City of Columbus

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Legislation Details (With Text)

File #:	1375-2022 **Version:** 1		
Type:	Ordinance	**Status:**	Passed
File created:	5/6/2022	**In control:**	Public Service & Transportation Committee
On agenda:	6/6/2022	**Final action:**	6/9/2022
Title:	To amend the 2021 Capital Improvement Budget; to authorize the establishment of an Auditor's Certificate to pay for outstanding construction administration and inspection costs incurred during the completion of the 500 West Broad Streetscape project; to authorize the expenditure of up to $22,979.03 from the Streets and Highways Bond Fund; to authorize the expenditure of up to $4,574.75 from the Development Taxable Bond Funds; and to declare an emergency. ($27,553.78)		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Ordinance 1375-2022 Accounting Codes.pdf		

Date	Ver.	Action By	Action	Result
6/9/2022	1	CITY CLERK	Attest	
6/8/2022	1	MAYOR	Signed	
6/6/2022	1	COUNCIL PRESIDENT	Signed	
6/6/2022	1	Columbus City Council	Approved	Pass

1. BACKGROUND

This ordinance authorizes the establishment of an Auditor's Certificate to provide for construction administration and inspection cost overruns incurred during the completion of the 500 West Broad Streetscape project.

Constructed through a public-private partnership between the City of Columbus and The Gravity Project LLC, an affiliate of Kaufman Development (the "Development Team"), the 500 West Broad Streetscape project encompassed various improvements to Broad Street and May Avenue, including: installation of two loading zones on Broad Street east of May Avenue and one loading zone on May Avenue north of Broad Street; construction of new curb, sidewalk and street lighting on the north side of Broad Street and the East side of North May Avenue; and installation of a new mast arm signal at the intersection of Broad Street and North May Avenue and new pavement markings on Broad Street and North May Avenue.

Ordinance 3031-2018 authorized the Director of Public Service to enter into a Construction Guaranteed Maximum Reimbursement Agreement with the Development Team, wherein the City agreed to subsidize a portion of the construction costs by reimbursing the sum of $636,345.00 to the Development Team, provided that the Development Team assume and bear all construction administration and inspection costs incurred during the completion of the aforementioned project. Pursuant to that agreement, the Development Team deposited $85,856.61, which represented the estimated cost of said services, with the City Treasurer for that purpose, and Ordinance 0983-2019 authorized the Director of Public Service to accept and expend those funds.

However, upon performing final accounting following the acceptance of the aforementioned improvements earlier this spring, the Department of Public Service determined it was owed the additional sum of $27,553.78 by the Development Team for performing construction administration and inspection services and withheld that amount from the final reimbursement payment to the Development Team. It is necessary to submit an ordinance to internally transfer that sum so those funds can be used to satisfy the construction administration and inspection deficit for this project.

2. FISCAL IMPACT
Funding in the amount of $27,553.78 is available within the Street & Highway Improvement Non-Bond Fund to support this project expenditure. An amendment to the 2021 Capital Improvement Budget is necessary for the purpose of providing sufficient spending authority for this expenditure. The funds are appropriated.

3. EMERGENCY JUSTIFICATION
Emergency action is requested to allow payment of the inspection deficit as soon as possible to make inspection funding available for other capital improvement projects.

To amend the 2021 Capital Improvement Budget; to authorize the establishment of an Auditor's Certificate to pay for outstanding construction administration and inspection costs incurred during the completion of the 500 West Broad Streetscape project; to authorize the expenditure of up to $22,979.03 from the Streets and Highways Bond Fund; to authorize the expenditure of up to $4,574.75 from the Development Taxable Bond Funds; and to declare an emergency. ($27,553.78)

WHEREAS, the City of Columbus, acting through the Department of Development, and The Gravity Project LLC, an affiliate of Kaufman Development (the "Development Team"), formed a public-private partnership to facilitate the construction of the 500 West Broad Streetscape project, which encompassed various public infrastructure improvements to Broad Street and May Avenue; and

WHEREAS, pursuant to Ordinance 3031-2018, the City of Columbus, acting through the Department of Public Service, executed a Construction Guaranteed Maximum Reimbursement Agreement with the Development Team, wherein the City agreed to reimburse certain eligible construction costs in the amount of up to $636,345.00 incurred by the Development Team; and

WHEREAS, that agreement held that the Development Team was solely responsible for all construction administration and inspection costs incurred by the Department of Public Service during the provision of said services, prompting the Development Team to deposit $85,856.61 with the City Treasurer for that purpose; and

WHEREAS, Ordinance 0983-2019 authorized the Director of Public Service to accept and expend those funds; and

WHEREAS, the construction of the project recently concluded and the resulting improvements were accepted by the City Engineer earlier this spring; and

WHEREAS, upon performing final accounting, the Department of Public Service determined it was owed the additional sum of $27,553.78 by the Development Team for performing construction administration and inspection services for the 500 West Broad Streetscape project and withheld that amount from the final reimbursement payment to the Development Team; and

WHEREAS, this ordinance will authorize the establishment of an Auditor's Certificate to rectify that deficit; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Service in that it is immediately necessary to cure the aforementioned deficit so as to make inspection funding available for other capital improvement projects, thereby preserving the public health, peace, property, safety, and welfare; **now therefore,**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the 2021 Capital Improvement Budget authorized by Ordinance 2707-2021 be and is hereby amended to provide sufficient budget authority for the appropriate project authorized within this ordinance as follows:

Fund / Project / Project Name / Current / Change / Amended
7704 / P441751-100000 / 500 West Broad Streetscape (Voted Carryover) / $0.00 / $22,979.00 / $22,979.00 (to match

cash)
7739 / P441751-100000 / 500 West Broad Streetscape (Unvoted Carryover) / $0.00 / $4,575.00 / $4,575.00 (to match cash)

SECTION 2. That the City Auditor be and hereby is authorized to establish an Auditor's Certificate to provide for outstanding construction administration and inspection costs incurred during the completion of the 500 West Broad Streetscape project.

SECTION 3. That the expenditure of $22,979.03, or so much thereof as may be needed, is hereby authorized in Fund 7704 (Streets and Highways Bond Fund), Dept-Div 59-12 (Design and Construction), Project P441751-100000 (500 West Broad Streetscape project), in Object Class 06 (Capital Outlay) per the accounting codes in the attachment to this ordinance.

SECTION 4. That the expenditure of $4,574.75, or so much thereof as may be needed, is hereby authorized in Fund 7739 (Development Taxable Bonds), Dept-Div 44-02 (Economic Development), Project P441751-100000 (500 West Broad Streetscape project), in Object Class 06 (Capital Outlay) per the accounting codes in the attachment to this ordinance.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 7. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund upon receipt of certification by the Director of the Department administering said project that the project has been completed and the monies are no longer required for said project.

SECTION 8. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the mayor, or ten days after passage if the mayor neither approves nor vetoes the same.