



Legislation Text

File #: 2780-2016, Version: 1

1. **BACKGROUND:**

This legislation authorizes the Director of Public Utilities to enter into construction contract with the Kenmore Construction Company, Inc. for the Jackson Pike Wastewater Treatment Plant (JPWWTP) Corrosion Prevention and Protective Coating Systems Project, Phase III, Contract J222, CIP 650259-100003. This project will provide protective coatings on various structures, buildings, mechanical equipment and process piping at the Jackson Pike Wastewater Treatment Plant, that are in need of rehabilitation. The application of protective coatings on existing structures, buildings and process items inhibit deterioration of the City’s assets. Corrosion prevention tasks include masonry cleaning and mortar tuck pointing, and expansion joint caulking to prevent water intrusion. Several severely corroded items are being removed and replaced such as doors and lighting fixtures. This is the third and final contract to provide these services. The areas involved in this phase of the work are the Centrifuge Thickening Building (CTB) basement, Sludge Pit Area (SPA), Tunnels C, D, G, H, I, L and N, Pump and Blower Building (PMP), Grit Removal Building (GRB), Pre-aeration Building (PAB), Generator Building (GEN), Flushing Water Pump Station (FPS), and the Chlorine Contact Tanks.

This project has been approved for below market-rate loan financing through the Ohio Environmental Protection Agency’s Water Pollution Control Loan Fund (WPCLF) which is administered by the Ohio Water Development Authority (OWDA). The project’s assigned WPCLF Loan Number is CS390274-0220. The loan award is expected on December 8, 2016.

2. **PROCUREMENT INFORMATION:** The Division advertised for competitive bids for the subject services on the City’s Vendor Services website and in the City Bulletin in accordance with the overall provisions of Section 329 of the Columbus City Code. The Division of Sewerage and Drainage received two (2) bids on October 19, 2016 from the following companies:

<u>Name</u>	<u>Vendor #</u>	<u>CCCN</u>	<u>Exp. Date</u>	<u>Type</u>	<u>City/State</u>
Kenmore Construction	006456	34-0802152	10/04/2018	MAJ	Akron, OH
The Righter Company	004433	31-0889208	02/18/2018	MAJ	Columbus, OH

The bid was reviewed using the Bid Tab and QFF evaluation process. It was determined that Kenmore Construction Company, Inc. met the criteria for the project requirements and was the lowest responsive, responsible, and best bid. The Engineer’s Estimate was 2,575,770.00.

3. **PROJECT TIMELINE:** the work is to be completed within 365 calendar days after the effective date of the Notice to Proceed.

4. **CONTRACT COMPLIANCE NO.:** 34-0802152 | MAJ | Exp. 10/04/2018 | Vendor #: 006456

5. **EMERGENCY DESIGNATION:** Emergency designation **is not** requested.

6. **ECONOMIC IMPACT:** Painting of facilities, equipment and piping will extend the useful life of existing structures, piping and process equipment and eliminate expense for new facilities, increase work efficiency and provide safe work environment for the plant personnel. No community outreach or environmental factors are

considered for this project.

7. **FISCAL IMPACT:** This legislation authorizes the appropriation and transfer of \$2,661,100.00 from the Sanitary Sewer Reserve Fund 6102, to the Ohio Water Development (OWDA) Loan Fund, Fund 6111; authorizes the expenditure of up to \$2,661,100.00 from the loan fund, and amend the 2016 Capital Improvements Budget.

To authorize the Director of Public Utilities to enter into a construction contract with the Kenmore Construction Company, Inc. for the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems Project, Phase III, Contract J222; to authorize the appropriation and transfer of funds (\$2,661,100.00 ) from the Sanitary Sewer Reserve Fund to the Ohio Water Development Loan Fund; to authorize the expenditure of up to \$2,661,100.00 from said loan fund for the Division of Sewerage and Drainage; and amend the 2016 Capital Improvements Budget. (\$2,661,100.00).

**WHEREAS**, Division of Sewerage and Drainage advertised for competitive bids for the subject services and received two (2) bids for the JPWWTP Corrosion Prevention and Protective Coating Systems Project, Phase III, Contract J222, CIP 650259-100003; and

**WHEREAS**, it was determined that the Kenmore Construction Company be award the project based on the results of the Bid Tab and QFF evaluation process; and

**WHEREAS**, this project will provide protective coatings on various structures, buildings, mechanical equipment and process piping at the Jackson Pike Wastewater Treatment Plant; and,

**WHEREAS**, it is necessary to appropriate funds from the Sewer System Reserve Fund, Fund 6102; and,

**WHEREAS**, it is necessary to authorize the transfer the Reserve funds into the OWDA Loan Fund to provide temporarily funding for this expenditure pending the receipt of the loan proceeds; and

**WHEREAS**, it is necessary to authorize the expenditure of up to \$2,661,100.00 from the Ohio Water Development (OWDA) Loan Fund, Fund 6111; and

**WHEREAS**, it is necessary to authorize the amendment to the 2016 Capital Improvements Budget; and,

**WHEREAS**, the aggregate principal amount of obligations which the City will issue to finance this project will not exceed \$2,661,100.00; 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**, it has become necessary in the usual daily operation the Division of Sewerage and Drainage, Department of Public Utilities, to authorize the Director of Public Utilities to enter into a construction contract with the Kenmore Construction Company, Inc. for the JPWWTP Corrosion Prevention and Protective Coating Systems Project, Phase III, Contract J222 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 is hereby authorized to enter into a construction contract with the Kenmore Construction Company, Inc., 700 Home Ave, Akron, Ohio 44310, for the Jackson Pike Wastewater Treatment Plant (JPWWTP) Corrosion Prevention and Protective Coating Systems Project, Phase III, Contract J222 in accordance

with the terms and conditions as shown in the contract on file in the office of the Division of Sewerage and Drainage.

**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 ended December 31, 2016, the sum of \$2,661,100.00 is appropriated in Fund 6102 per the account codes in the DAX Financial attachment to this ordinance.

**SECTION 3.** That the transfer of \$2,661,100.00 or so much thereof as may be needed, is hereby authorized between the Sanitary Sewer Reserve Fund 6102 and OWDA Loan Fund 6111 per the accounting codes in the DAX Financial attachment to this ordinance.

**SECTION 4.** That the appropriation and expenditure of \$2,661,100.00 or so much thereof as may be needed, is hereby authorized in the Ohio Water Development (OWDA) Loan Fund, Fund 6111 per the accounting codes in the attachment to this ordinance.

**SECTION 5.** That the 2016 Capital Improvements Budget is hereby amended as follows:

**Fund | Project No. | Project Name | Current Authority | Revised Authority | (Change)**

6111 | P650034-100006 | Blacklick Creek Interceptor | \$13,438,885 | \$13,361,785 | (-\$77,100)

6111 | P650259-100003 | JPWWTP Corr. Prev. Prot. Coating PhIII | \$2,584,000 | \$2,661,100 | (+\$77,100)

**SECTION 6.** That the said firm, Kenmore Construction Company, Inc., shall perform the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Sewerage and Drainage.

**SECTION 7.** That the City Auditor is hereby authorized to transfer the unencumbered balance in a 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.

**SECTION 8.** 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 9.** 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 10.** 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 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 \$2,661,100.00 (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 6102, which is the fund from which the advance for costs of the Project will be made.

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

