

RESOLUTION # 23-066

RESOLUTION OF PASSAIC VALLEY WATER COMMISSION

**RESOLUTION FOR BUDGET AMENDMENT, CHANGE ORDER NO. 10
AND CONTRACT EXTENSION FOR PROJECT NO. 12-P-43 ENTITLED
"PROFESSIONAL ENGINEERING SERVICES EMERGENCY BACK-UP
POWER AND WATER STORAGE
FACILITIES DESIGN, PERMITTING AND CONSTRUCTION
ADMINISTRATIVE SERVICES EMERGENCY POWER"**

DATE OF ADOPTION: MAY 24, 2023

Introduced by Commissioner: **JOSEPH KOLODZIEJ**

Seconded by Commissioner: **JEFF LEVINE**

WHEREAS, Project 12-P-43 entitled "Professional Engineering Services- Emergency Back-up Power and Water Storage Facilities- Design, Permitting and Construction Administration Services" (the "Project") was awarded to CH2M Hill Engineers, Inc. ("Professional") of Parsippany, New Jersey at PVWC's Commission Meeting dated June 19, 2013 (PVWC Resolution 13-76) in accordance with the authorized scope of work, and with reimbursement to be on a time-and-materials basis, not to exceed \$3,188,397.00. CH2M Hill Engineers Inc., acquired by Jacobs Engineering Group Inc. ("Jacobs") in the latter half of 2017, was not dissolved and remains the Engineer for this Contract, at the direction of Jacobs, therefore, the proposed change order, and the payment if approved, would be between the Commission and CH2M Hill Engineers Inc.; and

WHEREAS, the Project has been amended previously, with the Commission's approval, which amendments were numbered 1 through 9; and

WHEREAS, Amendment 10, which is the subject of this Resolution, addresses additional services not previously addressed by Amendments 1 through 9; and

WHEREAS, Amendment 10 includes additional professional services and related costs for Jacobs' design team engagement as well as for full-time Resident Engineering and Project Management for the Emergency Power sub-

project, including escalation in labor fees for remaining efforts including start-up services, and post-startup services (operation and maintenance, training, and record drawing preparation); from April 17, 2021 through the anticipated substantial completion date of June 9, 2023 to final project completion of August 18, 2023 (which further extension is within the time frame set forth above and previously approved by NJDEP), which Jacobs and PVWC believe will be necessary given the current state of progress of Contract 15-B-25; and

WHEREAS, the previously approved not-to-exceed total price of \$5,852,443.50 (which includes Amendments 1-9) is hereby increased by the negotiated additional amount of up to \$1,432,863.00 for Amendment 10 as set forth herein, for a revised not-to-exceed total price of \$7,285,306.50 for the Project (which equates to an overall net increase of approximately 128.5% to the Project); and

WHEREAS, the Director of Engineering has reviewed Jacobs's Proposal attached hereto as **Exhibit A** and found it to be reasonable, considering the nature and scope of additional Work involved, and has recommended that the said changes to the Project, and additional costs related thereto, be approved; and

WHEREAS, the said changes will be incorporated into an Amendment to Agreement for the Project, the form of which is also attached hereto and made a part hereof as **Exhibit B**; and

WHEREAS, the current extended time from Amendment 9 will remain as April 30, 2024 to perform all additional work; and

WHEREAS, PVWC's Chief Financial Officer has certified, with respect hereto, that funds are currently available for said purpose and said certificate is attached hereto as **Exhibit B**;

NOW, THEREFORE, BE IT RESOLVED, by Passaic Valley Water Commission, in the County of Passaic, New Jersey;

1. That PVWC hereby approves Amendment 10 and awards the changes to the scope of Work as set forth hereinabove; and
2. That the appropriate officials of PVWC, and such other officers, employees and officials of PVWC, on behalf of PVWC, are hereby authorized to execute and enter into the said Amendment to the Agreement, and to perform such other acts and execute such documents as are necessary to implement the terms and intentions of this Resolution; and
3. That this matter shall be advertised as required by New Jersey law, in accordance with an appropriate form of notice, and a copy of this Resolution and Agreement shall be placed on file and made available for inspection at the office of the Administrative Secretary of Passaic Valley Water Commission.

RECORD OF COMMISSION VOTE ON FINAL PASSAGE

	AYE	NAY	ABSTAIN	ABSENT
SANCHEZ, R.	<u>X</u>	___	___	___
COTTON, R.	<u>X</u>	___	___	___
DEPADUA, C.	<u>X</u>	___	___	___
KOLODZIEJ, J.	<u>X</u>	___	___	___
LEVINE, J.	<u>X</u>	___	___	___
VAN RENSALIER, R.	___	___	___	<u>X</u>
FRIEND, G.	<u>X</u>	___	___	___

Adopted at a meeting of Passaic Valley Water Commission.



President
GERALD FRIEND



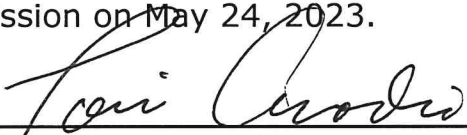
Secretary
RUBY N. COTTON

This Resolution, when adopted, must remain in the custody of the Administrative Secretary.

CERTIFICATION

I, LOUIS AMODIO, Administrative Secretary of the Passaic Valley Water Commission in the County of Passaic, and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy thereof of the foregoing Resolution duly passed and adopted by a majority of a legal quorum of the full

membership of the Passaic Valley Water Commission at its duly noticed and convened meeting of the said Commission on May 24, 2023.



LOUIS AMODIO
Administrative Secretary

EXHIBIT A



412 Mount Kemble Avenue
Suite 100S
P.O. Box. 1936
Morristown, NJ 07960-1936
(973) 267-0555 Voice
(973) 267-3555 Fax
www.jacobs.com

Julie Alesandrelli, P.E.
Passaic Valley Water Commission
1525 Main Avenue
Clifton, NJ 07011

August 23, 2022

Re: Project No. 12-P-43 - Professional Engineering Services Emergency Back-Up Power and Water Storage Facilities Design, Permitting and Construction Administrative Services Emergency Power – Funding Request for Engineering Services

Dear Ms. Alesandrelli:

PVWC awarded CH2M the Professional Engineering Services for the Emergency Back-Up Power and Water Storage Facilities Design, Permitting and Services During Construction on June 19, 2013. Per our original proposal, which was derived from the RFP, the construction period was to last 390 calendar days. The project is ongoing and several change orders have been processed as follows:

- Change Order 5 recognized a 24-month construction period and provided funding for design additions and construction phase services. The modified project budget was then \$2,069,954. Notice to proceed for the construction phase of the project was established on March 30, 2017, with completion scheduled for March 30, 2019.
- Change orders 7 and 8 provided funding for project management (Task 11) and resident engineering (Task 12) for the additional construction period of March 30, 2019 through December 15, 2020, with anticipated completion at that time (representing over 1,350 calendar days from start of construction).
- PVWC authorized Change Order 9 in February 2021 which provided funding for continued engagement of the design team and extension of construction administration, project management and resident engineering services through the anticipated project completion date of April 16, 2021.

The construction is ongoing at this time. The switchgear power connection from PSE&G was completed in November 2021, and generator startup progressed in January 2022. Work is continuing with connecting the 35KV cables from the new switchgear to the existing transformers in the plant's electric yard. Installation of an additional ductbank is needed between MH5B and PSE&G manhole 4 for the final connection of T1. Replacement of plug valves with ball valves is also needed for the fuel system. The CPM needs to be updated to reflect these and other remaining activities. While we do not have a current CPM, the project loan end date was extended through June 23, 2023 via approval of the NJDEP and DCA. This proposed change order requests funding for engineering services from April 17, 2021 through the project loan end date of June 23, 2023 as requested.

As you are aware, there were some efforts included in the CO9 request which remain unfunded. These items include:

- design effort to amend design of SN1 based on changed field conditions
- support for SN1 NDW01 installation

Jacobs Engineering Group Inc.

- support for response to claim items from SHC

The unfunded amounts are shown in Table 1 below. As discussed, funding for this work needed to remain on hold until the soil nail claim from Stone Hill Contracting was settled. This claim has now been settled. As a result, Jacobs requests PVWC to consider funding the costs below that we have been expended. Note that efforts for items 2 and 3 were not yet complete at the time CO9 was approved. Therefore Table 1 includes the actual costs expended for these items.

Table 1 – Unfunded Work Efforts from CO9 on Standby Emergency Generator Project

Work Effort	LOE (hours)	Total Unfunded CO9 Cost (\$)	Actual Cost to Date (8/19/22)
Unfunded Costs			
1. SN1 design update for changed field conditions		54,000	54,000
2. Support for SN1-NDW01 Installation	220	34,000	59,225
3. Support for Claim Response	410	102,500	79,213
SUBTOTAL (unfunded CO9)		190,500	192,437

1. note that the actual expenditures for item 2 total \$59,224.51 is shown on invoices

Jacobs has continued project work efforts beyond the CO9 approved date of April 16, 2021 to present. For the 65 week period from April 17, 2021 to July 15, 2022, services have continued on Tasks 11 and 12 beyond project funding in the amounts identified in Table 2. Task 11 captures extended design team engagement (resubmittal reviews, RFIs, conduit installation support, partial utilization documentation, progressing work for startup readiness, etc), and project management. Task 12 captures services for resident observation. These efforts have been included in invoices and progress reports submitted.

Table 2 – Unfunded Work Efforts from April 17, 2021 through July 15, 2022

Project Task	Total Cost (\$) (1,2)
11.Construction Administration, Office Coordination (1)	349,511.97
12. Resident Observation	329,162.86
SUBTOTAL (unfunded thru July 15, 2022)	\$678,674.83

1. this total excludes \$53,359.65 spent on substitute item review
2. a total of \$275,066.86 has been paid through May 13, 2022 on these items.

Jacobs will continue to provide project support through the project loan end date of June 23, 2023. This represents a 39 week period from July 16, 2022 through April 14, 2023, anticipated for substantial completion, with a period of 10 weeks planned for final completion – from April 15, 2023 to June 23, 2023. Work efforts requested for funding for this period include:

- Extended design team engagement (resubmittal reviews, RFIs, conduit install, progressing work for startup readiness, etc). The required weekly effort expected through substantial completion on April 14, 2023 will be 10 hrs / week.

- Continued project management services through substantial completion
 - 12 hrs per week
- Continued resident engineering services through substantial completion
 - 40 hrs per week for resident services
- Support from substantial to final completion - Final completion is anticipated 10 weeks after the current projected substantial completion date of April 14, 2023.
 - A total work effort of 520 hrs at a budget of \$100,330 is proposed for ongoing support during this time from April 15, 2023 through June 23, 2023. This includes efforts for part time resident, office support and project management.

A summary of the LOE and costs for these efforts is provided in Table 3 below.

Table 3 – Ongoing Services July 16, 2022 – June 23, 2023

Work Effort - Ongoing Services July 16, 2022 -June 23, 2023	LOE (hours)	Total Cost (\$)
1. Continued Design Team engagement (July 16, 2022 - April 14, 2023)	390	79,220
2. Ongoing services for resident engineering (July 16, 2022 - April 14, 2023)	1560	259,958
3. Ongoing services for project management (July 16, 2022 - April 14, 2023)	468	115,282
4. Support to Final Completion (April 15, 2023 - June 23,2023)	520	100,330
TOTAL		554,790.84

With the project extension into 2023, portions of Tasks 13 through 16 are being executed in 2022 and 2023. As a result, there is an escalation in costs at an annual rate of 3.5%. The portion of work for each of these tasks to be executed in 2022 and 2023 are identified in Table 4 along with the resulting cost of escalation.

Table 4 – Escalation Cost for Tasks 13 - 16

Task	CO9 Revised Project Budget (\$)	Work Percent Remaining for 2022	Work Percent Remaining for 2023	Addition for Escalation	Revised Task Budget
13 - Startup	36,690	100	100	2,568	39,258
14 -Operation and Mainenance	22,225	90	0	700	22,925
15 - Training	13,990	100	100	979	14,969
16 – Record Drawings	38,680	100	100	2,708	41,388
Total	\$111,585			\$ 6,960	\$ 118,540

August 23, 2022

Table 5 provides a summary of the total requested funding addition of \$1,432,863 for the above project work efforts through the anticipated project completion of June 23, 2023 based on the contractor's current outstanding work and approved extension date of the project loan.

Table 5 – Requested Funding for CO10 Additional Services on Standby Emergency Generator Project

Work Effort	Total Cost (\$)
1. Unfunded Work Efforts from CO9	192,437.17
2. Unfunded Work Efforts April 17, 2021 – July 15, 2022	678,674.83
3. Ongoing Services July 16, 2022 – June 23, 2023	554,791.17
4. Escalation of Tasks 13 - 16	6,960.00
TOTAL FUNDING REQUEST CO10	1,432,863

We appreciate your consideration of providing a budget increase for our ongoing construction support services provided. Please let us know if you need any additional information.

Sincerely,



Russell Ford
Jacobs



Linda Wancho
Jacobs

Cc: Pat Porcaro, PVWC

EXHIBIT B

OFFICE OF THE COMPTROLLER

CERTIFICATION OF AVAILABILITY OF FUNDS

It is hereby certified that subject to Commission approval of future Budgets, with respect to multi-budget year contracts, there are or will be sufficient available funds for expenditures to be incurred as result of any contract or commitment to be entered into by Passaic Valley Water Commission as follows:

Description of Project or Contract: “Professional Engineering Services for Emergency Back-Up Power and Water Storage Facilities Design, Permitting and Construction Administration” – Jacobs Engineering (formerly CH2M Hill)

Professional Services for Project # 12-P-43 - Change Order #10

Amount of Project or Contract: NTE - \$7,285,306.50 (from \$5,852,443.50)

1. Acct: # 001-0901-419-95-24 – CAPITAL/RESERVOIRS
2. Specific Appropriation to which expenditures will be charged:
Capital Budget 2023/2024

Other comments: Change Order # 10 increase of \$1,432,863.00

Date of Certification: 5/24/2023

Amount Certified: \$1,432,863.00



Yitzchak Weiss
Comptroller and Chief Financial Officer

YW:lb