

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 of Contract Reference: Hometown Press Newsletter

TO: City Council, All Members and Council Solicitor

FROM: Kelley Andrade, Assistant to the Mayor

DATE: 7/16/20

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.....):

The costs associated with the production of the newsletter are related to postage cost and can be found in the 2020 Budget 0801-42047

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

Hometown Press
601 West Market Street, Suite 100
Perkasie PA 18944

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

The contract is for the creation of two seasonal newsletters, the Fall/Winter 2020 and the Spring/Summer 2021 issues.

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

Hometown Press is a division of Community Business Network, a multifaceted publishing, marketing and advertising sales company that has been working with and representing community institutions and businesses for over 20 years.

Hometown Press works with many municipalities and offers full service printing and production of community newsletters. Their business model is to offset the cost of printing by selling advertising in the newsletter. The cost of advertising ranges from \$295 to \$1,395 depending on the size of the ad and allows businesses to be included in a newsletter that is mailed to every residence in the city. That model allows the printing of the newsletter to be free to the municipality. The only cost that continues to be borne by the municipality is the postage associated with the newsletter.

- 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:

An estimated total cost of \$14,036 of the postage for the mailing of 66,792 newsletters (33,396 Fall / 33,396 Spring) based on current postage rates.

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

\$0

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

Currently, the City of Bethlehem produces two seasonal newsletters a year. The newsletter contains relevant community information and required residential notifications. For Fall 2020/ Spring 2021 the City partnered with Hometown Press. The cost of printing 33,396 copies per seasonal issue is free and the cost of handling is \$698 plus an estimated \$6,320 for postage per seasonal issue, for an estimated total cost of \$14,036 for both Fall/Spring issues under current postage rates.

It is recommended that the City contract with Hometown Press to produce the two newsletters scheduled for Fall/Winter 2020 and Spring/Summer 2021.

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: Kelley Andrade
Assistant to the Mayor of Bethlehem

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 07/16/20:

1. Name of Contractor:

Hometown Press
601 West Market Street, Suite 100
Perkasie PA 18944

2. Project or Contract Reference: Hometown Press Newsletter

Sponsored by _____

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

President of Council

ATTEST:

City Clerk