



Legislation Text

File #: 2157-2023, **Version:** 1

1. BACKGROUND

This ordinance provides \$300,000.00 to prevent construction inspection and administration deficits for capital improvement projects within the Department of Public Service.

Construction inspection and administration funding is normally approved by Council when the construction costs are legislated for the project and the funds are then available throughout the time it takes to complete the project. Inspection and administration costs are estimated by taking a percentage of the construction cost. Occasionally the funds set-up for this cost are insufficient to last through project completion. Projects may require additional construction inspection and administration funds for varying reasons including project unforeseen conditions, weather, construction change orders, etc. It is then necessary to request additional funding for the remaining inspection costs.

The funds requested by this ordinance are typically used to supplement inspection and administration costs on projects that would have incurred a small deficit without the availability of these funds. The Department of Public Service usually performs an assessment of the remaining funding for inspection and administration for all projects two times a year. Separate legislation is submitted requesting Council approval for additional construction inspection and administration funds for projects that are projected to run large deficits before the completion of construction.

2. FISCAL IMPACT

This is a budgeted expense in the amount of \$300,000.00 in the Department of Public Service's 2023 Capital Improvement Budget, Fund 7704, the Streets and Highways Bond Fund, Project 530161-100071 (Roadway Improvements - Miscellaneous Construction Inspection). Funds are appropriated.

To authorize the establishment of an Auditor's Certificate for construction inspection and administration fees; and to authorize the expenditure of up to \$300,000.00 from the Streets and Highways Bond Fund for the purpose of providing sufficient funding for construction inspection and administration services on Public Service projects. (\$300,000.00)

WHEREAS, capital improvement projects undertaken by the Department of Public Service within the City of Columbus generally include an inspection and administration component; and

WHEREAS, the amount encumbered for inspection and administration is ordinarily an estimate based on the project's construction expense; and

WHEREAS, the actual amounts charged are subject to many variables including but not limited to unforeseen conditions, weather, construction change orders, and so on; and

WHEREAS, it is necessary to establish an Auditor's Certificate for projects that exceed the funds originally set-up in legislation for construction inspection and administration; **now, therefore**

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

SECTION 1. That the City Auditor is authorized to establish an Auditor's Certificate totaling \$300,000.00 for the payment of construction inspection and administration fees.

SECTION 2. That the expenditure of \$300,000.00, or so much thereof as may be needed, is hereby authorized in Fund 7704 (Streets and Highways Bond Fund), Dept-Div 5912 (Design and Construction), Project P530161-100071 (Roadway

Improvements - Miscellaneous Construction Inspection), in Object Class 06 (Capital Outlay) per the accounting codes in the attachment to this ordinance.

SECTION 3. 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 4. 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 5. 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 6. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.