

RESOLUTION NO. 2014- 197

A RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES WITH SOURCEONE, BOSTON, MA, FOR ENGINEERING AND TECHNICAL ADVISORY SERVICES SUPPORTING CLAYVILLE UNIT 1 SIMPLE CYCLE POWER PLANT.

WHEREAS, there exists a need for professional services for Engineering and Technical Advisory Services Supporting Clayville Unit 1 Simple Cycle Power Plant; and

WHEREAS, the City of Vineland has a need to acquire such professional services as a Non-Fair and Open Contract pursuant to N.J.S.A. 19:44A-20.5; and

WHEREAS, the purchasing agent has determined and certified in writing that the value of said services will exceed \$17,500.00; and

WHEREAS, SourceOne, Boston, MA, has submitted a proposal indicating they will provide the professional services in an amount not to exceed \$499,579.00 for the contract period May 13, 2014 to May 12, 2015; and

WHEREAS, SourceOne has completed and submitted a Business Entity Disclosure Certification for Non-Fair and Open Contract which certifies that SourceOne has not made any reportable contributions to a political or candidate committee in the City of Vineland in the previous one year and that the contract will prohibit SourceOne from making any reportable contributions through the term of the contract to a political or candidate committee in the City of Vineland; and

WHEREAS, the availability of funds for said Professional Services Contract to be awarded herein have been certified by the City Comptroller; and

WHEREAS, the Local Public Contract Law (N.J.S.A. 40A:11-1, et seq) requires that the Resolution authorizing the award of contract for Professional Services without competitive bidding and the contract itself must be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vineland as follows:

1. That the Mayor and Clerk are hereby authorized and directed to execute a Non-Fair and Open Agreement pursuant to N.J.S.A. 19:44A-20.5 with SourceOne, Boston, MA, for Professional Services Engineering and Technical Advisory Services Supporting Clayville Unit 1 Simple Cycle Power Plant in an amount not to exceed \$499,579.00.
2. That this Agreement is awarded without competitive bidding as a Professional Services in accordance with N.J.S.A. 40A:11-5(1)(a) of the Local Public Contracts Law because said services to be rendered or performed require knowledge of an advanced type in a field of learning acquired by a prolonged formal course of specialized instruction distinguished from general academic instruction or apprenticeship and training.
3. That the Business Disclosure Entity Certification, the Political Contribution Disclosure Form and the Determination of Value be placed on file with the Resolution.
4. That a Notice of this action shall be printed once in the Daily Journal.

Adopted:

President of Council

ATTEST:

City Clerk

REQUEST FOR RESOLUTION FOR CONTRACT AWARDS UNDER 40A:11-5 EXCEPTIONS (PROFESSIONAL SERVICES, EUS, SOFTWARE MAINTENANCE, ETC)

April 22, 2014

(DATE)

1. Service (detailed description): Engineering & Technical Advisory Sevices Supporting Clayville Unit 1 Simple Cycle Power Plant

2. Amount to be Awarded: \$ 499,579.00

- Encumber Total Award
- Encumber by Supplemental Release



3. Amount Budgeted: \$ 550,000.00

4. Budgeted: By Ordinance No. 2011-46
Or Grant: Title & Year _____

5. **Account Number to be Charged: 022-00-00-0000-2-75116 E340Y \$199,579.00
022-00-00-0000-2-75115 E340Y \$300,000.00

6. Contract Period: May 13, 2014 to May 12, 2015

7. Date To Be Awarded: May 13, 2014

8. Recommended Vendor and Address: SourceOne
53 State St. Boston, MA 02109

9. Justification for Vendor Recommendation :(attach additional information for Council review)
1) Provided support services for Howard Down Unit 11
2) Has very high level of experience and knowledge with Rolls Royce SCPP
3) Very knowledgeable with VMEU processes and procedures
4) High level of expertise in power plant construction

- Non-Fair & Open (Pay-to-Play documents required)
- Fair & Open: How was RFP advertised? _____

10. Evaluation Performed by: Jose M Cruz, PE *JMC*

11. Approved by: *[Signature]*

12. Attachments:

- Awarding Proposal
- Other: _____

• Send copies to:
 Purchasing Division *J.M. Cruz, PE* P. Kudless *[Signature]* G. Foster *[Signature]*
 Business Administration

** If more than one account #, provide break down

Engineering & Technical Advisory Services Supporting Clayville 1 SCPP Project

April 27, 2014

Mr. Jose Cruz, PE
Vineland Municipal Electric Utility
415 N. West Ave
Vineland, NJ 08360

SUBJECT: Supporting Services for Clayville 1 Simple Cycle Power Plant Construction project

Dear Mr. Cruz,

It is our pleasure to submit this proposal in response to your Scope of Work document dated April 17, 2014. SourceOne is prepared to immediately begin providing engineering and technical advisory services to support VMEU's critically important Clayville-1 Simple Cycle Power Plant (SCPP) construction project. SourceOne's supporting role will be to apply expertise in the most critical areas of execution at the optimum time of the project to ensure VMEU success. The SourceOne Team meets all the requirements found in Section 3 – Qualifications and is prepared to perform all services detailed in Section 4 – Consultant Scope of Work. SourceOne will comply with Section 5 – Contract Terms and Section 9 – Terms and Conditions, Total Agreement. SourceOne anticipates this effort will terminate within one year of starting.

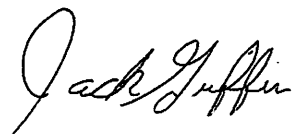
I will personally lead support services throughout the engagement. Full-time support onsite will begin in May 2014 and terminate in May 2015, coinciding with Commercial Operations and completing within the one year term required of Professional Services Agreements. Engineering and technical advisory services will begin with a written notice to proceed.

Clayville 1 SCPP Construction - Engineering and Advisory Services costs (Not To Exceed)

	Hours	Labor	Expenses	Total
Onsite Support	2,080	\$312,000	\$40,300	\$354,380
Coordination & Advisory	380	\$95,040	\$17,096	\$112,516
Total:	2,460	\$407,040	\$57,396	\$466,896

We are excited at the opportunity to again assist and support the legacy of achievement that VMEU has forged over the past decade.

At your service,



Jack Griffin
Vice President & General Manager

Engineering & Technical Advisory Services Supporting Clayville 1 SCPP Project

SECTION 1: SCOPE OF WORK – Clayville Unit 1 SCPP Project

The Clayville Unit 1 project experienced a prolonged procurement cycle in order to place a Construction Contractor contract for the construction of this new simple cycle generating plant. VMEU has successfully contracted with C & H Industrial Services (C&H). C&H's proposal was the lowest responsive, responsible bidder in accordance with NJ Public Procurement regulations. However, VMEU has concerns with C&H's proposed solution due to the fact that C&H has limited experience with power plant construction of the scope and complexity that embodies the Clayville Unit 1 project.

Engineering and technical advisory services for Clayville Unit 1 will take two principle forms. The first area of support will be advisory and support services for the VMEU Project Manager (VMEU PM) in order to enhance VMEU's oversight of Waldron Engineering, Owner-Procured equipment providers, C&H, the commissioning agent, Atlantic Electric, and others as deemed appropriate by the VMEU Project Manager. Specific support will begin immediately upon written notice to proceed (NTP) and is expected to terminate with the close-out of the project in May of 2015.

The second form of support will be a full-time, on-site engineering resource (Owner's Project Engineer) reporting to VMEU's Construction Manager. The Owner's Project Engineer will provide oversight services designed to ensure C&H's construction activities are in accordance with standard industry protocols, good engineering practices, and in accordance with VMEU's design and specification requirements.

The Project Engineer's assignment will initiate in May 2014 and terminate in May 2015 in alignment with the scheduled Commercial Operation deadline. The Owner's Project Engineer will assist VMEU's Construction Manager by:

1. Reviewing and assessing the C&H's project planning activities to ensure that C&H's approach is in accordance with the design intent and design documents provided by VMEU.
2. Providing coordination services between the Owner's Project Management Team, Owner-Procured major equipment suppliers, Waldron Engineering (engineer of record), C&H's project team, the TDB Commissioning Agent, and others as deemed appropriate by the Construction Manager or the VMEU PM.
3. Observing and assessing construction activities for adherence to plans & specifications and providing advice and consul to the Construction Manager with respect to required corrective action and or options and alternatives to achieve effective completion.

SourceOne's scope of the services will include in-depth engineering and technical advisory services encompassing all phases of the construction project. The assistance need is immediate as the Construction Contract has been awarded and the project kickoff meeting is scheduled for April 23, 2014.

Clayville 1 SCPP Construction - Engineering and Advisory Services costs (Not To Exceed)

	Hours	Labor	Expenses	Total
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SECTION 2: BACKGROUND, EXPERIENCE AND REFERENCES

SourceOne Business Identification Information

Company Name	SourceOne, Inc. (DE)
Company Mission	The development and deployment of reliable and cost-effective energy solutions that support growth, and encourage sustainable and reliable operations.
Founded	1997, incorporated in Delaware, USA (17 years in business)
Business Organization	Corporation, For profit
Size of Firm	80+ Personnel; Approx. \$20M annual revenue.
Federal Identification	04-3558868
National Headquarters	53 State St. 14th Floor Boston, MA 02109
Telephone Number	617.399.6100 and 800.510.4485
Website	http://www.sourceone-energy.com
Other Locations	Philadelphia, New York, & Los Angeles
Parent Company	Veolia Environment
Parent Company Revenue	Approximately \$40 billion of revenue in 2012 and market capitalization of approximately \$10 billion.
Resources	Primarily staffed with Professional Engineers and Accredited Engineers, LEED Accredited Professionals, Certified Energy Managers, Data Center Energy Practitioners and Energy Market Analysts.
Engineering Licensures	Connecticut, New Jersey, Delaware, Pennsylvania, and New Hampshire
Main Contact Information	Jack Griffin, Vice President & General Manager 53 State St, Boston MA 02109 Phone: 617-399-6151 Email: jgriffin@s1inc.com

SourceOne History and Ownership

SourceOne was established in 1997 with the expectation that large public and private entities need expert support navigating the energy marketplace and facing the on-going issues surrounding energy and sustainability. We have provided comprehensive energy solutions to our customers for over 16 years. We operate offices in Boston, New York City, Philadelphia and Los Angeles with a staff of over 80 highly qualified and cross-trained energy professionals.

In 2007, SourceOne was acquired by Veolia Energy, a leading international provider of sustainable energy, and facility operations and management solutions. *SourceOne operates completely independently* from its parent company and is proud of its reputation for operating solely in its client's best interests. However, SourceOne can now seamlessly draw upon Veolia's global resources to provide our clients with the best in-class services. Veolia Energy is one of the largest providers of comprehensive energy related solutions in the world, providing energy services at over 96,000 facilities including thousands of municipal and governmental buildings around the globe. Veolia Energy's US Headquarters is located in Boston, Massachusetts. The company maintains operations in 17 cities across the country.

Veolia Energy is a division of Veolia Environment (NYSE: VE and Paris Euronext: VIE), the world leader and benchmark provider in energy, environmental, and water/wastewater services with over 335,000 employees in 74 countries. Veolia has been crafting integrated energy solutions worldwide for more than 150 years. Their expertise and operational practices in critical environments contribute to the optimization of efficiencies and dramatic reduction in greenhouse gases for customers worldwide.

Engineering & Technical Advisory Services Supporting Clayville 1 SCPP Project

Veolia Environment generated over \$40 billion of revenue in 2012 and has a market capitalization of approximately \$10 billion as of October 2013 (NYSE: VE).

Veolia Environnement
Essential Energy, Water, and Waste Management for Industrial and Municipal Customers

2012 Revenue \$40 billion

Sustainable solutions across three complementary segments

- VEOLIA WATER**
The standard for water services
2012 Revenue \$16.4 billion
- VEOLIA ENERGY** **SourceOne**
The standard for energy efficient solutions
2012 Revenue \$10.1 billion*
- VEOLIA ENVIRONMENTAL SERVICES**
The standard for waste management and resource recovery
2012 Revenue \$12 billion

Markets Served

SourceOne engineers have extensive experience in the public and private sectors with thousands of clients spanning the globe and diverse vertical markets. Our broad range of clients includes municipalities, education institutions, government agencies, large data centers, biotechnology firms, commercial real estate entities, industrial plants and more.

We are proud to serve many of the most energy conscious entities in the North East including the City of Boston, the City of New Haven, the City of Hartford, the City of New Bedford, Massachusetts Port Transportation Authority, South Eastern Pennsylvania Transportation Authority, REIT Management and Research, Vornado Realty Trust, New York University, NY/NJ Port Authority, Sanofi-Aventis, BioMed Realty Trust, and Biogen Idec.

Our Clients

- MUNICIPALITIES**
- REAL ESTATE INVESTMENT TRUSTS**
- HIGHER EDUCATION**
- INDUSTRIAL PLANTS**
- FINANCIAL INSTITUTIONS**
- HEALTHCARE, BIOTECH, PHARMA**

Engineering & Technical Advisory Services Supporting Clayville 1 SCPP Project

References

SourceOne has years of experience construction project oversight, technical advisory services, and engineering support. Contacts for related experience are listed below.

The Town of Hempstead

Tara Schneider
Department of Conservation & Waterways
1 Parkside Drive
Point Lookout, NY 11569
(516) 897-4109
tara.schneider@gmail.com

The Dimock Center

Peter Gerondeau
VP of Finance
55 Dimock Street
Roxbury, MA 02119
(617) 442-8800
pgeronde@dimock.org

City of New Bedford

Scott Durkee
Director - Energy Office
133 Williams Street
New Bedford, MA 02470
(508) 991-6188
sdurkee@newbedford-ma.gov

Biogen Idec

Michael Cheney
Director of Facilities
10 Cambridge Center
Cambridge, MA 02142
(617) 679-2108
Michael.Cheney@biogenidec.com

University of Massachusetts Medical School

Mr. John Baker
Associate Vice Chancellor , Facilities Management
55 Lake Avenue North
Worcester, Massachusetts 01655
(508) 856-5538
john.baker@umassmed.edu

Novartis Institutes

Martin Turnbull
Staff Engineer
250 Massachusetts Avenue
Cambridge, MA 02139
(617) 871-3096
martin.turnbull@novartis.com

The Durst Organization

Phil Skalaski
Assistant Director of Technical Services
115 Avenue of the Americas
New York, New York 10036
(212)257-6558
pskalaski@durst.org

Dartmouth College

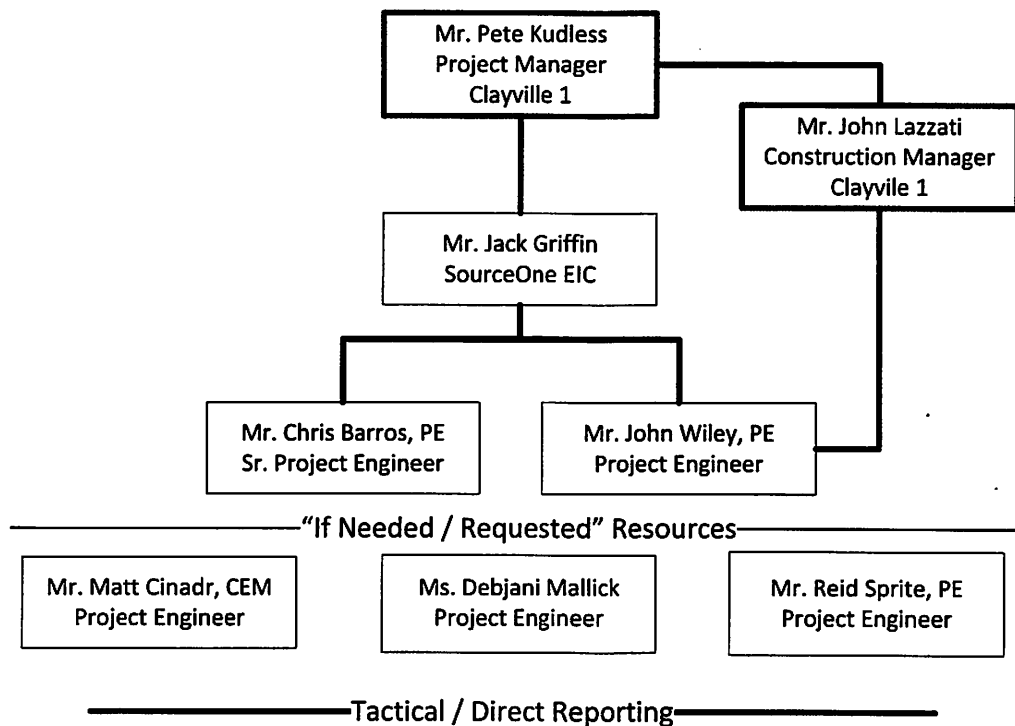
Frank Roberts
Associate Vice President of Facilities
611 McKenzie Hall
Hanover, NH 03755
(603) 646-2485
frank.a.roberts@dartmouth.edu

Engineering & Technical Advisory Services Supporting Clayville 1 SCPP Project

SECTION 3: PROJECT TEAM AND KEY PERSONNEL

SourceOne engineers and project managers have extensive experience in the energy industry. Our experts have both depth of knowledge relative to the technical, regulatory, operational and financial elements of successful energy initiatives, and the field experience necessary to recommend the best solutions to meet stakeholder goals.

Critical to the success of any team is its organization. The individuals below will be deployed to perform the tasks of the assignment and will be dedicated to fully support VMEU. The SourceOne Team is deploying an engagement structure that meets the discrete and immediate needs of both projects with providing flexibility and skills redundancy aimed at ensuring continual, high levels of performance.



Examples of Our Team's Project-Related Experience

Our team has the experience and expertise to meet VMEU's objectives for this engagement. A description of two of our key project team members' relevant experience working with thermal generation and renewable energy is below:

Jack Griffin is a skilled engineer and project manager with over 25 years of energy project experience. With a mixed background in Management and Engineering and the extensive knowledge of VMEU practices and requirements, Jack is the optimum choice to lead this important effort.

Chris Barros, PE is a professional mechanical engineer with over 17 years of experience. He is the current President of the Massachusetts Society of Professional Engineers and is registered in NJ to practice engineering, as well as eight other states. Chris's specific experience that is applicable to Clayville Unit 1 and West station has three components; Chris was SourceOne's lead for the University of

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Massachusetts Medical Center Power Plant expansion and is the current lead for VMEU's SCADA project. Additionally, Chris has extensive experience in electric and gas utilities.

John Wiley, PE is a professional mechanical engineer with ten year's of power plant design experience and specific construction experience that is applicable to the Clayville 1 SCPP Project. More than 30% of John's work history has been on construction sites of power facilities.

Matthew Cinadr is a mechanical engineer with firsthand experience in the analysis, development, application and operations of various energy systems including both conventional, renewable and hybrid power technologies. Matt is a former GE Startup engineer with both domestic and international experience.

Debjani Mallick is a chemical engineer with strong analytical abilities and a fervor for detail. Here Specific experience that will serve VMEU well is that she currently supports Jack Griffin and Burns & Roe with the West Station Design Team and also is the Project Engineer for VMEU's SCADA project.

Reid Sprite, PE is a professional electrical engineer with ten (10) years experience. Reid's specifically applicable experience for this project is his lead role duties for three recent CHP projects(Bronx VA, West Haven VA, & Novartis Institutes). Additionally, Reid represented Veolia Energy on the Distributed Generation Working group that resulted in improvements in control of the interconnection process and requirements in Massachusetts.

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SECTION 4: PRICING AND ACCEPTANCE

SourceOne will perform the scope of work outlined in this proposal on a time and material basis with a not-to-exceed cap of **\$500,621**. The budget pricing is based on an anticipated project timeline beginning in May 2014 and terminating in August 2015. Onsite, full-time presence working a 40 hour work week will begin in May of 2014 and end in June 2015.

Hourly Rates

Charges for services provided by SourceOne consist of (1) hourly billing rates for professional staff members and consultants actively working on the project, and (2) expense reimbursement. Reimbursable expenses are primarily to cover travel and living expenses for personnel required to be away from their office in connection with the work to be performed – which are billed at cost. The hourly billing rates for SourceOne Team, by labor category, are given below:

Resource Title	Hourly Rate
Vice President / Executive Officer	\$250
Project Manager	\$200
Senior Engineer / Analyst	\$180
Project Engineer	\$150
Staff Engineer	\$95
Administrative / Engineer-In-Training	\$80

Acceptance

A Contract between SourceOne, Inc. (DE) and the City of Vineland shall be effective as of the date the proposal is executed and delivered, issuance of a purchase order or other notice to proceed with reference to the Proposal, or permit for SourceOne to commence performance of any services in accordance with the Proposal, whichever first occurs. SourceOne will commence immediately without a signed project, but with a written notice to proceed, with the express understanding that in the event no contract is formalized, VMEU will compensate SourceOne for time and expenses incurred as a result of the Notice to Proceed.

City of Vineland

SourceOne, Inc. (DE)

Signature

Signature

Name

Jack Griffin

Name

Title

Vice President General Manager Boston

Title