



Legislation Details (With Text)

File #: 1816-2023 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 6/12/2023 **In control:** Public Utilities Committee

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

Title: To authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the Director of Public Utilities to enter into a construction contract with Elford, Inc., for the DRWP Laboratory Upgrades project; to authorize the appropriation and expenditure of up to \$1,708,900.00 from the Water Supply Revolving Loan Account Fund for the contract; to authorize a transfer of cash and appropriation between projects within the Water Bond Fund; and to authorize the expenditure of up to \$2,000.00 from the Water Bond Fund to pay for construction administration and inspection expenses for the project. (\$1,710,900.00)

Sponsors:

Indexes: MBE Participation, WBE Participation

Code sections:

Attachments: 1. ORD 1816-2023 Accounting Template, 2. 1816-2023 Utilization Report

| 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 |
| 7/17/2023 | 1 | Columbus City Council | Read for the First Time | |

1. BACKGROUND

This ordinance authorizes the Director of Public Utilities to enter into a construction contract with Elford, Inc., for the DRWP Laboratory Upgrades, CIP #690523-100000, in an amount up to \$1,708,900.00, and to encumber funds with the Department of Public Service for construction administration and inspection services in an amount up to \$2,000.00, for a total expenditure of \$1,710,900.00.

The work consists of demolition of existing laboratory fixtures and furnishings, installation of a temporary laboratory, relocation of the laboratory staff, renovation of the existing laboratory space. The work will be performed at the Dublin Road Water Plant.

The Community Area for this ordinance will be 68 - Dublin Road Corridor.

TIMELINE: Contract work is required to be substantially completed in a manner acceptable to the City within 330 calendar days, with final completion 360 calendar days from the date that a Notice to Proceed (NTP) is given by the City. The City anticipates issuing a Notice to Proceed on or about late-August 2023.

ESTIMATED COST OF PROJECT: The bid amount and proposed award amount is \$1,708,900.00, including a 15% construction contingency amount that will be utilized to fund needed and approved changes in the work. No contract modifications are anticipated at this time; however, construction exigency might later compel modification of this contract, if unforeseen difficulties are encountered.

Cost summary:

| | |
|--------------------------|-----------------|
| Original Contract | \$1,708,900.00 |
| Future Anticipated Needs | \$ 0.00 |
| CONTRACT TOTAL | \$ 1,708,900.00 |
| Davis Bacon (PW) Charges | \$ 2,000.00 |
| TOTAL LEGISLATION: | \$ 1,710,900.00 |

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

The goal of this project is to replace or rehabilitate the existing laboratory space. Improvement of the existing laboratory space will improve water service. The Neighborhood Liaison(s) has been contacted and informed of this project during the design phase. Further community outreach may result through the Neighborhood Liaison Program.

3. CONSTRUCTION CONTRACT AWARD

An Invitation for Bids for the DRWP Laboratory Upgrades project was advertised on the Vendor Services and Bid Express websites from 04/13/23 through 05/12/23. One bid was received for the project and was opened on 05/12/23. The following company submitted a bid:

| <u>Company</u> | <u>Bid Amount</u> | <u>Compliance Number</u> | <u>ODI Status</u> |
|----------------|-------------------|--------------------------|-------------------|
| Elford, Inc. | \$1,708,900.00 | CC-006059 | MAJ |

The Elford, Inc. bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$1,708,900.00.

4. CONTRACT COMPLIANCE INFORMATION

Elford, Inc.'s contract compliance number is CC-006059 and expires 1/31/24.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Elford, Inc.

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

This contract was bid with an anticipated City of Columbus MBE/WBE Program goal of 12% as assigned by the City's Office of Diversity and Inclusion (ODI). After ODI's review of the Utilization Plan and other related information the contractor submitted with their bid response, ODI has approved an MBE/WBE Program goal of 3.16% for this contract. Failure by the contractor to meet this goal subjects the contractor to the Penalties for Non-Compliance as described in the "City's Minority and Women-Owned Business Enterprise & Small Local Business Enterprise Program Manual" and in the bid documents for this contract.

As part of their proposal, Elford, Inc. has proposed the following subcontractor to perform contract work:

| <u>Company Name</u> | <u>City/State</u> | <u>ODI Certification Status</u> |
|------------------------------------|-------------------|---------------------------------|
| Anderson Decorating | Westerville, Ohio | WBE |
| Hina Environmental Solutions, Inc. | Columbus, Ohio | MBE |

The certification of Elford, Inc. and of the above companies was in good standing at the time the bid was awarded.

6. PRE-QUALIFICATION STATUS

Elford, Inc. and all subcontractors have met code requirements with respect to pre-qualification, pursuant to relevant sections of Columbus City Code Chapter 329.

7. FISCAL IMPACT

The construction portion of this project is anticipated to be financed with a loan from the Water Supply Revolving Loan Account (WSRLA), 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 1107-2022, passed by Council on 5/9/22. The loan is expected to be approved in July, 2023. Funds will need to be certified against the Water System Reserve Fund, Fund 6003, to proceed with this project until the loan has been approved.

A transfer of funds from the Water System Reserve Fund, Fund 6003, to the Water Supply Revolving Loan Account Fund, Fund 6011, in the amount of \$1,708,900.00 is needed to fund construction for this project. This transaction is a temporary measure that is required until a loan is executed with the Ohio EPA to reimburse the Water System Reserve Fund. These funds will also need to be appropriated to be transferred and then appropriated after transfer to the new fund.

A transfer of cash and appropriation between projects within the Water Bond Fund, Fund 6006, in the amount of \$2,000.00 is needed to align cash and appropriation with the proper project to pay the Department of Public Service to perform construction administration for the project.

To authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the Director of Public Utilities to enter into a construction contract with Elford, Inc., for the DRWP Laboratory Upgrades project; to authorize the appropriation and expenditure of up to \$1,708,900.00 from the Water Supply Revolving Loan Account Fund for the contract; to authorize a transfer of cash and appropriation between projects within the Water Bond Fund; and to authorize the expenditure of up to \$2,000.00 from the Water Bond Fund to pay for construction administration and inspection expenses for the project. (\$1,710,900.00)

WHEREAS, the Department of Public Utilities is engaged in the DRWP Laboratory Upgrades project; and

WHEREAS, one bid for the DRWP Laboratory Upgrades project were received and opened on 05/12/23; and

WHEREAS, the lowest, best, most responsive and responsible bid was from Elford, Inc.; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to enter into a construction contract with Elford, Inc. for the DRWP Laboratory Upgrades project; and

WHEREAS, Ordinance 0944-2023, passed April 24, 2023 authorized this project to be funded by a loan to be obtained through the Water Supply Revolving Loan Account (WSRLA) Loan Agreements in an amount not to exceed \$2,400,000.00; and

WHEREAS, it is necessary to both appropriate and transfer funds from the Water System Reserve Fund to the Water Supply Revolving Loan Account; 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 appropriate and expend funds from the Water Supply Revolving Loan Account Fund to pay for the construction of this project; and

WHEREAS, it is necessary to expend funds from the Water Bond Fund to pay the Department of Public Service for prevailing wage services for this project; **now, therefore**

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

SECTION 1. 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 \$1,708,900.00 is appropriated in the Water System Reserve Fund, Fund 6003, per the account codes in the funding attachment to this ordinance.

SECTION 2. That the transfer of \$1,708,900.00 or so much thereof as may be needed, is hereby authorized between the Water System Reserve Fund, Fund 6003, and the Water Supply Revolving Loan Account Fund, Fund 6011, per the accounting codes in the attachment to this ordinance.

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, 2023, the sum of \$1,708,900.00 is appropriated in the Water Supply Revolving Loan Account Fund, Fund 6011, per the account codes in the funding attachment to this ordinance.

SECTION 4. That the Director of Public Utilities is hereby authorized to enter into a construction contract for the DRWP Laboratory Upgrades project with Elford, Inc., 1220 Dublin Road, Columbus, Ohio 43215, in an amount up to \$1,708,900.00; in accordance with the terms and conditions of the contract on file in the Department of Public Utilities; and to obtain the necessary construction administration and inspection services for this project from the Department of Public Services in an amount up to \$2,000.00.

SECTION 5. That the expenditure of \$2,000.00, 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 6. That upon obtaining other funds for the purpose of funding water system capital improvement work, the City Auditor is hereby authorized to repay the Water System Reserve Fund the amount transferred above (Section 2), and said funds are hereby deemed appropriated for such purposes.

SECTION 7. 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 \$1,708,900.00 (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 Water System Reserve Fund, Fund 6003, which is the fund from which the advance for costs of the Project will be made.

SECTION 8. 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 9. 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 10. 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 11. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.