



## Legislation Details (With Text)

**File #:** 1624-2018      **Version:** 1

**Type:** Ordinance      **Status:** Passed

**File created:** 6/4/2018      **In control:** Public Utilities Committee

**On agenda:** 7/16/2018      **Final action:** 7/18/2018

**Title:** To authorize the Director of Public Utilities to enter into a construction contract with Kenmore Construction Co., Inc. for the Dublin Road Water Plant (DRWP) Standby Power Project; to authorize the appropriation and transfer of \$10,681,257.50 from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the appropriation and expenditure of \$10,681,257.50 from the Water Supply Revolving Loan Account Fund; to authorize a transfer and expenditure up to \$2,000.00 within the Water General Obligation Voted Bonds Fund; to provide for payment of prevailing wage services to the Department of Public Service, Design and Construction Division; for the Division of Water; and to authorize an amendment of the 2018 Capital Improvements Budget. (\$10,683,257.50)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. ORD 1624-2018 Bid Tab, 2. ORD 1624-2018 QFF, 3. ORD 1624-2018 Information, 4. ORD 1624-2018 Utilization Form, 5. ORD 1624-2018 Funding, 6. ORD 1624-2018 map

| Date      | Ver. | Action By             | Action                  | Result |
|-----------|------|-----------------------|-------------------------|--------|
| 7/18/2018 | 1    | CITY CLERK            | Attest                  |        |
| 7/17/2018 | 1    | MAYOR                 | Signed                  |        |
| 7/16/2018 | 1    | COUNCIL PRESIDENT     | Signed                  |        |
| 7/16/2018 | 1    | Columbus City Council | Approved                | Pass   |
| 7/9/2018  | 1    | Columbus City Council | Read for the First Time |        |

**1.0 BACKGROUND:** This legislation authorizes the Director of Public Utilities to enter into a construction contract with Kenmore Construction Co., Inc. for the Dublin Road Water Plant (DRWP) Standby Power Project, in an amount up to \$10,681,257.50, for Capital Improvements Project No. 690520-100000, Division of Water Contract Number 2075.

Funds in the amount of \$2,000.00 will also be encumbered with the Department of Public Service for Prevailing Wage services.

This construction contract will install two standby power generators at the Dublin Road Water Plant (DRWP). These generators will allow the plant to continue to operate during utility power outages, thereby improving the reliability of the water supply system.

Other work will include installation of a switchgear enclosure, concrete encased duct bank, miscellaneous site work, and a fuel offloading area with spill containment. The project will also include modifying the bio-retention pond and the existing plant systems for network, fire alarms, and intercom to integrate new enclosures into the system.

Community Planning Area: "NA" since the DRWP serves several communities.

## 2.0 ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT;

**ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT:** This project will provide the residents of the City of Columbus and a large part of Franklin County with a reliable supply of clean water for potable water use and fire protection during electric utility power outage. This project benefits the economy by providing uninterrupted water service and fire protection during a region-wide power outage.

Public informational meetings are not anticipated for this project because all proposed work is anticipated to occur within the boundaries of the water plant. Regulatory agencies will be notified of the proposed work as appropriate.

**3.0 CONSTRUCTION CONTRACT AWARD:** The Director of Public Utilities publicly opened three (3) bids on May 9, 2018 from:

1. Kenmore Construction      \$10,681,257.50
2.      Shook Construction Co. \$11,232,567.50 (after bid tab correction)
3.      Kokosing Industrial, Inc.      \$11,232,855.00

Kenmore Construction's bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$10,681,257.50. Their Contract Compliance Number is 34-0802152 (expires 10/4/18, Majority) and their DAX Vendor No. is 006456. Additional information regarding all bidders, description of work, contract time frame and detailed amounts can be found on the attached Information form.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Kenmore Construction Co., Inc.

**3.1 PRE-QUALIFICATION STATUS:** Kenmore Construction Co., Inc. and all proposed subcontractors have met code requirements with respect to pre-qualification, pursuant to relevant sections of Columbus City Code Chapter 329.

**4.0 FISCAL IMPACT:** This Ordinance authorizes the City Auditor to appropriate and transfer funds from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund in order to fund this proposed expenditure. This transaction is a temporary measure that is required until such time as the Division is able to execute a loan with the Water Supply Revolving Loan Account Fund and reimburse the Water System Reserve Fund. The loan is expected to be approved in July 2018. An amendment to the 2018 Capital Improvements Budget will also be necessary.

To authorize the Director of Public Utilities to enter into a construction contract with Kenmore Construction Co., Inc. for the Dublin Road Water Plant (DRWP) Standby Power Project; to authorize the appropriation and transfer of \$10,681,257.50 from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the appropriation and expenditure of \$10,681,257.50 from the Water Supply Revolving Loan Account Fund; to authorize a transfer and expenditure up to \$2,000.00 within the Water General Obligation Voted Bonds Fund; to provide for payment of prevailing wage services to the Department of Public Service, Design and Construction Division; for the Division of Water; and to authorize an amendment of the 2018 Capital Improvements Budget. (\$10,683,257.50)

**WHEREAS,** three (3) bids for the Dublin Road Water Plant (DRWP) Standby Power Project were received and publicly opened in the offices of the Director of Public Utilities on May 9, 2018; and

**WHEREAS,** the lowest, best, most responsive and responsible bid was from Kenmore Construction Co., Inc. in the amount of \$10,681,257.50; and

**WHEREAS,** it is necessary to authorize the Director of the Department of Public Utilities to enter into a construction contract for the Dublin Road Water Plant (DRWP) Standby Power Project; and

**WHEREAS**, it is necessary to authorize the Director of the Department of Public Utilities to encumber and expend funds to provide for payment of prevailing wage services associated with said project; and

**WHEREAS**, it is necessary to both appropriate funds from the Water System Reserve Fund and to authorize the transfer of said funds into the Water Supply Revolving Loan Account Fund in order to temporarily fund this expenditure, until such time as the City is able to execute a loan for the above stated purpose and reimburse the Water System Reserve 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**, it is necessary to authorize a transfer and expenditure of funds within the Water G.O. Voted Bonds Fund, for the Division of Water; and

**WHEREAS**, it is necessary to authorize an amendment to the 2018 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditures; and

**WHEREAS**, it has become necessary in the usual daily operation of the Division of Water, Department of Public Utilities, to authorize the Director of Public Utilities to enter into a construction contract with Kenmore Construction Co., Inc. for the Dublin Road Water Plant (DRWP) Standby Power Project, 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 Director of Public Utilities is hereby authorized to enter into a construction contract for the Dublin Road Water Plant (DRWP) Standby Power Project with Kenmore Construction Co., Inc., 700 Home Ave., Akron, OH 44310 (FID# 34-0802152); in an amount up to \$10,681,257.50; in accordance with the terms and conditions of the contract on file in the Office of the Division of Water.

**SECTION 2.** That said construction company shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Water.

**SECTION 3.** That the transfer of \$2,000.00 or so much thereof as may be needed, is hereby authorized between projects within Fund 6006 - Water G.O. Voted Bonds Fund, per the account codes in the attachment to this ordinance.

**SECTION 4.** That the 2018 Capital Improvements Budget is hereby amended, in Fund 6006 - Water G.O. Voted Bonds Fund and Fund 6011 - Water Supply Revolving Loan Acct. Fund, as follows:

| <b>Fund No.</b> | <b>Fund Name</b>                  | <b>Project ID</b>    | <b>Project Name</b> | <b>Current Authority</b> | <b>Revised Authority</b> | <b>Change</b>  |
|-----------------|-----------------------------------|----------------------|---------------------|--------------------------|--------------------------|--|
| 6011            | Water Supply Revolving Loan Acct. | P690520-100000 (NEW) | DRWP Standby Power  | \$0                      | \$10,681,258             | +\$10,681,258<br>(adding authority to match expenditure) |

|      |                        |                            |                  |          |          |          |
|------|------------------------|----------------------------|------------------|----------|----------|----------|
| 6006 | Water G.O. Voted Bonds | P690026-100000 (carryover) | Misc. Facilities | \$21,155 | \$19,155 | -\$2,000 |
|------|------------------------|----------------------------|------------------|----------|----------|----------|

|      |                        |                            |                    |             |             |          |
|------|------------------------|----------------------------|--------------------|-------------|-------------|----------|
| 6006 | Water G.O. Voted Bonds | P690520-100000 (carryover) | DRWP Standby Power | \$1,286,600 | \$1,288,600 | +\$2,000 |
|------|------------------------|----------------------------|--------------------|-------------|-------------|----------|

**SECTION 5.** That from the unappropriated monies 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 ended December 31, 2018, the sum of \$10,681,257.50 is appropriated in Fund 6003 - Water System Reserve Fund, in Object Class 10 - Transfer Out Expenditure, per the account codes in the attachment to this ordinance.

**SECTION 6.** That the transfer of \$10,681,257.50 or so much thereof as may be needed, is hereby authorized between Fund 6003 - Water System Reserve Fund and Fund 6011 - Water Supply Revolving Loan Account Fund, per the account

codes in the attachment to this ordinance.

**SECTION 7.** That the appropriation and expenditure of \$10,681,257.50 or so much thereof as may be needed, is hereby authorized in Fund 6011 - Water Supply Revolving Loan Account Fund, in Object Class 06 - Capital Outlay, per the accounting codes in the attachment to this ordinance.

**SECTION 8.** That the expenditure of \$2,000.00 or so much thereof as may be needed, is hereby authorized in Fund 6006 - Water G.O. Voted Bonds Fund, in Object Class 06 - Capital Outlay, for prevailing wage services, per the accounting codes in the attachment to this ordinance.

**SECTION 9.** 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 10.** 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 \$10,681,257.50 (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 6003, which is the fund from which the advance for costs of the Project will be made.

**SECTION 11.** 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 12.** That the City Auditor is hereby authorized and directed 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 no longer required for said project; except that no transfer shall be made from a project account by monies from more than one source.

**SECTION 13.** That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

**SECTION 14.** 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 15.** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.