



Legislation Text

File #: 0470-2024, Version: 1

1. BACKGROUND

This ordinance authorizes the Director of Public Utilities to enter into a professional services contract modification to add funding for the current year with Black & Veatch Corporation for the Wastewater Treatment Facilities (WWTF)-General Program #5 project, CIP #650360-100003, in an amount up to \$1,200,000.00.

Overall Engineering Consultant Services (OEC) are necessary to provide technical and engineering assistance to the City and its design professionals in planning and coordination of the work. The OEC services are separated into several tasks, as follows:

- Task 1 - Planning Services
- Task 2 - Design Services
- Task 3 - Construction Related Services
- Task 4 - Commissioning and Start-up Services
- Task 5 - General and Additional Services
- Task 6 - Project Management

The City will request a task order from the consultant as necessary work is identified. The task order submitted will include a detailed scope of work, direct and indirect costs, task schedule, estimated hours, personnel categories required with labor rates, and reimbursable expenses. After negotiation and upon acceptance by the city, the consultant shall commence work. The Engineer shall provide such professional engineering services as may be necessary to accomplish the work required to be performed and shall at the firm’s cost, furnish all necessary competent personnel, equipment, and materials to perform the work.

The Community Planning Area is “99 - Citywide”

1.1 Amount of additional funds to be expended: \$1,200,000.00

Original Contract Amount:	\$800,000.00	(Ord. 0601-2023 PO382045)
<u>Mod #1 Amount:</u>	<u>\$1,200,000.00</u>	<u>(Current)</u>
Total (Orig. + Renewal/Modification):	\$2,000,000.00	

1.2. Reason other procurement processes are not used:

This contract was originally planned as a 3-year effort with annual funding modifications because it includes tasks which stretch across several funding years, and because the nature of the work requires the firm to develop a deep and detailed understanding of our plants and how we operate them. A new procurement effort is not required to add funding.

1.3. How cost of modification was determined:

The cost of this modification was determined by negotiations between Black & Veatch Corporation and the Division of Water based upon the contract rates and titles established in the original contract and an estimate of the number of hours needed for each title for the tasks to be assigned to the contract modification.

2. ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT

The project provides many metrics on various environmental factors that are noted in the work to be performed. The information provided assists and guides the City in decision making on environmental issues. These decisions have a direct impact on the capital improvement program budget amounts and scheduling to address the environmental needs.

No community outreach is considered for this project

3. CONTRACT COMPLIANCE INFORMATION

Black & Veatch Corporation’s contract compliance number is CC008038 and expires 8/22/25.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Black & Veatch Corporation.

4. MINORITY AND WOMAN OWNED BUSINESS ENTERPRISE & SMALL LOCAL BUSINESS ENTERPRISE PROGRAM

This contract was bid with an anticipated City of Columbus MBE/WBE Program goal of 23.0% as assigned by the City’s Office of Diversity and Inclusion (ODI). After review of the Utilization Plan and other related information the proposer submitted with their response, a goal of 23.0% has been established for this contract. Black & Veatch Corporation is classified as a majority company by the City’s Office of Diversity and Inclusion. Black & Veatch Corporation anticipates performing the work on this contract modification with the use of sub-consultants. The MBE/WBE percentage for this modification is expected to be 23%.

As part of their proposal, Black & Veatch Corporation has proposed the following nine subcontractors to perform contract work:

Company Name	City/State	ODI Certification Status
Dynotec, Inc MBE		Columbus, Ohio
Brown and Caldwell MAJ		Columbus, Ohio
Burgess & Niple MAJ		Columbus, Ohio
DLZ MBE		Columbus, Ohio
MODIFI Design dba Hydrous	Columbus, Ohio	WBE
Geosyntec MAJ		Columbus, Ohio
Advanced Engineering Consultants MBE		Columbus, Ohio
Coldwater WBE		Columbus, Ohio
Stantec MAJ		Columbus, Ohio

The certification of Black & Veatch Corporation and the above companies was in good standing at the time the bid was awarded.

5. FISCAL IMPACT

Funding for this contract will be obtained through the Ohio Water Development Authority Direct Loan Program. City Council authorized this loan application and acceptance of loan funding via Ordinance 0997-2023, passed by Council on 4/24/23. CIP # 650360-100003 is not listed as a project anticipated to be funded through this loan program in Ordinance 0997-2023. Section 2 of the Ordinance allows the Director of the Department of Public Utilities to add projects to the list per departmental need.

The Ohio Water Development Authority (OWDA) Direct Loan Program is a reimbursement program. A purchase order will need to be established to Black & Veatch Corporation for this contract modification. Public Utilities will need to pay the contract charges directly to Black & Veatch Corporation and then submit reimbursement requests based upon these

paid invoices to OWDA for OWDA to reimburse Public Utilities.

A transfer of funds from the Sanitary Reserve Fund, Fund 6102, to the Sanitary-Fresh Water Market Rate Loan Fund, Fund 6124, in the amount of \$1,200,000.00 is needed to fund construction for this project. This transaction is a temporary measure that is required until a loan is executed with the OWDA to reimburse the Sanitary Reserve Fund. The loan is expected to be approved in March, 2024. These funds will also need to be appropriated to be transferred and then appropriated after transfer to the new fund. An amendment to the 2023 Capital Improvement Budget is needed to align budget authority with the proper project.

To authorize the Director of the Department of Public Utilities to enter into a professional services contract modification with Black & Veatch Corporation for the Waste Water Treatment Facilities-General Program #5 project; to authorize an amendment to the 2023 Capital Improvement Budget; to authorize the appropriation and transfer of funds from the Sanitary Reserve Fund to the Sanitary-Fresh Water Market Rate Loan Fund; and to authorize the appropriation and expenditure of up to \$1,200,000.00 from the Sanitary-Fresh Water Market Rate Loan Fund for the contract. (\$1,200,000.00)

WHEREAS, the Department of Public Utilities is engaged in the WWTF-General Program #5 project; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to enter into a modification of a professional services contract with Black & Veatch Corporation for the WWTF-General program #5 project for the purpose of adding funding for the current year; and

WHEREAS, the 2023 Capital Improvements Budget must be modified to align budget authority with the proper project; and

WHEREAS, it is necessary to both appropriate and transfer funds from the Sanitary Reserve Fund to the Sanitary-Fresh Water Market Rate Loan Fund in order to temporarily fund this expenditure until such time as the City receives loan proceeds from the Ohio Water Development Authority to 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 (collectively, the “Project”); and

WHEREAS, it is necessary to appropriate and expend funds from the Sanitary-Fresh Water Market Rate Loan Fund to pay for professional services for this project; **NOW, THEREFORE**,

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

SECTION 1. That the 2023 Capital Improvements Budget authorized by Ordinance 1711-2023 be amended as follows to establish sufficient budget authority for this project:

Fund / Project Number / Project Name (Funding Source) / Current Authority/ Revised Authority / Change
6124 / 650360-100003 / WWTF-General program #5 Mod 1 (OWDA Direct) / \$0.00 / \$1,200,000.00 / \$1,200,000.00 (To match loan amount)

SECTION 2. That from the unappropriated monies 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, 2024, the sum of \$1,200,000.00 is appropriated in the Sanitary Reserve Fund, Fund 6102, per the account codes in the attachment to this ordinance.

SECTION 3. That the transfer of \$1,200,000.00, or so much thereof as may be needed, is hereby authorized between the Sanitary Reserve Fund, Fund 6102, and the Sanitary-Fresh Water Market Rate Loan Fund, Fund 6124, per the account

codes in the attachment to this ordinance.

SECTION 4. That the appropriation of \$1,200,000.00, or so much thereof as may be needed, is hereby authorized in the Sanitary-Fresh Water Market Rate Loan Fund, Fund 6124, per the accounting codes in the attachment to this ordinance.

SECTION 5. That the Director of Public Utilities is hereby authorized to enter into a contract modification to add funding for the current year for the WWTF-General Program #5 project with Black & Veatch Corporation, 445 Hutchinson Ave Ste. 540, Columbus, OH 43235, in an amount up to \$1,200,000.00, in accordance with the terms and conditions of the contract on file in the Department of Public Utilities.

SECTION 6. That the expenditure of \$1,200,000.00, or so much thereof as may be needed, is hereby authorized to pay for this contract per the accounting codes in the attachment to this ordinance.

SECTION 7. That upon obtaining other funds for the purpose of funding sanitary capital improvement work, the City Auditor is hereby authorized to repay the Sanitary Reserve Fund the amount transferred above (Section 3), and said funds are hereby deemed appropriated for such purposes.

SECTION 8. 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 \$1,200,000.00 (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 Reserve Fund, Fund 6102, which is the fund from which the advance for costs of the Project will be made.

SECTION 9. Funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

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 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 12. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.