



Legislation Text

File #: 1750-2023, Version: 1

**1. BACKGROUND**

This ordinance authorizes the Director of Public Utilities to enter into a construction contract with Insituform Technologies LLC for the Near North & East-Phase 2-Iuka Park Project, CIP #650725-100017, in an amount up to \$4,937,261.40, and to encumber funds with the Department of Public Service for prevailing wage services in an amount up to \$2,000.00 for the project.

The work consists of rehabbing over 7,000 feet of large diameter combined sewer located at near north at Iuka Park area, and other such work as may be necessary to complete the contract, in accordance with the drawings, technical specifications, and City of Columbus Construction and Material specifications.

The Community Planning Area is “44 - University District”.

**TIMELINE:** All contract work is required to be completed in a manner acceptable to the City within 365 days from the date that a Notice To Proceed (NTP) is given by the City. The Notice To Proceed is anticipated to be issued in August 2023.

**ESTIMATED COST OF PROJECT:** The bid amount and proposed award amount is \$4,937,261.40, including a 20% construction contingency amount that will be utilized to fund needed and approved changes in the work. No contract modifications are anticipated at this time; however, construction exigency might later compel modification of this contract, if unforeseen difficulties are encountered.

Cost summary:

Original Contract	\$ 4,937,261.40
Future Anticipated Needs	\$ 0.00
Prevailing Wage Services	\$ 2,000.00
<b>CONTRACT TOTAL</b>	<b>\$ 4,939,261.40</b>

**2. ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT**

This project will rehab over 7,000 feet of large combined sewer to extend the sewer lifetime and to mitigate the sanitary sewer overflows to basement by reducing the inflow and the infiltration into the sewer system.

**3. CONSTRUCTION CONTRACT AWARD**

An Invitation for Bids for the Near North & East-Phase 2-Iuka Park Project was advertised on the Vendor Services and Bid Express websites from 3/15/23 through 4/19/23. Two bids were received for the project and were opened on 4/19/23. The following companies submitted bids:

<u>Company</u>	<u>Bid Amount</u>	<u>Compliance Number</u>	<u>ODI Status</u>
Insituform Technologies LLC	\$4,937,261.40	CC000636	MAJ
Inliner Solutions LLC	\$5,981,281.20	CC000027	MAJ

The Insituform Technologies LLC bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$4,937,261.40.

**4. CONTRACT COMPLIANCE INFORMATION**

Insituform Technologies LLC’s contract compliance number is CC000636 and expires 3/31/2025.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Insituform Technologies LLC.

**5. MINORITY AND WOMAN OWNED BUSINESS ENTERPRISE & SMALL LOCAL BUSINESS ENTERPRISE PROGRAM**

This contract was bid with an anticipated City of Columbus MBE/WBE Program goal of 5% as assigned by the City’s Office of Diversity and Inclusion (ODI). After ODI’s review of the Utilization Plan and other related information the contractor submitted with their bid response, ODI has approved an MBE/WBE Program goal of 0% for this contract.

As part of their proposal, Insituform Technologies LLC has proposed the following subcontractors to perform contract work:

<u>Company Name</u>	<u>City/State</u>	<u>ODI Certification Status</u>
Metropolitan Environmental Services	Hilliard, OH	MAJ
Brenneman Excavating	Elida, OH	MAJ
Structured Solutions		Union City, IN
UNKNOWN		

The certification of Insituform Technologies LLC and of the above companies, except for Structured Solutions, was in good standing at the time the bid was awarded. Structured Solutions was not found on the City’s Vendor Service website and will need to register before a contract may be executed.

**6. PRE-QUALIFICATION STATUS**

Insituform Technologies LLC and all subcontractors have met code requirements with respect to pre-qualification, pursuant to relevant sections of Columbus City Code Chapter 329.

**7. FISCAL IMPACT**

The construction portion of this project is anticipated to be financed with a loan from the Water Pollution Control Loan Fund (WPCLF). City Council authorized this loan application and acceptance of funding via Ordinance 3120-2022, passed by Council on 12/12/22.

Funds will need to be appropriated within the Sanitary Sewer Reserve Fund, Fund 6102, transferred to the Sanitary Revolving Loan Fund, Fund 6111, and then appropriated again in order to fund this expenditure. This transaction is a temporary measure that is required until such time as the division is able to execute a loan with the WPCLF and reimburse the Sanitary Sewer Reserve Fund. The loan is expected to be approved in July, 2023.

Funds in the amount of \$2,000.00 are appropriated and available within the Sanitary Bond Fund, Fund 6109, to pay the Department of Public Service to provide prevailing wage services for this project. An amendment to the 2023 Capital Improvement Budget is necessary to align budget authority with the proper project.

To authorize an amendment to the 2023 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Revolving Loan Fund; to authorize the appropriation of funds within the Sanitary Revolving Loan Fund; to authorize the Director of Public Utilities to enter into a construction contract with Insituform Technologies LLC for the Near North & East-Phase 2-Iuka Park Project; and to authorize the expenditure of up to \$4,939,261.40 from the Sanitary Revolving Loan Fund and the Sanitary Bond Fund to pay for the project. (\$4,939,261.40)

**WHEREAS**, the Department of Public Utilities is engaged in the Near North & East-Phase 2-Iuka Park Project; and

**WHEREAS**, two bids for the Near North & East-Phase 2-Iuka Park Project were received and publicly opened in the offices of the Director of Public Utilities on April 19, 2023; and

**WHEREAS**, the lowest, best, most responsive and responsible bid was from Insituform Technologies LLC in the amount of \$4,937,261.40; and

**WHEREAS**, it is necessary to authorize an amendment to the 2023 Capital Improvements Budget for the purpose of providing sufficient budget authority for the aforementioned project expenditures; and

**WHEREAS**, it is necessary to both appropriate funds from the Sanitary Sewer Reserve Fund and to authorize the transfer of said funds into the Sanitary Revolving Loan 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 Sanitary Sewer Reserve Fund; and

**WHEREAS**, the funds transferred into the Sanitary Revolving Loan Fund must be appropriated; 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**, it is necessary to authorize the Director to enter into a construction contract with Insituform Technologies LLC for the project; and

**WHEREAS**, it is necessary to authorize an expenditure of funds from the Sanitary Revolving Loan Fund to pay for the project; and

**WHEREAS**, it is necessary to expend funds from the Sanitary Bond Fund, Fund 6109, to provide for payment of prevailing wage services associated with said project; **now, therefore**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the 2023 Capital Improvement Budget authorized by Ordinance 1711-2023 be amended as follows to establish sufficient budget authority for this project:

**Fund / Project Number / Project Name (Funding Source) / Current Authority/ Revised Authority / Change**

6111 / 650725-100017 / Near North & East-Phase 2-Iuka Park (WPCLF/OWDA Loan) / \$0.00 / \$4,937,261.40 / \$4,937,261.40 (To match amount to be borrowed from the loan fund)

6109 / 650725-100027 / Scioto Main North Large Diameter Sewer Rehabilitation (Voted Sanitary Carryover) / \$150,000.00 / \$148,000.00 / (\$2,000.00)

6109 / 650725-100017 / Near North & East-Phase 2-Iuka Park (Voted Sanitary Carryover) / \$0.00 / \$2,000.00 / \$2,000.00

**SECTION 2.** That from the unappropriated monies 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, 2023, the sum of \$4,937,261.40 is appropriated in the Sanitary Reserve Fund, Fund 6102, per the account codes in the attachment to this ordinance.

**SECTION 3.** That the transfer of \$4,937,261.40, or so much thereof as may be needed, is hereby authorized between the Sanitary Reserve Fund, Fund 6102, and the Sanitary Revolving Loan Fund, Fund 6111, per the account codes in the attachment to this ordinance.

**SECTION 4.** That the appropriation of \$4,937,261.40, or so much thereof as may be needed, is hereby authorized in the Sanitary Revolving Loan Fund, Fund 6111, per the accounting codes in the attachment to this ordinance.

**SECTION 5.** That the Director of Public Utilities is hereby authorized to enter into a construction contract for the Near North & East-Phase 2-Iuka Park Project with Insituform Technologies LLC, 580 Goddard Avenue, Chesterfield, MO 63005, in an amount up to \$4,937,261.40, in accordance with the terms and conditions of the contract on file in the Department of Public Utilities; and to obtain the necessary prevailing wage services from the Department of Public Service in an amount up to \$2,000.00.

**SECTION 6.** That the expenditure of \$4,939,261.40, or so much thereof as may be needed, is hereby authorized to pay for this contract and for the Department of Public Service to provide prevailing wage services for the contract, per the accounting codes in the attachment to this ordinance.

**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 Reserve Fund the amount transferred under Section 3 above, and said funds are hereby deemed appropriated for such purpose.

**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 \$4,937,261.40 (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 the Sanitary Reserve Fund, Fund 6102, which is the fund from which the advance for costs of the Project will be made.

**SECTION 9.** Funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

**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 the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account 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.

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