



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 1580-2008, Version: 1

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into a construction contract with John Eramo & Sons, Inc. for the Morse Road 36" Water Main Part 2 Project; in the amount of \$2,463,327.90; to transfer \$2,451,334.11 from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund; and to amend the 2008 Capital Improvements Budget.

2. CONSTRUCTION CONTRACT AWARD: The Director of Public Utilities publicly opened eight bids on September 24, 2008. Bids were received from: John Eramo & Sons, Inc. - \$2,463,327.90; Stover & Turner Excavating, Inc. - \$2,498,830.13; Elite Excavating Co. of Ohio, Inc. - \$2,690,327.64; George J. Igel & Co., Inc. - \$2,735,700.00; Nickolas Savko & Sons, Inc. - \$2,885,631.32; Trucco Construction Co. - \$2,939,273.65; C.J. Hughes Construction Co. - \$3,783,349.90; and Complete General Construction Co. - \$3,786,390.85.

The lowest and best bid was from John Eramo & Sons, Inc. in the amount of \$2,463,327.90. Their Contract Compliance Number is 31-0724866 (expires 4/8/10, Majority). Additional information regarding all bidders, description of work, contract time frame and detailed amounts can be found on the attached Legislation Information Form.

3. FISCAL IMPACT: This legislation includes a transfer of funds within the Water Works Enlargement Voted Bonds Fund and 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. An amendment to the 2008 CIB is also necessary.

To authorize the Director of Public Utilities to execute a construction contract with John Eramo & Sons, Inc. for construction of the Morse Road 36" Water Main Part 2 Project; to authorize the transfer of \$11,993.79 within the Water Works Enlargement Voted Bonds Fund; to authorize the appropriation, transfer, an expenditure of \$2,451,334.11 from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund; to authorize the expenditure of \$2,463,327.90 from the Water Works Enlargement Voted Bonds Fund; and to authorize an amendment to the 2008 Capital Improvements Budget for the Division of Power and Water. (\$2,463,327.90)

WHEREAS, eight bidders for the Morse Road 36" Water Main Part 2 Project were received and publicly opened in the offices of the Director of Public Utilities on September 24, 2008; and

WHEREAS, the lowest and best bid was from John Eramo & Sons, Inc. in the amount of \$2,463,327.90; and

WHEREAS, it is necessary to authorize an amendment to the 2008 Capital Improvements Budget for purposes of providing sufficient funding and expenditure authority for the aforementioned project expenditure; and

WHEREAS, it is necessary for this Council to authorize the City Auditor to transfer funds within the Water Works Enlargement Voted Bonds Fund; 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 has become necessary in the usual daily operation of the Division of Power and Water, Department of Public Utilities, to authorize the Director of Public Utilities to enter into a construction contract for the Morse Road 36" Water Main Part 2 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 the public health, peace, property and safety; now therefore,

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

SECTION 1. That the City Auditor is hereby authorized to appropriate \$11,993.79 within the Division of Power and Water, Dept/Div. No. 60-09, Water Works Enlargement Voted Bonds Fund, Fund No. 606, Object Level One 06, Object Level Three 6686, Project No. 690236, OCA Code 642900.

SECTION 2. That the City Auditor is hereby authorized to transfer \$11,993.79 within the Division of Power and Water, Dept/Div. No. 60-09, Water Works Enlargement Voted Bonds Fund, Fund No. 606, Object Level One 06, Object Level Three 6629, as follows:

<u>Project No.</u>	<u>Project Name</u>	<u>OCA Code</u>	<u>change</u>
690236	Water Main Rehab	642900	-\$11,993.79
690474	Morse Rd. 36" W.M.	606474	+\$11,993.79

SECTION 3. 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, 2008, the sum of \$2,451,334.11, is hereby appropriated to the Division of Power and Water, Division 60-09, Object level One 10, Object level Three 5502, OCA 695056.

SECTION 4. That the City Auditor is hereby authorized and directed to transfer \$2,451,334.11, 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 5. That the appropriation and expenditure of \$2,463,327.90 is hereby authorized for the Morse Road 36" Water Main Part 2 Project within the Water Works Enlargement Voted Bonds Fund, Fund No. 606, Division 60-09, Project No. 690474, Object Level Three 6629, OCA Code 606474.

SECTION 6. That the 2008 Capital Improvements Budget is hereby amended as follows:

<u>Project No.</u>	<u>Project Name</u>	<u>Current Authority</u>	<u>Revised Authority</u>	<u>(change)</u>
690236-100000	Water Main Rehab	\$17,290,442	\$17,278,448	-\$11,994
690474-100000	Morse Rd. 36" W.M.	\$5,767,524	\$5,779,518	+\$11,994

SECTION 7. 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 8. That the Director of Public Utilities be and hereby is authorized to award and execute a construction contract for the Morse Road 36" Water Main Part 2 Project with the lowest and best bidder, John Eramo & Sons, Inc.; 3670 Lacon Rd., Hilliard, Ohio 43026; in the amount of \$2,463,327.90; in accordance with the terms and conditions of the contract on file in the Office of the Division of Power and Water.

SECTION 9. 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 10. That said construction company shall conduct the work to the satisfaction of the Director of Public and the Administrator of the Division of Power and Water.

SECTION 11. 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 \$2,451,334.11 (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 the Water System Reserve Fund 603, which is the fund from which the advance for costs of the Project will be made.

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