



## Legislation Text

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**File #: 0468-2010, Version: 1**

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**1. BACKGROUND:** This legislation authorizes the Director of Public Utilities to enter into a construction contract with Utilicon Corporation, in the amount of \$992,949.10, for the Long Street Water Main Cleaning and Lining Project, Division of Power and Water Contract Number 1016. This legislation will also authorize the appropriation and expenditure of said funds from the Ohio Water Development Authority (OWDA) Fund.

This project provides for general rehabilitation of approximately 8,000 linear feet of 24-inch water main in Long Street. The water line will be mechanically cleaned and a cement mortar lining will be applied to the interior of the pipe. The purpose of the project is to improve flow and water quality conditions as well as extend the useful life of the main. The project is planned on Long Street, from Fourth Street, to Governors Place/Champion Avenue.

**2. CONSTRUCTION CONTRACT AWARD:** The Director of Public Utilities publicly opened two bids on March 10, 2010. Bids were received from: Utilicon Corporation - \$992,949.10 and Terrace Construction Company - \$1,144,246.80.

The lowest bid was from Utilicon Corporation in the amount of \$992,949.10. Their Contract Compliance Number is 34-1263338 (expires 9/15/11, Majority). Additional information regarding both bidders, description of work, contract time frame and detailed amounts can be found on the attached Legislation Information Form.

**3. FISCAL IMPACT:** This Ordinance authorizes the City Auditor to appropriate and transfer funds from the Water System Reserve Fund to the Ohio Water Development Authority (OWDA) Fund in order to fund this proposed expenditure. This transaction is a temporary measure that is required until such time as the Division is able to execute a loan with the Ohio Water Development Authority (OWDA) and reimburse the Water System Reserve Fund. The loan is expected to be approved on Thursday, March 25, 2010. An amendment to the 2009 Capital Improvements Budget is also necessary.

**4. EMERGENCY DESIGNATION:** It is requested that this Ordinance be handled in an emergency manner as the project needs to be completed this construction season to avoid conflicts with other projects within the same construction area. Additionally, this project cannot be completed in the winter months due to temporary water mains being installed.

To authorize the Director of Public Utilities to execute a contract with Utilicon Corporation for the Long Street Water Main Cleaning and Lining Project; for the Division of Power and Water; to authorize the appropriation and transfer of \$992,949.10 from the Water System Reserve Fund to the Ohio Water Development Authority (OWDA) Fund; to authorize the appropriation and expenditure of \$992,949.10 from the Ohio Water Development Authority (OWDA) Fund; to authorize an amendment to the 2009 Capital Improvements Budget; and to declare an emergency. (\$992,949.10)

**WHEREAS**, two bids for the Long Street Water Main Cleaning and Lining Project were received and publicly opened in the offices of the Director of Public Utilities on March 10, 2010; and

**WHEREAS**, the lowest and best bid was from Utilicon Corporation in the amount of \$992,949.10; and

**WHEREAS**, it is necessary to authorize the Director of the Department of Public Utilities to award and execute a construction for the Long Street Water Main Cleaning and Lining Project; and

**WHEREAS**, it is immediately necessary to both appropriate funds from the Water System Reserve Fund and to authorize the transfer of said funds into the Ohio Water Development Authority (OWDA) 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 Water System 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 construction of the Project described in this Ordinance (collectively, the "Project"); and

**WHEREAS**, the aggregate principal amount which the City will issue to finance this phase of the project is presently expected not to exceed \$992,949.10; and

**WHEREAS**, it is necessary to appropriate the proceeds from the aforementioned loan, to authorize the expenditure of funds required to award the subject contract, and to provide the requisite budget authority for said award; and

**WHEREAS**, it is necessary to authorize an amendment to the 2009 Capital Improvements Budget for purposes of providing sufficient funding and expenditure authority for the aforementioned project expenditure; and

**WHEREAS**, an emergency exists in the usual daily operation of the Division of Power and Water, Department of Public Utilities, in that it is immediately necessary to authorize the Director of Public Utilities to enter into a construction contract with Utilicon Corporation for the Long Street Water Main Cleaning and Lining Project, to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Ohio Water Development Authority (OWDA) Fund, for the immediate preservation of the public health, 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 award and execute a construction contract for the Long Street Water Main Cleaning and Lining Project with the lowest and best bidder, Utilicon Corporation, 888 E. 70<sup>th</sup> Street, Cleveland, Ohio 44103; in the amount of \$992,949.10; in accordance with the terms and conditions of the contract on file in the Office of the Division of Power and Water.

**SECTION 2.** That from the unappropriated monies in the Water System Reserve Fund 603, 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, 2010, the sum of \$992,949.10 is hereby appropriated to the Division of Power and Water, Division 60-09, Object level One 10, Object level Three 5502, OCA 695056.

**SECTION 3.** That the City Auditor is hereby authorized to transfer \$992,949.10 to the Ohio Water Development Authority (OWDA) Fund, Fund No. 616, into the appropriate project accounts as specified within Section 4 herein, at such time as deemed necessary by him, and to expend said funds, or so much thereof as may be necessary.

**SECTION 4.** That for the purpose of paying the cost of the Ohio Water Development Authority (OWDA) Fund Eligible Items within the Long Street Water Main Cleaning and Lining Project, and funds from the unappropriated monies in Fund 616, the amount of \$992,949.10 is hereby appropriated and to be expended by the Division of Power and Water, Division 60-09, Fund No. 616, Object Level One 06, Object Level Three 6629, OCA Code 616368, Project No. 690368-100000.

**SECTION 5.** That the 2009 Capital Improvements Budget is hereby amended as follows:

**Fund No. | Project No. | Project Name | Current Authority | Revised Authority | change**

606	690368-100000 (new funding)	Long St. W.L. Cleaning	\$1,750,000	\$0	-\$1,750,000 (authority not needed in this fund)
616	690368-100000 (new funding)	Long St. W.L. Cleaning	\$0	\$992,950	+\$992,950

**SECTION 6.** That upon obtaining other funds for the purpose of funding water system capital improvement work, the City Auditor is hereby authorized to repay the Water System Reserve Fund the amount transferred under Section 3 above, and said funds are hereby deemed appropriated for such purpose.

**SECTION 7.** That said construction company shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Power and Water.

**SECTION 8.** 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 9.** That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

**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 for reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is declared to be an emergency measure and 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.