



Legislation Text

File #: 1253-2009, Version: 1

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to execute a planned contract modification (#3) for professional engineering services with DLZ Ohio, Inc. in connection with the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS); to authorize the appropriation and transfer of \$2,139,082.82 from the Sanitary Sewer Reserve Fund to the Voted Sanitary Sewer Bond Fund; to authorize the expenditure of \$2,139,082.82 from the Voted Sanitary Sewer Bond Fund; and to amend the 2009 Capital Improvements Budget.

The purpose of this Modification (#3) is to complete final design engineering services associated with implementing significant revisions to the design concept. Modification #1 authorized the completion of a new Design Report to fully evaluate the deep tunnel alternative. Modification #2 authorized the final design of the OARS deep tunnel facilities. Contingency funds were utilized to revise the alignment to the Moler Street Regulator side of the river, to complete the Value Engineering Workshop, and to complete the Surge Analysis. This Modification (#3) will allow for revision to the design scope to incorporate the recommendations of the Value Engineering Workshop, design modifications from the Surge Analysis, modifications based upon subsequent reviews, and implementing a two-phased construction contract approach for the project.

The original contract for DLZ Ohio, Inc. was for the design of Phase 1 of the OSIS Augmentation and Relief Sewer (OARS). The work included the design of a 15,000 foot long large diameter conduit via open-cut methods and other facilities and appurtenances to convey Combined Sewer flows from the vicinity of the Whittier Street Storm Standby Tanks south to the vicinity of the Jackson Pike Wastewater Treatment Plant.

Due to the large cost and long duration associated with the design of this project, the contract was established to be funded incrementally. The proposed modification amount is \$2,139,082.82 which includes a 10% contingency amount that will be utilized to fund any needed and approved changes in the work. One future modification is anticipated at this time for engineering services during construction. A summary of the design contract, legislation and ordinance dates and funding amounts is as follows:

1.1 Amount of additional funds to be expended: \$2,139,082.82

Original Contract Amount:	OARS Phase 1	\$ 5,622,070.00
Modification #1:	OARS Phase 2, 3 & 4	\$ 0.00
Modification #2:	OARS Phase 1 through 4	\$ 8,925,509.96
Modification #3: (Current)	OARS Revisions	\$ 2,139,082.82
Modification #4 (Future)	Eng. During Const	\$ TBD.00
Total (Orig. + Mod #1, Mod #2, Mod #3)		\$16,686,662.78

1.2 Reasons additional goods/services could not be foreseen.

This was a planned modification. The Department anticipates requesting additional appropriations to this contract for fiscal years 2010 through 2015, through planned contract modifications duly authorized by City Council. Under the terms of this contract, the City has the right to contract for additional services to fulfill emergency capital improvements related needs subject to the approval of a contract modification by City Council.

1.3. Reason other procurement processes are not used:

This modification provides costs to complete the detailed design and preparation of construction documents as part of the planned incremental funding.

1.4. How cost of modification was determined:

The scope of services and costs were negotiated with DLZ by the Administrator of the Division and the division's project manager.

2. MULTI-YEAR CONTRACT:

This ordinance will authorize the expenditure of \$2,139,082.82. The Department anticipates requesting additional appropriations to

this contract for the fiscal years 2010 through 2015, through planned contract modifications duly authorized by City Council. Under the terms of this contract, the City has the right to contract for additional services to fulfill emergency capital improvements related needs subject to the approval of a contract modification by City Council. The rates schedules established within this contract will remain in force throughout the life of the contract.

3. FISCAL IMPACT:

This ordinance authorizes the transfer and appropriate funds from the Sanitary Sewer Reserve Fund to the Voted Sanitary Sewer Bond Fund for this modification; to authorize the expenditure of \$2,139,082.82 from the Voted Sanitary Sewer Bond Fund; and amend the 2009 Capital Improvements Budget to establish sufficient budget authority for this ordinance. Monies for this contract from the Sanitary Sewer Reserve Fund will be provided from an upcoming Bond Sale via the transfer detailed in this Ordinance.

4. CONTRACT COMPLIANCE INFO: 31-1268980 | MBR | Expiration Date: 03/10/2011

5. Emergency Designation: No emergency designation is requested for this legislation

This legislation authorizes the Director of Public Utilities to execute a planned contract modification (#3) for professional engineering services with DLZ Ohio, Inc. in connection with the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS); to authorize the appropriation and transfer of \$2,139,082.82 from the Sanitary Sewer Reserve Fund to the Voted Sanitary Sewer Bond Fund; to authorize the expenditure of \$2,139,082.82 from the Voted Sanitary Sewer Bond Fund; and to amend the 2009 Capital Improvements Budget. (\$2,139,082.82)

WHEREAS, it is necessary to modify the professional engineering services contract with DLZ Ohio, Inc., for the sanitary project: Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS); to provide additional monies to cover implementing significant revisions to the design concept. This Modification (#3) will allow for revision to the design scope to incorporate the recommendations of the Value Engineering Workshop, design modifications from the Surge Analysis, modifications based upon subsequent reviews, and implementing a two-phased construction contract approach for the project in accordance with the Department's design requirements in an effort to ensure the continued operation of its sanitary system infrastructures; and

WHEREAS, City Auditor Contract No. EL005911 for \$5,622,070, was authorized by Ordinance No. 1354-2005, as passed February 27, 2006, executed March 22, 2006, and approved by the City Attorney on March 23, 2006, for the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS); and

WHEREAS, Modification #1, was authorized by Ordinance No. 0050-2007, as passed April 16, 2007. No money was involved in this modification as only a change in Scope took place; and

WHEREAS, Modification No. 2 for Contract No. EL007666 for \$8,925,509.96, was authorized by Ordinance No. 1569-2007, as passed November 12, 2007, executed January 16, 2008, and approved by the City Attorney on January 24, 2008 for the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS); and

WHEREAS, it is necessary to authorize the transfer and appropriation of funds from the Sanitary Sewer Reserve Fund to the Voted Sanitary Sewer Bond Fund for purposes of providing sufficient funding for the sanitary expenditure; and

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

WHEREAS, it is necessary to authorize an amendment the 2009 Amend Capital Improvement Budget for purposes of creating and providing sufficient budget authority for the aforementioned expenditure; and

WHEREAS, the City will sell notes or bonds to fund this project and will reimburse the Sanitary Sewer Reserve Fund the amount transferred; 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 Council authorize the Director

of Public Utilities to execute a planned contract modification to the professional services agreement with DLZ Ohio, Inc. for the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS; and to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Voted Sanitary Sewer Bond Fund; to authorize the expenditure of funds from the Voted Sanitary Sewer Bond Fund for purposes of providing sufficient funding for the aforementioned project expenditure; and to amend the 2009 Capital Improvements Budget; 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 Contract No. EL007666 with DLZ Ohio, Inc., 6161 Huntley Rd., Columbus, Ohio 43229-1003, for professional engineering services in connection with the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS), in accordance with the terms and conditions as shown in the contract modification 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, 2009, the sum of \$2,139,082.82 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 a total \$2,139,082.82 from the Sanitary Sewer Reserve Fund to the Voted Sanitary Sewer Bond Fund 664, into the Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS), Project 650704, at such time as deemed necessary by the Auditor, and to expend said funds, or so much thereof as may be necessary.

Section 4. That the appropriation and expenditure of \$2,139,082.82 or as much thereof as may be needed, is hereby authorized from the Voted Sanitary Sewer Bond Fund | Fund 664| Division 60-05| Project 650704 | OCA Code 664704 | Object Level Three 6676.

Section 5. That the 2009 Capital Improvements Budget, Ordinance No. 0806-2009, is hereby amended as follows, to provide sufficient budget authority for the execution of the contract stated herein:

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

650714-100000 | Richards/Granden/Torrence Area Relief | \$230,000| \$ 90,917 | (-\$139,083)

650704-100001 | Olentangy-Scioto Interceptor Sewer (OSIS) Augmentation and Relief Sewer (OARS) Project |\$2,000,000 | \$2,139,083 | (+\$ 139,083)

Section 6. That the said firm 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 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, 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 \$2,139,082.82 (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 9. 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 10. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

Section 11. 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 12. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.