



Legislation Text

File #: 0962-2009, Version: 1

BACKGROUND: This Ordinance authorizes the Director of Public Utilities to modify and increase the professional engineering services contract with Malcolm Pirnie, Inc. for the Dublin Road Water Plant Chlorine Storage Improvements Project. The original contract provided for engineering design; Modification No. 1 provided for construction administration services for a separate chlorine storage feed system and Modification No. 2 provided for additional engineering design for a new disinfection chemical to be utilized at the Dublin Road Water Plant. This contract modification will provide for additional design services, construction services, and regulatory compliance services. Added complexities have been of significant impact to the amount of construction services required. Extended contract duration caused increased hours for engineering services during construction. Difficulties with contractor work including the temporary chlorine scrubber and the sodium hypochlorite tanks caused project delays and increased engineering evaluation and testing services. More extensive rehabilitation work in Sedimentation Basins than originally anticipated required additional engineering services during construction. The more extensive rehabilitation work in the basins was due in part to the delay between the initial design and the bidding and awarding of the project.

1. Amount of additional funds to be expended:

\$570,000.00

2. Reasons additional goods/services could not be foreseen:

This contract modification will provide for additional design services, construction services, and regulatory compliance services. Added complexities have been of significant impact to the amount of construction services required. Extended contract duration caused increased hours for engineering services during construction. Difficulties with contractor work including the temporary chlorine scrubber and the sodium hypochlorite tanks caused project delays and increased engineering evaluation and testing services. More extensive rehabilitation work in Sedimentation Basins than originally anticipated required additional engineering services during construction.

3. Reason other procurement processes are not used:

The process of selecting and contracting with a new consultant team at this time would further delay the project. This modification keeps the current construction project on schedule to complete the Sedimentation Basin and Clearwell rehabilitation work. Coordination and scheduling of this work is very time sensitive in order to maintain adequate water treatment capabilities for the DRWP service area. The contract was well under way when these needed design and construction decisions were made. The consultant team is very familiar with the details of the project, the approving agencies and the bid documents. The additional cost and time associated with bidding out this work would well exceed any benefit.

4. How cost of modification was determined:

The Consultant prepared a detailed estimate of cost per task for remaining scope of work. City Project management staff reviewed and approved these cost summaries.

5. Contract Amount:

Original contract amount	\$ 769,410.00
Modification No. 1	\$1,292,600.00
Modification No. 2	\$1,107,000.00
This modification No. 3	<u>\$ 570,000.00</u>
New contract amount	\$3,739,010.00

Contract Compliance Information: 13-2653703, expires 04/07/2010, Majority

FISCAL IMPACT: This legislation includes a transfer of funds from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund as a temporary measure until such time as the proceeds from a bond sale can be made available. Monies for this contract modification from the Water System Reserve Fund will be provided from an upcoming Bond Sale via the transfer detailed in this ordinance.

To authorize the Director of Public Utilities to modify the contract with Malcolm Pirnie, Inc., for Professional Engineering Services for the Dublin Road Water Plant Chlorine Storage Improvements, for the Division of Power and Water; to authorize the appropriation and transfer of \$570,000.00 from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund; and to authorize the expenditure of \$570,000.00 from Waterworks Enlargement Voted 1991 Bonds Fund. (\$570,000.00)

WHEREAS, Contract No. EA-025110-002 was authorized by Ordinance No. 1893-00, passed July 31, 2000, was executed November 30, 2000 and approved by the City Attorney on December 8, 2000, to provide for engineering design services for the Dublin Road Water Plant Chlorine Storage Improvements, and

WHEREAS, This contract was subsequently modified by Contract No. EA-025167-001 which was authorized by Ordinance No. 1820-02, passed December 9, 2002, was executed January 23, 2003 and approved by the City Attorney on February 5, 2003, to provide for construction administration services for the Dublin Road Water Plant Chlorine Storage Improvements and

WHEREAS, Modification No. 2, EL-005512 which was authorized by Ordinance No. 1013-2005, passed July 18, 2005, was executed August 22, 2005 and approved by the City Attorney on August 25, 2005, to redesign this system to utilize a different disinfection chemical in lieu of gaseous chlorine, and

WHEREAS, It is necessary to modify Contract No. EA-025110-002 to provide for the above listed revisions to the Dublin Road Water Plant Chlorine Storage Improvements project, and

WHEREAS, This modification provides for an increase of \$570,000.00 to this contract, and

WHEREAS, it is necessary for this Council to authorize the City Auditor to transfer funds from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds 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").

WHEREAS, It is necessary to authorize the Director of Public Utilities to modify Contract No. EA-025110-002, for Dublin Road Water Plant Chlorine Storage Improvements project; to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund, for the preservation of 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 is hereby authorized and directed to modify and increase the professional engineering services contract with Malcolm Pirnie, Inc, in the amount of \$570,000.00, for Dublin Road Water Plant Chlorine Storage Improvements project, for the Division of Power and Water, Department of Public Utilities, Project No. 690379, Contract No. 966, terms and conditions of which are 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, 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, 2009, the sum of \$570,000.00, is hereby appropriated to the Division of Power and Water, Division 60-09, Object level One 10, Object level Three 5502, OCA 900704.

SECTION 3. That the City Auditor is hereby authorized and directed to transfer \$570,000.00, from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund, Fund No. 606, into the appropriate project account 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 thereof, the expenditure of \$570,000.00 is hereby authorized from the Waterworks Enlargement Voted 1991 Bonds Fund, Fund 606, Department of Public Utilities, Division of Power and Water, Dept./Division No. 60-09, Object Level Three 6682, Project No. 690379, OCA Code 606379.

SECTION 5. 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 except that no transfer shall be made from a project account funded by monies from more than one source.

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 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 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 \$570,000.00 (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 Water System Reserve Fund 603, which is the fund from which the advance for costs of the Project will be made.

SECTION 10. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.