



## Legislation Details (With Text)

**File #:** 1610-2024      **Version:** 1

**Type:** Ordinance      **Status:** Passed

**File created:** 5/29/2024      **In control:** Public Utilities & Sustainability Committee

**On agenda:** 6/24/2024      **Final action:** 6/26/2024

**Title:** To authorize the Director of the Department of Public Utilities to modify and increase the contract with Advanced Engineering Consultants, Ltd. for the Southerly Waste Water Treatment Plant East Aeration Control Building HVAC & Air Purification project; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize a transfer of funds from the Sanitary Reserve Fund to the Sanitary Fresh Water Market Rate Fund; to authorize the appropriation of funds; to authorize the expenditure of \$542,574.00 from the Sanitary Fresh Water Market Rate Fund; and to declare an emergency. (\$542,574.00)

**Sponsors:**

**Indexes:** MBE Participation

**Code sections:**

**Attachments:** 1. ORD 1610-2024 Accounting Template, 2. ORD 1610-2024 Utilization

Date	Ver.	Action By	Action	Result
6/26/2024	1	CITY CLERK	Attest	
6/25/2024	1	MAYOR	Signed	
6/24/2024	1	COUNCIL PRESIDENT	Signed	
6/24/2024	1	Columbus City Council	Approved	Pass

### 1. BACKGROUND

This ordinance authorizes the Director of Public Utilities to enter into a planned contract modification for professional engineering services during construction with Advanced Engineering Consultants, Ltd. for the Southerly Waste Water Treatment Plant (SWWTP) East Aeration Control Building (EAC) HVAC & Air Purification project, CIP #650372-100000, in an amount up to \$542,574.00.

The HVAC & Air Purification Units in the Southerly Waste Water Treatment Plant East Aeration Building are nearing the end of their operational life, leading to inefficiencies and maintenance challenges. The original contract provided preliminary design to address the challenges of the aging systems. Renewal No. 1 for Step 2 services, expanded the project's scope to include Detailed Design to include generating detailed plans and specifications, bid documents, construction contract documents, and other design phase services, alongside a crucial expansion to include a full roof replacement due to the deteriorated state of the existing roof. This modification, Modification 1 for Step 3 Services, will involve Engineering Services during Construction, providing critical oversight for the installation of new systems and the roof, ensuring precision and adherence to stringent construction standards and schedules.

This project is coded as “99 - Citywide”.

#### 1.1 Amount of additional funds to be expended: \$542,574.00

Original Contract Amount:	\$121,506.83 (ORD 0933-2020 PO230129)
Renewal #1 Amount:	\$310,065.00 (ORD 1615-2021 PO285961)
<u>Modification #1 (current):</u>	<u>\$542,574.00 (Current)</u>
Total (Orig. + Renewal/Modification):	\$974,845.83

**1.2. Reason other procurement processes are not used:**

This contract was bid using the City’s Request for Proposal process. This is a planned modification to add funds to complete the project, so an additional procurement process is not needed.

**1.3. How cost of modification was determined:**

The Consultant prepared an estimate based on the scope of work for the modification using existing contract job titles, pay rates, and allowable expenses. The City project team then negotiated the final cost.

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

This project is necessary for replacement of failing HVAC and Air Purification systems at our facility. Environmental benefits will likely be inherent in the project, because newly designed units will likely be more energy efficient. No community outreach or input is believed to be necessary.

**3. CONTRACT COMPLIANCE INFORMATION**

Advanced Engineering Consultants, Ltd.’s contract compliance number is CC005665 and expires 4/12/26.

**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. Advanced Engineering Consultants, Ltd. is classified as an MBE by the City’s Office of Diversity and Inclusion. Advanced Engineering Consultants, Ltd. anticipates performing the work on this contract modification with the use of subconsultants. The MBE/WBE percentage for this modification is expected to be 93.1%.

As part of their proposal, Advanced Engineering Consultants, Ltd. has proposed the following subcontractors to perform contract work:

<u>Company Name</u>	<u>City/State</u>	<u>ODI Certification Status</u>
Brown and Caldwell MAJ		Columbus, Ohio
Dynotec, Inc. MBE		Columbus, Ohio

The certification of Advanced Engineering Consultants, Ltd. 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 0652-2024, passed by Council on 3/25/24. This loan is expected to be approved in July of 2024.

The Ohio Water Development Authority (OWDA) Direct Loan Program is a reimbursement program. Purchase orders will need to be established with Advanced Engineering Consultants, Ltd. for these contracts. Public Utilities will need to pay invoices directly to Advanced Engineering Consultants, Ltd., 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 Fund, Fund 6124, in the amount of \$542,574.00, is needed to fund this contract modification. These transactions are a temporary measure that are required until a loan is executed with OWDA to reimburse the Reserve Fund. These funds will also need to be appropriated to be transferred and then appropriated after transfer. An amendment to the 2023 Capital Improvement Budget is needed to align budget authority with the proper project.

**6. EMERGENCY DESIGNATION**

Emergency designation is requested for this ordinance. The HVAC & Air Purification units are vital for continuous operation of the aeration process in the treatment system and need to be replaced as soon as possible to keep the plant running. The construction service contract is already in place but cannot proceed until this contract is implemented to provide oversight for the installation of the new systems.

To authorize the Director of the Department of Public Utilities to modify and increase the contract with Advanced Engineering Consultants, Ltd. for the Southerly Waste Water Treatment Plant East Aeration Control Building HVAC & Air Purification project; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize a transfer of funds from the Sanitary Reserve Fund to the Sanitary Fresh Water Market Rate Fund; to authorize the appropriation of funds; to authorize the expenditure of \$542,574.00 from the Sanitary Fresh Water Market Rate Fund; and to declare an emergency. (\$542,574.00)

**WHEREAS**, the Department of Public Utilities is engaged in the SWWTP EAC HVAC & Air Purification project; and

**WHEREAS**, Contract No. PO230129 was authorized by Ordinance No. 0933-2020, for the SWWTP EAC HVAC & Air Purification project; and

**WHEREAS**, Contract Renewal #1 PO209640 was authorized by Ordinance No. 1615-2021 for detailed design and bidding services; and

**WHEREAS**, a planned contract modification is needed for engineering services during construction; and

**WHEREAS**, it is necessary for Council to authorize the Director of Public Utilities to modify the professional engineering services agreement with Advanced Engineering Consultants, Ltd. for the SWWTP EAC HVAC & Air Purification project; and

**WHEREAS**, Ordinance 0652-2024 authorized the use of loans from the Ohio Water Development Authority (OWDA) Direct Loan Program to finance Public Utilities projects; and

**WHEREAS**, a loan application will be submitted to OWDA to finance this project; and

**WHEREAS**, an amendment to the 2023 Capital Improvement Budget is needed to align budget authority with the proper project; and

**WHEREAS**, it is necessary to both appropriate and transfer funds between the Sanitary Reserve Fund to the Sanitary Fresh Water Market Rate Fund; and

**WHEREAS**, it is necessary to appropriate funds in the Sanitary Fresh Water Market Rate 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 the services of the Project described in this Ordinance (collectively, the "Project"); and

**WHEREAS**, funds must be expended to pay for the services Advanced Engineering Consultants, Ltd. provides under this contract modification; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to execute this contract modification for construction administration and inspection as the construction service contract that is already in place cannot proceed until this contract is implemented to provide oversight for the installation of the new systems, for the immediate preservation of the public health, peace, property, and safety; **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**  
6124 / 650372-100000 / SWWTP EAC HVAC & Air Purification (OWDA Direct Loan) / \$0.00 / \$542,574.00 / \$542,574.00 (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 \$542,574.00 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 \$542,574.00, 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 6124, per the account codes in the attachment to this ordinance.

**SECTION 4.** That the appropriation of \$542,574.00, or so much thereof as may be needed, is hereby authorized in the Sanitary-Fresh Water Market Rate Program, Fund 6124, per the accounting codes in the attachment to this ordinance.

**SECTION 5.** That the Director of the Department of Public Utilities is hereby authorized to enter into a construction services contract for the SWWTP EAC HVAC & Air Purification project with Advanced Engineering Consultants, Ltd., 1405 Dublin Road, Columbus, Ohio 43215, in an amount up to \$542,574.00, in accordance with the terms and conditions of the contract on file in the Department of Public Utilities

**SECTION 6.** That the expenditure of \$542,574.00, 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 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 \$542,574.00 (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 the Sanitary Reserve Fund, Fund 6102, which is the fund from which the advance for costs of the Project will be made.

**SECTION 9.** That 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 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 made a part hereof, this Ordinance is 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 (10) days after passage if the Mayor neither approves nor vetoes this Ordinance.