



## Legislation Details (With Text)

**File #:** 2689-2020      **Version:** 1

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

**File created:** 11/16/2020      **In control:** Finance Committee

**On agenda:** 12/7/2020      **Final action:** 12/11/2020

**Title:** To amend the 2020 Capital Improvement Budget; to authorize the Director of Finance and Management to enter into a contract, on behalf of the Office of Construction Management, with Elford, Inc. for the construction of the Westside Early Learning Center; to authorize and direct the City Auditor to appropriate and transfer \$6,500,000.00 from the Special Income Tax Fund to the Construction Management Capital Improvement Fund; to authorize the expenditure of \$20,070,522.00 from the Construction Management Capital Improvement Funds; and to declare an emergency. (\$20,070,522.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Ord 2689-2020 Legislation Template.pdf

Date	Ver.	Action By	Action	Result
12/11/2020	1	CITY CLERK	Attest	
12/10/2020	1	MAYOR	Signed	
12/7/2020	1	COUNCIL PRESIDENT	Signed	
12/7/2020	1	Columbus City Council	Approved	Pass

**BACKGROUND:** This legislation authorizes the Finance and Management Director to enter into a contract on behalf of the Office of Construction Management with Elford, Inc. for the Construction of the Westside Early Learning Center located at 45 Clarendon Avenue.

This project is for the construction of a new-build facility, a two story 50,000 square foot space focused on pre-kindergarten learning for 3-5 year old children. The maximum enrollment capacity is estimated at 240 total student enrollment. There are four consultation rooms for specialized services including a medical station, a full service kitchen with a cafeteria and multipurpose space, an indoor and outdoor playground, an indoor activity room, an outdoor courtyard and an exterior garden space. Support spaces include a teacher's break room and workroom, administrative offices for the Director and staff, a conference room and an emergency storm shelter. The basement of the facility houses the mechanical spaces, storage for food and building use as well as a walk-in refrigerator.

Formal bids were solicited and the City received three (3) bids (0 FBE, 0 MBE) on September 29, 2020 as follows:

<u>Company</u>	<u>City</u>	<u>Bid Amount</u>	<u>AS1/FBE/MBE</u>
Elford, Inc	Columbus	\$20,070,522.00	EBOCC
R.W. Setterlin Building Company	Columbus	\$20,201,842.00	EBOCC
2K General Company	Columbus	\$20,451,522.00	EBOCC

Elford, Inc. submitted the lowest responsive bid of \$20,070,522.00. The Office of Construction Management recommends the bid award be made to the lowest, responsive and responsible bidder Elford, Inc.

Elford, Inc. Contract Compliance No. 31-4371060, expiration date May 27, 2022.

**Emergency action** is requested to prevent delays of construction material due to COVID 19 and to complete some site work prior to winter.

**Fiscal Impact:** This ordinance authorizes the expenditure of \$20,070,522.00 with Elford, Inc. for construction of the Westside Early Learning Center. It is necessary to certify \$6,500,000 in funding against the Special Income Tax Fund. This transfer is a temporary funding method. The City will sell notes for bonds to fund this project and will reimburse the Special Income Tax fund accordingly. The remaining funding of \$13,570,522 will be expended from the Construction Management Capital Improvement Funds. An amendment to the 2020 Capital Improvement Budget will be required.

To amend the 2020 Capital Improvement Budget; to authorize the Director of Finance and Management to enter into a contract, on behalf of the Office of Construction Management, with Elford, Inc. for the construction of the Westside Early Learning Center; to authorize and direct the City Auditor to appropriate and transfer \$6,500,000.00 from the Special Income Tax Fund to the Construction Management Capital Improvement Fund; to authorize the expenditure of \$20,070,522.00 from the Construction Management Capital Improvement Funds; and to declare an emergency. (\$20,070,522.00)

**WHEREAS**, it is necessary to amend the 2020 Capital Improvement Budget and to authorize the transfer of funds between projects within the Construction Management Capital Improvement Funds; and

**WHEREAS**, it is necessary to transfer appropriation within a project in the Development Taxable Bond Fund; and

**WHEREAS**, a transfer of \$6,500,000 from the Special Income Tax Fund to the Construction Management Capital Improvement Fund is necessary to fund this project; and

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

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

**WHEREAS**, the aggregate principal amount of obligations which the City will issue to finance this purchase is presently expected not to exceed \$6,500,000; 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**, the Office of Construction Management solicited bids for this project and three firms submitted bids on September 29, 2020; and

**WHEREAS**, Elford, Inc. was deemed the lowest, responsive, and responsible bidder; and

**WHEREAS**, an emergency exists in the usual daily operation of the Finance and Management Department, in that it is immediately necessary to authorize the Director of Finance and Management to enter into a contract with Elford, Inc. for construction of the Westside Early Learning Center so that construction work can be completed expeditiously in order to prevent delays of construction material due to COVID 19, thereby preserving 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 Finance and Management Director is hereby authorized to enter into a contract, on behalf of the Office of Construction Management, with Elford, Inc. for the construction of the Westside Early Learning Center located

at 45 Clarendon Avenue.

**SECTION 2.** That the 2020 Capital Improvement Budget be amended as follows:

**Fund/Project Name / Project Number / Current Authority/ Revised Authority/ Difference**

7733/Facilities Renovation - Various / 570030-100120/ \$70,685/\$41,771/(\$28,914)

7733/Westside Early Educational Center/420100-100001/\$0/\$28,914/\$28,914

7732/1111 E. Broad Street Renovations - elevator modernization/ 570078-100001/\$39,000/\$0/ (\$39,000)

7732/Westside Early Educational Center/420100-100001/\$12,502,609/\$12,641,609/\$39,000

**SECTION 3.** 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, 2020, the sum of \$6,500,000.00 is appropriated in Fund 4430 (Special Income Tax), Dept-Div 2201 (City Auditor) in Object Class 10 (Transfer Out Operating) per the account codes in the attachment to this ordinance.

**SECTION 4.** That the transfer of \$6,500,000.00 or so much thereof as may be needed, is hereby authorized from Fund 4430 (Special Income Tax), Dept-Div 2201 (City Auditor) to Fund 7732 (Construction Management Taxable Bond Fund), Dept-Div 4550 (Construction Management) per the account codes in the attachment to this ordinance.

**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, 2020, the sum of \$6,500,000.00 is appropriated in Fund 7732 (Construction Management Taxable Bond Fund), Dept-Div 4550 (Construction Management) per the account codes in the attachment to this ordinance.

**SECTION 6.** That the transfer of \$1,000,000.00 or so much thereof as may be needed, is hereby authorized within Fund 7739 (Development Taxable Bond fund), Dept-Div 4401 (Development Administration) to Dept-Div 4550 (Construction Management) per the account codes in the attachment to this ordinance.

**SECTION 7.** That the transfer of cash and appropriation of \$39,000.00 or so much thereof as may be needed, is hereby authorized between projects within Fund 7732 (Construction Management Taxable Bond fund), per the account codes in the attachment to this ordinance.

**SECTION 8.** That the transfer of cash and appropriation of \$28,913.16 or so much thereof as may be needed, is hereby authorized between projects within Fund 7733 (Construction Management Bond fund), per the account codes in the attachment to this ordinance.

**SECTION 9.** That the expenditure of \$20,070,522.00 or so much thereof as may be necessary in regard to the action authorized in SECTION 1, per the accounting codes in the attachment to this ordinance.

**SECTION 10.** 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 4.

**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 \$6,500,000.00 (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 12.** That the monies in the foregoing sections 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 13.** 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 14.** That the City Auditor is authorized to make any accounting changes to revise the funding sources for all contracts or contract modifications associated with the ordinance.

**SECTION 15.** 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 16.** That for reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared an emergency measure and shall take effect and be enforced from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.