

CITY OF VINELAND

RESOLUTION NO. 2019- 583

RESOLUTION AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF VINELAND AND SIEMEN'S ENERGY, INC. HOUSTON, TEXAS FOR THE REPAIR TO UNIT 11 SIMPLE CYCLE TURBINE AT THE DOWN GENERATION FACILITY

WHEREAS, the City of Vineland owns and operates a simple cycle combustion turbine at the Down Generation Facility (Turbine) which was constructed and installed by Siemen's Energy Inc., Houston, Texas, Siemen's among others; and

WHEREAS, due to the proprietary nature of the Turbine and complex controls associated therewith, only Siemen's has the knowledge, experience and expertise in performing any repairs to the Turbine; and

WHEREAS, the Turbine at Down Station is in need of necessary repairs to maintain its availability for generation in accordance with a PJM Agreement; and

WHEREAS, Siemen's has submitted two proposals for necessary repairs 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, Siemen's has completed and submitted a Business Entity Disclosure Certification for Non-Fair And Open Contract which certifies that the firm 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 Siemen's from making any reportable contributions through the term of the contract or its extension 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 have been certified by the Chief Financial Officer; and

WHEREAS, the Local Public Contract Law (N.J.S.A. 40 A :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 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 Siemen's Energy Ins., Houston, Texas for professional services for necessary proprietary repairs to the simple cycle combustion turbine at Down 11 Generation Facility in the amount not to exceed \$1,782,000.00 for engine repair as described at Section 3.2 of the Long Term

CITY OF VINELAND

Service Agreement between Siemen's and the City of Vineland and more fully described in the proposal from Siemen's dated October 31, 2019 and secondly, in the amount not to exceed \$168,654.00 for 5 day on site technical support as more particularly described in Quotation number VMEU-017 Rev.1 dated December 13, 2019.

2. That this Professional Service Agreement is awarded without competitive bidding in accordance with N.J.S.A. 40 A: 11-5(1)(a) of the Local Public Contract Law because said service to be rendered or preformed 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)**

12-16-19

(DATE)

1. Service (detailed description): Repairs to Unit #11 Engine

2. Amount to be Awarded: \$ 1,782,000

- Encumber Total Award
 Encumber by Supplemental Release

3. Amount Budgeted: \$ _____

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

5. **Account Number to be Charged: T-22-00-000-0000-80302

6. Contract Period: _____

7. Date To Be Awarded: 12-23-19

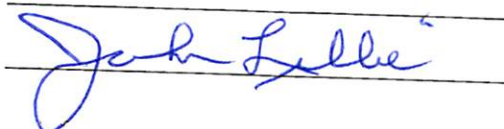
8. Recommended Vendor and Address: Siemens Energy Inc.
1200 West Sam Houston Parkway North

Houston TX 77043
9. Justification for Vendor Recommendation:(attach additional information for Council review)

Repairs to Unit # 11 Engine under terms of Siemens
Long Term Service agreement

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

10. Evaluation Performed by: Steve August

11. Approved by: John Lillie


12. Attachments:
 Awarding Proposal
 Other: Scope and proposal for repairs

- Send copies to:
Purchasing Division
Business Administration

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



*Paid under
Separate PO*

4. Commercial

4.1 Pricing Table

Item	Description	Quantity	Total Price [USD]
1	SF191409882 Strip and Inspect Proposal (issued in July 2019) – PO in process	1	\$618,000
2	SF191423296 Engine Repair described in section 3.2	1	\$1,782,000
3	Project Management	1	Included
Total			\$2,400,000

4.2 Pricing Basis

- Prices are firm based on the pricing basis notes provided below.
- Price is provided assuming all scope proposed is ordered together. Siemens reserves the right to re-issue pricing if scope is not ordered together.
- Siemens reserves the right to make any changes and re-issue pricing should the scope change or the validity date lapses.
- Price is at 2019 cost level.
- Price is based on the solution as described in the Section 3. Additional services and or supply, will incur additional costs.
- Price does not include site services including any supervision which shall be offered separately.
- If requested by Siemens at any time prior to acceptance of the Purchase order for this proposal, Customer will demonstrate its financial capability to continue to carry out its obligations under this Contract. This demonstration may require that Customer furnish adequate payment security (which may include a confirmed irrevocable letter of credit, parent guarantee or surety bond in a form and amount reasonably acceptable to Siemens Energy Inc.).
- This offer is based on the successful completion of Siemens ABC compliance review check and approval by Siemens authorities if applicable.
- All rejected parts will become Siemens property 30 days after the repaired equipment is provided back to the Customer, for normal disposal, unless otherwise advised differently by the Customer in advance

4.3 Delivery Terms

The following delivery terms are applicable:

- The current project schedule estimates the engine to be dispatched on December 20th.
- Delivery of engine per INCO terms 2010 CIP customer site.
- Delivery lead times are subject to engineering and shop capacity at the time of purchase order.
- Siemens will publish a schedule to Howard Down Power Station once an acceptable Purchase Order is received, a Siemens project manager is assigned, and the Outage planned dates established.
- Customer witness is acceptable in the shop however a Siemens escort will be required.

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

12-16-19

(DATE)

1. Service (detailed description): Professional Services for re-installation of VEMU
Engine #ESN109 at the Unit #11 Generation Site (Down Station)-Estimated Cost

2. Amount to be Awarded: \$ 168,654.00

- Encumber Total Award
 Encumber by Supplemental Release

3. Amount Budgeted: \$ _____

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

5. **Account Number to be Charged: T-22-00-000-0000-80302

6. Contract Period: _____

7. Date To Be Awarded: 12-23-19

8. Recommended Vendor and Address: Siemens Energy---1200 West Sam Houston
Parkway North Houston TX 77043

9. Justification for Vendor Recommendation:(attach additional information for Council review)

Only Siemens Techs can to this work due to proprietary rights to control
system

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

10. Evaluation Performed by: Steve August

11. Approved by: John Lillie


12. Attachments:

- Awarding Proposal
 Other: Proposal Attached

- Send copies to:
Purchasing Division
Business Administration



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





Siemens Energy Inc.
 1202 West Sam Houston Pky N.
 Houston, TX, 77043
 Telephone: +1 713-346-1669
 Fax: +1 713-346-1799

Quotation Number
VMEU-017 Rev.1
Please refer to this number on all correspondence or other communications.

Customer Information
Steve August Vineland Municipal Electric Utility 211 N. West Avenue, P.O. Box 1508 Vineland, NJ 08360 (856) 794-4000 ext.4241

Siemens LTP Project Manager
Name: Viktor De Leon
Phone: 713-346-1740
Mobile: 317-294-7091
E-Mail: viktor.deleon@siemens.com

Quote Information			
Effective: 13-Dec-19		Expires: 13-Jan-20	
Time Frame: 5 Day Onsite Support	No. & Type of Reps:	1	Field Service Specialist
		5	Field Service Technician
Work Scope: Vineland Unit 11 ESN 097 GT Changeover with customer asset ESN 109			

Quotation Detail				
Labor				
Line No.	Item/Description	Total No. Of Reps		Total Price \$
10	Regular Travel Time	0		\$0.00
20	Over Time (Saturday Travel Time)	6		\$24,516.00
30	Standard Time	6		\$54,480.00
40	Over Time	6		\$40,860.00
50	Double Time (Sunday Travel Time)	6		\$32,688.00
Expenses				
Line No.	Item/Description	Total No. Of Reps		Total Price \$
60	Round Trip Airfare	6		\$6,000.00
70	Accommodation	6		\$5,100.00
80	Per Diem Meals	6		\$2,370.00
90	Rental Car	6		\$2,640.00
100	Borescope	0		\$0.00
110	Miscellaneous Freight & Tooling	0		\$0.00
120	Miscellaneous	0		\$0.00

*This estimate is for budgetary purposes only. The final invoice will reflect the actual hours worked or traveled and the expenses per attached ratesheet.	Total Estimated Cost:	\$168,654.00
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CITY OF VINELAND

640 E. WOOD STREET
 VINELAND, NJ 08360
 TEL (856)794-4050 FAX (856)405-4613

REQUISITION	
NO.	R1908587

S H I P T O	GENERATING STATION 211 N WEST AVE VINELAND NJ 08360
V E N D O R	SIEMENS ENERGY, INC. 1202 W. SAM HOUSTON PKWY NORTH HOUSTON, TX 77043 VENDOR #: SIEME010

ORDER DATE: 12/17/19
 DELIVERY DATE:
 STATE CONTRACT:
 F.O.B. TERMS:

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00	REINSTALL ESN109 UNIT 11	T-22-00-000-0000-80302	168,654.0000	168,654.00
			TOTAL	168,654.00

 REQUESTING DEPARTMENT DATE