



Legislation Text

File #: 1692-2023, Version: 1

1. BACKGROUND: This ordinance authorizes the Director of Public Utilities to enter into a contract modification with Hazen and Sawyer for professional engineering services for the Fourth Water Plant project, CIP #690600-100000, in an amount up to \$11,838,000.00. The Ordinance also authorizes the Director of public utilities to apply for, accept, and enter into a Water Supply Revolving Loan Account (WSRLA) Loan Agreement with the Ohio Water Development Authority and the Ohio Environmental Protection Agency for the financing of this contract modification.

The Fourth Water Plant (FWP) project will design and construct a new fourth water plant to meet water supply needs and increase the resiliency and reliability of the water supply system. The FWP site will be located on City owned property in Delaware County, Concord Township, at the southeast corner of Dublin Road (S.R. 745) and Home Road (C.R. 124).

Work performed to date includes Study Services (Phase 1). The Phase 1 Study Services researched and evaluated options related to the new water plant and developed a basis of design for the recommended improvements.

This modification provides funding for Preliminary Design Services (Phase 2), which will further advance the study/preliminary design services provided under Phase 1 of this project to enable the development of a Preliminary Design Report that will serve as a basis for the subsequent detailed design phase.

It is the City’s intent to execute future contract modifications for Detailed Design Services (Phase 3), Engineering Services during Construction (Phase 4) and Engineering Services during Operation (Phase 5).

Planning area = “99-Citywide”

TIMELINE & FUTURE RENEWAL(S): Phase 1 - Study Phase services begin first quarter 2023 and is anticipated to be completed third quarter 2023. Phase 2 - Preliminary Design Services (Modification No. 1) is expected to have a duration of 8 months and begin 3rd quarter 2023. Phase 3 - Detailed Design Services (Modification No. 2) is expected to have a duration of approximately 20 months. Phase 4 - Engineering Services during Construction (Modification No. 3) is expected to have a duration of approximately 36 months. Phase 5 -Engineering Services during Operation (Modification No. 4) is expected to have a duration of approximately 12 months. December 2029 is the estimated ending date of the agreement based on the total term.

ESTIMATED COST OF PROJECT:

Cost summary:

Original Contract - Study Phase	\$ 7,470,000.00 (ORD 3316-2022; PO363156)
Modification No. 1 - Preliminary Design	\$11,838,000.00 (current)
Modification No. 2 - Detailed Design	\$18,000,000.00 (estimated)
Modification No. 3 - Services during Construction	\$24,000,000.00 (estimated)
Modification No. 4 - Services during Construction II	\$16,000,000.00 (estimated)
<u>Modification No. 5 - Services during Operation</u>	<u>\$ 8,000,000.00 (estimated)</u>
CONTRACT TOTAL	\$85,308,000.00 (estimated)

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

The City currently has three water plants that collectively provide drinking water to approximately 1.2 million customers in the City of Columbus and surrounding communities. The existing water plants include the Hap Cremean Water Plant

(HCWP), the Dublin Road Water Plant (DRWP), and the Parsons Avenue Water Plant (PAWP). The FWP will position the City to meet anticipated water system demands and will improve the reliability and resiliency of the water supply system and help support economic growth of the central Ohio area.

Sustainable design options shall be evaluated for integration into the project. The evaluation shall result in a set of recommended sustainable design features to carry forward into preliminary design.

3. CONTRACT COMPLIANCE INFORMATION

Hazen and Sawyer's contract compliance number is CC-000630 and expires 3/3/2024. Hazen and Sawyer's certification was in good standing at the time of the contract renewal.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Hazen and Sawyer

4. 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 15% 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, Hazen and Sawyer has proposed the following 18 subcontractors to perform contract work:

Company Name	City/State	ODI Certification Status
Black & Veatch	Columbus, Ohio	MAJ
ARCADIS	Columbus, Ohio	MAJ
AECOM	Columbus, Ohio	MAJ
Stantec Consulting Services Inc.	Columbus, Ohio	MAJ
Eagon & Associates, Inc.	Worthington, Ohio	MAJ
Korda/Nemeth Engineering, Inc.	Columbus, Ohio	MAJ
Ribway Engineering Group	Columbus, Ohio	MBE
Smoot Construction Company	Columbus, Ohio	MBE
Moody Engineering	Columbus, Ohio	MBE
RAMA Consulting	Columbus, Ohio	MBE
Resource International	Columbus, Ohio	WBE
Coldwater Consulting	Columbus, Ohio	WBE
Hydrous WD	Columbus, Ohio	MAJ
Regency Construction Services	Columbus, Ohio	WBE
Advanced Engineering Consultants	Columbus, Ohio	MBE
Dynotec	Columbus, Ohio	MBE
Lanham Engineering	Powell, Ohio	WBE
360Water	Columbus, Ohio	WBE

5. EMERGENCY DESIGNATION

Emergency action is requested to complete the project in a timely manner to meet future anticipated water demands to prevent a water shortage and to avoid public health and welfare issues.

6. FISCAL IMPACT

This design modification is expected to be financed with a loan from the Water Supply Revolving Loan Account (WSRLA) through the Ohio Environmental Protection Agency and administered by the Ohio Water Development

Authority. Non-construction loans do not have a nomination deadline for pre-approval for this source of funding and are nominated as the need for financing arises.

This Ordinance authorizes the City Auditor to appropriate and transfer funds from the Water System Reserve Fund, Fund 6003, to the Water Supply Revolving Loan Account 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 a loan with the Water Supply Revolving Loan Account Fund and reimburse the Water System Reserve Fund. The loan is expected to be approved in July 2023. The funds will also need to be appropriated in Fund 6011. An amendment to the 2022 Capital Improvements Budget will also be necessary.

To authorize the Director of the Department of Public Utilities to enter into a contract modification for General Engineering Services for the Fourth Water Plant with Hazen and Sawyer and to apply, accept, and enter into a Water Supply Revolving Loan Account loan agreement with the Ohio Water Development Authority and Ohio Environmental Protection Agency for the financing thereof and designate a dedicated source of repayment for the loan; to authorize the appropriation and transfer of \$11,838,000.00 from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the appropriation and expenditure of \$11,838,000.00 within the Water Supply Revolving Loan Account Fund; to authorize an amendment to the 2022 Capital Improvements Budget; and to declare an emergency. (\$11,838,000.00)

WHEREAS, the Department of Public Utilities is engaged in the Fourth Water Plant project; and

WHEREAS it is necessary to authorize the Director of Public Utilities to enter into a planned contract modification for professional engineering services with Hazen and Sawyer for the Fourth Water Plant project for preliminary design services; and

WHEREAS, the Department anticipates four future modifications to this contract, which will extend the term of this contract to fourth quarter 2029; and

WHEREAS, it is necessary to amend the 2022 Capital Improvement Budget to provide sufficient budget authority for the project; and

WHEREAS, it is necessary to both appropriate funds from the Water System Reserve Fund, Fund 6003, and to authorize the transfer of said funds into the Water Supply Revolving Loan Account Fund, Fund 6011, 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 Fund 6011 will need to be appropriated; and

WHEREAS, it is necessary to authorize an expenditure up to \$11,838,000.00 within the WRSLA Fund, Fund 6011, for the Division of Water in order to temporarily fund this expenditure until such time as the City receives loan proceeds for the above stated purpose and reimburses the Water System 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 construction of the Project described in this Ordinance (collectively, the "Project"); and

WHEREAS, the Department of Public Utilities is scheduled to prepare a Loan Application for submittal to the Ohio EPA under the Water Supply Revolving Loan Account (WSRLA) program to finance the construction of this project under the direction of the Division of Water, the financial assistance for which may be of help in reducing total project costs to the City's water rate payers; and

WHEREAS, the low-interest loan will be applied for based upon the availability of funds through the Ohio EPA's WSRLA program and executed upon approval by Ohio EPA of the Loan Application; and,

WHEREAS, the WSRLA Loan Application and Loan Agreement documents require the City to submit to the Ohio EPA a certified copy of approved City Council legislation authorizing the Director of the Public Utilities Department to apply for and subsequently execute the WSRLA agreement and to authorize a dedicated source of repayment for the loan; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to authorize the Director to enter into a planned contract modification for professional engineering services with Hazen and Sawyer for the Fourth Water Plant project to meet future anticipated water demands to prevent a water shortage and avoid public health and welfare issues, thereby preserving the public health, peace, property, safety; and welfare; **NOW, THEREFORE**,

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

SECTION 1. That the Director of Public Utilities is hereby authorized to apply for, accept, and enter into a Water Supply Revolving Loan Account loan agreement with the Ohio Environmental Protection Agency and administered by the Ohio Water Development Authority for the financing of a contract modification for professional engineering services for the Fourth Water Plant project, CIP #690502-1000001, based upon the availability of funds through the Ohio EPA's Water Supply Revolving Loan Account (WSRLA) program and the Agency's approval, in the amount of \$11,838,000.00.

SECTION 2. Council recognizes the dollar amount of \$11,838,000.00 is the amount anticipated to be needed to be financed through loan funding for this contract modification and authorizes the Director of the Department of Public Utilities to increase or decrease this amount as needed.

SECTION 3. 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 / 690600-100000 / Fourth Water Plant (WSRLA Loan) / \$7,470,000.00 / \$19,308,000.00 / \$11,838,000.00 (To establish authority.)

SECTION 4. 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 \$11,838,000.00 is appropriated in the Water System Reserve Fund, Fund 6003, per the account codes in the attachment to this ordinance.

SECTION 5. That the transfer of \$11,838,000.00 or so much thereof as may be needed, is hereby authorized between the Water System Reserve Fund, Fund 6003, to the Water Supply Revolving Loan Account Fund, Fund 6011, per the account codes in the attachment to this ordinance.

SECTION 6. 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 \$11,838,000.00 is appropriated in the Water Supply Revolving Loan Account Fund, Fund 6011, per the account codes in the attachment to this ordinance.

SECTION 7. That the Director of Public Utilities be and hereby is authorized to enter into a planned contract modification for professional engineering services for the Fourth Water Plant project, CIP #690600-100000, with Hazen and Sawyer, 150 E. Campus View Blvd., Suite 200; Columbus, Ohio 43245; in accordance with the terms and conditions of the contract modification on file in the Department of Public Utilities.

SECTION 8. That the expenditure of \$11,838,000.00, or so much thereof as may be needed, is hereby authorized to pay

for this contract modification per the accounting codes in the attachment to this ordinance.

SECTION 9. That city water rate revenues are hereby authorized to be the dedicated source of repayment for the Water Supply Revolving Loan Account loan.

SECTION 10. 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 above (Section 5), and said funds are hereby deemed appropriated for such purposes.

SECTION 11. 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 \$11,838,000.00 (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 Water System Reserve Fund 6003, which is the fund from which the advance for costs of the Project will be made.

SECTION 12. 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 13. 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 14. 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 15. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby 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 days after passage if the Mayor neither approves nor vetoes the same.