SUMMARY STATEMENT

ITEM NO.: PATCO-15-022

SUBJECT: Construction Monitoring Services for Contract No. PATCO-54-2014 Replacement of Rectifier Transformers Phase II and Lindenwold Emergency Diesel Generator

COMMITTEE: Operations and Maintenance

COMMITTEE MEETING DATE: August 5, 2015

BOARD ACTION DATE: August 19, 2015

PROPOSAL: That the Board authorizes staff to negotiate an agreement with Jacobs Engineering Group Inc. to provide construction monitoring services for Contract No. PATCO-54-2014, Replacement of Rectifier Transformers Phase II and Lindenwold Emergency Diesel Generator.

Amount: $241,881.00

Consultant: Jacobs Engineering Group Inc.
1700 Market Street, Suite 1000
Philadelphia, PA 19103

Other Consultants: Remington & Vernick Engineers
The Burns Group

Engineers Estimate: $241,600.00

PURPOSE: To provide full-time, on-site construction monitoring services for the Phase II Replacement of Rectifier Transformers and Lindenwold Emergency Diesel Generator contract. The services will include a full-time Resident Engineer and support inspection staff for inspecting all contract field activities and monitoring the contractor’s compliance with the plans and specifications.

BACKGROUND: The work to be completed under Contract No. PATCO-54-2014 includes installation of eight (8) new Rectifier Transformers at the following substation locations: Ferry, Collingswood, Ashland East and Lindenwold. The scope shall also include all work required to install one (1) new Auxiliary Transformer, (1) automatic transfer systems, one and (1) new Emergency Diesel Generator in Lindenwold substation, new 480V cable to Lindenwold Shop as well as modifications in Lindenwold shop.
The Authority publicly advertised its intent to retain a consultant and invited interested firms to submit Statements of Qualifications. Four (4) firms responded with Statements of Qualifications on March 24, 2014. Three (3) firms were deemed qualified and were sent a formal Request for Proposal. A review committee of three (3) staff engineers evaluated the Proposals on the basis of Technical merit.

Jacobs Engineering Group Inc. was the highest technically ranked firm. The proposed Project Manager has previous experience with substation projects and has been very responsive on past DRPA projects. The proposed Resident Engineer has over 35 years’ experience in similar size substation projects. Jacobs’ Inspection Team has many years’ experience inspecting substation/replacement of transformers similar to those required for this contract. Overall, the team assembled by Jacobs was found to possess the necessary experience and qualifications to successfully complete the project.

In accordance with the Delaware River Port Authority’s qualification based selection procedure, the Price Proposal was evaluated against the Engineer’s Estimate and that of other recommended firms. Based on this evaluation and subsequent negotiation, Jacobs’ price was determined to be fair and reasonable.

It is recommended that an engineering services agreement be negotiated with Jacobs for the costs and associated fees not to exceed $241,881.00 to provide engineering services in accordance with the Request for Proposal.

**SUMMARY:**

- **Amount:** $241,881.00
- **Source of Funding:** 2013 Revenue Bonds
- **Operating Budget:** N/A
- **Capital Project #:** PD1204
- **Master Plan Status:** N/A
- **Other Fund Sources:** N/A
- **Duration of Contract:** Eighteen (18) Months
- **Other Parties Involved:** N/A
RESOLUTION

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority accepts the Proposal of Jacobs Engineering Group Inc. to provide Construction Monitoring Services for Contract No. PATCO-54-2014, Replacement of Rectifier Transformers Phase II and Lindenwold Emergency Diesel Generator and that the proper officers of the Authority be and hereby are authorized to negotiate an Agreement with Jacobs for an amount not to exceed $241,881.00, as per the attached Summary Statement; and be it further

RESOLVED: The Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:

Amount: $241,881.00
Source of Funding: 2013 Revenue Bonds
Operating Budget: N/A
Capital Project #: PD1204
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: Eighteen (18) Months
Other Parties Involved: N/A
To: O&M Committee Members  
From: Michael P. Venuto, Director of Engineering/Chief Engineer, Engineering  
Subject: Professional Service Selection for  
Construction Monitoring Services for DRPA Contract No. PATCO-54-2014,  
Replacement of Rectifier Transformers Phase II and Lindenwold Emergency Diesel Generator  
Technical Proposal Evaluation, Findings and Recommendation Report  
Date: August 5, 2015

The Request for Qualifications (RFQs), which was posted on the Authority’s web-site, invited consultants to submit Statements of Qualifications (SOQs). Four (4) firms submitted SOQs on April 17, 2014.

Policy 303a outlines the procedure for Request for Proposal selection of consultants by the Engineering Department. The SOQ evaluation serves as a method for developing a “short list” of firms to receive a Request for Proposal (RFP). The Review Committee evaluated the SOQ’s and recommended soliciting Technical and sealed Price Proposals from the top ranked firms: The Burns Group, Jacobs Engineering Group, and Remington & Vernick Engineers.

The short listed firms were sent a RFP on August 22, 2014. The Technical Proposals and separate sealed Price Proposals were received on September 23, 2014 from The Burns Group, Jacobs Engineering Group, and Remington & Vernick Engineers. The Review Committee, consisting of three (3) staff engineers, reviewed and evaluated the Technical Proposals.

Jacobs Engineering Group, Inc. was the highest technically ranked firm. The proposed Project Manager has previous experience with substation projects and has been very responsive on past DRPA projects. The proposed Resident Engineer has over 35 years’ experience in similar size substation/transformer replacement projects. Overall, the team assembled by Jacobs was found to possess the necessary experience and qualifications to successfully complete the project.

The Review Committee recommended that the Price Proposal be opened and negotiations commence using other recommended firm’s Price Proposals and the Engineer’s Estimate in the amount of $241,600, as a guide. Price Proposals were opened on October 29, 2014.

The Technical Proposal rankings, proposed hours and fees of these firms, along with the Engineer’s estimate of hours are shown on the following table:
<table>
<thead>
<tr>
<th>Rank</th>
<th>Firm</th>
<th>Hours</th>
<th>Original Price Proposal</th>
<th>Negotiated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Engineer’s Estimate</td>
<td>2,200</td>
<td>$241,600.00</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Jacobs</td>
<td>2,716</td>
<td>$290,629.00</td>
<td>2,248</td>
</tr>
<tr>
<td>2</td>
<td>Remington &amp; Vernick</td>
<td>2,212</td>
<td>$245,449.00</td>
<td>$241,881.00</td>
</tr>
<tr>
<td>3</td>
<td>Burns</td>
<td>3,044</td>
<td>$368,200.00</td>
<td></td>
</tr>
</tbody>
</table>

The Engineer’s estimate is $241,600 with the total estimated 2,200 hours.

Upon reviewing the recommended firm’s cost proposals, it was determined that the Burn Group’s cost proposal was much higher than the Engineer’s estimate and an over-estimate of inspection time including the inspector. This was a result of the estimated man-hours (844) being higher than the Engineer’s estimate (2,200), and the higher overhead rate of 1.48.

Jacobs’ cost proposal was the second higher than the Engineer’s estimate and an over-estimate of inspection time including the resident engineer and the inspector and the expense. This was a result of the estimated man-hours (526) being higher than the Engineer’s estimate (2,200). The overhead rate is approximately 0.96.

R&V’s cost proposal was close to the Engineer’s estimate. The overhead rate is approximately 1.005.

:cdj

cc: M. Venuto, J. Viniski, A. Patel, Review Team