



Legislation Text

File #: 1813-2015, Version: 1

1. **BACKGROUND:** This legislation authorizes the Director of Public Utilities to enter into a planned modification (Mod #3) of an existing professional engineering agreement with URS Corporation Design for the Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk (BWARI -Lockbourne Subtrunk), CIP 650491-100002. It should be noted that items a through d listed below are additional tasks that were added to the planned modification for engineering services during construction. It was requested that these items be added as a potential construction cost savings measure.

This contract modification authorizes the following:

- a. Conduct a Value Engineering (VE) study of the project.
- b. Make any plan, specification or Geologic Baseline Report (GBR) changes required/recommended from the VE process.
- c. Completion of an independent construction cost estimate.
- d. Evaluate gravity connection options for Rickenbacker lift station 904 to the future Lockbourne Intermodal Sewer (LIS) subtrunk.
- e. Complete the required Permits to Install (PTI) permits.
- f. Conduct the first 12 months of engineering services during construction as detailed in the attached scope document.

2. **PROJECT MODIFICATION: Amount of additional funds to be expended: \$1,104,972.92**

2.1	Original Contract	
	\$3,865,122.72	
	Modification # 1	\$1,326,630.00
	Modification #2	\$
	623,354.44	
	<u>Current Modification #3</u>	<u>\$1,104,972.92</u>
	TOTAL	\$6,920,080.08

Added Future Modification # 4	<u>\$1,000,000.00</u>
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(for the remainder of the Engineering Services During Construction)

This modification has been added because it was determined that the original estimate for engineering services during construction was based on 12 months instead of the anticipated 30 month construction schedule.

Current Proposed Future Cost	\$7,920,080.08
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2.2 **Reasons additional goods/services could not be foreseen:**

This was a planned and anticipated modification. Ordinance 2011-2012, passed by City Council on October 15, 2012, stated that a proposed future modification of \$1,000,000 which was anticipated to cover the cost of engineering services during construction. However, this modification has been increased to \$1,104,972.92, as presented in this ordinance; to not only cover the first 12 months of engineering services during construction, but also for an additional Value Engineering study, any potential project plan or GBR changes, the completion of an independent construction cost estimate and additional engineering to evaluate the future connection of lift station 904 to the subtrunk sewer. The estimated cost of these additional services is

(including all subs) is \$344,904.32 which would leave \$760,068.60 for the first 12 months of engineering services during construction.

The VE study is intended to validate the design and determine if there are any cost or construction time saving measures that could be implemented before the project is bid. Additionally, a future Modification #4 for \$1,000,000 is proposed to cover the final 18 months of engineering services during construction.

2.3 Reason other procurement processes are not used:

Re-bid of the project under the new requirements may result in higher project costs since much of the project history would have to be rediscovered by another consultant. In such a case, we would have significant time delays in acquiring and evaluating the new proposals without significant benefit.

2.4 How cost of modification was determined:

The costs of Mod #3 were determined by negotiations between URS and DOSD.

- 3. PROJECT TIMELINE:** Value engineering/constructability services, initial construction services (during October 2016 through March 2017), and an independent construction cost estimate for the LIS. These services would begin in October, 2015 and extend through March, 2017 (18 months total).

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

- 4. Contract Compliance No.:** 34-1709349 | MAJ | Exp. 03/16/2017
- 5. JUSTIFICATION FOR EMERGENCY DESIGNATION:** Emergency designation **is requested** at this time.

A portion of this modification is to add a Value Engineering (VE) study task to the design of the project. The VE study is intended to validate the design and determine if there are any cost or construction time saving measures that could be implemented before the project is bid. Due to insufficient funds remaining in the design contract to complete the VE task, it has been added to the planned engineering services during construction modification. In order to have time to incorporate any plan alterations the VE may recommend and maintain our construction advertisement date we are requesting emergency legislation so the work can begin as soon as possible.

- 6. ECONOMIC IMPACT:** This project is to be undertaken as part of the JEDD (Joint Economic Development District) the City of Columbus entered into with Harrison Township and the Village of Ashville which will allow for the development of the Intermodal Facility and the 936+ acre area surrounding it.
- 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 \$1,104,972.92 from the G.O. Bond Fund, Fund 664; and to amend the 2015 Capital Improvements Budget to provide 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.

This legislation authorizes the Director of Public Utilities to enter into a planned modification of a professional engineering services agreement with URS Corporation Design for the Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk; to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund and to authorize the expenditure of \$1,104,972.92 from the Sanitary Sewer General Obligation (G.O.) Bond Fund; and to amend the 2015 Capital Improvements Budget to provide sufficient budget authority; and declare an emergency. (\$1,104,972.92)

WHEREAS, Contract No. EL006629 was authorized by Ordinance No. 1894-2006, as passed by Columbus City Council

on November 20, 2006 for the purpose of authorizing the Director of Public Utilities to enter into a contract for professional engineering services with URS Corporation for the Lockbourne Intermodal Sewer project; this contract was executed December 12, 2006, and was approved by the City Attorney on December 19, 2006 in the amount of \$3,865,122.72; and

WHEREAS, Contract No. EL010919 for \$1,326,630.00 was authorized by Ordinance 0879-2010, passed by City Council on July 19, 2012; executed by the Director of Public Utilities on September 14, 2010; and approved by the City Attorney on September 16, 2010; and

WHEREAS, Contract No. EL013642 for \$623,354.44 was authorized by Ordinance 2011-2012, passed by City Council on October 15, 2012; executed by the Director of Public Utilities on November 16, 2012; and approved by the City Attorney on November 20, 2012; and certified by the City Auditor on November 27, 2012; and

WHEREAS, this modification is to add a Value Engineering (VE) study task to the design of the project; and

WHEREAS, VE study is intended to validate the design and determine if there are any cost or construction time saving measures that could be implemented before the project is bid; 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 authorize an amendment to the 2015 Capital Improvements Budget to provide sufficient budget authority for this ordinance; and

WHEREAS, it is necessary to transfer funds from the Sanitary Sewer Reserve Fund in the amount \$1,104,972.92 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 aggregate principal amount of obligations which the City will issue to finance this modification is presently expected to not exceed \$1,104,972.92; 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, an emergency exists in the usual daily operations of the Division of Sewerage and Drainage, Department of Public Utilities, in that it is immediately necessary for this Council to authorize the Director of Public Utilities to enter into a planned contract modification (Mod #3) an existing professional engineering agreement with URS Corporation Design for the Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk (BWARI -Lockbourne Subtrunk) 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 an existing engineering agreement with URS Corporation Design, 277 West Nationwide Blvd., Columbus, Ohio 43215 for the Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk 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 \$1,104,972.92 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 \$1,104,972.92 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer Bond Fund, Fund 664, into the Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk (BWARI - Lockbourne Subtrunk, 650491-100002, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary in the following manner: Division 60-05 | 644912 | 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)

650360-100001 | WWTP Upgrade General Program | \$1,976,858 | \$871,886 | (-\$1,104,973)

650491-100002 | BWARI - Lockbourne Subtrunk | \$2,000,000 | \$3,104,973 | (+\$1,104,973)

SECTION 5. That the Director of Public Utilities be and hereby is authorized to expend up to \$1,104,972.92 for the Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk in the following manner for the Div. 60-05 | Obj. Lvl 3 6676:

650491-100002 | Big Walnut Augmentation / Rickenbacker Interceptor-Lockbourne Subtrunk | 644912 | \$1,104,972.92

SECTION 6. That the said firm, URS Corporation Design, 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 \$1,104,972.92 (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 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 13. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure which shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.