

RESOLUTION NO. 2014- 20

A RESOLUTION TO AMEND AND SUPPLEMENT RESOLUTION NO. 2010-70, AUTHORIZING AN AGREEMENT WITH TRIAD ASSOCIATES, VINELAND, NJ FOR GRANT ADMINISTRATION SERVICES FOR THE EXPANSION OF THE CITY'S INFRASTRUCTURE & PUBLIC WATER DELIVERY SYSTEM.

WHEREAS, the City Council of the City of Vineland, on February 9, 2010, adopted Resolution No. 2010-70, entitled "A RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES WITH TRIAD ASSOCIATES, VINELAND, NJ, FOR GRANT ADMINISTRATION SERVICES FOR THE EXPANSION OF THE CITY'S INFRASTRUCTURE AND PUBLIC WATER DELIVERY SYSTEM"; and

WHEREAS, there exists a need to amend and supplement the Professional Services contract awarded to Triad Associates, Vineland, NJ, for Grant Administration Services for the Expansion of the City's Infrastructure and Public Water Delivery System as authorized by Resolution No. 2010-70; by change order to Contract No. RES10-70, for services that will include fiscal and programmatic reporting, preparation of drawdowns, construction contract and labor standards compliance and related management/administrative services through project closeout; and

WHEREAS, the City Comptroller has certified that funds for the amendment requested herein are available; now, therefore,

BE IT RESOLVED by the Council of the City of Vineland as follows:

1. THAT Resolution No. 2010-70, entitled "A RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL SERVICES WITH TRIAD ASSOCIATES, VINELAND, NJ, FOR GRANT ADMINISTRATION SERVICES FOR THE EXPANSION OF THE CITY'S INFRASTRUCTURE AND PUBLIC WATER DELIVERY SYSTEM"; be and the same is hereby amended and supplemented to increase maximum amount of the contract by \$19,500.00.

2. THAT the Purchasing Agent be and the same is hereby authorized to issue an amendatory supplemental change order to Contract No. RES10-70, in the amount of \$19,500.00.

Adopted:

President of Council

ATTEST:

City Clerk



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January 7, 2014

REPORT

TO: THE MAYOR AND COUNCIL

RE: Amendatory Supplemental Change Order No. 1
Contract No. RES10-70
Grant Administration Services-Expansion of Infrastructure &
Public Water Delivery System
Triad Associates, Vineland, NJ

Dear Mayor and Member of Council:

We request an amendatory supplemental change order to Contract No. RES10-70, issued to Triad Associates, Vineland, NJ for Grant Administration Services for the Expansion of the City's Infrastructure and Public Water Delivery System. This contract was authorized by Resolution No. 2010-70, adopted by City Council on February 9, 2010.

The USEDA has approved the requested amendments to expand the scope of water main construction activities and add the sanitary sewer component.

The change order requested in the amount of \$19,500.00 will provide for services that will include fiscal and programmatic reporting, preparation of drawdowns, construction contract and labor standards compliance and related management/administrative services through project closeout. This change order will increase the original contract amount from \$25,000.00 to \$44,500.00.

The amendatory supplemental change order for which authorization is herein requested may be authorized in accordance with N.J.A.C. 5:34-4.1 et seq.

Sincerely,

A handwritten signature in black ink, appearing to read "William Lutz", is written over the word "Sincerely,".

William Lutz
Business Administrator

WL/wr



December 2, 2013

William Lutz
Business Administrator
City of Vineland
640 E. Wood Street
P.O. Box 1508
Vineland, New Jersey 08362-1508

Re: U.S. Department of Commerce – Economic Development Administration (USEDA)
Project Technical Services

As we approach the 5TH and final year of the implementation phase of the USED A grant for the South Vineland Industrial Park, we should be at the point where the approved \$10 Million project would be nearing completion thus enabling the City to draw down the balance of USED A's \$3.5 Million Grant. As you are aware, instead of the above scenario unfolding, we worked on a strategy to retain as much of the unobligated/unexpended grant by seeking approval from USED A for amendments that will expand the scope of water main construction activities and add the sanitary sewer component. Now that USED A has approved the City's request, this will enable the City to preserve an additional approximately \$950,000 of the USED A grant balance of USED A grant balance.

EDA budgeted \$25,000 for project administration. This would have been sufficient to carry out the standard fiscal and programmatic reporting, preparation of drawdowns, construction contract and labor standards compliance and related management/administrative services. However, extraordinary circumstances required more direct involvement in the following which has resulted in our fully utilizing the administration budget:

- The water infrastructure construction completed to date.
- The need to seek amendments to the timetable set for implementing the approved grant.
- Numerous interactions with EDA personnel, who have had turnover in the Philadelphia Regional Office thus requiring reorientation each time to explain delays in moving forward with the water treatment plant (the major component in this project) due to unanticipated high levels of contamination in the ground water of the proposed Butler Avenue site.
- Extensive exchanges with and on the behalf of the City and the School District in order to demonstrate to USED A that the City had site control of the Butler Avenue site which is a prerequisite to obtaining release of funds.

- Meetings with City Departments to identify potential uses for the balance of grant funding and informal and formal presentations to EDA to have the City's amendment request put before EDA's Investment Review Committee.
- Formal request to EDA to change the funding formula from a 30% grant to the maximum permitted of 50% which will increase the amount of grant funds approval to the City.

In reviewing the time of our Team's involvement in this project over the last 4 years, including myself, Jack Corrigan, Carolyn Zumpino, Tammy Wetzel, Frank Barnes and Steve Kehs who were responsible for various elements of the implementation and management of the grant, I find that we have exhausted the entire administrative budget and in fact have exceeded same by \$2,329 as of September 30, 2013.

In light of the fact that USEDA has approved the proposed amendments, it will require additional construction contract management services working in conjunction with the Landis Sewerage Authority and the Vineland Water Utility to address the numerous compliance requirements including labor standards as well as the program and fiscal reporting called for by the USEDA for a projected additional 8 months along with close out of the grant. We estimate the cost for these services to be \$19,500. While it is not clear whether EDA will permit the City to include the additional costs for these new Project Management services, we will include this in the amendment documents. However, to be able to draw down the additional grant funds, this level of compliance monitoring and management of the grant funds will be essential.

Since this amendment has been approved by USEDA I ask the city to amend our administrative contract for these expanded services. In light of the anticipated cost savings to the LSA and Water Utilities budgets, I am hopeful that they will be able to either reimburse the City in some proportional manner in relation to the additional grant funds that they will receive.

If in your review of this request you have any questions or any suggestions as to assist us in addressing this financial matter please feel free to contact me.

Sincerely,



Michael Zumpino, Chairman

Cc: Denise Monaco, Assistant Business Administrator
Tammy Wetzel
Stephen Kehs.

**ADDENDUM TO THE
PROFESSIONAL SERVICE AGREEMENT
USEDA Technical and Administrative Services**

This will serve as an Addendum made December 2, 2013, to the Professional Service Agreement, originally made effective and executed on February 25, 2010 between **TRIAD ADVISORY SERVICES, INC. (trading as TRIAD ASSOCIATES)**, 1301 W. Forest Grove Road, Vineland, New Jersey 08360 (“Consultant”) and **CITY OF VINELAND**, 640 East Wood Street, Vineland, New Jersey 08362 (“Principal”).

The purpose of this Addendum is to expand the Scope of Services provided by Triad Associates under the existing above referenced contract to manage implementation of sanitary sewer and water improvements approved by USEDA per an amendment to the original grant agreement with the City of Vineland.

SCOPE OF SERVICES: Services will include fiscal and programmatic reporting, preparation of drawdowns, construction contract and labor standards compliance and related management/administrative services through project closeout and as is stipulated in greater detail in Triad’s original Scope of Services.

COMPENSATION: The Principal shall provide compensation in the amount of \$19,500 for services as identified above and payable upon submission of services to the Principal.

ACCEPTED:

TRIAD ASSOCIATES

CITY OF VINELAND

By: 

Michael Zumpino
Chairman/CEO

By: _____
Ruben Bermudez
Mayor

ATTEST: 

ATTEST: _____

Date: 12/3/13

Date: _____