



## Legislation Text

File #: 0005-2011, Version: 1

### 1. **BACKGROUND:**

A. **Need.** This legislation authorizes the Director of Public Utilities to modify the construction contract with Crace Construction Company, Inc. for the Southerly Wastewater Treatment Plant Digester Rehabilitation Project. The Crace Construction Company, Inc. modification amount requested under this ordinance is \$472,884.00. The contract total including this modification is \$37,255,145.00. These additional monies will fund the Final Payment of this contract, which includes all RFPs and other associated costs to the contract work that have become necessary to complete the Digester Rehabilitation construction, the total of which would exceed the contract contingency amount. Additional funds are required due to an error in closing out the project loan funds too early; the funds requested are not cumulative to the total project cost since they were procured under Modification 2.

The proposed contract modification provides authorization for needed monies for any anomalies in the current and future work that may become evident as the work progresses for the S66 contract. It is not deemed either feasible or reasonable to suspend work with the entity currently under contract and undertake continuation of these services with another procurement. The Division has determined that these services cannot be performed by City personnel at this time, and has planned for the procurement of these services on a routine basis.

The original contract with Crace Construction Company, Inc. was for the Southerly Waste Water Treatment Plant facilities for the rehabilitation of the six existing sludge digester tanks; construction of three new sludge digester tanks; installation of new process equipment including piping, valves, pumps, grinders, mixing systems, and boilers; rehabilitation of the existing Sludge Control Building; and demolition of process facilities that are to be replaced or are no longer needed.

#### **1.1. Amount of additional funds to be expended: \$472,884.00**

Original Contract	\$32,940,400.00
Modification No. 1	\$ 2,000,577.00
Modification No. 2	\$ 2,499,619.00
Modification No. 2 Reduction	\$ 658,335.00
Modification No. 3	<u>\$ 472,884.00</u>
CURRENT PROPOSED TOTAL	\$37,255,145.00

#### **1.2. Reasons additional goods/services could not be foreseen:**

This Contract Modification No. 3 was planned was planned that this contract could be modified to provide needed monies, if necessary, for any anomalies in the work which may become evident as the work progresses. It is a planned continuation of the services originally included within the existing contract's scope of service.

#### **1.3. Reason other procurement processes are not used:**

The funding provided by this contract modification is for continuation of the existing work of the contract. It is not reasonable or cost effective to undertake a new procurement to acquire these services.

#### **1.4. How cost of modification was determined:**

The cost of this contract modification updates the direct labor, overhead, and profit rates from the original proposal. This is the proposed final payment, which includes all RFP's and other associated costs to the contract work that have become necessary to complete the Digester Rehabilitation construction project.

B. **Contract Compliance No.:** 31-0957857 | MAJ. | Expiration 01/13/2013

C. **Emergency Designation:** Emergency designation is requested.

2. **FISCAL IMPACT:**

This ordinance authorizes the transfer within and expenditure \$472,884.00 of funds from the Sanitary Sewer Build America Bond (B.A.B.'s) Fund for this expenditure, to amend the 2010 Capital Improvements Budget to provide sufficient funding and budget authority for this ordinance.

This legislation authorizes the Director of Public Utilities to modify a contract with Crace Construction Company, Inc. for the Southerly Wastewater Treatment Plant Digester Rehabilitation Project; to authorize the transfer within and expenditure of \$472,884.00 from within the Sanitary Sewer Build Bonds (B.A.B's) Fund; to amend the 2010 Capital Improvements Budget, for the Division of Sewerage and Drainage, and declare an emergency. (\$472,884.00)

**WHEREAS**, this legislation authorizes the Director of Public Utilities to enter a construction contract modification with Crace Construction Company, Inc. for the Southerly Wastewater Treatment Plant Digester Rehabilitation Project; and

**WHEREAS**, the Division of Sewerage and Drainage engineering personnel have determined that it is necessary to enter into a construction contract modification with Crace Construction Company, Inc., in order to complete the Southerly Waste Water Treatment Digester Rehabilitation Project; and

**WHEREAS**, it is necessary to modify this contract to provide additional monies to cover the final payment of the project cost which exceeds the available contingency amounts provided in the contract, pursuant to completion of the Digester Rehabilitation construction; and

**WHEREAS**, original Contract No. EL005858 was authorized by ordinance 2180-2005, passed by City Council February 06, 2006, executed on March 03, 2006, and approved by the City Attorney on March 07, 2006; and

**WHEREAS**, original Contract Modification #1, No. EL008681 was authorized by ordinance 1115-2008, passed by City Council July 28, 2008, executed on September 18, 2008, and approved by the City Attorney on September 18, 2008; and

**WHEREAS**, original Contract Modification #2, No. EL009029 was authorized by ordinance 1874-2008, passed by City Council December 8, 2008, executed on January 12, 2009, and approved by the City Attorney on January 21, 2009; and

**WHEREAS**, it is necessary to authorize the transfer within and expenditure of funds from the Sanitary Sewer Build America Bond Fund to provide sufficient funding for the aforementioned project expenditure; and

**WHEREAS**, it is necessary to authorize an amendment to the 2010 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditure; and

**WHEREAS**, an emergency exist in the usual operation of the Division of Sewerage and Drainage, Department of Public Utilities in that it is immediately requesting that this Council authorize the Director of Public Utilities to execute a construction contract modification with Crace Construction Company, Inc. for the Southerly Wastewater Treatment Plant Digester Rehabilitation Project, for the immediate preservation of the public health, welfare, peace, property, and safety; **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 into a contract modification with Crace Construction Company, Inc., 1920 Dexter Avenue, Cincinnati, Ohio 45206 for construction of the Southerly Wastewater Treatment Plant Digester Rehabilitation Project, Construction Contract S66 in order to provide for needed additions to the contract and final payment in accordance with the terms and conditions as shown in the modification on file in the office of the Division of Sewerage and Drainage.

**Section 2.** That the City Auditor is hereby authorized to transfer of \$472,884.00\_ within the Sanitary Sewer Build America Bond Fund | Fund No. 668 | Obj Lvl Three 6630 | Division of Sewerage and Drainage | Div. 60-05:

**From:**

**Proj. No. | Proj. Name | OCA | Amount**

650361-100002 | WWTF Construction Management | 652361 | -\$472,884.00

**To:**

**Proj. No. | Proj. Name | OCA | Amount**

650353-100000 | SWWTP Digester Rehabilitation | 665353 |+\$472,884.00

**Section 3.** That the 2010 Capital Improvements Budget Ordinance No.0564-2010 is hereby amended as follows, to provide sufficient budget authority for the award of the agreement stated herein.

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

650361-100002 | WWTF Construction Management | \$490,041 | \$17,157 | (-\$472,884)

650353-100000 | SWWTP Digester Rehabilitation | \$300,000 | \$772,884 | (+\$472,884)

**Section 4.** That for the purpose of paying the cost of the construction contract modification, the expenditure of \$472,884.00, or as much thereof as may be needed, is hereby authorized from the Sanitary Sewer Build America Bond Fund | Fund No. 668| Division 60-05 | Project No. 650353-100000 | 668353 | Object Level 6630.

**Section 5.** That the said construction company, Crace Construction Company, Inc. shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Sewerage and Drainage.

**Section 6.** 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 7.** That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

**Section 8.** 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 9.** 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.