



Legislation Text

File #: 1723-2015, Version: 1

- BACKGROUND:** This legislation authorizes the Director of Public Utilities to enter into a construction contract with Kenmore Construction Co., Inc. for the Jackson Pike Wastewater Treatment Plant (JPWWTP) Corrosion Prevention and Protective Coating Systems project, Phase 2 for the Division of Sewerage and Drainage. This construction contract, Contract J219 Corrosion Prevention and Protective Coating Systems Phase 2, consists of surface preparation and painting of process piping and equipment, pipe demolition, pipe insulation, repair of leaky concrete expansion joints and cracks, repair of stucco surfaces and other miscellaneous work for the designated areas of the Jackson Pike Wastewater Treatment Plant. All work shall be performed in accordance with the provisions, specifications and drawings. This is the second of three separate corrosion prevention construction contracts to be performed under this project. The third phase will be bid in 2016.
- PROJECT TIMELINE:** Contract work is required to be substantially completed within 270 days from the date that a Notice To Proceed (NTP) is given by the City and final completion within 300 days from the date that a Notice To Proceed (NTP) is given by the City.
- PROCUREMENT INFORMATION:** The Department of Public Utilities advertised for competitive bids for the JPWWTP Corrosion Prevention and Protective Coating Systems project, Ph. 2 in the City Bulletin in accordance with the overall provisions of Section 329 of Columbus City Codes. On May 27, 2015, one (1) firm submitted detailed proposal for this project to the Director of Public Utilities. The following company submitted a detailed proposal:

<u>Name</u>	<u>C.C. No./Exp. Date</u>	<u>City/State</u>	<u>Status</u>
Kenmore Construction	34-0802152 / 08/14/2016	Columbus, OH	MAJ

The bid was evaluated using the bid tab and quality factor forms and it was determined that the Kenmore Construction Company was the lowest responsive, responsible, and best bid.

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

- Contract Compliance No.:** 34-0802152 | MAJ | Exp. 08/14/2016
- Emergency Designation:** Emergency designation **is not** requested.
- 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 major 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.

7. **FISCAL IMPACT:** This ordinance authorizes the appropriation and transfer 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 \$2,934,800.00 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 enter into a construction contract with the Kenmore Construction Co., Inc. for Jackson Pike Wastewater Treatment Plant (JPWWTP) Corrosion Prevention and Protective Coating Systems project, Phase 2, Contract J219; 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 \$2,934,800.00 from the Sanitary Sewer General Obligation (G.O.) Bond Fund; and to amend the 2015 Capital Improvements Budget. (\$2,934,800.00)

WHEREAS, the Contract J219 Corrosion Prevention and Protective Coating Systems Phase 2, consists of surface preparation and painting of process piping and equipment, pipe demolition, pipe insulation, repair of leaky concrete expansion joints and cracks, repair of stucco surfaces and other miscellaneous work for the designated areas of the Jackson Pike Wastewater Treatment Plant; and

WHEREAS, it is necessary to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund

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 \$2,934,800.00 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, this legislation authorizes the Director of Public Utilities to enter into a construction contract with the Kenmore Construction Co., Inc. for the JPWWTP Corrosion Prevention and Protective Coating Systems project, Phase 2, Contract J219 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 enter into a construction contract with the Kenmore Construction Co., Inc., 808 Frank Road, Columbus, Ohio 43223 for the JPWWTP Corrosion Prevention and Protective Coating Systems project, Phase 2, Contract J219 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 \$2,934,800.00 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 \$2,934,800.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer Bond Fund, Fund 664, into the JPWWTP Corrosion Prevention and Protective Coating Systems project, Phase 2, Contract J219, 650259-100002, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary in the following manner: Division 60-05 | 645902 | Object Level 06 | Object Level Three 6630

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

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

650261-101000 | WWTF Professional Construction Management | \$8,330,000 | \$0 | (-\$8,330,000)

Only using \$2,934,800 in authority

650259-100002 | JPWWTP Corr Prev and Prot Coating Sys, Ph2, J219 | \$0 | \$2,934,800 | (+\$2,934,800)

SECTION 5. That the Director of Public Utilities be and hereby is authorized to expend up to \$2,934,800.00 for the JPWWTP Corrosion Prevention and Protective Coating Systems project, Phase 2, Contract J219 in the following manner for the Div. 60-05 | Obj. Lvl 3 6630:

650259-100002 | JPWWTP Corrosion Prevention and Protective Coating Systems project, Phase 2, Contract J219 | 645902 | \$2,934,800.00

SECTION 6. That the said firm, Kenmore Construction Company, 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 \$3,118,000.00(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 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.