



## Legislation Details (With Text)

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

**File created:** 10/1/2021      **In control:** Public Service & Transportation Committee

**On agenda:** 10/18/2021      **Final action:** 10/21/2021

**Title:** To authorize the Director of Public Service to waive the surety bonding/letter of credit requirements in future Agreements to improve streets between the City and the Franklin County Convention Facilities Authority; and to declare an emergency. (\$0.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
10/21/2021	1	CITY CLERK	Attest	
10/20/2021	1	MAYOR	Signed	
10/18/2021	1	COUNCIL PRESIDENT	Signed	
10/18/2021	1	Columbus City Council	Approved	Pass

### 1. BACKGROUND

The purpose of this ordinance is to authorize the waiver of certain financial requirements in future roadway improvement agreements between the Department of Public Service and the Franklin County Convention Facilities Authority (FCCFA).

As part of its operations, the Franklin County Convention Facilities Authority (FCCFA) has proposed making certain modifications to adjacent public roadways for the purpose of improving pedestrian and vehicular ingress to and egress from the grounds of its facilities.

Chapter 901.01(f) of Columbus City Codes, 1959, currently requires entities wishing to make such roadway improvements to enter into an Agreement to Improve Streets with the Director of Public Service and to provide to the City a surety bond, or letter of credit, equal to the amount estimated to complete each of these roadway improvements. However, as a public entity, the FCCFA also is required to obtain a surety bond, or letter of credit, from its contractor(s) for all proposed work, including work within the public right-of-way on City streets. Therefore, the current requirements of the City and the FCCFA would result in the proposed public roadway improvements being bonded twice, thereby doubling the cost for ensuring this work is completed in a satisfactory manner while providing little or no additional benefit to the FCCFA or the City.

In an effort to eliminate this additional expense, this ordinance authorizes the City, acting through the Public Service Director, to waive on a project-by-project basis the surety bonding/letter of credit requirements associated with Chapter 901.01(f) of Columbus City Code, 1959, in future Agreements to Improve Streets between the City and the FCCFA for public roadway improvements administered by the FCCFA. That waiver shall endure so long as the FCCFA complies with the following conditions:

1. In lieu of surety bonding/letter of credit, the FCCFA shall, as a part of these future Agreements to Improve Streets, certify that it shall not release its contractor's construction bond for each of its projects until such time as the City of Columbus, Department of Public Service, has issued a Letter of Acceptance to the FCCFA noting the satisfactory completion of the improvements.

2. Furthermore, should the FCCFA contractor fail to complete a public roadway improvement to the satisfaction of the City within one year of each agreement date, the FCCFA shall agree, upon demand by the City Engineer, to immediately call the construction bond for the improvements.

All other conditions associated with Chapter 901 of Columbus City Code (1959) and Agreements to Improve Streets shall remain in force.

## **2. FISCAL IMPACT**

There is no fiscal impact to the City of Columbus associated with this ordinance.

## **3. EMERGENCY JUSTIFICATION**

Emergency action is requested in order to allow for the commencement of associated cost saving measures as soon as reasonably practicable.

To authorize the Director of Public Service to waive the surety bonding/letter of credit requirements in future Agreements to improve streets between the City and the Franklin County Convention Facilities Authority; and to declare an emergency. (\$0.00)

**WHEREAS**, the Franklin County Convention Facilities Authority (FCCFA) has proposed making certain modifications to adjacent public roadways to improve pedestrian and vehicular ingress to and egress from the grounds of its facilities; and

**WHEREAS**, such work requires the FCCFA to enter into an Agreement to Improve Streets with the City of Columbus; and

**WHEREAS**, both the FCCFA and the City of Columbus require surety bonds or letters of credit to ensure the proper execution of this work; and

**WHEREAS**, such dual bonding would place an additional financial burden upon the FCCFA while providing little or no benefit to the FCCFA or the City of Columbus; and

**WHEREAS**, waiving the surety bond/letter of credit requirements associated with future Agreements to Improve Streets as prescribed within Chapter 901.01(f) of Columbus City Codes, requires City Council approval; and

**WHEREAS**, the FCCFA has agreed to alternative assurance measures in future Agreements to Improve Streets, including not releasing the construction bond for each of its projects until such time as the City of Columbus, Department of Public Service, has issued a Letter of Acceptance to the FCCFA noting the satisfactory completion of the improvements, and calling the construction bond should its contractor(s) fail to satisfactorily complete said work within a prescribed period of time; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Public Service in that it is immediately necessary to authorize the Public Service Director to waive the surety bonding/letter of credit requirements of Chapter 901.01(f) of Columbus City Code in future Agreements to Improve Streets with the FCCFA to allow for the commencement of associated cost saving measures as soon as reasonably practicable, 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 Public Service Director be and is hereby authorized to waive the surety bonding/letter of credit requirements of Chapter 901.01(f) of Columbus City Code in future Agreements to Improve Streets with the Franklin County Convention Facilities Authority (FCCFA) for public roadway improvements administered by the FCCFA and that said authority shall endure so long as the FCCFA complies with the prescribed alternative assurance measures and the

remaining conditions of all such agreements.

**SECTION 2.** 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.