



Legislation Text

File #: 1701-2015, Version: 1

1. BACKGROUND:

This legislation authorizes the Director of Public Utilities to modify (Mod #2) the professional engineering services agreement with Chester Engineers, Inc. for the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems Project, Project 650259-100001 for the Division of Sewerage and Drainage. It has been determined that the protective coatings on many structures, buildings and process items at the Jackson Pike Wastewater Treatment Plant and the Whittier Street Storm Tanks are in need of rehabilitation. This project has prepared a study to determine the specific areas, structures, and process items in need of rehabilitation, and determine the steps necessary to inhibit deterioration in the future. The Scope of Work for this project, at the City’s discretion, consists of the following elements:

- A. Conduct a detailed survey of the condition of the coatings and determine the required remedies for:
 - 1. Buildings, both interior and exterior, and structures.
 - 2. Process and general equipment, including control panels.
 - 3. Piping systems, including gate and valve operators.
 - 4. Conduit systems.
- B. Prepare a report with determinations on the survey results and recommendations.
- C. Prepare a General Corrosion Prevention and Protective Coating Specification.
- D. Prepare electronic bid documents for Corrosion Prevention and Protective Coating applications to the locations selected by the City. Three construction contracts are planned for the work.
- E. Provide services during construction.

The detailed survey, Condition Assessment Report, and the specifications have been completed. The project contracting plan has also been determined. The actual emplacement of the work will be by construction contract. The first of three Corrosion Prevention and Protective Coating construction contracts, Contract J218, has been completed. The second of three Corrosion Prevention and Protective Coating construction contracts, Contract J219, has been bid.

Future contract modifications are required for construction-phase engineering for the 2015 Corrosion Prevention and Protective Coating Phase 3 contract. Construction Management services are being performed by others.

1.1 Amount of additional funds to be expended: \$397,747.35

Original Contract	\$ 500,000.00
Modification No. 1	\$ 428,316.28
Modification No. 2 (Current)	<u>\$ 397,747.35</u>
CURRENT PROPOSED TOTAL	\$1,326,063.63

Future Modification is planned Mod #3 in 2016

1.2 Reasons additional goods/services could not be foreseen:

This Contract Modification No. 2 was planned and anticipated, and so stated in the original contract’s legislation.

1.3 Reason other procurement processes are not used:

Due to the highly complex and technical nature of this wastewater treatment plant infrastructure project, it is not reasonable or cost efficient to undertake a new procurement effort to acquire these services.

1.4 How cost of modification was determined:

A cost proposal was provided by Chester Engineers, Inc. and reviewed by the Division of Sewerage and Drainage and was deemed acceptable. The cost of this contract modification is consistent with the direct labor, overhead, and profit rates established within the original proposal.

This company is not debarred according to the Federal Excluded Parties Listing or the State Auditor's Findings for Recovery Database.

2. **Contract Compliance No.:** 20-2401674 | MBE | Exp. 05/18/2017

3. **Emergency Designation:** Emergency designation is not requested.

4. **ECONOMIC IMPACT:** This project will provide protective coatings on many structures, buildings and process items at the wastewater treatment plant that are in need of rehabilitation and it will inhibit their deterioration in the future. Providing protective coatings on existing structures, buildings and process items conserves materials that would otherwise require replacement. These coatings will inhibit their deterioration and extend their useful life. Removal and replacement of the deteriorated and failed facilities would be a positive impact to the budget.

Many of these items are an integral part of the wastewater treatment process at the wastewater treatment plants. Without this required work, the plant processes would lose capacity due to corrosion making equipment inoperable and could result in an NPDES Permit violation.

No community outreach or environmental factors are considered for this project.

5. **FISCAL IMPACT:** This ordinance authorizes the transfer and appropriation of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund, Fund 664; to authorize the expenditure of \$397,747.35 from the G.O. Bond Fund, Fund 664 and to amend the 2015 Capital Improvement Budget to establish sufficient budget authority for this ordinance. 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 modify (Mod #2) the professional engineering services agreement with Chester Engineers, Inc. for the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems Project; to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund; to authorize the expenditure of \$397,747.35 from the Sanitary Sewer General Obligation (G.O.) Bond Fund; and to amend the 2015 Capital Improvements Budget. (\$397,747.35)

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 for professional engineering services with Chester Engineers, Inc. for the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems Project, Project 650259-100001; and

WHEREAS, Contract No. EL011602 was authorized by Ordinance No. 0042-2011, passed by the Columbus City Council on February 14, 2011; executed by the Director on April 29, 2011; approved by the City Attorney on May 11, 2011 in the amount of \$500,000.00; and

WHEREAS, Contract No. EL014964 was authorized by Ordinance No. 2021-2013, passed by the Columbus City Council on September 30, 2013; executed by the Director on November 01, 2013; approved by the City Attorney on

September 11, 2013 in the amount of \$428,316.28; and

WHEREAS, it is necessary for City Council to authorize the expenditure of funds from the Sanitary Sewer System GO Bond Fund, Fund 664; and

WHEREAS, it is necessary to amend the 2015 Capital Improvements Budget for purposes of creating and providing sufficient budget authority for the aforementioned expenditures; and

WHEREAS, it is necessary to transfer funds from the Sanitary Sewer Reserve Fund in the amount of \$397,747.35 for this project; 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 modify (Mod #2) the professional engineering services agreement with Chester Engineers, Inc. in connection with the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems project, at the earliest practicable 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 (Mod #2) the professional engineering services agreement with Chester Engineers, Inc., 88 East Broad Street, Suite 1980, Columbus, Ohio 43215, in connection with the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems project, in accordance with the terms and conditions as shown in the agreement 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 \$397,747.35 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 \$397,747.35 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer Bond Fund, Fund 664, into the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems Project, Project 650259-100001, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary in the following manner: Division 60-05 | OCA Code 650259 | Object Level 06 | Object Level Three 6676

SECTION 4. That the 2015 Capital Improvements Budget is hereby amended as follows:

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

650258-100001 | Facilities & Equipment Upgrade for WWST | \$739,000 | \$341,253 | (-\$397,748)
Move Authority to Match Cash

650259-100001 | JPWWTP Corrosion Prevention & Protective Coating Sys | \$0 | \$397,748 | (+\$397,748)

SECTION 5. That the Director of Public Utilities be and hereby is authorized to expend up to \$397,747.35 for the Jackson Pike Wastewater Treatment Plant Corrosion Prevention and Protective Coating Systems Project in the following

manner for the Div. 60-05 | Obj. Lvl 3 6676:

650259-100001 | JPWWTP Corrosion Prevention & Protective Coating Sys | 650259 | \$397,747.35

SECTION 6. That the said firm Chester Engineers, 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 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 8. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

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 \$397,747.35(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 12. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.