



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 6/30/2023 **In control:** Public Utilities Committee

On agenda: 7/24/2023 **Final action:** 7/26/2023

Title: To authorize the Director of the Department of Public Utilities to enter into a contract modification with CTL Engineering for the Blueprint Hilltop Eureka Fremont projects; to authorize the appropriation and transfer of funds from the Sanitary Reserve Fund to the Sanitary Fresh Water Market Rate Program Fund; to amend the 2023 Capital Improvement Budget; to appropriate funds within the Sanitary Fresh Water Market Rate Program Fund; to expend up to \$1,733,433.48 from the Sanitary Fresh Water Market Rate Program Fund, the Sanitary Bond Fund, the Water Bond Fund, and the Streets and Highway Bond Fund for this modification; and to declare an emergency. (\$1,733,433.48)

Sponsors:

Indexes: MBE Participation

Code sections:

Attachments: 1. ORD 2061 DOSD CC Utilization, 2. ORD 2061-2023 DOSD E Utilization, 3. ORD 2061-2023 DOW Utilization, 4. ORD 2061-2023 DPS Utilization, 5. ORD 2061-2023 Accounting Template

| Date | Ver. | Action By | Action | Result |
|-----------|------|-----------------------|----------|--------|
| 7/26/2023 | 1 | CITY CLERK | Attest | |
| 7/25/2023 | 1 | ACTING MAYOR | Signed | |
| 7/24/2023 | 1 | COUNCIL PRESIDENT | Signed | |
| 7/24/2023 | 1 | Columbus City Council | Approved | Pass |

1. BACKGROUND

This ordinance authorizes the Director of Public Utilities to enter into a contract modification with CTL Engineering, Inc. CTL Engineering, Inc., for construction administration/inspection services for Department of Public Utilities construction projects bid during the calendar years 2023 through 2025 as part of the Construction Administration/Construction Inspection Services 2023-2025 contracts.

The construction projects to be administered by CTL Engineering, Inc. under this contract modification are:

CIP #650870-100802 Blueprint Hilltop Eureka /Fremont
CIP#650870-153002 Blueprint Hilltop Eureka /Fremont Permeable Pavers
CIP#690236-100143 Eureka /Fremont Water Line Improvements
CIP#530282-100117 Resurfacing

This work will primarily be performed in Community Planning Area “53 - Greater Hilltop”.

1.1. Amount of additional funds to be expended: \$1,733,433.48

Original Contract: \$673,163.42 (ORD 0849-2023; PO391468)

Modification #1: \$1,733,433.48 (This ordinance)

Total \$2,406,596.90

1.2. Reasons additional goods/services could not be foreseen:

This is a three-year agreement for fiscal years 2023 - 2025 and modifications were anticipated and explained in the

original legislation under Ordinance 0849-2023.

1.3. Reason other procurement processes are not used:

This is a multi-year contract that will be modified as required to provide construction administration/inspection services for construction projects that bid during the three year (2023-2025) timeframe.

1.4. How cost of modification was determined:

The cost of this modification was determined by using the existing rates and allowable expenses already established for this contract.

2. ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT

This work will ensure the Department's construction projects are performed correctly and will last the anticipated service life. No community outreach is planned at this time.

3. CONTRACT COMPLIANCE INFORMATION

CTL Engineering, Inc. contract compliance number is CC-004209 and expires 5/20/2024.

4. MINORITY AND WOMAN OWNED BUSINESS ENTERPRISE & SMALL LOCAL BUSINESS ENTERPRISE PROGRAM

This contract opportunity was submitted to the City's Office of Diversity and Inclusion (ODI) for review and assignment of an MBE/WBE goal prior to bidding. ODI determined there was not an opportunity for MBE/WBE participation in this contract and did not assign a goal. This contract was not bid with a City of Columbus MBE/WBE Program goal and the requirements of the City's MBE/WBE Program are not applicable to this contract. CTL Engineering, Inc. is ODI certified as an MBE company. As shown in the Utilization Plans attached to this ordinance, CTL Engineering, Inc. plans to use one sub-consultant on this task. The spend with this MBE prime contractor is anticipated to be \$1,714,135.34, or 98% for this contract task.

The subcontractor CTL Engineering, Inc. proposes to use one subcontractor for this contract is listed below:

| <u>Company Name</u> | <u>City/State</u> | <u>ODI Certification Status</u> |
|--------------------------------|-------------------|---------------------------------|
| E.P. Ferris & Associates, Inc. | Columbus, Ohio | MAJ |

CTL Engineering, Inc.'s certification was in good standing at the time of this contract modification.

5. FISCAL IMPACT

Partial funding for this contract will be obtained through the Ohio Water Development Authority Direct Loan Program. City Council authorized this loan application and acceptance of loan funding via Ordinance 0997-2023, passed by Council on 4/24/23. A transfer of funds from the Sanitary Reserve Fund, Fund 6102, to the Sanitary Fresh Water Market Rate Program Fund, Fund 6124 in an amount up to \$774,089.64 is needed to fund this contract modification. These funds will also need to be appropriated after transfer to Fund 6124. The 2023 Capital Improvement Budget will need to be amended to align budget authority with the proper project. Amendments to the 2023 Capital Improvement Budget are contingent upon approval of the 2023 Capital Improvement Budget. This transaction is a temporary measure that is required until a loan is executed with the OWDA to reimburse the Sanitary Reserve Fund. The loan is expected to be approved in August, 2023.

Funds are budgeted, appropriated, and available within the Sanitary Bond Fund, Fund 6109, Water Bond Fund, Fund 6006, and the Streets and Highways Bond Fund, Fund 7704 for the other expenditures for this contract.

6. EMERGENCY DESIGNATION

Emergency designation is requested for this ordinance to comply with a consent order concerning the City's sewer system.

To authorize the Director of the Department of Public Utilities to enter into a contract modification with CTL Engineering

for the Blueprint Hilltop Eureka Fremont projects; to authorize the appropriation and transfer of funds from the Sanitary Reserve Fund to the Sanitary Fresh Water Market Rate Program Fund; to amend the 2023 Capital Improvement Budget; to appropriate funds within the Sanitary Fresh Water Market Rate Program Fund; to expend up to \$1,733,433.48 from the Sanitary Fresh Water Market Rate Program Fund, the Sanitary Bond Fund, the Water Bond Fund, and the Streets and Highway Bond Fund for this modification; and to declare an emergency. (\$1,733,433.48)

WHEREAS, the Department of Public Utilities advertised a Request for Proposals for Construction Administration/Construction Inspection Services; and

WHEREAS, CTL Engineering, Inc. was one of six firms selected by the evaluation committee to provide these services; and

WHEREAS, Ordinance 0849-2023 authorized the contract with CTL Engineering, Inc. for these services and assigned the task to be performed; and

WHEREAS, additional construction inspection/administration tasks need to be performed; and

WHEREAS, the contract with CTL Engineering, Inc. will need to be modified to add these tasks to the contract and to add funding to pay for the tasks; and

WHEREAS, the 2023 Capital Improvement Budget will need to be amended to align budget authority with the proper project; and

WHEREAS, it is necessary to both appropriate and transfer funds from the Sanitary Reserve Fund to the Sanitary Fresh Water Market Rate Program Fund, and then appropriate again in the Sanitary Fresh Water Market Rate Program Fund, in order to temporarily fund this expenditure until such time as the City receives loan proceeds from the Ohio Water Development Authority to reimburse the Sanitary Reserve Fund; and

WHEREAS, funds must be expended to pay for the construction administration and inspection services CTL Engineering, Inc. provides under the Construction Administration/Construction Inspection Services 2023-2025 contract; 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, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to execute the contract to comply with a consent order concerning the City’s sewer system, 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 2023 Capital Improvements Budget authorized by Ordinance 1711-2023 be amended as follows to establish sufficient budget authority for this project:

Fund / Project Number / Project Name (Funding Source) / Current Authority/ Revised Authority / Change

6124 / 650870-153002 Blueprint Hilltop 1 Eureka Fremont Permeable Pavers (Sanitary Fresh Water Market Rate Program) / \$0.00 / \$774,090.00 / \$774,090.00

SECTION 2. That from the unappropriated monies 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, 2023, the sum of \$774,089.64 is appropriated in the Sanitary Reserve Fund, Fund 6102, per the account codes in the attachment to this ordinance.

SECTION 3. That the transfer of \$774,089.64, or so much thereof as may be needed, is hereby authorized between the Sanitary Reserve Fund, Fund 6102, and the Sanitary Fresh Water Market Rate Program Fund, Fund 6124, per the account codes in the attachment to this ordinance.

SECTION 4. That the appropriation of \$774,089.64, or so much thereof as may be needed, is hereby authorized in the Sanitary Fresh Water Market Rate Program Fund, Fund 6124, per the accounting codes in the attachment to this ordinance.

SECTION 5. That the Director of Public Utilities is authorized to enter into a contract with CTL Engineering, Inc., 2860 Fisher Rd, Columbus, Ohio 43204, for construction administration and inspection services, in accordance with the terms and conditions as shown in the contract on file with the Department of Public Utilities, in an amount not to exceed \$1,733,433.48.

SECTION 6. That expenditures not to exceed \$1,733,433.48 are authorized per the accounting codes in the attachment to this Ordinance.

SECTION 7. That city sanitary sewer user fees are hereby authorized to be the dedicated source of repayment for the Sanitary Fresh Water Market Rate Program Fund loan for this project.

SECTION 8. That upon obtaining other funds for the purpose of funding water system capital improvement work, the City Auditor is hereby authorized to repay the Sanitary System Reserve Fund the amount transferred above (Section 2), and said funds are hereby deemed appropriated for such purposes.

SECTION 9. 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 \$11,838,000.00 (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 System Reserve Fund 6102, which is the fund from which the advance for costs of the Project will be made.

SECTION 10. Funds are deemed appropriated and expenditures and transfers authorized to carry out the purposes of this Ordinance and the City Auditor shall establish such accounting codes as necessary.

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 the City Auditor is 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 13. That for the reasons stated in the preamble hereto, which is made a part hereof, this Ordinance is 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 (10) days after passage if the Mayor neither approves nor vetoes this Ordinance.

