

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: East Goepp Street Water Main Replacement

TO: City Council, all members, and Council Solicitor

FROM: Edward J. Boscola, PE, Director of Water and Sewer Resources

DATE: October 9, 2017

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 and reviewed two proposals for professional services in connection with above referenced project. We recommend award of the contract to GHD Group, Ltd.

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

2017 Water Capital Fund

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

Account #007A-77005 – Replace, Relocate, Rehabilitate Distribution System

- The name and address of the Service Provider are:

Joao & Bradley Construction Co, Inc.
4211 Tracy Lane
Bethlehem, PA 18020

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

Original contract executed April 25, 2017.

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

Joao & Bradley was awarded a publicly bid contract to replace a section of water main on East Goepp Street for an original contract price of \$610,503.00. A change order in the amount of \$66,079.05 has been submitted to address (a) changes in actual quantities delivered vs estimated bid quantities at unit pricing for \$40,930.84, and (b) several unforeseen conditions such as faulty valves, unmarked utilities, need for line stops, and tie-in difficulties due to the condition of infrastructure for \$25,148.21. The change order amount exceeds 10% of the original contract price, hence Council approval is requested per Article 121.05

- 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:

\$610,503.00 + 66,079.05 change order = \$676,582.05

- 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:

Additional work beyond the scope of the original construction contract was required to address changes in actual vs bid quantities and to address several unforeseen conditions: faulty valves and infrastructure, unmarked utilities, line stops, difficulties with tie-ins to existing mains, and work-arounds. The WSR Department recommends approval of the change order.

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: Edward J. Boscola

Copies To: Mayor
Director of Administration
Director of Budget and Finance
Law Bureau
Purchasing Bureau
Controller
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 Contract Change Order dated October 9, 2017:

1. Name of Contractor: Joao & Bradley Construction Co., Inc.
2. Project or Contract Reference: East Goepp Street Water Main Replacement

Sponsored by _____

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

President of Council

ATTEST:

City Clerk