor. This amount will be subtracted from the General Recreation Costar Agreement.

Basketball Court Stabilization: After further site evaluation and in order to minimize the risk of cracks forming on the basketball court in the future, Grace industries will stabilize the subgrade soils through thorough compaction of the laid stone and reinforcement using stabilization fabric.

Curbing at Penn St: One of the improvements on this park is to install a sidewalk on Penn St, installation of a curb is necessary to prevent stormwater runoff onto the sidewalk. This line item was not included in the contract bid items; Grace Industries will install the curb at a cost of \$15,525.

Drinking Fountain: This is an additional item which will enhance the experience for park visitors. Grace Industries will supply and install an ADA compliant and pet friendly drinking fountain along with piping to replace an abandoned unit.

Please approve this recommendation by passing the accompanying resolution. A vote of final approval is requested at the first City Council agenda listing of this matter.



By: _____
Director of Public Works & City Engineer

Copies To: Mayor
Director of Administration
Director of Budget and Finance
Law Bureau
Purchasing Bureau
Controller
Chief of Engineering
Project Manager

Attachment: Proposed Resolution

RESOLUTION NO. 2025-_____

Authorization for Contract or Amendment under Article 121.05(a)

BE IT RESOLVED by the Council of the City of Bethlehem that the Mayor and the Controller and/or such other City officials as deemed appropriate by the City Solicitor, are hereby authorized to execute a Contract or Amendment and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, with the following named contractor, for the uses and purposes indicated in the supporting Recommendation of Award of Bid or Contract.

1. Name of Contractor: Grace Industries, Inc.
2. Project or Contract Reference: 2025 10 Friendship Park Improvements

Sponsored by _____

ADOPTED by Council this _____ day of _____, 2025.

President of Council

ATTEST:

City Clerk