



Legislation Details (With Text)

File #: 0841-2024 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 3/18/2024 **In control:** Public Utilities & Sustainability Committee

On agenda: 4/29/2024 **Final action:** 5/1/2024

Title: To authorize the Director of the Department of Public Utilities to enter into a contract modification with CTL Engineering, Inc. for the Construction Administration/Construction Inspection Services 2023-2025 contract; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize a transfer of funds from the Water Reserve Fund to the Water Fresh Water Market Rate Fund; to authorize the appropriation of funds in the Water Reserve Fund and the Water Fresh Water Market Rate Fund; and to authorize the expenditure of \$250,080.53 from the Water Fresh Water Market Rate Fund for the contract modification. (\$250,080.53)

Sponsors:

Indexes: MBE Participation

Code sections:

Attachments: 1. 0841-2024 Utilization Plan, 2. 0841-2024 Accounting Template

Date	Ver.	Action By	Action	Result
5/1/2024	1	CITY CLERK	Attest	
4/30/2024	1	MAYOR	Signed	
4/29/2024	1	COUNCIL PRESIDENT	Signed	
4/29/2024	1	Columbus City Council	Approved	Pass
4/15/2024	1	Columbus City Council	Read for the First Time	

1. BACKGROUND

This ordinance authorizes the Director of Public Utilities to enter into a contract modification with CTL Engineering Inc., for construction administration/inspection services as part of the Construction Administration/Construction Inspection Services 2023-2025 contract.

CTL Engineering Inc. was awarded a contract to perform construction administration/inspection services for Department of Public Utilities Capital Improvement Projects that bid during the years 2023, 2024, and 2025. The contract is modified as needed throughout the three-year contract period to include these projects as they go to construction. The construction project to be administered by CTL Engineering Inc. under this contract modification is the Stelzer Road PRV, CIP No. 690473-100019, in the amount of \$250,080.53.

This work will primarily be performed in Columbus Community Areas 41- Northeast.

1.1. Amount of additional funds to be expended: \$250,080.53

Original Contract:	\$673,163.42 (ORD 0849-2023; PO391468)
Modification #1:	\$1,733,433.48 (ORD 2061-2023; PO405348, PO405351)
Modification #2:	\$60,000.00 (ORD 2722-2023; PO416229)
Modification #3:	\$560,070.32 (ORD 0402-2024; PO434017)
Modification #4:	\$250,080.53 (current)
Total	\$3,276,747.75

1.2. Reasons additional goods/services could not be foreseen:

This is a three-year agreement for fiscal years 2023 - 2025. Modifications were anticipated and explained in the original legislation under Ordinance 0849-2023.

1.3. Reason other procurement processes are not used:

This is a multi-year contract that will be modified as required to provide construction administration/inspection services for construction projects that bid during the three year (2023-2025) timeframe. Another procurement process is not required.

1.4. How cost of modification was determined:

The cost of this modification was determined by negotiations between CTL Engineering, Inc. and the Division of Water based upon the contract rates and titles established in the original contract and an estimate of the number of hours needed for each title for the tasks to be assigned to the contract modification.

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

This Division of Water (DOW) project was deemed necessary by our Master Plan consultants and planning group to provide sufficient water to the Morse Pressure District, from the North Pressure District, in order to allow the DOW to meet the projected short-term increase in demands projected for the North-Eastern quadrant of our Distribution System between 2025 and 2029. The addition of this Pressure Reducing Valve will allow us to supply an additional average flow of 5 million gallons per day to the district, which will provide sufficient water to buffer the projected increase of near-term demands until the Fourth Water Plant is constructed and commissioned. The Neighborhood Liaison(s) will be contacted and informed of this project during the design phase. Further community outreach may result through the Neighborhood Liaison Program.

3. CONTRACT COMPLIANCE INFORMATION

CTL Engineering Inc.'s contract compliance number is CC004209 and expires 7/31/2024.

4. MINORITY AND WOMAN OWNED BUSINESS ENTERPRISE & SMALL LOCAL BUSINESS ENTERPRISE PROGRAM

This contract opportunity was submitted to the City's Office of Diversity and Inclusion (ODI) for review and assignment of an MBE/WBE goal prior to bidding. ODI determined there was not an opportunity for MBE/WBE participation in this contract and did not assign a goal. This contract was not bid with a City of Columbus MBE/WBE Program goal and the requirements of the City's MBE/WBE Program are not applicable to this contract. CTL Engineering, Inc. is ODI certified as an MBE company. As shown in the Utilization Plan attached to this ordinance, CTL Engineering, Inc. plans to use one sub-consultant on this task. The MBE spend for this contract is anticipated to be 97.35%. The subcontractor CTL Engineering, Inc. proposes to use for this contract modification is listed below:

<u>Company Name</u>	<u>City/State</u>	<u>ODI Certification Status</u>
E. P. Ferris & Associates, Inc.	Columbus, OH	MAJ

CTL Engineering Inc.'s and E. P. Ferris & Associates, Inc.'s certifications were in good standing at the time of this contract modification.

5. FISCAL IMPACT

Funding for this contract 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 0997-2023, passed by Council on 4/24/23. CIP # 690473-100019 is not listed as a project anticipated to be funded through this loan program in Ordinance 0997-2023. Section 2 of the Ordinance allows the Director of the Department of Public Utilities to add projects to the list per departmental need. The loan is expected to be approved in April, 2024.

The Ohio Water Development Authority (OWDA) Direct Loan Program is a reimbursement program. A purchase order will need to be established to CTL Engineering Inc. for this contract modification. Public Utilities will need to pay the construction administration and inspection charges directly to CTL Engineering Inc. and then submit reimbursement

requests based upon these paid invoices to OWDA for OWDA to reimburse Public Utilities.

A transfer of funds from the Water Reserve Fund, Fund 6003, to the Water Fresh Water Market Rate Fund, Fund 6014, in the amount of \$250,080.53 is needed to fund this contract modification. The transaction is a temporary measure that is 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 to the new Fund. An amendment to the 2023 Capital Improvement Budget is needed to align budget authority with the proper project.

To authorize the Director of the Department of Public Utilities to enter into a contract modification with CTL Engineering, Inc. for the Construction Administration/Construction Inspection Services 2023-2025 contract; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize a transfer of funds from the Water Reserve Fund to the Water Fresh Water Market Rate Fund; to authorize the appropriation of funds in the Water Reserve Fund and the Water Fresh Water Market Rate Fund; and to authorize the expenditure of \$250,080.53 from the Water Fresh Water Market Rate Fund for the contract modification. (\$250,080.53)

WHEREAS, the Department of Public Utilities advertised a Request for Proposals for Construction Administration/Construction Inspection Services; and

WHEREAS, CTL Engineering Inc. was one of six firms selected by the evaluation committee to provide these services; and

WHEREAS, Ordinance 0849-2023 authorized the contract with CTL Engineering Inc. for these services and assigned the first tasks to be performed; and

WHEREAS, additional construction inspection/administration tasks need to be performed; and

WHEREAS, the contract with CTL Engineering Inc. will need to be modified to add these tasks to the contract and to add funding to pay for the tasks; 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 from the Water Reserve Fund, Fund 6003, to the Water Fresh Water Market Rate Fund, Fund 6014; and

WHEREAS, it is necessary to appropriate funds in the Water Fresh Water Market Rate Fund, Fund 6014; 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 construction administration and inspection services CTL Engineering, Inc. provides under the Construction Administration/Construction Inspection Services 2023-2025 contract for this contract modification; **NOW, THEREFORE**,

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

SECTION 1. That the 2023 Capital Improvements 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
6014 / 690473-100019 / Stelzer Road PRV (OWDA Direct Loan) / \$2,158,964.00 / \$2,409,045.00 / \$250,081.00 (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 \$250,080.53 is appropriated in the Water Reserve Fund, Fund 6003, per the account codes in the attachment to this ordinance.

SECTION 3. That the transfer of \$250,080.53, or so much thereof as may be needed, is hereby authorized from the Water Reserve Fund to the Water Fresh Water Market Rate Fund per the accounting codes in the attachment to this Ordinance.

SECTION 4. That the Director of the Department of Public Utilities is authorized to enter into a contract modification for the Construction Administration/Construction Inspection Services 2023-2025 contract with CTL Engineering Inc. 2860 Fisher Road, Columbus, OH 43204, for construction administration and inspection services for the Stelzer Road PRV, CIP No. 690473-100019, in accordance with the terms and conditions as shown in the contract on file with the Department of Public Utilities, in an amount not to exceed \$250,080.53.

SECTION 5. 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 ended December 31, 2024, the sum of \$250,080.53 is appropriated in Fund 6014 (Water Fresh Water Market Rate Fund), per the account codes in the attachment to this ordinance.

SECTION 6. That an expenditure not to exceed \$250,080.53 is authorized per the accounting codes in the attachment to this Ordinance.

SECTION 7. That upon obtaining other funds for the purpose of funding sewer system and water system capital improvement work, the City Auditor is hereby authorized to repay the Water System Reserve Fund, Fund 6003, 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 \$250,080.53 (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 Reserve Fund, Fund 6003, which are the funds from which the advance for costs of the Project will be made.

SECTION 9. That funds are 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 this Ordinance shall take effect and be in force from and after the earliest period allowed by law.