



Legislation Details (With Text)

File #: 2667-2015 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 10/19/2015 **In control:** Public Utilities Committee

On agenda: 11/23/2015 **Final action:** 11/24/2015

Title: To authorize the Director of Public Utilities to enter into a planned contract modification with Black & Veatch Corporation for professional construction management services for the OSIS Augmentation and Relief Sewer Phase I and II Project for the Division of Sewerage and Drainage; to authorize the appropriation and transfer of \$5,432,991.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund and to authorize the expenditure of up to \$5,432,991.00 from the Sanitary Sewer General Obligation (G.O.) Bond Fund. (\$5,432,991.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ord 2667-2015 OARS CA Director's Legislation Information Sheet Mod 5 rev1.pdf

| Date | Ver. | Action By | Action | Result |
|------------|------|-----------------------|-------------------------|--------|
| 11/24/2015 | 1 | CITY CLERK | Attest | |
| 11/24/2015 | 1 | MAYOR | Signed | |
| 11/23/2015 | 1 | COUNCIL PRESIDENT | Signed | |
| 11/23/2015 | 1 | Columbus City Council | Approved | Pass |
| 11/16/2015 | 1 | Columbus City Council | Read for the First Time | |

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to execute a planned contract modification (Mod #5) for professional construction management services with Black & Veatch Corporation for the OSIS Augmentation and Relief Sewer (OARS), Phase I and II project. To date, professional construction management services were provided on OARS Phases 1 and 2. These services included construction administration and management including construction inspection, construction and startup coordination, reporting, budgeting, scheduling, document tracking, and other related tasks to ensure the City receives a quality product in conformance with Contract Documents. The work under the Modification No. 5 will require the firm to continue providing professional construction management services for the OARS Phase I and II projects.

1.1 Modification Information: Amount of additional funds: \$5,432,991.00

| | |
|--|------------------------|
| 2010 Original Contract | \$ 2,663,185.00 |
| 2011 Modification No. 1 | \$ 6,048,867.00 |
| 2012 Modification No. 2 | \$ 8,322,762.00 |
| 2013 Modification No. 3 | \$ 8,843,373.00 |
| 2014 Modification No. 4 | \$ 6,248,359.00 |
| <u>2015 Modification No. 5 (current)</u> | <u>\$ 5,432,991.00</u> |
| Current TOTAL | \$37,559,537.00 |

1.2 Reasons additional goods/services could not be foreseen:

This Modification is the fifth of the five originally planned yearly modifications. This Modification's time period

covers January 1, 2016 - March 31, 2017.

1.3 Reason other procurement processes are not used:

This Modification is a yearly extension of the original contract, as originally planned.

1.4 How cost of modification was determined:

The cost was determined by the Construction Management Team using the best knowledge about anticipated work during the time period covered by this Modification, available at this time.

2. **PROJECT TIMELINE:** The Construction phase of the OARS project, according to the current schedule, will extend to June 2017. It is expected that construction management services will be required into 2017 to ensure proper project completion, subject to potential contract extension.
3. **CONTRACT COMPLIANCE NO.:** 43-1833073 | MAJ | Expires 09/22/2017
4. **EMERGENCY DESIGNATION:** Emergency designation **is not** requested at this time.
5. **ECONOMIC IMPACT:** The cost of this contract modification was planned in the original contract legislation so the economic impact was minimized.
6. **FISCAL IMPACT:** This ordinance authorizes the appropriation and transfer of \$5,432,991.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund, Fund 664; to authorize the creation of sufficient budget authority; to authorize the expenditure of up to \$5,432,991.00 from the G.O. Bond Fund, Fund 664. 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 a planned contract modification with Black & Veatch Corporation for professional construction management services for the OSIS Augmentation and Relief Sewer Phase I and II Project for the Division of Sewerage and Drainage; to authorize the appropriation and transfer of \$5,432,991.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund and to authorize the expenditure of up to \$5,432,991.00 from the Sanitary Sewer General Obligation (G.O.) Bond Fund. (\$5,432,991.00)

WHEREAS, the Division of Sewerage and Drainage, Department of Public Utilities, hereby requests this City Council to authorize the Director of Public Utilities to enter into a planned contract modification (Mod 5) for professional engineering services with Black & Veatch in the amount of \$5,432,991.00 in order to continue to provide construction management services for the OSIS Augmentation and Relief Sewer (OARS), Phase I & II Project; and

WHEREAS, Contract No. EL010729 was authorized by Ordinance No. 0617-2010, passed by the Columbus City Council on May 24, 2010; executed by the Director on July 27, 2010; approved by the City Attorney on July 30, 2010 in the amount of \$2,663,185.00; and

WHEREAS, Contract No. EL011929 was authorized by Ordinance No. 0658-2011, passed by the Columbus City Council on June 06, 2011; executed by the Director on July 19, 2011; approved by the City Attorney on August 1, 2011 in the amount of \$6,048,867.00; and

WHEREAS, Contract No. EL012897 was authorized by Ordinance No. 0404-2012, as passed by the Columbus City Council on April 02, 2012; ; executed by the Director on June 15, 2012; approved by the City Attorney on June 18, 2012 in the amount of \$8,322,762.00; and

WHEREAS, Contract No. EL014785 was authorized by Ordinance No. 1568-2013, as passed by the Columbus City Council on July 22, 2013; executed by the Director on October 09, 2013; approved by the City Attorney on October 15,

2013 in the amount of \$8,843,373.00; and

WHEREAS, Contract No. EL016401 was authorized by Ordinance No. 1949-2014, as passed by the Columbus City Council on September 29, 2015; executed by the Director on November 10, 2014; approved by the City Attorney on November 24 2014 in the amount of \$6,248,359.00; and

WHEREAS, it is necessary to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund; and

WHEREAS, it is necessary to transfer funds from the Sanitary Sewer Reserve Fund in the amount \$5,432,991.00 for this project; and

WHEREAS, it is necessary for City Council to authorize the expenditure of up to \$5,432,991.00 from the Sanitary Sewer System GO Bond Fund, Fund 664; 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 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, the Division of Sewerage and Drainage, Department of Public Utilities is requesting that this Council authorize the Director of Public Utilities to enter into a planned contract modification (Mod #5) for professional construction management services with Black and Veatch for the OSIS Augmentation and Relief Sewer (OARS), Phase I & II Project, 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 be, and hereby is, authorized to modify Contract EL010729 (Mod #5) for professional engineering services with Black & Veatch Corporation, 4016 Townsfair Way, Suite 200, Columbus, Ohio 43219, in order to provide professional construction management services for the OSIS Augmentation and Relief Sewer (OARS), Phase I & II Project in accordance with the terms and conditions as shown in the contract modification 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. 654, 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, 2015, the sum of \$5,432,991.00 is hereby appropriated to the Division of Sewerage and Drainage: Division 60-05 | OCA Code 655225 | Object Level One 10 | Object Level Three 5502.

SECTION 3. That the City Auditor is hereby authorized to transfer and appropriate a total \$5,432,991.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer Bond Fund, Fund 664, into the OSIS Augmentation and Relief Sewer (OARS), Phase I and II, CIP 650704-100001, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary in the following manner: Division 60-05 | 647041 | Object Level 06 | Object Level Three 6676

SECTION 4. That the Director of Public Utilities be and hereby is authorized to expend up to \$5,432,991.00 for the OSIS Augmt. & Relief Sewer (OARS) Ph. I & II project in the following manner for the Div. 60-05 | Obj. Lvl. Three - 6676:

664 | 650704-100001 | OSIS Augmt. & Relief Sewer (OARS) Ph. I & II | 647041 | \$5,432,991.00

SECTION 5. That the said firm, Black & Veatch , shall perform the work to the satisfaction of the Director of Public

Utilities and the Administrator of the Division of Sewerage and Drainage.

SECTION 6. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 7. 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 8. 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 9. 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 10. 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 \$5,432,991.00 (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 Sanitary/Sewer Reserve Fund 654, which is the fund from which the advance for costs of the Project will be made.

SECTION 11. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 12. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.