



Legislation Details (With Text)

File #: 2792-2021 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 10/21/2021 **In control:** Public Utilities Committee

On agenda: 12/6/2021 **Final action:** 12/8/2021

Title: To authorize the Director of Public Utilities to enter into a construction contract with Kenmore Construction Company, Inc. for the Southerly Wastewater Treatment Plant Digester Process Expansion Project; to authorize the appropriation and transfer of \$27,765,100.00 from the Sanitary Sewer Reserve Fund to the Ohio Water Development (OWDA) Loan Fund; to authorize the appropriation and expenditure of \$27,765,100.00 from the Ohio Water Development (OWDA) Loan Fund; to authorize an expenditure up to \$2,000.00 for prevailing wage services to the Department of Public Services within the Sanitary General Obligations Voted Bonds Fund; to amend Ord. 2762-2020 in order to increase the maximum dollar amount of this project's Ohio Water Pollution Control Loan Funding loan award to not exceed \$27,765,100.00; and to amend the 2021 Capital Improvements Budget. (\$27,767,100.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2792-2021 Funding Template, 2. 2792-2021 Utilization Form, 3. Director's Legislation Information Sheet (9-8-14)

Date	Ver.	Action By	Action	Result
12/8/2021	1	CITY CLERK	Attest	
12/7/2021	1	MAYOR	Signed	
12/6/2021	1	COUNCIL PRESIDENT	Signed	
12/6/2021	1	Columbus City Council	Approved	Pass
11/22/2021	1	Columbus City Council	Read for the First Time	

BACKGROUND: The SWWTP operating staff is currently digesting all biosolids in the existing digester train. The addition of the Chemically Enhanced Primary Treatment (CEPT) has created an additional peak loading to the digester train, and can overwhelm the system due to the lack of capacity. This project will be providing an additional digester to meet peak capacity demands and will be providing process upgrades to create a more efficient digestion system.

Planning Area - 99 - Citywide

PROJECT TIMELINE: Contract work is required to be substantially complete in a manner acceptable to the City within 1,125 days from the date that a Notice To Proceed (NTP) is given by the City.

PROCUREMENT INFORMATION: The Division advertised for competitive bids submission for the subject services on the City's Vendor Services website and in the City Bulletin in accordance with the overall provisions of Chapter 329 of the Columbus City Code. The Division of Sewerage and Drainage received three (3) bids on October 13, 2021 from the following:

NAME	TAX ID	DAX #	City/State	Status	Expiration
Bowen Engineering	35-1136995	007022	Indianapolis, IN	MAJ	9/1/2022
Kokosing Industrial, Inc.	47-2946608	012309	Columbus, OH	MAJ	6/2/2023
Kenmore Construction	34-0802152	006456	Akron, OH	MAJ	6/8/2022

EMERGENCY DESIGNATION is **not requested** at this time.

ECONOMIC / ENVIRONMENTAL IMPACT: This project will increase the beneficial re-use of biosolids in the liquid land application and deep row hybrid popular (DRHP) programs by providing more anaerobically-digested Class B biosolids. The primary goal of this project is to provide sufficient expanded anaerobic digestion facilities and all necessary associated piping and pumping capacity to successfully accommodate the addition solids produced by the Chemically Enhanced Primary Treatment (CEPT) process and the additional solids loadings to the SWWTP resulting from the anticipated growth of the population of the City of Columbus.

FISCAL IMPACT: This Ordinance authorizes the City Auditor to appropriate and transfer funds from the Sanitary Sewer Reserve Fund 6102 to the Ohio Water Development (OWDA) Loan Fund 6111 in order to fund this expenditure. This transaction is a temporary measure that is required until such time as the division is able to execute a loan with the OWDA Loan Fund and reimburse the Sanitary Sewer Reserve Fund. The loan is expected to be approved in December, 2021. Additionally \$2,000.00 is necessary for Prevailing Wage Services from the Department of Public Service. The transfer within and expenditure of \$2,000.00 is needed from the Sanitary Sewer General Obligation Bond Fund 6109, as is an amendment to the 2021 Capital Improvements Budget. This ordinance will also amend Ord. 2762-2020, which authorized the Department of Public Utilities to apply for and accept loan funding from the Ohio Water Pollution Control Loan Fund (WPCLF), in order to increase the maximum dollar amount of this project's loan award not to exceed \$27,765,100.00.

To authorize the Director of Public Utilities to enter into a construction contract with Kenmore Construction Company, Inc. for the Southerly Wastewater Treatment Plant Digester Process Expansion Project; to authorize the appropriation and transfer of \$27,765,100.00 from the Sanitary Sewer Reserve Fund to the Ohio Water Development (OWDA) Loan Fund; to authorize the appropriation and expenditure of \$27,765,100.00 from the Ohio Water Development (OWDA) Loan Fund; to authorize an expenditure up to \$2,000.00 for prevailing wage services to the Department of Public Services within the Sanitary General Obligations Voted Bonds Fund; to amend Ord. 2762-2020 in order to increase the maximum dollar amount of this project's Ohio Water Pollution Control Loan Funding loan award to not exceed \$27,765,100.00; and to amend the 2021 Capital Improvements Budget. (\$27,767,100.00)

WHEREAS, the Division of Sewerage and Drainage advertised for competitive bids for the SWWTP Digester Process Expansion Project, and three (3) bids were received on October 13, 2021; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to execute a construction contract with Kenmore Construction Company, Inc. and to encumber and expend funds to provide for prevailing wage services for the Division of Sewerage and Drainage's Southerly Wastewater Treatment Plant Digester Process Expansion Project, CIP# 650353-100003; and

WHEREAS, it is necessary to both appropriate funds from the Sewer System Reserve Fund 6102 and to authorize the transfer of said funds to the OWDA Loan Fund 6111 in order to temporarily fund this expenditure until such time as the City receives loan proceeds for the above stated purpose and reimburses the Sewer System Reserve Fund; and

WHEREAS, the City anticipates incurring certain Original Expenditures (as defined in Section 1.150-2(c) of the Treasury Regulations (the “Treasury Regulations” promulgated pursuant to the Internal Revenue Code of 1986, as amended)) with respect to the construction of the Project described in this Ordinance (collectively, the “Project”); and

WHEREAS, it is necessary to authorize the transfer of and expenditure of up to \$2,000.00 within the Sanitary G.O. Voted Bonds Fund 6109 for Prevailing Wage Services to the Department of Public Service; and

WHEREAS, it is necessary to amend Ord. 2762-2020, passed by Columbus City Council on December 14, 2020, authorizing the Department of Public Utilities to apply for and accept Ohio Water Pollution Control Loan Fund (WPCLF) loan awards for the 2021 project cycle, in that the maximum dollar amount of the loan for the Southerly Wastewater Treatment Plant Digester Process Expansion Project, CIP# 650353-100003 was included at \$26,500,000.00; and

WHEREAS, economic conditions have caused an increase in materials and labor costs throughout the construction industry, it is necessary to amend the maximum dollar amount of this project's loan award to to not exceed \$27,765,100.00; and

WHEREAS, it is necessary to amend the 2021 Capital Improvement Budget; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Public Utilities, Division of Sewerage and Drainage, to authorize the Director to enter into a construction with Kenmore Construction Company, Inc. in order to meet project deadlines and deliverables, for the preservation of the public health, peace, property, and safety; **now, therefore**

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

SECTION 1. That the Director of Public Utilities is hereby authorized to enter into a construction contract with Kenmore Construction Company, Inc., 700 Home Ave. Akron, OH 44310; for the Division of Sewerage and Drainage’s Southerly Wastewater Treatment Plant Digester Process Expansion Project, CIP# 650353-100003, in accordance with the terms and conditions as shown in the agreement on file in the office of the Division of Sewerage and Drainage; and to obtain the necessary prevailing wage services from the Department of Public Services up to a maximum amount of \$2,000.00.

SECTION 2. That from the unappropriated monies in the Sanitary Sewer Reserve Fund 6102 and from all monies estimated to come into said fund from any and all sources, and unappropriated for any other purpose during the fiscal year ending December 31, 2021, the sum of \$27,765,100.00 is appropriated in Fund 6102, per the account codes in the funding attachment to this ordinance.

SECTION 3. That the transfer of \$27,765,100.00 or so much thereof as may be needed, is hereby authorized between the Sanitary Sewer Reserve Fund 6102 and OWDA Loan Fund 6111 per the accounting codes in the attachment to this ordinance.

SECTION 4. That the transfer of \$2,000 is hereby authorized in the Sanitary Sewer General Obligation Fund 6109 per the accounting codes attached to this ordinance.

SECTION 5. That the expenditure of \$27,767,100.00, inclusive of \$2,000.00 to the Department of Public Service for prevailing wage services, or so much thereof as may be needed, is hereby authorized per the accounting codes in the attachment to this ordinance.

SECTION 6. That the 2021 Capital Improvements Budget is amended per the attachment to this ordinance.

SECTION 7. That the said company, Kenmore Construction Company, Inc., shall perform the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Sewerage and Drainage.

SECTION 8. That the City Auditor is hereby authorized to transfer any unencumbered balance in the project account to the unallocated balance 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; except that no transfer shall be made from a project by monies from more than one source.

SECTION 9. 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 10. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 11. 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 12. That upon obtaining other funds for the purpose of funding sanitary sewer system capital improvement work, the City Auditor is hereby authorized to repay the Sanitary Sewer Reserve Fund the amount transferred above (Section 3), and said funds are hereby deemed appropriated for such purposes.

SECTION 13. That Ordinance 2762-2020, passed by Columbus City Council on December 14, 2020, is hereby amended increasing the maximum dollar not to exceed amount of this project's Ohio Water Pollution Control Loan Fund (WPCLF) maximum loan award from \$26,500,000.00 to \$27,765,100.00 as it pertains to the 2021 funding year.

SECTION 14. That the City intends that this Ordinance constitute an "official intent" for purposes of Section 1.150-2(e) of the Treasury Regulations, and that the City reasonably expects to reimburse itself for certain Original Expenditures incurred with respect to the Project from the proceeds of obligations to be issued by the City in a principal amount currently estimated to be \$27,765,100.00 (the "Obligations").

The City intends to make a reimbursement allocation on its books for the Original Expenditures not later than eighteen months following the later to occur of the date of the Original Expenditure to be reimbursed or the date the Project for which such Original Expenditures were made is "placed in service" within the meaning of Treasury Regulations Section 1.150-2(c). Upon the issuance of the Obligations, the proceeds of such Obligations shall be used to reimburse Sanitary/Sewer Reserve Fund 6102, which is the fund from which the advance for costs of the Project will be made.

SECTION 15. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.