

RESOLUTION NO. 2015-\_\_\_\_\_

A RESOLUTION AUTHORIZING THE ISSUANCE OF AN AMENDATORY SUPPLEMENTAL CHANGE ORDER NO. 4, TO CONTRACT NO. C14-0075 ISSUED TO TN WARD COMPANY, ARDMORE, PA, IN THE AMOUNT OF \$118,443.00.

WHEREAS, the City Council of the City of Vineland, on May 27, 2014, adopted Resolution No. 2014-221, entitled "A RESOLUTION AWARDED A CONTRACT TO TN WARD COMPANY, ARDMORE, PA, FOR CONSTRUCTION SERVICES FOR SCR INSTALLATION FOR THE VINELAND MUNICIPAL ELECTRIC UTILITY"; and

WHEREAS, N.J.A.C. 5:30-11.9 sets forth the procedures for processing change orders which exceed the 20 percent limitation; and

WHEREAS, the management personnel of Vineland Municipal Electric Utility has requested that an amendment be made to contract awarded to TN Ward Company, Ardmore, PA for Construction Services for SCR Installation for the Vineland Municipal Electric Utility as authorized by Resolution No. 2014-221: said amendment is necessary for the rental of larger capacity cranes and various unanticipated miscellaneous items leading to the completion of the SCR project; and

WHEREAS, the City of Vineland desires to comply with said requirements of N.J.A.C. 5:30-11.1, et seq., and to that end herewith files with the governing body a report stating the facts involved and indicating that the proposed change order may be allowed under these regulations; and

WHEREAS, the City Comptroller has certified the availability of funds for the amendatory supplemental change order for which authorization is requested in the amount of \$118,443.00; now, therefore,

BE IT RESOLVED by the Council of the City of Vineland that said amendatory supplemental change order #4 to Contract No. C14-0075, issued to TN Ward Company, Ardmore, PA, in the amount of \$118,443.00, be and the same is hereby ratified and approved.

Adopted:

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

ATTEST:

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



August 18, 2015

REPORT

TO: THE MAYOR AND COUNCIL

Amendatory Supplemental Change Order No. 4  
Contract No. C14-0075  
TN Ward Company, Ardmore, PA for Construction Services for SCR Installation for the  
Vineland Municipal Electric Utility

We are requesting that an amendatory supplemental change order be issued to Contract No. C14-0075, issued to TN Ward Company, Ardmore, PA for Construction Services for SCR Installation for the Vineland Municipal Electric Utility. This contract was authorized by Resolution No. 2014-221, adopted by City Council on May 27, 2014.

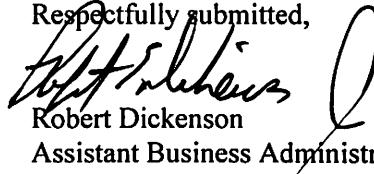
The change order requested in the amount of \$118,443.00 will provide for the rental of larger capacity cranes and various unanticipated miscellaneous items leading to the completion of the SCR project.

|                 |  |
|-----------------|--|
| <b>ORIGINAL</b> | <b>\$2,860,000.00 plus contingency - \$429,000.00—authorized total \$3,289,000</b> |
| #1              | \$ 95,938.00   |
| #2              | \$ 53,110.00   |
| #3              | \$432,209.92   |
| #4              | \$118,443.00   |

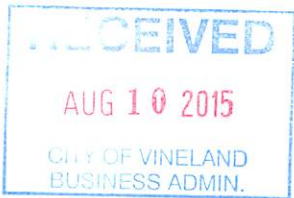
These change order represents an increase of approximately 21.2740% over the original total contract amount.

The amendatory supplemental change order which exceeds the 20% limitation, for which authorization is herein requested, may be authorized in accordance with N.J.A.C. 5:30-11.9.

Respectfully submitted,

  
Robert Dickenson  
Assistant Business Administrator

RD/wr  
Encl.



REQUEST FOR CHANGE ORDER

FOR:

Selective Catalytic Reduction System for Combustion Turbine at West Substation

PROJECT NAME

TO: BUSINESS ADMINISTRATION

DEPARTMENT: Electric Utility FROM: Joseph L. Colla

This is a request for change order # 4 to Contract # C14-0075 for:

Project Name Selective Catalytic Reduction System for Combustion Turbine at West Substation

Name/Address of

Contractor: TN Ward Company 129 Couler Avenue, Ardmore, PA 19003

The change order is necessary because: (use additional pages if necessary to explain your reason and you must attach \*documentation to support the necessity of this change order. \*(Documentation from contractor, engineer, etc.)

This change order is for the rental of larger capacity cranes and various unanticipated miscellaneous items leading to the completion of the SCR project under budget.

Original Contract Amount: \$ 2,860,000 + 429,000 (contingency)
Amount of this change order: \$ 118,443
Previous Change Orders: \$ 581,258
Total Revised Amount: \$ 3,559,701

APPROVED BY: TA ISABELLA (Print/type) [Signature] Signature [Signature] 8/5/15 JLB 8/5/15

NOTE: CHANGE ORDERS CANNOT EXCEED 20% OF THE ORIGINAL CONTRACT AMOUNT

Please provide the account number that the change order will be charged to:

Account # 022-0-00-00-000-2-7511700, E340

CC: Purchasing Division



## TN Ward Contract Change Request

On May 27, 2014 city council approved award of a contract to TN Ward for construction services leading to installation of a selective catalytic reduction unit on the combustion turbine at west substation. The purpose of the SCR is to reduce nitrogen oxide emissions in order to comply with New Jersey DEP regulation. Installation went according to plan, and recently completed emissions testing has demonstrated compliance with the permit issued by New Jersey DEP for the project.

The amount of the contract awarded to TN Ward was \$2,860,000 plus \$429,000 in contingency. All of the contingency plus \$145,700.92 were used to cover change orders. The change orders were required for the additional work discovered following the start of construction activities on the 41 year old combustion turbine and the correction of fabrication deficiencies which have been back-charged to the SCR supplier.

Numerous change order requests were received from TN Ward throughout the project. All of the change order requests were carefully reviewed by Dennis Chianese of Burns and Roe, Jack Griffin of SourceOne, and Joe Colla of VMEU. The aggregate amount of change order requests approved was substantially less than the amount requested by TN Ward. The amount of each approved change order met with the approval of the three aforementioned individuals. The following five change order requests remain outstanding:

|  |                 |
|--|-----------------|
| • Use of higher capacity cranes                                | \$80,138        |
| • Installation of stack transition                             | \$8,061         |
| • Installation of liner plates covering fabric expansion joint | \$16,933        |
| • Grouting of stack and skids                                  | \$16,581        |
| • Schedule delays  | <u>\$88,363</u> |
| Total  | \$210,076       |

During a lengthy negotiation session on July 30<sup>th</sup>, TN Ward agreed to accept \$125,000 as full payment for these five outstanding change order requests. Approval of a \$118,443 increase to the TN Ward contract to cover the \$125,000 settlement is recommended.