



Legislation Details (With Text)

File #: 0511-2024 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 2/9/2024 **In control:** Public Utilities & Sustainability Committee

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

Title: To authorize the Director of Public Utilities to enter into a construction contract with BLD Services, LLC, for the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project; 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; and to authorize the expenditure of up to \$12,791,930.50 from the Sanitary Revolving Loan Fund and the Sanitary Bond Fund to pay for the project (\$12,791,930.50).

Sponsors:

Indexes: MBE Participation, WBE Participation

Code sections:

Attachments: 1. ORD 0511-2024 Accounting Template, 2. ORD 0511-2024 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 construction contract with BLD Services, LLC, for public sanitary sewers for the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project, CIP #650872-141004, in an amount up to \$12,789,930.50; 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 \$12,791,930.50.

This project involves the lining of sanitary laterals of 1,245 homes, approximately 70,000 linear feet, via “trenchless” methods using curing-in-place pipe (CIPP) technology, to prevent excess stormwater from entering the City's sanitary sewer system. Trenchless pipe lining uses existing pipes to guide new and improved pipes into the sewage system. Sewer lateral lining repair uses special sewage pipes that are flexible and able to fit inside existing pipes. Once the new pipes have been pulled through, they are inflated and effectively replace the old pipes.

No future phases are expected at this time. This project is a Consent Order project. A Consent order is a negotiated agreement entered as a court order that is enforceable by the court. In 2005, the City of Columbus entered its Wet Weather Management Plan to the Ohio EPA to bring the City in compliance with its consent orders regarding the City’s sewer overflows. This project is an improvement identified in the Integrated Plan and the 2015 Wet Weather Management Plan Update Report. The project is needed to mitigate water in basement events and sanitary sewer overflows to the goal of a 10 year Level of Service (LOS).

The Community Area for this ordinance will be 40, North Linden.

TIMELINE: Contract work is required to be completed in a manner acceptable to the City within 750 days from the date that a Notice to Proceed (NTP) is given by the City.

ESTIMATED COST OF PROJECT: The bid amount and proposed award amount is \$12,789,930.50, including a 20% 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	\$12,789,930.50
Future Anticipated Needs	\$0.00
Prevailing Wage Services	\$2,000.00
CONTRACT TOTAL	\$12,791,930.50

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

The project is needed to mitigate water in basement events and sanitary sewer overflows to the goal of a 10 year Level of Service (LOS). Public meetings were conducted to solicit public input regarding the project, and descriptions of the work associated with this project were included on the City of Columbus website.

3. CONSTRUCTION CONTRACT AWARD

An Invitation for Bids for the Public Sanitary Sewers for Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project was advertised on the Vendor Services and Bid Express websites from 10/5/23 through 11/8/23. Two bids were received for the project and were opened on 11/8/23. The following companies submitted a bid:

Company	Bid Amount	Compliance Number	ODI Status
1. Performance Pipelining, Inc	\$11,346,915.73	CC045105	MAJ
2. BLD Services, LLC.	\$12,789,930.50	CC019505	MAJ

Performance Pipelining, Inc.'s bid was deemed non-responsive for failing to meet the assigned City MBE/WBE goal and then not scoring 80 or more points on their Good Faith Effort. BLD Services, LLC's bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$12,789,930.50.

4. CONTRACT COMPLIANCE INFORMATION

BLD Services, LLC's contract compliance number is CC019505 and expires 11/3/25.

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

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 20% 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 20% 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.

BLD Services, LLC listed the following companies as subcontractors for this project:

<u>Company Name</u>	<u>City/State</u>	<u>ODI Certification Status</u>
Underground Eyes II, LLC	Columbus, Ohio	WBE
JLD Construction Services, LLC.	Columbus, Ohio	MBE

The certification of BLD Services, LLC. and of the above companies was in good standing at the time the bid was awarded.

6. PRE-QUALIFICATION STATUS

BLD Services, Llc 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 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 March, 2024.

A transfer of funds from the Sanitary Sewer Reserve Fund, Fund 6102, to the Sanitary Revolving Loan Fund, Fund 6111, in the amount of \$12,789,930.50 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 Sanitary Sewer 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.

Funding in the amount of \$2,000.00 is appropriated and available within the Sanitary Bond Fund, Fund 6109, to pay the Department of Public Service to provide prevailing wage services for this project. An amendment to the 2023 Capital Improvement Budget is necessary to align budget authority with the proper project.

To authorize the Director of Public Utilities to enter into a construction contract with BLD Services, LLC, for the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project; 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; and to authorize the expenditure of up to \$12,791,930.50 from the Sanitary Revolving Loan Fund and the Sanitary Bond Fund to pay for the project (\$12,791,930.50).

WHEREAS, the Department of Public Utilities is engaged in the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project; and

WHEREAS, two bids for the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project were received and opened on 11/08/23; and

WHEREAS, the lowest, best, most responsive and responsible bid was from BLD Services, LLC; 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 in an amount not to exceed \$1,500,000.00; 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 the Director of the Department of Public Utilities to enter into a construction contract with BLD Services, LLC. for the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project; and

WHEREAS, it is necessary to authorize an expenditure of funds from the Sanitary Revolving Loan Fund to pay for the project; and

WHEREAS, it is necessary to expend funds from the Sanitary Bond Fund to provide for payment of prevailing wage services associated with said project; now, therefore

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

SECTION 1. 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 / 650872-141004 / Lateral Lining - Blueprint North Linden 1, Hudson McGuffey (WPCLF/OWDA Loan) / \$8,755,650.00 / \$12,789,931.00 / \$4,034,281.00 (To match the loan amount)

6109 / 650872-153001 / Blueprint Hilltop 1 Palmetto / Westgate Lateral Lining Project 1 (Voted Sanitary Carryover) / \$24,678.00 / \$22,678.00 / (\$2,000.00)

6109 / 650872-141004 / Lateral Lining - Blueprint North Linden 1, Hudson McGuffey (Voted Sanitary Carryover) / \$1,822,180.00 / \$1,824,180.00 / \$2,000.00

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, 2024, the sum of \$12,789,930.50 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 \$12,789,930.50, 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 4. That the appropriation of \$12,789,930.50, or so much thereof as may be needed, is hereby authorized in the Sanitary Revolving Loan Fund, Fund 6111, per the accounting codes in the attachment to this ordinance.

SECTION 5. That the Director of Public Utilities is hereby authorized to enter into a construction contract for the Lateral Lining - Blueprint North Linden 1, Hudson McGuffey project with BLD Services, LLC, 2424 Tyler Street, Kenner, LA 70062, in an amount up to \$12,789,930.50; 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 Service in an amount up to \$2,000.00.

SECTION 6. That the expenditure of \$12,791,930.50, 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 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 \$12,789,930.50 (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 this ordinance shall take effect and be in force from and after the earliest period allowed by law.