



Legislation Details (With Text)

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On agenda: 6/20/2016 **Final action:** 6/22/2016

Title: To authorize the Director of Public Utilities to enter into an engineering agreement with DLZ Ohio, Inc. for the Lower Olentangy Tunnel Phase 1 & 2; to authorize the appropriation and transfer of \$5,488,356.22 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund; to authorize the expenditure of up to \$5,488,356.22 from the G.O. Bond Fund; and to amend the 2016 Capital Improvements Budget for the Division of Sewerage and Drainage. (\$5,488,356.22)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ord 1315-2016 Director's Legislation Information Sheet (5-23-11) 650724, 2. Ord 1315-2016 Lower Olentangy Tunnel Ph 1 & 2 DAX Financial, 3. Ord 1315-2016 Schedule 2A-1 SWIF Lower Olentangy Tunnel Ph 12

Date	Ver.	Action By	Action	Result
6/22/2016	1	CITY CLERK	Attest	
6/21/2016	1	ACTING MAYOR	Signed	
6/20/2016	1	COUNCIL PRESIDENT	Signed	
6/20/2016	1	Columbus City Council	Approved	Pass
6/6/2016	1	Columbus City Council	Read for the First Time	

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into an engineering agreement with DLZ Ohio, Inc. for the Lower Olentangy Tunnel Phase 1 & 2, CIP 650724-100000. In this project the consultant will develop the design and provide engineering services during construction for the City’s Lower Olentangy Tunnel project. Services will include field activities to obtain design data; development of a design report, detailed design plans, specifications, easements, permits, bid documents, outreach & coordination activities and provide engineering services during construction.

The proposed Lower Olentangy Tunnel will work in tandem with the four pillars of Blueprint Columbus program to enable the City to address several elements of its sewer consent orders that the four pillars alone cannot and improve water quality in the Olentangy River. The project will provide hydraulic relief to both the Franklin Main Interceptor Sewer and the Olentangy Scioto Interceptor Sewer near Second Avenue and near Dodridge Street; it will control the seven upper Olentangy combined sewer overflows per the consent order; mitigate the activation of four designed sewer relief structures per the consent order and allow closure of a fifth designed sewer overflow structure.

2. PROJECT TIMELINE: Design activities will begin in June 2016 with a preliminary design report to be submitted in June 2017, design plans will be complete at the end of 2018, bid documents complete at the end of 2019 and engineering services during construction from 2020 to 2025.

3. PROCUREMENT INFORMATION: The Division advertised for a Request for Proposals (RFP’s) the subject

services on the City’s Vendor Services website and in the City Bulletin in accordance with the overall provisions of Section 329 of the Columbus City Code. The Division of Sewerage and Drainage received three (3) received on December 4, 2015 from the following companies:

<u>Name</u>	<u>Vendor#</u>	<u>C.C. No.</u>	<u>Exp. Date</u>	<u>City/State</u>	<u>Status</u>
AECOM (URS Corp Design)	006806	34-1709349	3/16/17	Columbus/OH	MAJ
Brierly Associates	008755	46-4148969	9/9/17	Columbus/OH	MAJ
DLZ Ohio Inc.	004939	31-1268980	2/28/17	Columbus/OH	MBR

DLZ Ohio, Inc. was selected as the engineering firm based on DPU’s evaluation process.

- 4. EMERGENCY DESIGNATION:** An emergency designation **is not requested** at this time
- 5. CONTRACT COMPLIANCE NO:** 31-1268980 | MBR | 02/28/2017
- 6. ECONOMIC IMPACT:** The project was identified in the Integrated Plan and 2015 WWMP Update Report which was developed with input from numerous stakeholder groups and submitted to the Ohio EPA. The project will mitigate sewer overflows into the Olentangy River as described in the report. Short term economic impacts will be in terms of the prime and twelve sub consultants work on design of the project as well as environmental benefits.
- 7. FISCAL IMPACT:** This ordinance authorizes the appropriation and transfer of \$5,488,356.22 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund, Fund 6109; authorize the creation of sufficient budget authority for this ordinance; to authorize the expenditure of up to \$5,488,356.22 from the G.O. Bond Fund, Fund 6109. Monies for this contract from the Sanitary Sewer Reserve Fund will be provided from a future Bond Sale via the transfer detailed in this ordinance.

To authorize the Director of Public Utilities to enter into an engineering agreement with DLZ Ohio, Inc. for the Lower Olentangy Tunnel Phase 1 &2; to authorize the appropriation and transfer of \$5,488,356.22 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund; to authorize the expenditure of up to \$5,488,356.22 from the G.O. Bond Fund; and to amend the 2016 Capital Improvements Budget for the Division of Sewerage and Drainage. (\$5,488,356.22)

WHEREAS, it is necessary to authorize the Director of Public Utilities to enter into an engineering agreement with DLZ Ohio, Inc. for the Lower Olentangy Tunnel Phase 1 &2, CIP 650724-100000 to develop the design and provide engineering services during construction for the City’s Lower Olentangy Tunnel project; and

WHEREAS, it is necessary to authorize appropriation and transfer of \$5,488,356.22 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund, Fund 6109; and

WHEREAS, it is necessary to authorize an expenditure of \$5,488,356.22 from the Sanitary Sewer General Obligation (G.O.) Bond Fund 6109; and

WHEREAS, it is necessary to amend the 2016 Capital Improvements Budget for purposes of creating and providing sufficient budget authority for the aforementioned expenditures; and

WHEREAS, this transfer should be considered as a temporary funding method; and

WHEREAS, the City will sell notes or bonds to fund this project and will reimburse the Sanitary Reserve Fund; and

WHEREAS, the aggregate principal amount of obligations which the City will issue to finance this project is presently

expected not to exceed \$5,488,356.22; 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 project described in this ordinance (the “Project”); and

WHEREAS, it has become necessary in the usual daily operation the Division of Sewerage and Drainage, Department of Public Utilities, to authorize the Director of Public Utilities to enter an engineering agreement with DLZ Ohio, Inc. for the Lower Olentangy Tunnel Phase 1 & 2 Project, CIP 650724-100000 at the earliest practical date; **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 an engineering agreement with DLZ Ohio, Inc., 6121 Huntley Road, Columbus, OH 43231, for the Lower Olentangy Tunnel Phase 1 & 2 Project in accordance with the terms and conditions as shown on the contract on file in the office of the Division of Sewerage and Drainage.

SECTION 2. That from the unappropriated monies in the Sanitary Sewer Reserve Fund No. 6102, Sub-fund 610201, 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, 2016, the sum of \$5,488,356.22 is hereby appropriated to the Division of Sewerage and Drainage.

SECTION 3. That the City Auditor is hereby authorized to transfer and appropriate a total \$5,488,356.22 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation Bond Fund, Fund 6109, into Lower Olentangy Tunnel Phase 1 & 2, CIP 650724-100000, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary per the account codes in the attachment to this ordinance or so much thereof as may be necessary per the account codes in the attachment to this ordinance.

SECTION 4. That the Director of Public Utilities be and hereby is authorized to expend up to \$5,488,356.22 from the Sanitary Sewer General Obligation Bond Fund, Fund 6109 | Div. 60-05 | per the account codes in the attachment to this ordinance.

SECTION 5. That the 2016 Capital Improvements Budget is hereby amended as follows:

Fund | Project Number | Project Name | Current | Revised | Change

6109 | P650725-100014 | Near North & East Area Large Diameter Assessment | \$6,250,001 | \$2,761,645 | (-\$3,488,357)

6109 | P650724-100000 | Lower Olentangy Tunnel Ph. 1 & 2 | \$2,000,000 | \$5,488,357 | (+\$3,488,357)

SECTION 6. That said company, DLZ Ohio, 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 7. 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 8. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

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 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 11. 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 \$5,488,356.22 (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 12. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.