

**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: Predictive Maintenance Program for Water and Waste Water Facilities

**TO:** City Council, all members, and Council Solicitor

**FROM:** Edward J. Boscola, PE, Director of Water and Sewer Resources

**DATE:** April 23, 2019

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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 and reviewed a proposal for professional services in connection with above referenced project. We recommend award of the contract to ITR Company, L.P.

- Is the contract appropriation or price increase included in this year's budget? X yes \_\_\_no

2019 Water and Sewer Operating Funds

- Identify contract funding sources (general fund, grants, loans, etc.....):

Account #2006-42055 – Professional Services  
Account #3003-42055 – Professional Services

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

ITR, LLC  
902 4<sup>th</sup> Avenue  
Bethlehem, PA 18018

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

The contract shall run from the Notice to Proceed until December 31, 2019.

- Description of project or scope of services to be provided:

Performance of predictive maintenance activities on rotating equipment at the filtration and wastewater treatment plants and distribution pump stations. Services include vibration testing and analysis, thermography, oil analysis, and motor testing on a routine, as-needed, and ongoing basis.

- 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:

Estimated expenditure for 2019:

Water Fund:	\$ 6,000
Sewer Fund:	\$ 20,900
Total:	\$ 26,900

- Number of renewal term options and duration of each renewal, if any:

5 annual renewal options

- Maximum dollar value of all renewals provided for beyond the original term as if all renewals were exercised:


Estimated \$ 150,000 over 5 years

- Reasons for recommendation of Administration and Council approval of contract:

Predictive Maintenance (PdM) is an important part of the maintenance program at water and sewer facilities. A quality PdM program forms the basis for decision making on preventive and corrective maintenance activities for large rotating equipment. Based on industry-wide experience with this type of program, financial savings are anticipated on O&M costs over the long run. ITR is a local company with relatively low unit pricing due to their close proximity and they have extensive experience in these matters.

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.

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By:   
Edward J Boscola

Copies To: Mayor  
Director of Administration  
Director of Budget and Finance  
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 April 23, 2019:

1. Name of Contractor: ITRCO, L.P.
2. Project or Contract Reference: Predictive Maintenance Program for Water and Wastewater Facilities

Sponsored by \_\_\_\_\_  
\_\_\_\_\_

ADOPTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
President of Council

ATTEST:

\_\_\_\_\_  
City Clerk