

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

A RESOLUTION AUTHORIZING THE ISSUANCE OF AN AMENDATORY SUPPLEMENTAL CHANGE ORDER NO. 3 TO CONTRACT NO. C14-0107, ISSUED TO BLUEWATER ENERGY SOLUTIONS, ACWORTH, GA, IN AN AMOUNT NOT TO EXCEED \$513,900.00.

WHEREAS, the City Council of the City of Vineland, on September 23, 2014, adopted Resolution No. 2014-390, entitled "A RESOLUTION AWARDING A CONTRACT TO BLUEWATER ENERGY SOLUTIONS, ACWORTH, GA FOR THE COMPLETION OF CLAYVILLE UNIT 1 COMMISSIONING SERVICES FOR THE VINELAND MUNICIPAL ELECTRIC UTILITY – GENERATION DIVISION"; 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 the Electric Utility has requested that an amendment be made to contract awarded to Bluewater Energy Solutions, Acworth, GA for Clayville Unit 1 Commissioning Services, as authorized by Resolution No. 2014-390: said amendment is made necessary to incorporate the following modifications to this contract:

- a) 2155 man-hours of onsite Installation and Commissioning Technician support
- b) Project management support
- c) Test and safety equipment
- d) Technical support man-hours and equipment to support flushing of piping systems

These modifications are in accordance with Bluewater e-mail date August 26, 2015 and Bluewater cost breakdown spreadsheet.

This addition is required due to emergent circumstances that evolved as a result of unforeseen actions of the construction contractor. These additional services are required to be taken to resolve these emergent circumstances and do not allow competitive bidding processes to assure the best interests of the City are assured

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 \$513,900.00; now, therefore,

BE IT RESOLVED by the Council of the City of Vineland that said amendatory supplemental change order #3, to Contract No. C14-0107, issued to Bluewater Energy Solutions, Acworth, GA, in the amount of \$513,900.00 be and the same is hereby ratified and approved.

Adopted:

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

ATTEST:

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



City of

**Vineland**

New Jersey

August 27, 2015

Dear Mayor Bermudez, Council President Fanucci, and Members of City Council,

As you are aware, a resolution is being presented to Council for a change order to the contract the VMEU has with Bluewater Energy Solutions, Acworth, Georgia, for the completion of the Clayville I commissioning services which is necessary in order to bring the unit to commercial operation. The change order amount will exceed the 20% maximum allowed for such contracts, however, the law allows change orders such as this where the need for such increase was caused by an unforeseen event and entry of a new contract would be unreasonable interference with the efficient completion of the work.

As a result of the contractors providing faulty piping, the City was required to condemn the same and replace it with a newly fabricated piping system. This was certainly an unforeseen event. As this repair/replacement would cause commissioning to discontinue, it was necessary to require Bluewater to remain on site for a longer period than initially anticipated. It is further anticipated that Bluewater must remain on site to continue to complete the commissioning services on the newly fabricated and installed piping, which replaces the condemned piping.

As Bluewater has already commissioned a majority of the systems and are familiar with the unit, it would not be economically feasible or efficient to replace them with anyone else. Further, as the unit was to be operational by June 2015, we have already suffered damages in this delay. The time within which the bid process would take would further delay the commercial operation to the detriment of the City and therefore this award is in the City's best interest.

I certify the information contained herein is true and accurate to the best of my knowledge and belief.

John Boyle

Assistant General Manager, EU





September 1, 2015

REPORT

TO: THE MAYOR AND COUNCIL

Amendatory Supplemental Change Order No. 3  
Contract No. C14-0107  
Clayville Unit 1 Commissioning Services - VMEU  
Bluewater Energy Solutions, Acworth, GA

We are requesting that an amendatory supplemental change order be issued to Contract No. C14-0107, issued to Bluewater Energy Solutions, Acworth, GA, for the Completion of Clayville Unit 1 Commissioning Services for the Vineland Municipal Electric Utility – Generation Division. This contract was authorized by Resolution No. 2014-390, adopted by City Council on September 23, 2014, awarded in the amount of \$537,778.00 plus a Contingency of \$53,777.80 for a total authorized amount of \$591,555.80.

This change order requested in the amount of \$ 513,900.00 is necessary to incorporate the following modifications to this contract:

- a) 2155 man-hours of onsite Installation and Commissioning Technician support
- b) Project management support
- c) Test and safety equipment
- d) Technical support man-hours and equipment to support flushing of piping systems

These modifications are in accordance with Bluewater e-mail date August 26, 2015 and Bluewater cost breakdown spreadsheet.

This addition is required due to emergent circumstances that evolved as a result of unforeseen actions of the construction contractor. These additional services are required to be taken to resolve these emergent circumstances and do not allow competitive bidding processes to assure the best interests of the City are assured

The change order requested plus change orders #1 and #2, will increase the original contract amount from 537,778.00 to \$1,342,960.00.

<b>ORIGINAL</b>	<b>\$537,778.00 plus Contingency of \$53,777.80</b>
Change Order #1	<b>REQUESTED CHANGE ORDER AMOUNT - \$185,182.00</b> After Deducting Contingency - \$131,404.20
Change Order #2	\$106,100.00
Change Order #3	\$513,900.00



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,

A handwritten signature in black ink, appearing to read "R. E. Dickenson, Jr.", is written over the typed name.

Robert E. Dickenson, Jr.  
Assistant Business Administrator

RD/wr  
Encl.

REQUEST FOR CHANGE ORDER  
FOR:

Clayville Unit 1 Commissioning Services  
PROJECT NAME



TO: BUSINESS ADMINISTRATION

DEPARTMENT: VMEU Generation Engineering

FROM: Pete Kudless, Project Manager



This is a request for change order # 3 to Contract # C14-0107 for:

Project Name: Clayville Unit 1 Commissioning Services

Name/Address of Contractor: Bluewater Energy Solutions  
3459 Acworth Due West Road  
Suite 206  
Acworth, GA 30101

This change order is necessary to incorporate the following modifications to this contract (Authorizing Resolution 2014-390 attached):

Addition of the following:

- a) 2155 man-hours of onsite Installation and Commissioning Technician support
- b) Project management support
- c) Test and safety equipment
- d) Technical support man-hours and equipment to support flushing of piping systems

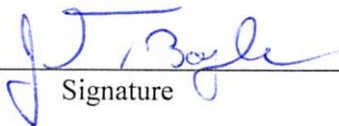
These contract modifications are in accordance with Bluewater e-mail dated August 26, 2015 (attached) and Bluewater cost breakdown spreadsheet (attached). Incorporation of these modifications results in a contract price increase of \$513,900.00.



This addition is required due to emergent circumstances that evolved as a result of unforeseen actions of the construction contractor. These additional services are required to be taken to resolve these emergent circumstances and do not allow for competitive bidding processes to assure the best interests of the City are assured.

<b>Original Contract Amount:</b>	\$ <u>537,778.00</u>
<b>Amount of This Change Order:</b>	\$ <u>513,900.00</u>
<b>Previous Change Orders:</b>	\$ <u>291,282.00</u>
<b>Total Revised Amount:</b>	\$ <u>1,342,960.00</u>

APPROVED BY: John Boyle  
Print/Type




  
Signature

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

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

Charge to \$486,000.00 to Account # 002-0-55-90-9001-2-9022000 E341C

Charge to \$27,900.00 to Account # 022-0-00-00-0000-2-7511600 E343Y

CC: Purchasing Division  
Gus Foster  
John Boyle  
Pete Kudless   
Jeff Davis   
Tom Dunmore 



RESOLUTION NO. 2014- 390

A RESOLUTION AWARDING A CONTRACT TO BLUEWATER ENERGY SOLUTIONS, ACWORTH, GA FOR THE COMPLETION OF CLAYVILLE UNIT 1 COMMISSIONING SERVICES FOR THE VINELAND MUNICIPAL ELECTRIC UTILITY - GENERATION DIVISION.

WHEREAS, the City of Vineland has heretofore advertised for bids for the Completion of Clayville Unit 1 Commissioning Services for the Vineland Municipal Electric Utility - Generation, in accordance with specifications on file in the office of the Purchasing Agent; and

WHEREAS, on August 26, 2014, bids were received, duly opened and read aloud, being referred to the Assistant Business Administrator for tabulation, evaluation, report and recommendation; and

WHEREAS, the Assistant Business Administrator has, under date of September 16, 2014 submitted a written report and tabulation of the bids received and has recommended that a contract for the Completion of Clayville Unit 1 Commissioning Services for the Vineland Municipal Electric Utility - Generation, be awarded to Bluewater Energy Solutions, Acworth, GA, in the amount of \$537,778.00 plus a contingency in the amount of \$53,777.80 for a total award amount of \$591,555.80, said bid being the lowest bid received and considered in the best interest of the City of Vineland; now, therefore,

BE IT RESOLVED by the Council of the City of Vineland that said contract for the Completion of Clayville Unit 1 Commissioning Services for the Vineland Municipal Electric Utility - Generation, be and the same is awarded to Bluewater Energy Solutions, Acworth, GA, on their bid in the amount of \$537,778.00 plus a contingency in the amount of \$53,777.80 for a total award amount of \$591,555.80, said bid being the lowest bid received and considered in the best interest of the City of Vineland, and the Purchasing Agent be and the same is hereby authorized and directed to issue purchase order contract for the same in behalf of the City; and

BE IT FURTHER RESOLVED that the City Comptroller has certified that the funds for the contract to be awarded herein are available.

Adopted: September 23, 2014

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


ATTEST:

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

CERTIFICATION

I, Keith Petrosky, RMC, Municipal Clerk of the City of Vineland, Cumberland County, New Jersey, do hereby certify that the foregoing Resolution is a true and correct copy of a Resolution adopted by the Council of the City of Vineland, at a meeting conducted on September 23, 2014 at City Hall, Vineland, New Jersey.

(S E A L)

  
\_\_\_\_\_  
Keith Petrosky, RMC  
Municipal Clerk

**RE: Feedback RE: BES Change Order #3**

Kris Larouche [klarouche@bwes1.com]

**Sent:** Wednesday, August 26, 2015 4:55 PM**To:** Kudless Peter J.**Cc:** Kevin Plourde [kplourde@bwes1.com]; Davis Jeffrey M; Dunmore Thomas; Miller John; Boyle John**Attachments:** DOC526.pdf (22 KB) ; Clayville Schedule Draft R~1.pdf (96 KB) ; Manpower Loading- Clayvill~1.xls (61 KB)

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Pete,

I have attached our proposal for Change Order #3 (no changes from previously submitted proposal). Based on the proposal we will proceed as follows:

- Mobilize the CM on Sept 1<sup>st</sup>- Dennis will be responsible for the coordination of all BICS activities along with handling normal Commissioning MGR responsibilities
- Mobilize the BICS Technician- kickoff BICS scope in conjunction with the completion of work being performed by Shelby (direct craft, finalize procedures, execute the work scope)
- Mobilize Remaining Commissioning Team Members- based on the manpower loading schedule (current manpower schedule is based on both the latest Commissioning Schedule, as well as the Shelby schedule- both attached)

Let me know if you have any questions.

Thanks

Kris

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**From:** Kudless Peter J. [mailto:pkudless@vinelandcity.org]

**Sent:** Wednesday, August 26, 2015 4:11 PM

**To:** 'Kris Larouche'

**Cc:** 'Kevin Plourde'; Davis Jeffrey M; Dunmore Thomas; Miller John; Boyle John

**Subject:** Feedback RE: BES Change Order #3

Kris,

VMEU will provide the fuel based on a schedule to be provided by Bluewater.

VMEU will provide craft support.

- Pete

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**From:** Kris Larouche [mailto:klarouche@bwes1.com]

**Sent:** Wednesday, August 26, 2015 3:42 PM

**To:** Kudless Peter J.; Davis Jeffrey M; Dunmore Thomas

**Cc:** 'Kevin Plourde'

**Subject:** RE: BES Change Order #3

Pete,



We are working on finalizing our numbers as discussed. How would you like to handle the following:

- Who will take care of fuel? We can do it at cost plus 15%.
- Will VMEU be providing Craft Support?

Thanks

Kris

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**From:** Kris Larouche [mailto:klarouche@bwes1.com]  
**Sent:** Tuesday, August 18, 2015 2:55 PM  
**To:** 'Kudless Peter J.'; 'Davis Jeffrey M'; 'Dunmore Thomas'  
**Cc:** 'Kevin Plourde'  
**Subject:** BES Change Order #3

All,

I have attached our Change Order #3 estimate for your review. As discussed, I have incorporated a T&M estimate for proposed Bluewater Industrial Cleaning Services (see questions below pertaining to proposed cleaning services). Please let me know if you would like to discuss after you have a chance to review.

- Who will take care of fuel? We can do it at cost plus 15%.
- Shipping costs are difficult to estimate without knowing timing of each service. I believe we can condense shipments and reduce actual costs.

Thanks

Kris Larouche  
Bluewater Energy Solutions  
Project Manager  
(O) 678-594-2058 Ext. 156  
(M) 207-877-5086

## City of Vineland Clayville- Manpower Loading (Change Order #3)

1 Unit Simple Cycle Trent 60		Manpower Loading Schedule			
Labor	\$212,325.00		Burdened Hourly Rate	Per Diem Y	TOTAL Weeks
Per Diem	\$24,500.00	Job Title			
Travel Expenses	\$21,800.00	Commissioning Manager	\$ 110.00	Y	9
Total	\$258,625.00	Lead Mechanical Commissioning Supervisor	\$ 85.00	Y	8
		Lead Mechanical Commissioning Supervisor OT	\$ 119.00		
		Lead Electrical Commissioning Supervisor	\$ 90.00	Y	4
		Lead Electrical Commissioning Supervisor OT	\$ 126.00		
		Lead Controls Commissioning Supervisor	\$ 88.00	Y	8
		Lead Controls Commissioning Supervisor OT	\$ 123.00		
		I&C Specialist ST #1	\$ 80.00	Y	6
		I&C Specialist OT #1	\$ 112.00		
		Documentation Technician	\$ 75.00	N	3
		Documentation Technician OT	\$ 105.00		
					<b>38</b>

Note: If necessary additional I&C Specialist(s) can be provided at the rates listed above.

Manhours

120

	Cost
Test & Safety Equipment	\$ 8,500.00
Project Management (Inc. Safety Training)	\$ 14,500.00
Gas Compressor Lube Oil Flush- Phase 1	\$ 65,000.00
BICS Services- Phase 2 (see attached detail)	\$ 167,275.00
Fixed & Variable Cost	\$ 255,275.00
<b>Total</b>	<b>\$ 513,900.00</b>

**Manpower Loading- Clayville Change Order \_3 Rv.1**

		Per Diem	08/29	09/05	09/12	09/19	09/26	10/03	10/10	10/17	10/24
Hrs	\$	\$100	09/04	09/11	09/18	09/25	10/02	10/09	10/16	10/23	10/30
520	57,200	6,300	40	60	60	60	60	60	60	60	60
320	27,200	5,600		40	40	40	40	40	40	40	40
160	19,040			20	20	20	20	20	20	20	20
150	13,500	2,800					40	40	40	30	
60	7,560						20	20	20	0	
310	27,280	5,600		40	40	40	40	40	40	40	30
140	17,220			20	20	20	20	20	20	20	0
230	18,400	4,200			40	40	40	40	40	30	
100	11,200				20	20	20	20	20	0	
120	9,000	FALSE			40			40			40
45	4,725				15			15			15
<b>2155</b>	<b>\$ 212,325</b>	<b>\$ 24,500</b>	<b>40</b>	<b>180</b>	<b>295</b>	<b>240</b>	<b>300</b>	<b>355</b>	<b>300</b>	<b>240</b>	<b>205</b>