

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: 2022 49 Class B Biosolids Beneficial Use

TO: City Council, all members, and Council Solicitor

FROM: Edward J. Boscola, P.E. – Director of Water & Sewer Resources

DATE: October 13, 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:

 X 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? X yes no

2022 Sewer Operating Fund

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

Account No. 3001-42047 – Wastewater Treatment Department Contracts

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

Synagro Central, LLC
435 Williams Court, Suite 100
Baltimore, MD 21220

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

The contract shall run from the Notice to Proceed until December 31, 2024.

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

This is a goods and services contract for transportation and disposal of Class B Biosolids from the wastewater treatment plant to beneficial use sites operated by the Contractor and approved by PaDEP. Alternative methods of disposal include either offsite processing or the City's backup landfill should the Biosolids not meet regulatory requirements for beneficial use.

- 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:

Beneficial Use Pricing

Fuel Component = \$16.50 per wet ton

Non-Fuel Component = \$24.75 per wet ton

Estimated Annual Cost = \$41.25/wt ton x 11,000 tons = \$453,750

Offsite Processing Pricing

Fuel Component = \$26.00 per wet ton

Non-Fuel Component = \$106.00 per wet ton

Estimated Annual Cost = \$132.00/wt ton x 500 tons = \$66,000

Backup Landfill Pricing

Fuel Component = \$26.00 per wet ton

Non-Fuel Component = \$0.00 per wet ton

Estimated Annual Cost = \$26.00/wt ton x 500 tons = \$13,000

(Excludes tipping fee which would be paid by City directly to landfill)

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

Initial contract term will cover a two (2) year period (CY 2023-2024), with an option for three (3) additional one (1) year extensions (2025, 2026, 2027).

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


Fuel Component price will be adjusted annually (up or down) based on the change in average diesel fuel price compared to the baseline price at time of bid.

Non-Fuel Component price will be adjusted annually (up or down) based on the change in the Consumer Price Index during the previous 12-month period.

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

Three proposals were received. Synagro Central, LLC is the lowest responsible bidder. The City recommends award of the contract to Synagro Central.

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: 
Department Head

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

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 October 13, 2022.

1. Name of Contractor: Synagro Central, LLC
2. Project or Contract Reference: 2022 49 Class B Biosolids Beneficial Use

Sponsored by _____

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

President of Council

ATTEST:

City Clerk