



## Legislation Text

File #: 2459-2013, Version: 1

**1. BACKGROUND:** This Ordinance authorizes the Director of Public Utilities to modify and increase the construction contract with Kokosing Construction Company, Inc. for the Hap Cremean Water Plant (HCWP) Treatment Improvements Project, for the Division of Water, Contract No. 1151.

The purpose of the original contract was to upgrade the treatment processes at the Hap Cremean Water Plant. The contract called for upgrading all filters and electrical services, modifications of basins, rerouting of chemical applications, and implementation of ozone treatment.

Due to the timing of required reductions in plant capacity for elements of the construction project and coordination with additional construction projects at the other two water treatment plants, construction had to commence prior to September 2012. Because of the limited construction window, the project required enhancements to the existing design elements and additional funding was necessary.

Modifications to the original contract include:

**Proposed RFP-005 LEED certification of new Ozone Production Facility \$2,500,000 (estimated)**

In order to attain certification for Leadership in Energy & Environmental Design (LEED) a number of changes had to be made with respect to improved Heating, Ventilation, Air Conditioning (HVAC) efficiency, architectural material changes, landscaping, and stormwater modifications. Additionally, construction activities had to be modified by increasing the percentage of construction debris to be recycled, additional record keeping and reporting by the contractor, and assistance with fundamental commissioning of building energy systems.

**Proposed RFP-010 Ozone basin structural modification \$ 2,500,000 (estimated)**

Revision of the current design to a sealed sample discharge system with a higher discharge flow capacity, including variable frequency drive-controlled duty/standby vertical pumps in Injection Gallery. Addition of a small calcium thiosulfate feed line for ozone quench of sample discharge in ozone injection gallery. Modifications were made to ozone injection system equipment and piping per revised manufacturer recommendations. Changes were also made to gas-tight access hatches and equipment serving ozone contactor access, including hoists, safety grating and fixed ladders. Also incorporated in the change were access ports into the serpentine baffles and over/under baffles of the ozone contactor to allow for personnel entry during routine maintenance.

**Proposed RFP-029 Location of ozone analyzers and sample points \$ 2,000,000 (estimated)**

Modifications were made to the ozone analyzer and sampling location. The modifications allow personnel direct access to ozone analyzing equipment without having to implement confined space procedures. Stairs enclosed by a masonry structure with a standing metal seamed roof and other environmental controls (lighting, HVAC, and ozone monitor) were added to the contract.

**1.1 Amount of additional funds to be expended: \$7,000,000.00**

Original Contract Amount:	\$69,241,500.00 (EL013396)
Modification 1 (current)	<u>\$ 7,000,000.00</u>
Total (Orig. + Mod. 1)	\$76,241,500.00

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

The scope anticipated the improvements identified in this project. Due to the necessity to bid this job early as a result of

simultaneous work proceeding at all three water treatment plants, additional enhancements and funding were required to the Hap Cremean project after the bid. If the bid date were missed, it would have delayed other regulatory-driven capital improvement projects at the remaining water treatment facilities and resulted in significant cost and schedule impacts throughout the program.

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

The work included in this modification is an essential part of the work currently being performed in the original contract. The additional work consists of improvements that must be undertaken to meet the overall contract requirements and/or must be performed at the time of construction. A bid of this required work would result in additional contractors working on the same project in the same physical location being performed by the existing contractor, resulting in additional complications, delays, and costs to all projects. Without these improvements the original contract work cannot be completed, water treatment process could not operate as intended, and the city's green initiatives cannot be met.

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

Independent cost estimates were developed by the project designer and the program construction manager for each aspect of the work, compared against the contractor's pricing and negotiated as required to develop an appropriate cost.

**2. ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT:** The project provides for increased reliability for the operations of HCWP and improved finished water quality that meet requirements set by the Ohio EPA Stage 2 Disinfectant/Disinfection Byproduct Rule. Both of these activities greatly improve the economic environment for the water utility's service area. The improvement in water quality improves the quality of life for the customers. Additionally, these improvements will help address concerns with the treatment of atrazine, taste, odor, endocrine disruptors and trace pharmaceuticals in the source water. Community outreach has involved several presentations to the Sewer and Water Advisory Board.

**3. CONTRACT COMPLIANCE INFO:** 31-1023518, expires 2/14/14, Majority

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Kokosing Construction Company, Inc.

**4. FISCAL IMPACT:** A transfer of funds within the Water Permanent Improvements Fund will be necessary, as well as an amendment to the 2013 Capital Improvements Budget.

To authorize the Director of Public Utilities to modify the construction contract with Kokosing Construction Company, Inc., for the Hap Cremean Water Plant Treatment Improvements Project; for the Division of Water; to authorize a transfer and expenditure up to \$7,000,000.00 within the Water Permanent Improvements Fund; and to amend the 2013 Capital Improvements Budget. (\$7,000,000.00)

**WHEREAS**, Contract No. EL013396 with Kokosing Construction Company, Inc. was authorized by Ordinance No. 1501-2012, passed July 23, 2012, was executed on July 30, 2012, and approved by the City Attorney on August 14, 2012; and

**WHEREAS**, a modification to the contract is necessary in order to provide for increased reliability for the operations of the Hap Cremean Water Plant and improve finished water quality that meet requirements set by the Ohio EPA Stage 2 Disinfectant/Disinfection Byproduct Rule; and

**WHEREAS**, it is necessary to authorize the Director of the Department of Public Utilities to execute a modification to the construction contract for the Hap Cremean Water Plant Treatment Improvements Project; and

**WHEREAS**, it is necessary for this Council to authorize a transfer and expenditure of funds within the Water Permanent Improvements Fund, for the Division of Water; and

**WHEREAS**, it is necessary to authorize an amendment to the 2013 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditure; and

**WHEREAS**, it has become necessary in the usual daily operation of the Department of Public Utilities, Division of Water, to authorize the Director of Public Utilities to modify and increase the construction contract with Kokosing Construction Company, Inc., for the Hap Cremean Water Plant Treatment Improvements Project, for the preservation of the public health, peace, property, safety and welfare; now, therefore,

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

**SECTION 1.** That the Director of Public Utilities is hereby authorized and directed to modify and increase the construction contract with Kokosing Construction Company, Inc. for the Hap Cremean Water Plant Treatment Improvements Project in the amount of \$7,000,000.00.

**SECTION 2.** That this contract modification is in compliance with Section 329.16 of Columbus City Codes, 1959.

**SECTION 3.** That said construction company shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Water.

**SECTION 4.** That the City Auditor is hereby authorized and directed to appropriate the following:

Division of Water

Dept./Div. No.: 60-09

Fund No.: 608

Fund Name: Water Permanent Improvements Fund

OL3: 6623

**Fund No. | Project No. | Project Name | OCA | Amount**

608 | 690370-100000 (carryover) | Upground Reservoir | 608380 | +\$11,636,982.90

**SECTION 4.** That the City Auditor is hereby authorized to transfer of \$7,000,000.00 within the Department of Public Utilities, Division of Water, Water Permanent Improvements Fund, Fund No. 608, Dept/Div. No. 60-09, Object Level Three 6623, as follows:

**Fund No. | Project No. | Project Name | OCA Code | Change**

608 | 690370-100000 (carryover) | Upground Reservoir | 608380 | -\$7,000,000

608 | 690430-100001 (carryover) | HCWP Constr. | 684301 | +\$7,000,000

**SECTION 5.** That the 2013 Capital Improvements Budget is hereby amended as follows:

**Fund No. | Proj. No. | Proj. Name | Current Authority | Revised Authority | Change**

608 | 690370-100000 (carryover) | Upground Reservoir | \$6,474,751 | \$18,111,735 | +\$11,636,984  
(establish authority to match cash)

608 | 690370-100000 (carryover) | Upground Reservoir | \$18,111,735 | \$11,111,735 | -\$7,000,000

608 | 690430-100001 (carryover) | HCWP Constr. | \$0 | \$7,000,000 | +\$7,000,000

**SECTION 6.** That an expenditure up to \$7,000,000.00 is hereby authorized for the Hap Cremean Water Plant Treatment Improvements Project within the Water Permanent Improvements Fund, Fund No. 608, Division 60-09, Project No. 690430-100001 (carryover), Object Level Three 6623, OCA Code 684301.

**SECTION 7.** 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 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 this Ordinance shall take effect and be in force from and after the earliest period allowed by law.