

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:

TO: City Council, all members, and Council Solicitor

FROM: Laura Collins, Director of Community & Economic Development

DATE: November 15, 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.

_____ 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:

1. Is the contract appropriation or price increase included in this year's budget? ___yes no

The contract commences in January 2023, and the contract price will be included in the proposed 2023 budget.

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

General Fund – 0030-0307-42047

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

Republic Services of NJ, LLC d/b/a Raritan Valley Disposal
1200 North Irving Street, Allentown PA 18109

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

The contract will commence on January 1, 2023. The contract term shall be twenty-four (24) months. After the expiration of the initial contract term on December 31, 2024, the City and the Contractor shall have the option for five (5) additional renewal terms of one (1) year each upon mutual consent of the parties.

5. Description of project or scope of services to be provided:

The contract is for the curbside collection of recyclables for the City of Bethlehem in a single-stream fashion.

6. State the actual or estimated price to the City or the proposed Department budget allowance for the initial term; state payment rate per unit of service if applicable:

The price of the initial two-year term of the contract is \$3,523,212. That is broken down by Year 1 \$1,718,640; Year 2 \$1,804,572

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

After the expiration of the initial contract term, the City and the Contractor shall have the option for five (5) additional renewal terms of one (1) year each upon mutual consent of the parties.

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

The bid specifications state that the contract will be renewed for the allowable additional terms if the maximum price escalation is no more than five (5%) percent for each renewal year. Give that anticipated 5% escalation each year, the estimated not to exceed to exercise all renewals would be \$10,469,971.

8. Reasons for recommendation of Administration and Council approval of contract:

After the current vendor for the City's curbside recycling service did not exercise the option for an extension of the existing contract, the City put out a public request for bids from qualified and experienced firms to provide curbside recycling services under a new two-year contract. The City of Bethlehem received sealed bids online via PennBid for Bid 2022 53 Curbside Recycling on October 13, 2022. The bids were reviewed, and the City recommends the base bid for curbside collection of recyclables throughout the City of Bethlehem in a single-stream fashion be awarded to Republic Services of New Jersey LLC d/b/a Raritan Valley Disposal for a two-year contract that will total \$3,523,212.

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

1. Name of Contractor: Republic Services of NJ LLC
d/b/a Raritan Valley Disposal
1200 North Irving Street
Allentown PA 18109

2. Project or Contract Reference: 2022 53 Curbside Recycling

Sponsored by _____

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

President of Council

ATTEST:

City Clerk