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: Pierce Street Sewer Replacement Project |
| то: | City Council, all members, and Council Solicitor |
| FROM: | Edward J. Boscola, P.E. – Director of Water & Sewer Resources |
| DATE: | August 10, 2022 |

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.

X 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? X yes _____no

2022 Sewer Capital Budget

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

008A-88007

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

Ankiewicz Enterprises, Inc. 301 E Main Street Tamaqua, PA 18252

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

N/A

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

This increase is for a change order to the existing contract. The change is for an increase in prevailing wages due to the significant delays from bidding to start of work. The change also includes replacing an existing inlet that was removed during construction of the sanitary sewer line. The change exceeds 10% of the contract value.

• 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 plus prior | |
|-------------------------------|------------------|
| approved change order $\#1 =$ | \$273,940 |
| Proposed Change order #2 = | <u>\$ 39,042</u> |
| TOTAL = | \$312,982 |

• 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:

This change order is required to account for increases in prevailing wage rates from the time of original bid in 2017 to notice to proceed issued in 2021. Project delays were due to utility interferences that had to be addressed prior to the commencement of sanitary sewer work. The change also includes the replacement of an existing inlet that needed to be removed during installation of the new sanitary sewer line.

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.

Edward J Boscola BV.

By:_____ Department Head

Copies To: Mayor Director of Administration 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 August 10, 2022.

- 1. Name of Contractor: Ankiewicz Enterprises, Inc.
- 2. Project or Contract Reference: Pierce Street Sewer Replacement Project

Sponsored by _____

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

President of Council

ATTEST:

City Clerk