

RESOLUTION NO. 2014-198

A RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES WITH SOURCEONE, BOSTON, MA, FOR ENGINEERING AND TECHNICAL ADVISORY SERVICES SUPPORTING WEST STATION SCR RETROFIT PROJECT.

WHEREAS, there exists a need for professional services for Engineering and Technical Advisory Services Supporting West Station SCR Retrofit Project; 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 \$265,467.00 for the contract period May 1, 2014 to April 30, 2015; and

WHEREAS, Utility management personnel have requested an additional 20% contingency for the project in the amount of \$53,093.00.

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 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 West Station SCR Retrofit Project in an amount not to exceed \$265,467.00.00 and
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.

BE IT FURTHER RESOLVED, that an additional 20% contingency for the project be approved in the amount of \$53,093.00.

BE IT FURTHER RESOLVED, the availability of funds for said Professional Services Contract to be awarded herein have been certified by the City Comptroller.

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 23, 2014

(DATE)

1. Service (detailed description): Engineering and Technical Advisory Services
Supporting the West Station SCR Retrofit Project

2. Amount to be Awarded: \$ 265,467 + \$53,093 (contingency at 20%) = \$318,560

- Encumber Total Award
- Encumber by Supplemental Release

3. Amount Budgeted: \$ 6,000,000

4. Budgeted: By Ordinance No. 12-36
Or Grant: Title & Year _____

5. **Account Number to be Charged: 022-0-00-00-000-2-7511500

6. Contract Period: May 1, 2014 to ~~September 2015~~ April 30, 2014 per Yvonne Lewis

7. Date To Be Awarded: May 13, 2014

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

9. Justification for Vendor Recommendation:(attach additional information for Council review)
Please see the attached recommendation letter.

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

10. Evaluation Performed by: John Miller, Joseph Colla *JM 4/23/14 J.L. Colla 4/23/14*
11. Approved by: *[Signature]* *Sudhakar 4/23/14*

12. Attachments:
 Awarding Proposal
 Other: _____

- Send copies to:
Purchasing Division
Business Administration

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

Justification for Vendor Recommendation

The project to install a selective catalytic reduction system on the combustion turbine at west substation recently went through a long procurement cycle in order to place an order for an SCR which is needed in order to reduce the emissions of nitrogen oxides to comply with a New Jersey DEP regulation that goes into effect on May 1, 2015. Two rounds of bidding were conducted. An award for the supply of an SCR was made four months later than originally scheduled to the low bidder, Turner EnviroLogic, Inc., on February 25, 2014 in accordance with NJ public procurement regulations. VMEU has concerns with Turner's proposed SCR. Other utilities such as Public Service Electric & Gas, Braintree Electric, and Bayonne Electric have experienced considerable problems with SCRs recently purchased from Turner. In order to ensure effective execution of the project and hopefully avoid the problems others have experienced, VMEU is requesting that VMEU enter into a contract with SourceOne and its sub-vendor, Eneractive Solutions, to provide in-depth design review and quality assurance services. The scope of the services will include in-depth assessments of design documents and a rigorous quality assurance oversight program to confirm Turner's compliance with VMEU's design and specification requirements.

Engineering Services & Technical Advisory Services Supporting the West Station SCR Retrofit Project

April 21, 2014

Mr. Joe Colla
 Vineland Municipal Electric Utility
 415 N. West Ave
 Vineland, NJ 08360

SUBJECT: Supporting Services for the West Station SCR retrofit project

Dear Mr. Colla,

It is our pleasure to submit this proposal to provide engineering and technical advisory services to support VMEU's critically important West Station SCR retrofit project. The SourceOne Team'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.

The SourceOne Team will provide OEM quality assurance oversight at the SCR vendor's manufacturing site(s), and extended advisory services during construction. I will lead SourceOne's efforts with executive oversight and hands-on involvement. Mr. William Gretta, Eneractive Solutions, will provide in-depth technical support as it relates to SCR design and manufacture. SourceOne proposes to perform this work on a Time & Material Basis with a project Not-To-Exceed cap of **\$265,467**. In general, our response to your RFP has identified the following tasks and the required investment by VMEU:

Phase of Services	Hours	Labor	Expense	Total
Validation of OEM System Design	258	\$45,975	\$600	\$46,575
Design Coordination & Advisory Services	196	\$48,960	\$8,807	\$57,767
OEM Manufacture Oversight	431	\$76,825	\$15,200	\$92,025
Onsite Construction Support	230	\$41,000	\$4,000	\$45,000
Startup, Testing, and Turnover	115	\$20,500	\$3,600	\$24,100
Total	1,230	\$233,260	\$32,207	\$265,467

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 the West Station SCR Retrofit Project

SECTION 1: SCOPE OF WORK – West Station SCR Project

The West Station SCR retrofit project experienced a prolonged procurement cycle in order to place an order for the construction of a Selective Catalytic Reduction (SCR) system that is needed in order to keep the existing generating unit in service per new EPA regulations. VMEU has successfully placed the order with Turner Envirologic, Inc. (TEI). TEI's proposal was the lowest responsive, responsible bidder in accordance with NJ Public Procurement regulations.

However, VMEU has concerns with TEI's proposed solution. In order to ensure effective execution of the project, VMEU is requesting SourceOne and its sub-Vendor, Eneractive Solutions, to provide in-depth design review and quality assurance services. The scope of the services will include in-depth assessments of design documents and a rigorous quality assurance oversight program aimed at confirming the manufacturer's compliance with its own QA protocols and VMEU's design and specification requirements.

Engineering and technical advisory services for the West Station SCR Retrofit Project will contain five (5) specific areas of focus:

1. **Validation of OEM System Design**
Provide engineering input designed to ensure that the SCR and catalyst system is properly sized and is configured to optimize system performance and that the vendor scope of work documentation to insure no scope deficiencies exist. This will be accomplished by evaluating the mathematical and physical modeling analyses leading to design recommendations for the ammonia injection grid and review of TEI design documents and procurement schedules.
2. **Design Coordination & Advisory Services**
This area of focus will ensure QA compliance of TEI as well as coordinating services during major construction events inclusive of the SCR foundation mark-out, SCR section fit-up, Substantial completion review with punch list validation, and system startup and commissioning.
3. **OEM Manufacture Oversight**
Perform approximately six (6) reviews at the manufacturer's site(s) to ensure compliance with specifications and perform constructability and longevity assessments of manufactured and assembled equipment. This will be accomplished by scheduling site visits at major points in manufacturer's schedule to witness/review assemblies in completed or near-completed status. Concurrent with the plant visits, steps will be taken to monitor the SCR Supplier's quality assurance Program.
4. **Onsite Construction Support**
Assist VMEU with project oversight, with a specific focus on identifying and resolving installation issues that may arise from the assembly of the SCR and related equipment.
5. **Project Startup, Testing, and Turnover Services**
Perform witness services for all system startup evolutions inclusive of Cooling Air Fans, Ammonia System, and SCR system controls commissioning.

Engineering & Technical Advisory Services Supporting the West Station SCR Retrofit Project

Immediate assistance is needed as the design process is underway with TEI who preparing to order equipment and materials. The QA activities will be selectively-scheduled review sessions at TEI's facilities through October 2014, with selective construction oversight from October 2014 to June 2015. SourceOne will execute this scope of supply based on the below table of expected costs, on a Not-To-Exceed Basis.

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