



CITY OF ALLENTOWN

No. _____

RESOLUTION

R122 - 2024

Introduced by the Administration on July 24, 2024

to be applied for contract commencement on 6/1/2025 and

Authorization for Contract with Bethlehem Landfill Company in the estimated amount of \$2,954,870.00 for the first contract year, with a maximum CPI adjustment of five (5%) percent following each year after the first-year term, to provide disposal of municipal solid waste (MSW). There were three (3) bids; contract shall be for five (5) years beginning on the commencement date, June 1, 2025, and terminating May 31, 2030 and can be extended for up to an additional two (2) years beyond the contract expiration period at the sole discretion of the City.

Resolved by the Council of the City of Allentown, That

WHEREAS, Article 130.16 of the City's Administrative Code (recodified as §5-21) requires City Council approval by Resolution for the award of contracts or engagement of professional services.

WHEREAS, it is the desire of the City of Allentown to enter into an agreement with the aforementioned Contractor, for the use and purpose indicated in supporting the Recommendation of Award of Bid:

1. Name of Contractor/Consultant: Bethlehem Landfill Company
2. Project or Contract Reference: RFP No. 2024-25 Municipal Solid Waste Disposal
3. Description of Service(s): For the disposal of municipal solid waste (MSW).

NOW, THEREFORE, BE IT RESOLVED, on this the 24th day of July, 2024, that the Council of the City of Allentown, hereby authorizes the Mayor and/or such other City officials as deemed appropriate by the City Solicitor, to sign and 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 above named contractor/consultant, for the project identified.

SUBJECT: Request for Contract Award and Approval by City Council Pursuant to City Ordinance, Article 130.16

Project or Contract Reference: RFP No. 2024-25 Municipal Solid Waste Disposal

TO: City Council, City Clerk, and Council Solicitor

FROM: Mark Shahda, Department Head

DATE: July 15, 2024

Pursuant to City Ordinances, Article 130.16, this Recommendation of Award is before City Council for it's approval and award of the contract.

- Check Type of Contract or Change:

Awarded contracts over \$40,000.00 done through cooperative purchasing.

The contract is for over \$40,000 and required to be competitively bid under the City Code. We have advertised the above referenced project and received qualified bids/proposals.

X The engagement of professional services. We have received and reviewed a proposal or proposals for professional services in connection with above referenced project or requirement for professional services.

- The contract appropriation or price increase **is not** included in this year's budget
- List the Vendor's name, address and proposed sum, of any and all **alternate** quotes/received, if any.

Solid Waste Services, Inc. (d/b/a J/P Mascaro & Sons): 2650 Audubon Road, Audubon, PA 19403

2024 Cost Proposal = \$128.75 per ton
 State fees = \$6.25 per ton
 Local fees = \$4.00 per ton with 4% annual adjustment
 Total 2024 Cost Proposal per ton = \$139.00 per ton

No known annual adjustments at this time.

Waste Management of Pennsylvania, Inc.: ~~800 Capital Street, Suite 300, Houston TX, 77002~~

910 Pennsylvania Avenue, Pen Argyl, PA 18072

2024 Cost Proposal = \$73.05 per ton
 State fees = \$6.25 per ton
 Local fees = \$5.70 per ton with 4% annual adjustment
 Total 2024 Cost Proposal per ton = \$85.00 per ton

with no annual adjustment

- List the name and address of the **recommended** Contractor/Vendor, include the following:

Bethlehem Landfill Company: 2335 Applebutter Road, Bethlehem, PA 18015

Contract Consideration: 2024 Cost Proposal = \$55.57 per ton
State fees = \$6.25 per ton
Local fees = \$7.18 per ton with 4% annual adjustment
Total 2024 Cost Proposal per ton = \$69.00 per ton

Based on 41,000 tons per year landfilled:

Contract Year 1 estimated contract cost = **\$2,954,870.00**

Contract Year 2 estimated contract cost = **\$3,086,554.33**

Contract Year 3 estimated contract cost = **\$3,224,885.54**

Contract Year 4 estimated contract cost = **\$3,370,005.94**

Contract Year 5 estimated contract cost = **\$3,522,249.90**

Estimated Total = \$16,158,565.71

Funding Source: 085-03-8005-0001-46

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

On May 1, 2024, the City advertised a solicitation for the disposal of municipal solid waste (MSW). On June 21, 2024, there was a public opening held, which three (3) proposals were received and distributed to all committee members via Teams for evaluation. The Technical evaluation was held on June 26, 2024, all committee members were present. The proposals were scored based on the following: IBE Preference (10 Points), Experience, Qualifications and Prior Performance (20 Points), Resources (20 Points), and Implementation (20 Points). The Cost proposals were opened on June 26, 2024, and distributed to all committee members via Teams for evaluation after the completion of the Technical evaluation. The Cost evaluation was held on July 1, 2024, all committee members were present. The committee members discussed the Cost proposals (40 Points). The committee made the recommendation to proceed with oral interviews (15 Points). The oral interview meetings occurred on July 10, 2024. Bethlehem Landfill Company at 10:00AM, Solid Waste Services, Inc. (d/b/a J.P. Mascaro & Sons) at 11:00AM, and Waste Management of Pennsylvania, Inc. at 12:00PM. All committee members were present. The evaluation committee completed both Technical and Cost evaluations on the proposals along with the oral interviews with all vendors who submitted a proposal. The committee decided to award based on the firms qualifications and overall score. The committee is recommending award to Bethlehem Landfill Company.

- Contract Term:

The initial term of this Contract shall be for a five (5) year period beginning on the Commencement Date, June 1, 2025, and terminating May 31, 2030.

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

At the sole and absolute discretion of the City, this Contract may be renewed for two (2) additional two (2) year periods. The City shall notify the Contractor of its intent to exercise this renewal option or allow the Contract to terminate. Said notice shall be in writing and delivered at least one (1) year prior to the then applicable termination date.

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

Estimated costs based on the annual adjustments assumptions of 5% CPI increase:

Year 6: \$3,681,968.32

Year 7: \$3,849,529.39

Year 8: \$4,025,319.52

Year 9: \$4,209,744.20

Total Estimated nine (9) year Contract Cost = \$31,924,951

A vote of final approval is requested of the members of Council and by passing the accompanying resolution, this Contract will be deemed approved and awarded.

By: Mark Shahda, Department Head

Copies To: Mayor
Director of Finance
Purchasing
Controller

Attachment: proposed resolution