



Legislation Text

File #: 0493-2009, Version: 1

BACKGROUND: This Ordinance authorizes the Director of Public Utilities to modify and increase the professional engineering services contract with ms consultants, inc. for the HCWP Lagoon Sludge Removal Project, Division of Power and Water Contract No. 1030.

The original contract provided for engineering design and construction administration/construction inspection for Part 1 and Part 2 of the contract. Contract modification #1 provided funding for Part 3 and Part 4 of the contract. Work under Part 3 included improvements to Lagoons 1 & 2 work under Part 4 included improvements to Lagoon 3.

During design of Part 3 (Lagoon 1 & 2) it was determined that a Letter of Map Revision (LOMR) would be required from the Federal Emergency Management Agency (FEMA) and a formal LOMR application was submitted in November 2006. A LOMR was granted by FEMA April 2008. In the interim, Lagoon 3 was utilized when on-site sludge storage was needed. The process of receiving the LOMR caused significant project delay and required several changes to the project scope which could not have been anticipated. These items are outlined in detail in the attached document titled "mod 2 additional scope.doc".

These tasks included Part 5, emergency cleaning of Lagoon 3 engineering design and construction administration/construction inspection services. Part 5 was necessary because of the 2 year project delay from the LOMR process and due to several sludge line leaks which prompted additional use of Lagoon 3 for sludge storage. A decision was made to utilize the previously approved funds to complete these tasks, which has necessitated this current modification request to fund the remaining project tasks.

Part 3, improvements to Lagoons 1 & 2, have now been split into two parts, Part 3a - Lagoon 2 improvements and Part 3b - Lagoon 1 improvements. Part 4 will consist of improvements to Lagoon 3. This project modification will provide for a small portion of remaining design services and for construction administration/construction inspection services for Part 3a of the project as well as detailed design and bidding services for Part 3b of the project.

A future contract modification(s) will be required for construction administration/construction inspection services for Part 3b and for detailed design, bidding services, and construction administration/construction inspection for Part 4 of the project. Due to budget and cash flow constraints it was decided to only request the current contract modification for services that will be required for the immediate phase of the project. A future contract modification(s) will be requested for the upcoming project phases.

1. Amount of additional funds to be expended: \$912,025.00

Original Contract Amount: \$387,743.74

Amount of Modification #1: \$850,556.01

Amount of original contract and two modifications: \$2,150,324.75

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

The unanticipated need to request a Letter of Map Revision (LOMR) from the FEMA delayed the project for over two years. During this delay several compromises in the sludge force main caused the one active sludge lagoon to be filled to capacity. This necessitated an additional unanticipated emergency lagoon cleaning project which was designed and inspected utilizing previously approved funds from this project. During the two year delay in proceeding with the scope of work consultants wage rates and overhead rates have increased. Several other additional tasks were performed as outlined in the attached document titled "mod 2 additional scope.doc"

3. Reason other procurement processes are not used:

The consultant team is very familiar with the details of the project, the approving agencies and the bid documents. The process of selecting and contracting with a new consultant team at this time would further delay the project which would cause problems in meeting regulatory compliance and keeping the City's largest water treatment plant in operation.

4. How cost of modification was determined:

The Consultant prepared a detailed estimate of cost per task for remaining scope of work, broken down by project phase and year. The Consultant also prepared a cost for all work that was performed outside the original scope of work to quantify how the previous Modification #1 funds were utilized. City Project management staff reviewed and approved these cost summaries.

Contract Compliance Information: 34-6546916, expires 7/10/10, Majority

Emergency Designation: This overall project provides for the physical removal of sludge from Lagoons 1, 2 and 3 at the Hap Cremean Water Plant, and for construction of new exterior embankments and interior baffles in the lagoons. The current phase of the project will provide for engineering construction services during the reconstruction of the exterior lagoon embankment and construction of interior baffles on Lagoon #2. This construction project was advertised with the bid opening March 25, 2009. It is anticipated legislation to award this construction project will be introduced for emergency consideration. The engineering services will be needed in conjunction with the construction services.

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.

To authorize the Director of Public Utilities to modify and increase the professional engineering services contract with ms consultants, inc. for the HCWP Lagoon Sludge Removal Project; to authorize the transfer of \$410,344.96 within the Water Works Enlargement Voted Bonds Fund; to authorize the appropriation and transfer of \$501,680.04 from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund; and to authorize the expenditure of \$912,025.00 from the Water Works Enlargement Voted Bonds Fund; for the Division of Power and Water; and to declare an emergency. (\$912,025.00)

WHEREAS, Contract No. EL003473 was authorized by Ordinance No. 0825-03, passed June 2, 2003, was executed on June 18, 2003, and was approved by the City Attorney on June 27, 2003; and

WHEREAS, Modification No. 1 EL005455 was authorized by Ordinance No. 1121-2005, passed July 11, 2005, was executed on July 27, 2005, and was approved by the City Attorney on August 2, 2005; and

WHEREAS, the contract needs modified and increased a second time for remaining design services and construction administration/construction inspection services for Part 3a as well as detailed design and bidding services for Part 3b of the Hap Cremean Water Plant (HCWP) Lagoon Sludge Removal Project; and

WHEREAS, future contract modification(s) will be required for construction administration/construction inspection services for Part 3b and for detailed design, bidding services, and construction administration/construction inspection for Part 4 of the project; 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"); and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities, Division of Power and Water, in that it is immediately necessary to authorize the Director of Public Utilities to modify and increase the professional engineering services contract with ms consultants, inc. for the HCWP Lagoon Sludge Removal Project, in an emergency manner because the bid opening for construction services was March 25, 2009 and engineering services will be needed in conjunction with the construction services; to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water Works Enlargement Voted Bonds Fund, for the immediate 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 professional engineering services contract with ms consultants, inc. for the HCWP Lagoon Sludge Removal Project, in the amount of \$912,025.00.

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

SECTION 3. That the City Auditor is hereby authorized to transfer \$410,344.96 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 6682, as follows:

Project No. | Project Name | OCA Code | change

690290 | Distribution Imp's | 642900 | -\$11,588.96
690375 | Livingston Ave. Booster Station | 690375 | -\$51,231.02
690458 | Waggoner Rd. 30" W.M. | 690458 | -\$328,483.78
690472 | O'Shaughnessy Gatehouse Misc. | 606472 | -\$18,395.20
690480 | Morse Hamilton Booster Station | 606480 | -\$646.00
690331 | HCWP Lagoons Sludge Removal | 606331 | +\$410,344.96

SECTION 4. 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 \$501,680.04, is hereby appropriated to the Division of Power and Water, Division 60-09, Object level One 10, Object level Three 5502, OCA 695056.

SECTION 5. That the City Auditor is hereby authorized and directed to transfer \$501,680.04, 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 6 herein, at such time as deemed necessary by him, and to expend said funds, or so much thereof as may be necessary.

SECTION 6. That the appropriation and expenditure of \$912,025.00 is hereby authorized for the HCWP Lagoon Sludge Removal Project within the Water Works Enlargement Voted Bonds Fund, Fund No. 606, Division 60-09, Project No. 690331, Object Level Three 6682, OCA Code 606331.

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 5 above, and said funds are hereby deemed appropriated for such purpose.

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 \$501,680.04 (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 10. That for reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is 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 passage if the Mayor neither approves nor vetoes the same.