



Legislation Text

File #: 1765-2015, Version: 1

1. **BACKGROUND:** This legislation authorizes the Director of Public Utilities to modify (Mod #1) an existing engineering agreement with Evans Mechart Hambleton & Tilton (EMHT) Inc. for the Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C for the Division of Sewerage and Drainage. The design consultant shall provide all engineering services during construction including, but not limited to: attendance at all construction kickoff, progress, and disputes review board meetings, submittal review, response to requests for information from contractors, preparation of requests for proposals, claims and change order review, coordination of well dewatering response plan, and record plan production.

Project Modification Data: Amount of additional funds to be expended: \$1,714,133.90

1.1 Original Contract	\$2,137,198.16
Modification # 1	\$5,706,025.31
Current Modification #2	<u>\$1,714,133.90</u>
TOTAL	\$9,557,357.37
Future Modification	<u>\$3,000,000.00</u>
Future Modification Total	\$12,557,357.37

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

Contract modification was planned and anticipated, and so stated in the original contract's legislation. It should be noted that the "Future Proposed Contract Modification" amount referenced in the previously executed legislation modifying this contract was in error by not including all future contract modification dollars known at that time.

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

Given the highly technical nature of the project and the specialized knowledge of the project area required to complete the services, it would be more costly to solicit proposals for completions of the services by other parties.

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

Estimates were provided by the consultant for the number of hours needed to complete the portions of the work assigned. Costs were generated using revised hourly rates from those provided in the previous contract modification.

2. **PROJECT TIMELINE:** Contract services shall extend through the duration of the construction process, which will conclude in 2020.

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

3. **Contract Compliance No.:** 31-0685594 | MAJ | Exp. 08/02/2015

4. **Emergency Designation:** Emergency designation **is not** requested.

5. ECONOMIC IMPACT: This tunnel project will construct a new gravity sanitary sewer which will provide service to the rapidly expanding New Albany area. Additional customers will keep sewer rates low, and the gravity sewer will allow for eventual elimination of the pump stations within Jefferson Township, thereby lowering operating costs. Several public meetings have been conducted soliciting property owner feedback within the project area.

6. 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 \$1,714,133.90 from the G.O. Bond Fund, Fund 664 sufficient budget authority already exist 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 to modify a professional engineering services agreement with EMHT Inc. for the Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C; 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 \$1,714,133.90 from the Sanitary Sewer General Obligation (G.O.) Bond Fund. (\$1,714,133.90)

WHEREAS, This tunnel project will construct a new gravity sanitary sewer which will provide service to the rapidly expanding New Albany area; and

WHEREAS, design consultant shall provide all engineering services; and

WHEREAS, Contract No. EL007221 for \$2,137,198.16 was authorized by Ord. No. 0663-2007, passed June 11, 2007; executed by the Director on August 16, 2007, and signed by the City Attorney on August 21, 2007, and

WHEREAS, Contract No. EL013173 for \$5,706,025.31 was authorized by Ord 1006-2012, passed June 11, 2012; executed by the Director on July 23, 2012, approved by the City Attorney on July 30, 2012, and certified by the Auditor's office July 31, 2012; 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 transfer funds from the Sanitary Sewer Reserve Fund in the amount \$1,714,133.90 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 EMHT Inc. for the Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C 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 (Mod #1) an existing engineering agreement with EMHT Inc., 5500 New Albany Road, Columbus, Ohio 43054 for the Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C 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 \$1,714,133.90 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 \$1,714,133.90 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer Bond Fund, Fund 664, into the Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C, 650034-100006, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary in the following manner: Division 60-05 | 643406 | Object Level 06 | Object Level Three 6676

SECTION 4. That the Director of Public Utilities be and hereby is authorized to expend up to \$1,714,133.90 for the Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C in the following manner for the Div. 60-05 | Obj. Lvl 3 6676:

650034-100006 | Blacklick Sanitary Intercept Sewer, Section 6, Parts B&C | 643406 | \$1,714,133.90

SECTION 5. That the said firm, EMH&T Inc., shall perform 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 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 10. 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 \$1,714,133.90 (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 11. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

