



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 6/21/2023 **In control:** Public Utilities Committee

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

Title: 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 Director of the Department of Public Utilities to enter into a construction contract with Kenmore Construction Company for the Blacklick Creek Interceptor Air Quality Facility Improvements Project; to authorize a transfer of cash and appropriation within the Sanitary Bond Fund; and to authorize the expenditure of up to \$8,819,985.00 from the Sanitary Revolving Loan Fund and the Sanitary Bond Fund to pay for the project. (\$8,819,985.00)

Sponsors:

Indexes: MBE Participation, WBE Participation

Code sections:

Attachments: 1. ORD 1925-2023 Accounting Template, 2. ORD 1925-2023 Utilization

Date	Ver.	Action By	Action	Result
7/26/2023	1	CITY CLERK	Attest	
7/26/2023	1	CITY CLERK	Attest	
7/25/2023	1	ACTING MAYOR	Signed	
7/25/2023	1	ACTING MAYOR	Signed	
7/24/2023	1	COUNCIL PRESIDENT	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 Kenmore Construction Co., Inc. for the Blacklick Creek Interceptor Air Quality Facility Improvements Project, CIP #650034-100008, in an amount up to \$8,817,985.00, and to encumber funds with the Department of Public Service for prevailing wage services in an amount up to \$2,000.00 for the project.

The work associated with this contract consists of the construction of a fan building, forced air mulch filter beds, SCADA communications, waterline extension/site service, and all other such work as may be necessary to complete the contract.

The Community Planning Area is “58 - Far East”.

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

This project will prevent sewer odors from the escaping the sewer, and reduce corrosive gases within the sewer, thereby extending its useful service life.

3. CONSTRUCTION CONTRACT AWARD

An Invitation for Bids for the Blacklick Creek Interceptor Air Quality Facility Improvements Project was advertised on the Vendor Services and Bid Express. Two bids were received for the project and were opened on 5/10/23. The following companies submitted bids:

<u>Company</u>	<u>Bid Amount</u>	<u>Compliance Number</u>	<u>ODI Status</u>
Kenmore Construction Co., Inc.	\$8,817,985.00	CC-006456	MAJ
The Righter Co., Inc.	\$ 8,992,390.00	CC-004433	MAJ

The Kenmore Construction Co., Inc. bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$8,817,985.00.

4. CONTRACT COMPLIANCE INFORMATION

Kenmore Construction Co., Inc.'s contract compliance number is CC-006456 and expires 11/21/2024.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Kenmore Construction Co., 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 15% 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 9.71% for this contract. Failure by the contractor to meet this goal subjects the contractor to the Penalties for Non-Compliance as described in the bid documents for this contract.

As part of their proposal, Kenmore Construction Co., Inc. has proposed the following ten subcontractors to perform contract work:

<u>Company Name</u>	<u>City/State</u>	<u>ODI Certification Status</u>
Claypool Electric, Inc.	Lancaster, OH	WBE
Holloway, Henderson & Martin, LLC	Columbus, OH	WBE
Alloyd Insulation and Sheet Metal	Hilliard, OH	MAJ
JH Waters, Inc.	Irwin, PA	MAJ
J & K Communications, Inc.	Columbia City, IN	MAJ
Howard Painting, Inc.	Defiance, OH	MAJ
Midwest Reinforcing Contractors, Inc.	Springfield, OH	MAJ
Koehring & Sons, Inc.	Beech Grove, IN	MAJ
Garcia Surveyors, Inc.	Columbus, OH	MBE
Bridges Bros Trucking	Blacklick, OH	MBE

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

6. FISCAL IMPACT

The construction portion of this project is expected to be financed with a loan from the Water Pollution Control Loan Fund (WPCLF). City Council authorized this loan application and acceptance of funding via Ordinance 3120-2022, passed by Council on 12/12/22. The loan is expected to be approved in July, 2023. It is necessary to certify funds against the Sanitary Sewer Reserve Fund, Fund 6102, to proceed with the project until the loan is approved.

Funds will need to be appropriated within the Sanitary Sewer Reserve Fund, Fund 6102, transferred to the Sanitary Revolving Loan Fund, Fund 6111, and then appropriated again in order to fund this expenditure. This transaction is a temporary measure that is required until such time as the division is able to execute a loan with the WPCLF and reimburse the Sanitary Sewer Reserve Fund.

Cash and appropriation in the amount of \$2,000.00 will be transferred 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 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 Director of the Department of Public Utilities to enter into a construction contract with Kenmore Construction Company for the Blacklick Creek Interceptor Air Quality Facility Improvements Project; to authorize a transfer of cash and appropriation within the Sanitary Bond Fund; and to authorize the expenditure of up to \$8,819,985.00 from the Sanitary Revolving Loan Fund and the Sanitary Bond Fund to pay for the project. (\$8,819,985.00)

WHEREAS, the Department of Public Utilities is engaged in the Blacklick Creek Interceptor Air Quality Facility Improvements Project; and

WHEREAS, two bids for the Blacklick Creek Interceptor Air Quality Facility Improvements Project were received and publicly opened in the offices of the Director of Public Utilities on May 10, 2023; and

WHEREAS, the lowest, best, most responsive and responsible bid was from Kenmore Construction Co., Inc. in the amount of \$8,817,985.00; and

WHEREAS, it is necessary to authorize an amendment to the 2023 Capital Improvements Budget for the purpose of providing sufficient budget authority for the aforementioned project expenditures; 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, cash and appropriation must be transferred between projects within the Sanitary Bond Fund, Fund 6109, to align cash and appropriation with the proper project; 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 to enter into a construction contract with Kenmore Construction Co., Inc. for the 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, Fund 6109, 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 / 650034-100008 / Blacklick Creek Interceptor Air Quality Facility Improvements (WPCLF/OWDA Loan) / \$5,300,000.00 / \$8,817,985.00 / \$3,517,985.00 (To match amount to be borrowed from the loan fund)

6109 / 650590-100000 / Ohio State University Area Utility Easement Project (Voted Sanitary Carryover) / \$22,566.00 / \$20,566.00 / (\$2,000.00)

6109 / 650034-100008 / Blacklick Creek Sanitary Interceptor Sewer Air Quality Control Facility (Voted Sanitary Carryover) / \$0.00 / \$2,000.00 / \$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, 2023, the sum of \$8,817,985.00 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 \$8,817,985.00, 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 \$8,817,985.00, 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 transfer of \$2,000.00, or so much thereof as may be needed, is hereby authorized between projects within the Sanitary Bond Fund, Fund 6109, per the account codes in the attachment to this ordinance.

SECTION 6. That the Director of Public Utilities is hereby authorized to enter into a construction contract for the Blacklick Creek Interceptor Air Quality Facility Improvements Project with Kenmore Construction Co., Inc., 700 Home Avenue Akron, OH 44310, in an amount up to \$8,817,985.00, in accordance with the terms and conditions of the contract on file in the Department of Public Utilities; and to obtain the necessary prevailing wage services from the Department of Public Service and pay up to a maximum amount of \$2,000.00 for them.

SECTION 7. That the expenditure of \$8,819,985.00, or so much thereof as may be needed, is hereby authorized to pay for this contract and for the Department of Public Service to provide prevailing wage services for the contract, per the accounting codes in the attachment to this ordinance.

SECTION 8. 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 Reserve Fund the amount transferred under Section 3 above, and said funds are hereby deemed appropriated for such purpose.

SECTION 9. 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 \$8,817,985.00 (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 10. 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 11. 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 12. 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 13. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.