

RESOLUTION

WHEREAS, by Resolution No. 126-12, dated June 26, 2013, the Township Council awarded a contract to Sanitary Construction Company, 415 Franklin Avenue, Rockaway, New Jersey 07866 in the amount of \$3,483,873 for Llewellyn Park Roadway and Sanitary Sewer Improvements; and

WHEREAS, these improvements were being made pursuant to Ordinance No. 2323-11 which authorized the Township to make the improvements and assess the benefitting property owners for their cost; and

WHEREAS, the Township by Ordinance No. 2358-12 appropriated \$4,184,305.00 for this project of which \$500,000 consisted of a cash deposit by the Llewellyn Park Committee of Managers; and

WHEREAS, the Township by Resolution No. 165-13 dated August 20, 2013 at the request of the Llewellyn Park Committee of Managers authorized additional funds in the amount of \$348,387.00 by approving Change Order No. 1; and

WHEREAS, this additional funding was used to address additional costs associated with unforeseen field conditions and it increased the authorized funding for this contract to \$3,832,260.00 or a ten percent increase over the original contract award amount; and

WHEREAS, as the work continued more field conditions needed to be addressed and as of August 2014 the total amount expended for this project was \$3,827,593.70 but several roadway and sewer improvements specified in the original contract bid documents and specifications still needed to be completed; and

WHEREAS, by Ordinance No. 2409-14 adopted May 6, 2014 the Township appropriated an additional \$550,000 for Llewellyn Park Roadway and Sanitary Sewer Improvements; and

WHEREAS, in August 2014 Carl Jenne of Jenne Associates, LLC the project's designer and contract administrator and inspector for the Township and John Bober of the Llewellyn Park Committee of Managers negotiated a lump sum price of \$500,000 to complete the remaining

improvements plus an allowance of \$45,000 for unit price and contingency items as depicted on Construction Drawings P-1 and S-4 prepared by Jenne Associates and revised July 17, 2014, described by Mr. Jenne in his memo of August 25, 2014 and as stated by Sanitary Construction Company, Inc., in their proposal of August 15, 2014

WHEREAS, Mr. Jenne estimated the cost of this additional work is about ten percent less than it would be based on unit prices bid in the contract; and

WHEREAS, the Llewellyn Park Committee of Managers by letter dated August 4, 2013 requested the Township authorize Change Order No. 2 with Sanitary Construction Company, Inc., in the amount of \$545,000 to complete the improvements specified in the original bid documents; and

WHEREAS, the additional funding increases the total authorized funding for this contract to \$4,377,260.00 or a 25.6 percent increase over the original award amount.; and

WHEREAS, the State's Administrative Code specifies procedures for authorizing Change Orders in excess of 20 percent which includes a statement by the contracting unit's engineer; and

WHEREAS, the Municipal Engineer by letter dated September 3, 2014 recommended **Change Order No. 2** with Sanitary Construction Company, Inc. in which he stated:

- This Change Order is necessitated by the unforeseen field conditions in Llewellyn Park, one of the Country's older planned communities which caused additional expenditures as the project progressed.
- The additional appropriation associated with this contract is to complete roadway and sewer improvements that were specified in the original documents, and it does not represent an expansion in the scope of the project.
- The costs for this additional work were negotiated on a lump sum basis, and it represents a reduction from the estimate cost of the improvements if the unit prices bid were used.
- To award as a separate contract for this work would likely result in higher costs as Sanitary Construction Company, Inc. can achieve economies of scale as a result of their presence in Llewellyn Park.

; and

WHEREAS, sufficient funds exist for this Change Order; and

WHEREAS, the Township Council concurs in the foregoing.

NOW THEREFORE BE IT RESOLVED by the Township Council of the Township of West Orange that Change Order No. 2 for the contract Llewellyn Park Roadway and Sanitary Sewer Improvements between Sanitary Construction Company, 415 Franklin Avenue, Rockaway, New Jersey 07866 and the Township of West Orange which authorizes additional funding in the amount of \$545,000 to complete all improvements as originally specified in the bid documents and plans which brings the total amount authorized through Change Order No. 2 for this project to \$4,377,260 or a 25.64 percent increase from the original contract amount is approved.

BE IT FURTHER RESOLVED that the Mayor and Municipal Engineer are authorized to sign the Change Order

BE IT FURTHER RESOLVED that in accordance with the State's Administrative Code a notice of the Change Order shall be published in the West Orange Chronicle.

**KAREN J. CARNEVALE, MUNICIPAL CLERK
PRESIDENT**

SUSAN McCARTNEY , COUNCIL

Adopted: September 9, 2014

I hereby Certify funds are available from:

	Account No.
	03-2358-12-0010-010 \$76,791.51
	03-2358-12-0010-020 \$468,208.49

JOHN GROSS, CHIEF FINANCIAL OFFICER