

**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: 2020 06 Underground Storage Tanks Replacement at Municipal Garage

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

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

**DATE:** 1/15/2021

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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 a proposal for professional services in connection with above referenced project. We recommend award of the contract to:

- Is the contract appropriation or price increase included in this year's budget?  yes  no

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

Cash Reserve

Fueling Tank Replacement

69999-66060

62017-66060

- The name and address of the recommended Professional Service Provider are:  
B&F Petroleum Installation, Inc.

2121 Adams Street  
Reading, PA 19605

- Term of contract or estimated completion date, subject to standard extensions:  
05/27/2021
  
- Description of project or scope of services to be provided:  
Provide materials and labor to remove and replace two Underground Storage Tanks for gasoline and diesel at the municipal garage on Stefko Boulevard, as more particularly specified in the Contract Documents.
  
- 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 \$294,725.00
  - Change Order amount: \$39,685.00
  - New Contract amount will sum up to \$334,410.00
  
- 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:  
To increase contract amount from \$294,725.00 to \$334,410.00 and extend the substantial and final completion for this project to 05/27/2021. Total net change to the proposed Change Order is \$39,685.00 due to manufacturing delays during the pandemic and additional material and equipment needed to remove and replace the Fuel Island, dispenser sumps, gas/diesel dispensers and bollards.

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:   
Department Head

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

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 01/15/2021

1. Name of Contractor: B&F Petroleum Installation, INC
2. Project or Contract Reference: 2020 06 Underground Storage Tanks Replacement at Municipal Garage

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

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

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

ATTEST:

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