

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: Workers' Compensation Program Management Services

TO: City Council, all members, and Council Solicitor

FROM: Mark W. Sivak, Director of Budget & Finance

DATE: January 15, 2019

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.

 X The contract is for the engagement of professional services. We have received and reviewed a proposal or proposals for professional services in connection with above referenced project or requirement for professional services. We recommend award of the contract.

- Is the contract appropriation or price increase included in this year's budget? X yes ___no
- Identify contract funding sources (general fund, grants, loans, etc.....):

General Fund 0801-42086

- The name and address of the recommended Contractor/Vendor/Professional Service Provider/Lowest Responsible Bidder are:

Engle Hambright & Davies, Inc.
One Meridian Boulevard, Suite 4A01
Wyomissing, PA 19610-3360

- Term of contract or estimated completion date, subject to standard extensions:

January 1, 2019 through December 31, 2021

- Description of project or scope of services to be provided:
Self-insured workers' compensation program management services
- 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:
\$57,500 annually
- Number of renewal term options and duration of each renewal, if any:
None
- Maximum dollar value of all renewals provided for beyond the original term as if all renewals were exercised:
None
- Reasons for recommendation of Administration and Council approval of contract:
Vendor has assisted in managing the self-insured workers' compensation program since it was started in 2013. The current three-year agreement contains a price decrease of \$5,000 annually from the previous one.

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: Mark W. Link
Director of Budget & Finance

Copies To: Mayor
Business Administrator
Law Bureau
Purchasing Bureau
Controller

Attachment: proposed resolution

RESOLUTION NO. _____

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 dated January 4, 2016:

1. Name of Contractor: Engle Hambright & Davies, Inc.
2. Project or Contract Reference: Workers' Compensation Program Management Services

Sponsored by _____

ADOPTED by Council this _____ day of _____, 20____.

President of Council

ATTEST:

City Clerk