



## Legislation Text

File #: 1509-2009, Version: 1

### 1. **BACKGROUND:**

A. **Need.** This legislation authorizes the Director of Public Utilities to execute a construction contract with George J. Igel & Company Inc., for the Naghten Street Sewer Rehabilitation Project for the Division of Sewerage and Drainage. This legislation also authorizes the appropriation, transfer and expenditure of \$4,003,599.55 from the Sanitary Sewer Reserve Fund 654 to the Water Pollution Control Loan Fund (WPCLF) 666; authorizes the transfer within and expenditure of \$1,467,354.75 for the WPCLF non-eligible portion of the Igel construction contract; and for construction inspection services with the Department of Transportation - Construction Inspection Services to be funded from the Sanitary B.A.B.s (Build America Bonds) Fund 668, and amends the 2009 Capital Improvements Budget for Funds (654 and 668) for the Division of Sewerage and Drainage.

This project will construct a stormwater collection system in E. Naghten Street, Cleveland Avenue and N. Grant Avenue and reconstruction of E. Naghten Street from N. Fifth Street east to Cleveland Avenue, reconstruction of N. Grant Avenue from Spring Street north to E. Naghten Street and repair and resurfacing of Cleveland Avenue from E. Naghten Street north to Mount Vernon. The stormwater system will divert the stormwater from the I-71/I-670 interchange from the combined sewer system and redirect it to the separate storm sewer system.

**Procurement Information:** The Division advertised in the City Bulletin for competitive bid proposals, and bids were received on October 7, 2009, as follows:

Shelly and Sands, Inc.	31-4351261   MAJ   \$3,753,696.65
George J. Igel & Company Inc.	31-4214570   MAJ   \$4,770,520.05
Complete General Construction Co.	31-4366382   MAJ   \$4,934,321.43
Kokosing Construction Company, Inc.	31-1023518   MAJ   \$5,648,627.60

The Engineer's construction cost estimate was \$6,307,188.80.

It was determined after the Bid Tab and Quality Factor Form (QFF) evaluation process that the lowest Responsive, Responsible and Best Bidder was George J. Igel & Company Incorporate. Shelly and Sands, Inc.'s bid was determined to be non-responsive because of an in-sufficient bid bond.

**Award is recommended to the lowest Responsive and Responsible and Best Bidder.**

B. **Contract Compliance No.:** George J. Igel & Co. 31-4214570 | Expires 03/11/2011 | MAJ

C. **Emergency Designation:** Emergency designation is needed to meet the construction contract deadline requirements of the Ohio EPA and the American Recovery and Reinvestment Act (ARRA) of 2009.

### 2. **FISCAL IMPACT:**

This ordinance authorizes the appropriation, transfer and expenditure of \$4,003,599.55 from the Sanitary Sewer Reserve Fund to the Water Pollution Control Loan Fund to fund this project expenditure. This transaction is a temporary measure that is required until such time as the Department is able to execute a WPCLF loan agreement with the Ohio EPA and the Ohio Water Development Authority (OWDA), and reimburse the Sanitary Sewer Reserve Fund. The loan award is tentatively scheduled for the November 19, 2009 OWDA board meeting. \$2,053,355.00 in subsidies from the American Recovery and Reinvestment Act (ARRA) of 2009 for Stimulus Projects will be utilized to reduce the principal amount of the WPCLF loan. This ordinance will also authorize the transfer within and expenditure of \$1,467,354.75 for the WPCLF non-eligible portion of the construction contract (\$766,920.50) and for Construction Inspection services (\$700,434.25) with the Department of Transportation - Construction Inspection Services which will be funded from the Sanitary B.A.B.s (Build America Bonds) Fund 668, and amends

the 2009 Capital Improvements Budget for Funds (654 and 668) for the Division of Sewerage and Drainage.

To authorize the Director of Public Utilities to execute a contract with George J. Igel & Company Inc., for the Naghten Street Sewer Rehabilitation Project; to authorize the appropriation, transfer and expenditure of \$4,003,599.55 from the Sanitary Sewer Reserve Fund to the Ohio Water Pollution Control Loan Fund (WPCLF); and to authorize the transfer and the expenditure of \$1,467,354.75 from the Sanitary B.A.B.s (Build America Bonds) Fund for the WPCLF non-eligible portion of said contract and for the Construction Administration and Inspection services with the Department of Transportation - Construction Inspection Services; and amends the 2009 Capital Improvements Budget for the Division of Sewerage and Drainage; and to declare an emergency. (\$5,470,954.30)

**WHEREAS**, four competitive bids for construction of the Naghten Street Stormwater System Improvements and Naghten Street Roadway Improvements project were received and opened October 7, 2009 in the offices of the Director of Public Utilities; and

**WHEREAS**, it was determined that the lowest Responsive, Responsible and Best Bidder was George J. Igel & Company Incorporate. Shelly and Sands, Inc.'s bid was determined to be non-responsive because of an in-sufficient bid bond; and

**WHEREAS**, the Ohio Water Development Authority (OWDA) is tentatively scheduled to approve a loan to the City of Columbus on November 19, 2009, to provide financing for the construction contract, and capitalized interest for this project, which will include \$2,053,355.00 in subsidies from the American Recovery and Reinvestment Act (ARRA) of 2009 for Stimulus Projects being utilized to reduce the principal amount of the WPCLF loan; and

**WHEREAS**, sufficient monies will be available within the Sanitary Sewer Reserve Fund 654 and transferred to the Water Pollution Control Loan Fund 666 for the construction contract and capitalized interest expenditures; and

**WHEREAS**, sufficient monies will also be available within the Sanitary B.A.B.s (Build America Bonds) Fund 668 for the WPCLF non-eligible portion of the construction contract and for construction administration and inspection services with the City's Department of Transportation - Construction Inspection Services; and

**WHEREAS**, the Division of Sewerage and Drainage engineering personnel have determined it necessary to enter into a construction contract with George J. Igel & Co., Inc., in order to provide for construction of the Naghten Street Sewer System Rehabilitation; and contract with the City's Department of Transportation - Construction Inspection Services; and

**WHEREAS**, it is immediately necessary to both appropriate funds from the Sanitary Sewer Reserve Fund and authorize the transfer of said funds into the Water Pollution Loan Fund, in order to temporarily fund the construction contract expenditure, until such time as the City is able to execute a WPCLF loan agreement for the above stated purpose and reimburse the Sanitary Sewer Reserve Fund; and to authorize the expenditure from the Sanitary B.A.B.s (Build America Bonds) Fund for the Construction Inspection services; and

**WHEREAS**, it is necessary to authorize the transfer of funds within the Sanitary B.A.B.s (Build America Bonds) Fund for purposes of providing sufficient funding for the sanitary sewer construction inspection project; and

**WHEREAS**, it is necessary to authorize an amendment to the 2009 Capital Improvement Budget for the purposes of providing sufficient funding and expenditure authority for the aforementioned project expenditures; and

**WHEREAS**, because of the construction contract deadline requirements of the Ohio EPA and the American Recovery and Reinvestment Act (ARRA) of 2009, an emergency exists in the usual daily operation of the Division of Sewerage and Drainage, Department of Public Utilities, in that it is immediately necessary for this Council to authorize the Director of Public Utilities to execute a construction contract with George J. Igel & Company Inc., and contract the construction inspection services with the Department of Transportation - Construction Inspection Services for the Naghten Street Sewer Rehabilitation Project, at the earliest practical date for the immediate 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 Director of Public Utilities be, and hereby is, authorized to enter into a contract with George J. Igel & Company Inc., 2040 Alum Creek Drive, Columbus, OH 43207, for construction of the Naghten Street Sewer Rehabilitation Project in the amount of \$4,770,520.05 and, in accordance with the terms and conditions as shown on the contract on file in the office of the Division of Sewerage and Drainage; and is hereby authorized to contract for construction administration and inspection services with the Department of Public Service Department of Transportation - Construction Inspection Services in the amount of \$700,434.75.

**Section 2.** The Ohio Water Development Authority (OWDA) is tentatively scheduled to approve a loan to the City of Columbus on November 19, 2009, to provide financing for the construction contract, and capitalized interest for this project, which will include \$2,053,355.00 in subsidies from the American Recovery and Reinvestment Act (ARRA) of 2009 for Stimulus Projects being utilized to reduce the principal amount of the WPCLF loan.

**Section 3.** That from the unappropriated monies in the Sanitary Sewer Reserve Fund 654, and from all monies estimated to come into said fund from any and all sources, and unappropriated from any other purpose for the Naghten Street Sewer Rehabilitation Project, the sum of \$4,003,599.55 is hereby appropriated to the Division of Sewerage and Drainage; Division 60-05 | ObjLv11 10 | ObjLv13 5502 | OCA Code 901654

**Section 4.** That the City Auditor is hereby authorized to transfer \$4,003,599.55 to the Water Pollution Control Loan Fund No. 666, into the appropriate project accounts as specified in the below section, 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 expenditure of \$4,003,599.55 or as much thereof as may be needed, be and the same is hereby appropriated and authorized for under the Water Pollution Control Loan Fund No. 666 | Division 60-05 | Object Level Three 6621 | as follows:

**Project No. | Project Name | OCA Code | Amount:**

650618-100001 | Naghten Street Sewer Rehabilitation Project | 666618 | \$4,003,599.55

**Section 6.** That the 2009 Capital Improvements Budget Ordinance No. 0806-2009 for Fund 666 is hereby amended as follows, to provide sufficient budget authority for the Capital Improvement Project listed herein:

**Amend the 2009 Capital Improvement Budget (CIB) to read for Fund 666:**

**Project No. | Project Name | Current Authority | Revised Authority | (Change)**

650618-100001 | Naghten Street Storm Water & Roadway Project | \$0 | \$4,003,600 | (+\$4,003,600)

**Section 7.** That the City Auditor is hereby authorized to transfer \$1,467,354.75 within the Department of Public Utilities Division of Sewerage and Drainage, Dept/Div. No. 60-05, Sewerage and Drainage Sanitary B.A.B.s (Build America Bonds) Fund, Fund No. 668, Object Level Three 6676, and expend the funds as follows:

**From:**

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

650404-100000 | Sanitary System Rehabilitation | 668404 | (-\$1,467,354.75 )

**To:**

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

650618-100001 | Naghten Street Storm Water & Road Project | 681618 | (+\$1,467,354.75)

**Section 8.** That the expenditure of \$1,467,354.75 or as much thereof as may be needed, is hereby authorized from the Sanitary B.A.B.s (Build America Bonds) Fund | Fund No. 668 | Division 60-05 | Object Level Three 6621 | as follows:

**Project No. | Project Name | OCA Code | Amount:**

650618-100001 | Naghten Street Storm Water & Road Project | 681618 | \$1,467,354.75

(note: \$700,434.25 for Construction Inspection for the Dept. of Transportation and \$766,920.50 for the WPCLF non-eligible portion of the construction contract with George J. Igel & Company Inc. )

**Section 9.** That the 2009 Capital Improvements Budget Ordinance No. 0806-2009 for Fund 668 is hereby amended as follows, to provide sufficient budget authority for the Capital Improvement Project listed herein:

**Project No. | Project Name | Current Authority | Revised Authority | (Change) for Fund 668**

650404-100000 | Sanitary System Rehabilitation | \$2,000,000 | \$532,645 | (-\$1,467,355)

650618-100001 | Naghten Street Storm Water & Road Project | \$00 | \$1,467,355 | (+\$1,467,355)

**Section 10.** That the City Auditor is hereby authorized 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 are no longer required for said project; except that no transfer shall be made from a project by monies from more than one source.

**Section 11.** That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

**Section 12.** 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 13.** That for the reasons stated in the preamble hereto, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after its passage if the Mayor neither approves nor vetoes the same.