



Legislation Details (With Text)

File #: 1058-2023 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 3/30/2023 **In control:** Public Utilities Committee

On agenda: 5/1/2023 **Final action:** 5/3/2023

Title: To authorize an amendment to the 2022 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water Supply Revolving Loan Fund; to authorize the appropriation of funds within the Water Supply Revolving Loan Fund; to authorize the transfer of cash and appropriation within the Water Bond Fund; to authorize the Director of Public Utilities to enter into a construction contract with Complete General Construction for the Large Diameter Valve Replacement, Part 3 Project; and to authorize the expenditure of up to \$4,688,561.65 from the Water Supply Revolving Loan Fund and the Water Bond Fund to pay for the project. (\$4,688,561.65)

Sponsors:

Indexes: MBE Participation, WBE Participation

Code sections:

Attachments: 1. ORD 1058-2023 Accounting Template, 2. ORD 1058-2023 Utilization Form, 3. ORD 1058-2023 Information

| Date | Ver. | Action By | Action | Result |
|-----------|------|-----------------------|-------------------------|--------|
| 5/3/2023 | 1 | ACTING CITY CLERK | Attest | |
| 5/2/2023 | 1 | MAYOR | Signed | |
| 5/1/2023 | 1 | COUNCIL PRESIDENT | Signed | |
| 5/1/2023 | 1 | Columbus City Council | Approved | Pass |
| 4/24/2023 | 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 Complete General Corporation for the Large Diameter Valve Replacement, Part 3 Project, CIP #690589-100002, in an amount up to \$4,686,561.65, 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.

Work consists of the installation of new and/or replacement of large diameter valves (20 inch through 24inch diameter) and associated work including linestops, and other such work as may be necessary to complete the contract, in accordance with the drawings, technical specifications, special provisions, and City of Columbus Construction and Material Specifications as set forth in the Invitation For Bid.

The Community Planning Area is “55 - Downtown.” Work limits include 4th Street from Broad Street to Fulton Street and the intersection of Fulton Street and S. High Street.

Funding for this construction contract is anticipated to be done in the form of a loan from the Ohio Water Development Authority (OWDA). The OWDA’s mission is to provide financial assistance for environmental infrastructure from the sale of municipal revenue bonds through loans to local governments in Ohio. These loans are available at interest rates below what the City can obtain through a bond sale. Ordinance 0997-2023 is pending City Council approval for the Department of Public Utilities to obtain loans directly from OWDA.

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

This project involves repairs to valves on critical large diameter water mains and will improve the reliability of the water distribution system. Coordination will occur with nearby customers, including businesses, prior to and during construction.

3. CONSTRUCTION CONTRACT AWARD

An Invitation for Bids for the Large Diameter Valve Replacement, Part 3 Project was advertised on the Vendor Services and Bid Express websites from 1/20/23 through 2/15/23. One bid was received for the project and was opened on 2/15/23. The following company submitted a bid:

| <u>Company</u> | <u>Bid Amount</u> | <u>Compliance Number</u> | <u>ODI Status</u> |
|-------------------------------|-------------------|--------------------------|-------------------|
| Complete General Construction | \$4,686,561.65 | CC-006056 | MAJ |

The Complete General bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$4,686,561.65.

4. CONTRACT COMPLIANCE INFORMATION

Complete General Construction’s contract compliance number is CC-006056 and expires 06/08/2023.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Complete General Construction.

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 12% 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, Complete General Construction has proposed the following four subcontractors to perform contract work:

| <u>Company Name</u> | <u>City/State</u> | <u>ODI Certification Status</u> |
|------------------------------|-------------------|---------------------------------|
| CAP-STONE & Associates, Inc. | Columbus, Ohio | WBE |
| McDaniels Construction | Columbus, Ohio | MBE |
| Bridges Bros. Trucking | Columbus, Ohio | MBE |
| Team Industrial Services | Lombard, IL | MAJ |

The certification of the above companies was in good standing at the time the bid was awarded.

6. PRE-QUALIFICATION STATUS

Complete General Construction 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 expected to be financed with a loan from the Ohio Water Development Authority (OWDA). An application has been submitted to, and accepted by, OWDA for this loan funding. The loan is expected to be approved by the OWDA Board when they meet near the end of April. Funds from the Water System Reserve Fund, Fund 6003, will need to be appropriated and transferred to the Water Supply Revolving Loan Fund, Fund 6011, in order to fund this proposed expenditure. This transaction is a temporary measure that is required until such time

as the Division is able to execute the loan with OWDA and reimburse the Water System Reserve Fund. Funds will need to be appropriated within Fund 6011 before they can be expended. An amendment to the 2022 Capital Improvement Budget will be needed to match the cash transferred into Fund 6011.

Funds in the amount of \$2,000.00 are available and appropriated within the Water Bond Fund, Fund 6006, to pay the Department of Public Service to provide prevailing wage services for this project. A transfer of cash and appropriation between projects within the Water Bond Fund, Fund 6006, is needed to align cash and appropriation with the proper project.

This ordinance is contingent upon passage of Ordinance 0997-2023 authorizing the Director of the Department of Public Utilities to obtain loan funding for capital improvement projects through the Ohio Water Development Authority.

To authorize an amendment to the 2022 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water Supply Revolving Loan Fund; to authorize the appropriation of funds within the Water Supply Revolving Loan Fund; to authorize the transfer of cash and appropriation within the Water Bond Fund; to authorize the Director of Public Utilities to enter into a construction contract with Complete General Construction for the Large Diameter Valve Replacement, Part 3 Project; and to authorize the expenditure of up to \$4,688,561.65 from the Water Supply Revolving Loan Fund and the Water Bond Fund to pay for the project. (\$4,688,561.65)

WHEREAS, the Department of Public Utilities is engaged in the Large Diameter Valve Replacement, Part 3 Project; and

WHEREAS, one bid for the Large Diameter Valve Replacement, Part 3 Project was received and publicly opened in the offices of the Director of Public Utilities on February 15, 2023; and

WHEREAS, the lowest, best, most responsive and responsible bid was from Complete General Construction in the amount of \$4,686,561.65; and

WHEREAS, it is necessary to authorize an amendment to the 2022 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditures; and

WHEREAS, it is necessary to both appropriate funds from the Water System Reserve Fund and to authorize the transfer of said funds into the Water Supply 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 Water System Reserve Fund; and

WHEREAS, the funds transferred into the Water Supply Revolving Loan Fund must be appropriated; and

WHEREAS, a transfer of cash and appropriation is necessary between projects within the Water Bond 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 construction of the Project described in this Ordinance (collectively, the "Project"); and

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

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to encumber and expend funds to provide for payment of prevailing wage services associated with said project; and

WHEREAS, Ordinance 0997-2023 authorizing the Director of the Department of Public Utilities to obtain loan funding for capital improvement projects through the Ohio Water Development Authority must be approved by City Council before this ordinance can go into effect;

WHEREAS, it has become necessary in the usual daily operation to authorize the Director of the Department of Public Utilities to enter into a construction contract for the Large Diameter Valve Replacement, Part 3 Project with Complete General Construction; **now, therefore**

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

SECTION 1. That the 2022 Capital Improvement Budget authorized by Ordinance 1896-2022 be amended as follows to establish sufficient budget authority for this project:

Fund / Project Number / Project Name (Funding Source) / Current Authority/ Revised Authority / Change

6011 / 690589-100002 / Large Diameter Valve Replacement, Part 3 (WSRLA Loan) / \$0.00 / \$4,686,562.00 / \$4,686,562.00

6006 / 690597-100000 / Hudson Street 24" Water Line Improvements (Voted Water Carryover) / \$296,146.00 / \$294,146.00 / (\$2,000.00)

6006 / 690589-100002 / Large Diameter Valve Replacement, Part 3 (Voted Water Carryover) / \$353,854.00 / \$355,854.00 / \$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 \$4,686,561.65 is appropriated in the Water System Reserve Fund, Fund 6003, per the account codes in the attachment to this ordinance.

SECTION 3. That the transfer of \$4,686,561.65, 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 Fund, Fund 6011, per the account codes in the attachment to this ordinance.

SECTION 4. That the appropriation of \$4,686,561.65, or so much thereof as may be needed, is hereby authorized in the Water Supply Revolving Loan Fund, Fund 6011, 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 Water Bond Fund, Fund 6006, per the accounting 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 Large Diameter Valve Replacement, Part 3 Project with Complete General Construction, 1221 E 5th Avenue, Columbus, Ohio, 43219, in an amount up to \$4,686,561.65, 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 to pay up to a maximum amount of \$2,000.00 for them.

SECTION 7. That the expenditure of \$4,688,561.65, 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 water system capital improvement work, the City Auditor is hereby authorized to repay the Water System 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 \$4,686,561.65 (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 Water System Reserve Fund - Fund 6003, 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. This ordinance is contingent upon passage of Ordinance 0997-2023 authorizing the Director of the Department of Public Utilities to obtain loan funding for capital improvement projects through the Ohio Water Development Authority.

SECTION 14. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.