



Legislation Details (With Text)

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On agenda: 3/25/2024 **Final action:** 3/27/2024

Title: To authorize the Director of the Department of Public Utilities to modify and increase the contract with Brown and Caldwell for the Southerly Waste Water Treatment Plant Digester Process Expansion Phase Two project; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Sanitary Reserve Fund to the Sanitary-Fresh Water Market Rate Program Fund; and to authorize the appropriation and expenditure of up to \$3,011,106.84 from the Sanitary-Fresh Water Market Rate Program Fund to pay for the contract. (\$3,011,106.84)

Sponsors:

Indexes: MBE Participation, WBE Participation

Code sections:

Attachments: 1. ORD 0545-2024 Accounting Template, 2. ORD 0545-2024 Utilization

| Date | Ver. | Action By | Action | Result |
|-----------|------|-----------------------|-------------------------|--------|
| 3/27/2024 | 1 | CITY CLERK | Attest | |
| 3/26/2024 | 1 | MAYOR | Signed | |
| 3/25/2024 | 1 | COUNCIL PRESIDENT | Signed | |
| 3/25/2024 | 1 | Columbus City Council | Approved | Pass |
| 3/18/2024 | 1 | Columbus City Council | Read for the First Time | |

1. BACKGROUND

This ordinance authorizes the Director of Public Utilities to enter into a planned contract modification for professional engineering services with Brown and Caldwell for professional design services for the SWWTP Digester Process Expansion Phase II project, CIP #650353-100006, in an amount up to \$3,011,106.84.

The original contract was for Preliminary Design Services. The preliminary design phase of the contract included a condition assessment of the Acid Phase Digesters (APDs); a phosphorous recovery alternatives evaluation; a fats, oils, and grease (FOG) receiving station evaluation; an organics receiving feasibility evaluation; a comprehensive biogas reuse evaluation; a digestion process intensification and mass balance evaluation; and a site layout investigation. Each of these investigations and evaluations culminated in the production of a Detailed Design Memorandum (DDM) that will drive the ultimate design of this project.

This contract modification is to provide funding for Detailed Design Services which will provide detailed design based on the findings in the DDM, funding for assistance with the development of bid documents, and funding for bidding assistance. This phase of the project also provides funding for two pilot studies (microaeration and Class B equivalency) to help with biogas quality and digestion capacity.

A future modification is anticipated to provide services during construction to provide engineering assistance throughout the construction phase of this project.

The community planning area for this project is 99 - Citywide.

1.1 Amount of additional funds to be expended: \$3,011,106.84

| | |
|---------------------------|---|
| Original Contract Amount: | \$2,504,192.85 (Ord. 1616-2021; PO285966) |
| Modification #1: | \$3,011,106.84 (Current) |
| <u>Modification #2:</u> | <u>\$2,364,000.00</u> (Future estimate) |
| Total: | \$7,879,299.69 |

1.2. Reason other procurement processes are not used:

This contract was awarded through the City’s RFP process to provide engineering services through the completion of construction of this project. This contract modification is being executed solely to provide funding to continue the next phase of engineering services needed for this project. A new procurement process is not required.

1.3. How cost of modification was determined:

The cost of this modification was determined by negotiations between Brown and Caldwell and Department of Public Utilities project staff based upon the existing contract labor titles, maximum labor rates, allowable contract expenses, and the time estimated to be needed to perform assigned tasks.

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

This project will provide the SWWTP digestion system with a reliable mixing system through the addition of variable frequency drives on the mixing pumps. The current digestion mixing system imparts too much energy into the system and causes rapid rise (foaming) events that pour out onto the ground. In addition, this project will rehabilitate the Acid Phase Digesters to improve the reliability of the system.

3. CONTRACT COMPLIANCE INFORMATION

Brown and Caldwell’s contract compliance number is CC010815 and expires 10/10/25.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Brown and Caldwell

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

This contract was put in place prior to the implementation of the City of Columbus MBE/WBE Program and is not subject to the requirements of that program. Brown and Caldwell is classified as a majority company by the City’s Office of Diversity and Inclusion. Brown and Caldwell anticipates performing the work on this contract modification with the use of sub-consultants. The MBE/WBE percentage for this modification is expected to be 17.4%.

As part of their proposal, Brown and Caldwell has proposed the following subcontractor to perform contract work:

| <u>Company Name</u> | <u>City/State</u> | <u>ODI Certification Status</u> |
|--|-------------------|---------------------------------|
| Dynotec, Inc. | Columbus, Ohio | MBE |
| Advanced Engineering Consultants, Ltd. | Columbus, Ohio | MBE |
| Regency Construction Services, Inc. | Columbus, Ohio | WBE |

The certification of Brown and Caldwell and the above companies was in good standing at the time the bid was awarded.

5. FISCAL IMPACT

Funding for this contract modification 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. This project is not listed as a project anticipated to be funded through this loan program in Ordinance 0997-2023. Section 2 of the Ordinance allows the Director of the Department of Public Utilities to add projects to the list per departmental need. The loan is expected to be approved in April, 2024.

The OWDA Direct Loan Program is a reimbursement program. A purchase order will need to be established to Brown and Caldwell for this contract. Public Utilities will need to pay invoices received for the engineering services directly to

Brown and Caldwell and then submit reimbursement requests based upon these paid invoices to OWDA for OWDA to reimburse Public Utilities.

A transfer of funds from the Sanitary Reserve Fund, Fund 6102, to the Sanitary-Fresh Water Market Rate Program Fund, Fund 6124, in the amount of \$3,011,106.84 is needed to fund this project. This transaction is a temporary measure that is required until a loan is executed with the OWDA to reimburse the Sanitary Reserve Fund. These funds will also need to be appropriated to be transferred and then appropriated after transfer to the new fund. An amendment to the 2023 Capital Improvement Budget is needed to align budget authority with the proper project.

To authorize the Director of the Department of Public Utilities to modify and increase the contract with Brown and Caldwell for the Southerly Waste Water Treatment Plant Digester Process Expansion Phase Two project; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Sanitary Reserve Fund to the Sanitary-Fresh Water Market Rate Program Fund; and to authorize the appropriation and expenditure of up to \$3,011,106.84 from the Sanitary-Fresh Water Market Rate Program Fund to pay for the contract. (\$3,011,106.84)

WHEREAS, the Department of Public Utilities is engaged in the SWWTP Digester Process Expansion Phase II project; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to modify and increase the contract with Brown and Caldwell for the SWWTP Digester Process Expansion Phase II project; and

WHEREAS, Ordinance 0997-2023 authorized this project to be funded by a loan to be obtained through the Ohio Water Development Authority (OWDA) Direct Loan Program; and

WHEREAS, the 2023 Capital Improvements Budget must be modified 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 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, 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 this Project described in this Ordinance (collectively, the "Project"); and

WHEREAS, it is necessary to appropriate and expend funds from the Sanitary-Fresh Water Market Rate Program Fund to pay for this project; **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 / 650353-100006 / SWWTP Digester Process Expansion, Phase II (OWDA Direct Loan) / \$0.00 / \$3,011,107.00 / \$3,011,107.00 (To match loan amount)

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, 2024, the sum of \$3,011,106.84 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 \$3,011,106.84, 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 \$3,011,106.84, 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 hereby authorized to modify and increase the contract for the SWWTP Digester Process Expansion, Phase II project with Brown and Caldwell, 445 Hutchinson Ave Ste. 540, Columbus, OH 43235, in an amount up to \$3,011,106.84, in accordance with the terms and conditions of the contract on file in the Department of Public Utilities.

SECTION 6. That the expenditure of \$3,011,106.84, or so much thereof as may be needed, is hereby authorized to pay for this contract per the accounting codes in the attachment to this ordinance.

SECTION 7. That upon obtaining other funds for the purpose of funding sanitary capital improvement work, the City Auditor is hereby authorized to repay the Sanitary Reserve Fund the amount transferred above (Section 3), and said funds are hereby deemed appropriated for such purposes.

SECTION 8. 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 \$3,011,106.84 (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 Reserve Fund, Fund 6102, which is the fund from which the advance for costs of the Project will be made.

SECTION 9. Funds are hereby 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 10. 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 11. 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 12. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.