



## Legislation Text

---

**File #:** 1739-2013, **Version:** 1

---

**BACKGROUND:** This legislation authorizes the Finance and Management Director to enter into a contract on behalf of the Office of Construction Management with RW Setterlin Building Company for the construction of a new compressed natural gas (CNG) fueling station at 2333 Morse Road. The fueling station will provide rapid and reliable dispensing of CNG for energy efficient CNG-fueled vehicles, and like the Groves Road CNG Station, this station will be a public facility whereby consumers using a MasterCard or Visa will be able to purchase CNG.

The City is currently operating 45 CNG heavy-duty vehicles, 48 more are on order, and 327 more are planned for purchase over the next 6 years. This second city CNG station advances our fuel program to the northeast and is intended to primarily service Refuse and Planning and Operations vehicles operated by the Department of Public Service; however, it is available to all public and private vehicle owners and operators that utilize CNG.

This equipment enables the station to be "fast-fill," meaning that vehicles can be fueled in approximately the same amount of time as diesel vehicle equivalents. CNG vehicles produce significantly lower amounts of harmful emissions such as nitrogen oxides, particulate matter, and toxic and carcinogenic pollutants. Natural gas is a domestically available, inherently clean burning fuel. Using compressed natural gas as vehicle fuel increases energy security by reducing our dependence on foreign oil and improves public health and the environment. Currently, CNG is also significantly lower in cost than either gasoline or diesel.

This legislation also authorizes contracts and/or agreements with Columbia Gas of Ohio, Inc. for up to \$340,000.00 for the infrastructure necessary for proper connection to the natural gas supply network so as to ensure the minimum pressure necessary to serve this CNG Station.

Formal bids were solicited and three companies submitted bids on May 30, 2013 as follows (0 FBE, \*1 MBE):

RW Setterlin Building Company	\$4,297,100.00
*McDaniel's Construction Corporation	\$5,045,553.00
Clean Energy	\$6,801,079.00

The Office of Construction Management recommends the bid award be made to the most responsive and responsible bidder, RW Setterlin Building Company.

**Emergency action** is requested so the necessary construction of the compressed natural gas (CNG) fueling facility can occur, thereby expanding the use of alternative fueled vehicles resulting in cost savings to the City.

RW Setterlin Contract Compliance No. 31-0836188, expiration date November 29, 2014.

Columbia Gas of Ohio, Inc. Compliance No. 31-0673990, expiration date February 21, 2015.

**FISCAL IMPACT:** This project is funded in the 2013 Capital Improvements Budget. Bonds have not yet been sold for this project; therefore it is necessary to certify funds needed in the amount of \$4,577,100.00 against the Special Income Tax Fund. Upon sale of the bonds, this will be reimbursed.

To authorize and direct the City Auditor to appropriate and transfer \$4,577,100.00 from the Special Income Tax Fund to the Fleet Capital Improvement Fund; to authorize the City Auditor to appropriate \$4,577,100.00 within the Fleet Capital Improvement Fund; to authorize the Finance and Management Director to enter into contracts or agreements on behalf of the Office of Construction Management with RW Setterlin Building Company and Columbia Gas of Ohio, Inc. for a Compressed Natural Gas (CNG) fueling station at 2333 Morse Road; to authorize the expenditure of \$4,577,100.00 from the Fleet Capital Improvement Fund; and to declare an emergency. (\$4,577,100.00)

**WHEREAS**, the Finance and Management Department, Office of Construction Management needs to enter into a contract on behalf of the Office of Construction Management with RW Setterlin Building Company for the construction of a new compressed natural gas (CNG) fueling station at 2333 Morse Road. This legislation also authorizes contracts and/or agreements with Columbia Gas of Ohio, Inc. for the infrastructure necessary for proper connection to the natural gas supply network so as to ensure the minimum pressure necessary to serve this CNG Station; and

**WHEREAS**, RW Setterlin Building Company is the most responsive and responsible bidder; and

**WHEREAS**, it is necessary for Finance and Management Department, Office of Construction Management to enter into contracts and/or agreements with Columbia Gas of Ohio, Inc. for the infrastructure necessary for proper connection to the natural gas supply network; and

**WHEREAS**, it is necessary to transfer funds from the Special Income Tax Fund to fund this project; and

**WHEREAS**, the City will sell notes or bonds to fund this project and will reimburse the Special Income Tax Fund; and

**WHEREAS**, this transfer should be considered as a temporary funding method; and

**WHEREAS**, the aggregated principal amount of obligations which the City will issue to finance this project is presently expected not to exceed \$4,577,100.00; 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 (the "Project"); and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Finance and Management, Office of Construction Management, in that it is immediately necessary to authorize the Finance and Management Director to enter into a contract with RW Setterlin Building Company, so construction of the compressed natural gas (CNG) fueling facility can occur, thereby expanding the use of alternative fueled vehicles resulting in cost savings to the City, thereby protecting the public health, property, peace, safety, and welfare; now, therefore:

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

**SECTION 1.** That the sum of \$4,577,100.00, be and is appropriated from the unappropriated balance of the Special Income Tax Fund, Fund 430, 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, 2013 to the City Auditor, Department 22-01, Object Level One 10, OCA code 902023, Object Level Three 5502.

**SECTION 2.** That the City Auditor is hereby authorized to transfer and appropriate said funds in SECTION 1 to the Fleet Management Capital Improvement Fund, Fund 513 as follows:

Fund /Subfund/Project / Project Name / O.L. 01-03 Codes / OCA / Amount

513/004/550006-100000/CNG at 2<sup>nd</sup> City Location /06-6603/513006/\$4,577,100.00

**SECTION 3.** That the Director Finance and Management is hereby authorized and directed to enter into a contract on behalf of the Office of Construction Management with to enter into a contract on behalf of the Office of Construction Management with RW Setterlin Building Company for the construction of a new compressed natural gas (CNG) fueling station at 2333 Morse Road. This legislation also authorizes contracts and/or agreements with Columbia Gas of Ohio, Inc. for the infrastructure necessary for proper connection to the natural gas supply network so as to ensure the minimum pressure necessary to serve this CNG Station.

**SECTION 4.** That the monies appropriated in the foregoing Section 2 shall be paid upon order of the Director of Finance and Management and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

**SECTION 5.** That upon obtaining other funds for this project for the Department of Finance and Management, the City Auditor is hereby authorized and directed to repay the Special Income Tax Fund the amount transferred under Section 2.

**SECTION 6.** That the City Auditor is authorized to make any accounting changes to revise the funding source for any contract(s) or contract modification(s) associated with the expenditure of the funds transferred under Section 2 above.

**SECTION 7.** 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 \$4,577,100.00 (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 the fund from which the advance for costs of the Project will be made.

**SECTION 8.** That for the purpose of paying the cost of this contract, the sum of \$4,577.100.00, or so much thereof as may be needed, is hereby authorized to be expended from the Fleet Management Capital Improvement Fund as follows:

Fund / Subfund / Project / Project Name / O.L. 01-03 Codes / OCA / Amount  
513/004/550006-100000/CNG at 2<sup>nd</sup> City Location /06-6603/513006/\$4,577,100.00

**SECTION 9.** That the expenditure up to \$4,577,100.00, or so much thereof that may be necessary in regard to the action authorized in SECTION 3, be and is hereby authorized and approved as follows:

Division: 45-05  
Fund/Subfund: 513-004  
Project/Detail: 550006-100000  
OCA: 513006  
Object Level 1:06  
Object Level 3: 6603  
Amount: \$4,577,100.00

**SECTION 10.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

**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 for the reasons stated in the preamble hereto, which is hereby made a part hereof, 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 passage if the Mayor neither approves nor vetoes the same.