



Legislation Details (With Text)

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On agenda: 5/6/2024 **Final action:** 5/9/2024

Title: To authorize the Director of Finance and Management to establish contracts with Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation for the purchase of equipment to be utilized in the Southerly Waste Water Treatment Plant Organics Receiving and Bioenergy Utilization Facility for the Department of Public Utilities; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Revolving Loan Fund; to authorize the appropriation of funds within the Sanitary Revolving Loan Fund; to authorize the expenditure of up to \$16,799,258.08 from the Sanitary Revolving Loan Fund to pay for the project; and to declare an emergency. (\$16,799,258.08).

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD 0969-2024 Accounting Template

Date	Ver.	Action By	Action	Result
5/9/2024	1	ACTING CITY CLERK	Attest	
5/7/2024	1	MAYOR	Signed	
5/6/2024	1	COUNCIL PRESIDENT	Signed	
5/6/2024	1	Columbus City Council	Approved	Pass

1. BACKGROUND

To authorize the Director of Finance and Management to enter into contracts with Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation for the purchase of equipment to be utilized in the Southerly Waste Water Treatment Plant (SWWTP) Organics Receiving and Bioenergy Utilization Facility, in an amount up to \$16,799,258.08. The construction of this facility will be part of a future solicitation.

The Purchasing Office advertised and solicited competitive bids for the Digester Gas Equipment in accordance with the relevant provisions of City Code Chapter 329 relating to competitive bidding (RFQ026710). Three hundred sixty-eight (368) bidders were solicited and one (MAJ) bid was received and opened on March 8, 2024.

RFQ026710	Name	Bid Amount	City/State	Status
	Unison Solutions, Inc. MAJ		\$12,909,810.00	Dubuque, IA

The Purchasing Office advertised and solicited competitive bids for the Boiler Feed Water Equipment Package in accordance with the relevant provisions of City Code Chapter 329 relating to competitive bidding (RFQ026842). Three hundred eighty-eight (388) bidders were solicited and one (MAJ) bid was received and opened on March 8, 2024.

RFQ026842	Name	Bid Amount	City/State	Status
	Boiler Tech, Inc.	\$653,848.00	Columbus, OH	MAJ

The Purchasing Office advertised and solicited competitive bids for the Digester Mixing Equipment Package in accordance with the relevant provisions of City Code Chapter 329 relating to competitive bidding (RFQ026705). Three hundred seventy-six (376) bidders were solicited and three (MAJ) bids were received and opened on March 8, 2024.

RFQ026705	Name	Bid Amount	City/State	Status
	Olympus Technologies MAJ		\$2,586,000.00	Eugene, OR
	Ovivo USA, LLC	\$2,989,223.00		Detroit, MI MAJ
	BL Anderson Company	\$5,347,722.00		West Chester, OH MAJ

The Purchasing Office advertised and solicited competitive bids for the Digester Heating Equipment Package in accordance with the relevant provisions of City Code Chapter 329 relating to competitive bidding (RFQ026841). Three hundred eighty-nine (389) bidders were solicited and one (MAJ) bid was were received and opened on March 8, 2024.

RFQ026841	Name	Bid Amount	City/State	Status
	Hydro-Thermal Corporation	\$649,600.08	Waukesha, WI	MAJ

Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation’s bid were deemed the lowest, best, most responsive bids.

2. CONTRACT COMPLIANCE

Unison Solutions, Inc.’s contract compliance number is 047830 and expires 1/17/26.
Boiler Tech, Inc.’s contract compliance number is 004706 and expires 3/8/26.
Olympus Technologies’ contract compliance number is 048082 and expires 2/12/26.
Hydro-Thermal Corporation’s contract compliance number is 007736 and expires 3/13/26.

The certification of Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation was in good standing at the time of the contract award.

The companies are not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

3. 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.

4. FISCAL IMPACT

These contracts are expected to be financed with a loan from the Water Pollution Control Loan Fund (WPCLF), a program jointly administered by the Ohio EPA’s Division of Environmental and Financial Assistance and the Ohio Water Development Authority (OWDA). City Council authorized this loan application and acceptance of funding via Ordinance 2767-2023, passed by Council on 10/30/23. The loan is expected to be approved in May, 2024.

A transfer of funds from the Sanitary System Reserve Fund, Fund 6102, to the Water Pollution Control Loan Fund, Fund 6111, in the amount of \$16,799,258.08 is needed to fund this proposed expenditure. This transaction is a temporary measure that is required until such time as a loan is executed with the Ohio EPA to reimburse the Sanitary System Reserve Fund. The funds will need to be appropriated in Fund 6111. An amendment to the 2023 Capital Improvements Budget will also be necessary. These funds will 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.

5. EMERGENCY DESIGNATION

This project is being undertaken to take advantage of the Inflation Reduction Act (IRA) rebate being offered to energy communities and municipalities. Under the available IRS guidance, the City of Columbus will be eligible for a rebate up to 50% of the construction cost. According to our current construction cost estimate, this project would be eligible for approximately \$90 million in rebates. However, to obtain this rebate, this project must meet what the IRS is calling the “Beginning of Construction” deadline. This deadline is currently set to December 31, 2024. This means that this project must either have 5% of the construction cost paid to the Contractor (5% Safe Harbor) or must have substantial construction begin and continue through the completion of the project (Substantial Work Test). The rebate amount will be reduced if the deadline is missed. Emergency legislation is being requested to aid in meeting these deadlines. The pre-construction procurement of this equipment will allow for the City to meet the “Substantial Work Test” portion of the “Beginning of Construction” activities through significant fabrication of the digester mixing system.

To authorize the Director of Finance and Management to establish contracts with Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation for the purchase of equipment to be utilized in the Southerly Waste Water Treatment Plant Organics Receiving and Bioenergy Utilization Facility for the Department of Public Utilities; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Revolving Loan Fund; to authorize the appropriation of funds within the Sanitary Revolving Loan Fund; to authorize the expenditure of up to \$16,799,258.08 from the Sanitary Revolving Loan Fund to pay for the project; and to declare an emergency. (\$16,799,258.08).

WHEREAS, the Department of Public Utilities has a need for equipment to be utilized in the SWWTP Organics Receiving and Bioenergy Utilization Facility; and

WHEREAS, the Purchasing Office opened formal bids on March 8, 2024 for the purchase of equipment to be utilized in the SWWTP Organics Receiving and Bioenergy Utilization Facility; and

WHEREAS, the Department of Public Utilities, Division of Sewerage and Drainage, recommends awards be made to the lowest, responsive, responsible and best bidders, Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation; and

WHEREAS, Ordinance 2767-2023 authorized this project to be funded by a loan to be obtained through the Water Pollution Control Loan Fund (WPCLF) Loan Account; and

WHEREAS, the 2023 Capital Improvement Budget must be modified to align budget authority with the proper project; and

WHEREAS, it is necessary to both appropriate funds from the Sanitary Sewer Reserve Fund and to authorize the transfer of said funds into the Sanitary Revolving Loan Fund in order to temporarily fund this expenditure, until such time as the City is able to execute a loan for the above stated purpose and reimburse the Sanitary Sewer Reserve Fund; and

WHEREAS, the funds transferred into the Sanitary Revolving Loan Fund must be appropriated; 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 an expenditure of funds from the WPCLF, Fund 6111, to pay for the equipment for the project; and

WHEREAS, the Director of Finance and Management will need to enter into contracts with Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation in accordance with the terms, conditions and specifications of Solicitation Numbers RFQ026710, RFQ026842, RFQ026705, RFQ026841 on file in the Purchasing Office to make these purchases on behalf of the Department of Public Utilities; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to authorize the Director of Finance and Management to finalize the contracts for this equipment as soon as possible to be eligible for a rebate of 50% of construction costs for the SWWTP Organics Receiving and Bioenergy Utilization Facility project, 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 Director of Finance and Management be and is hereby authorized to establish contracts with Unison Solutions, Inc., Boiler Tech, Inc., Olympus Technologies, and Hydro-Thermal Corporation for equipment to be utilized in the SWWTP Organics Receiving and Bioenergy Utilization Facility in accordance with the terms, conditions and specifications of Solicitation Numbers RFQ026710, RFQ026842, RFQ026705, RFQ026841 on file in the Purchasing Office.

SECTION 2. That the 2023 Capital Improvement 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
6111 / 650353-100007 / SWWTP Organics Receiving and Bioenergy Utilization Facility (WPCLF / OWDA) / \$0.00 / \$16,799,258.00 / \$16,799,258.00 (To match loan amount.)

SECTION 3. 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 \$16,799,258.08 is appropriated in the Sanitary Reserve Fund, Fund 6102, per the account codes in the attachment to this ordinance.

SECTION 4. That the transfer of \$16,799,258.08, or so much thereof as may be needed, is hereby authorized between the Sanitary Reserve Fund, Fund 6102, and the Sanitary Revolving Loan Fund, Fund 6111, per the account codes in the attachment to this ordinance.

SECTION 5. 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 \$16,799,258.08 is appropriated in the Sanitary Revolving Loan Fund, Fund 6111, per the account codes in the attachment to this ordinance.

SECTION 6. That the expenditure of \$16,799,258.08, 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 sewer system capital improvement work, the City Auditor is hereby authorized to repay the Sanitary System Reserve Fund, Fund 6102, the amount transferred above (Section 4), 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 \$16,799,258.08 (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 the 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 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.