

**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: Water Utility Counsel

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

**FROM:** William P. Leeson, Esq., City Solicitor

**DATE:** December 13, 2016

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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.

  X   The contract is for the engagement of professional legal 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.....):

See Budget Line Item 2006-42055

- The name and address of the recommended attorney and firm is:

John J. Gallagher, Esq.  
711 Forrest Road  
Harrisburg, PA 17112

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

Calendar Year 2017, 1/1/2017 to 12/31/17

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

Representation of all matters before the Pennsylvania Public Utility Commission including, but not limited to the Distribution System Improvement Charge Petition, the Upper Saucon Township service territory inter-municipal agreement, the Lower Saucon Township Honor System, the rate case capital structure petition, and other miscellaneous regulatory and special transactional issues. Plus other services necessary and incidental to negotiating, preparing and securing inter-municipal and developer agreements for the supplying of water service (excluding: drafting and securing ordinances required by the City of Bethlehem to approve such agreements)

- 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:

\$110,000.00 plus overhead expenses such as duplicating charges, telephone and fax charges, express mail services, traveling expenses, computer research charges and other out-of-pocket expenses

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

Renewable for up to one (1) additional one (1) year term at a rate to be mutually agreed upon by the parties

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

Renewals are contingent on subsequent agreement of the parties.

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

Renewal of contract previously determined as most favorable option for City on basis of experience, fee and familiarity with City operations.

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: \_\_\_\_\_



City Solicitor

Copies To: Mayor  
Director of Administration  
Director of Budget and Finance  
Director of Water & Sewer Resources  
Purchasing Bureau  
Controller

Attachment: proposed resolution

RESOLUTION NO. 2016-\_\_\_\_\_

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 December 14, 2016:

1. Name of Contractor: John J. Gallagher, Esq.
2. Project or Contract Reference: Water Utility Counsel

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

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

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

ATTEST:

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