



Legislation Text

File #: 1279-2010, **Version:** 1

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into a construction contract with Kokosing Construction Company, Inc., in the amount of \$7,557,996.11, for the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project, Division of Power and Water Contract Number 1118 - Part 2.

This project provides for the furnishing of all materials, equipment, and labor to remove and dispose of approximately 561,000 cubic yards of lime sludge; structural improvements to the lagoon earthen embankments; permanent repairs to on-site haul roads; replacement of security fencing around lagoon parameter; and such other work as may be necessary to complete the contract in accordance with the plans and specifications.

2. CONSTRUCTION CONTRACT AWARD: The Director of Public Utilities publicly opened two bids on August 25, 2010. Bids were received from: Kokosing Construction Company, Inc. - \$7,557,996.11 and Burch Hydro, Inc. - \$7,703,090.07.

The lowest bid was from Kokosing Construction Company, Inc. in the amount of \$7,557,996.11. Their Contract Compliance Number is 31-1023518 (expires 3/3/12, Majority). Additional information regarding both bidders, description of work, contract time frame and detailed amounts can be found on the attached Information form.

3. FISCAL IMPACT: This Ordinance authorizes the City Auditor to appropriate and transfer funds from the Water System Reserve Fund to the Ohio Water Development Authority (OWDA) Fund in order to fund this proposed expenditure. This transaction is a temporary measure that is required until such a time as the Division is able to execute a loan with the Ohio Water Development Authority (OWDA) and reimburse the Water System Reserve Fund. The loan is expected to be approved on Thursday, September 30, 2010, with a loan number not to be assigned until Thursday, October 7th. An amendment to the 2010 Capital Improvements Budget is also necessary.

To authorize the Director of Public Utilities to execute a contract with Kokosing Construction Company, Inc. for the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project; for the Division of Power and Water; to authorize the appropriation and transfer of \$7,557,996.11 from the Water System Reserve Fund to the Ohio Water Development Authority (OWDA) Fund; to authorize the appropriation and expenditure of \$7,557,996.11 from the Ohio Water Development Authority (OWDA) Fund; and to amend the 2010 Capital Improvements Budget. (\$7,557,996.11)

WHEREAS, two bids for the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project were received and publicly opened in the offices of the Director of Public Utilities on August 25, 2010; and

WHEREAS, the lowest and best bid was from Kokosing Construction Company, Inc. in the amount of \$7,557,996.11; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to award and execute a construction contract for the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project; and

WHEREAS, it is immediately necessary to both appropriate funds from the Water System Reserve Fund and to authorize the transfer of said funds into the Ohio Water Development Authority (OWDA) 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 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 aggregate principal amount which the City will issue to finance this phase of the project is presently expected not to exceed \$7,557,996.11; and

WHEREAS, it is necessary to appropriate the proceeds from the aforementioned loan, to authorize the expenditure of funds required to award the subject contract, and to provide the requisite budget authority for said award; and

WHEREAS, it is necessary to authorize an amendment to the 2010 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditure; and

WHEREAS, it has become necessary in the usual daily operation of the Division of Power and Water, Department of Public Utilities, to authorize the Director of Public Utilities to enter into a construction contract with Kokosing Construction Company, Inc. for the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project, to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Ohio Water Development Authority (OWDA) Fund, for the preservation of the public health, peace, property and safety; 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 award and execute a construction contract for the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project with the lowest and best bidder, Kokosing Construction Company, Inc., 6235 Westerville Rd., Westerville, Ohio 43081; in the amount of \$7,557,996.11; in accordance with the terms and conditions of the contract on file in the Office of the Division of Power and Water.

SECTION 2. That from the unappropriated monies in the Water System Reserve Fund 603, 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, 2010, the sum of \$7,557,996.11 is hereby appropriated to the Division of Power and Water, Division 60-09, Object level One 10, Object level Three 5502, OCA 695056.

SECTION 3. That the City Auditor is hereby authorized to transfer \$7,557,996.11 to the Ohio Water Development Authority (OWDA) Fund, Fund No. 616, into the appropriate project accounts as specified within Section 4 herein, at such time as deemed necessary by him, and to expend said funds, or so much thereof as may be necessary.

SECTION 4. That for the purpose of paying the cost of the Ohio Water Development Authority (OWDA) Fund Eligible Items within the Parsons Avenue Water Plant Sludge Disposal - Lagoons 1 & 3 Project, and funds from the unappropriated monies in Fund 616, the amount of \$7,557,996.11 is hereby appropriated and to be expended by the Division of Power and Water, Division 60-09, Fund No. 616, Project No. 690414-100001 (new funding), Project Name: PAWP Sludge Disposal Lagoons 1 & 3 construction, OCA Code 664141, Object Level One 06, Object Level Three 6623.

SECTION 5. That the 2010 Capital Improvements Budget is hereby amended as follows:

Fund No. | Proj. No. | Proj. Name | Current Authority | Revised Authority | Change
616 | 690414-100001 (new funding) | PAWP Sludge Disp'l Lag. 1 & 3 constr. | \$6,800,000 | \$7,557,997 | +\$757,997

SECTION 6. 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 7. That said construction company shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Power and Water.

SECTION 8. That the City Auditor is hereby authorized and directed 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 no longer required for said project; except that no transfer shall be made from a project account by monies from more than one source.

SECTION 9. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

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