



## Legislation Details (With Text)

**File #:** 0201-2023      **Version:** 1

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

**File created:** 1/12/2023      **In control:** Finance Committee

**On agenda:** 2/6/2023      **Final action:** 2/8/2023

**Title:** To authorize the appropriation and transfer of funds from the Special Income Tax Fund to the Construction Management Taxable Fund; to authorize appropriation within the Construction Management Taxable Bond Fund; to authorize the Director of Finance and Management to modify and increase the construction contract with Elford Construction Company, Inc., on behalf of the Office of Construction Management, for emergency repairs, renovation, and remediation to the West Side Early Learning Center; to authorize a transfer and expenditure up to \$350,000.00 within the Construction Management Taxable Fund; to amend the 2022 Capital Improvements Budget; and to declare an emergency. (\$350,000.00)

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. 0201-2023 D365 Financial Template.pdf

| Date     | Ver. | Action By             | Action   | Result |
|----------|------|-----------------------|----------|--------|
| 2/8/2023 | 1    | CITY CLERK            | Attest   |        |
| 2/7/2023 | 1    | MAYOR                 | Signed   |        |
| 2/6/2023 | 1    | COUNCIL PRESIDENT     | Signed   |        |
| 2/6/2023 | 1    | Columbus City Council | Approved | Pass   |

**1. BACKGROUND:** This Ordinance authorizes the Director of Finance and Management to modify and increase the construction contract with Elford Construction Company, Inc., on behalf of the Office of Construction Management, for emergency repairs to the West Side Early Learning Center located at 45 Clarendon Avenue, in an amount up to \$350,000.00.

Inclement weather conditions in December 2022 caused the evaporative cooling tower to malfunction. This malfunction resulted in the purging of water from the cooling tower and a resulting overflow of water into the interior of the building. Water damage occurred on the first and second floors as well as the basement. Damages areas included walls, paint, flooring, insulation, ceiling, lighting, sensors, furniture, and educational materials. Remediation was performed immediately to mitigate the risk of further damage and to deter mold conditions. This contract modification is needed to add additional funds to Elford's contract to fund ongoing renovations, repairs and remediation due to the water intrusion.

The original contract (PO254866) was authorized by Ordinance No. 2689-2020 and approved by City Council on December 11, 2020.

Prices already established in the contract were used to determine the cost of this modification.

**2. CONTRACT COMPLIANCE INFO:** 31-4371060, DAX #6059, expires 1/31/24, MAJ

**3. EMERGENCY DESIGNATION:** Emergency designation is requested so that necessary funding can be added to the existing contract as quickly as possible to fund ongoing renovations, repairs and remediation due to the water intrusion

caused by inclement weather.

**4. FISCAL IMPACT:** A transfer of funds within the Construction Management Taxable Fund - Fund No. 7732 will be necessary as well as an amendment to the 2022 Capital Improvements Budget. A certification against the Special Income Tax Fund will be necessary until bonds are sold.

|                                    |                  |
|------------------------------------|------------------|
| Original Contract (2689-2020):     | \$ 20,070,522.00 |
| Modification No. 1 (0835-2022):    | \$ 400,000.00    |
| Modification No. 2 (1769-2022):    | \$ 800,000.00    |
| Modification No. 3 (current):      | \$ 350,000.00    |
| Total (Original and Modification): | \$ 21,625,522.00 |

To authorize the appropriation and transfer of funds from the Special Income Tax Fund to the Construction Management Taxable Fund; to authorize appropriation within the Construction Management Taxable Bond Fund; to authorize the Director of Finance and Management to modify and increase the construction contract with Elford Construction Company, Inc., on behalf of the Office of Construction Management, for emergency repairs, renovation, and remediation to the West Side Early Learning Center; to authorize a transfer and expenditure up to \$350,000.00 within the Construction Management Taxable Fund; to amend the 2022 Capital Improvements Budget; and to declare an emergency. (\$350,000.00)

**WHEREAS**, Contract No. PO254866 was authorized by Ordinance No. 2689-2020 and approved by City Council on December 11, 2020, for the West Side Early Learning Center Project located at 45 Clarendon Avenue; and

**WHEREAS**, it is necessary to modify and increase the contract with Elford Construction Company, Inc., in an amount up to \$350,000.00, for emergency repairs, renovation, and remediation due to water intrusion caused by inclement weather; and

**WHEREAS**, it is necessary to authorize a transfer and expenditure up to \$350,000.00 within the within Construction Management Taxable Fund; and

**WHEREAS**, it is necessary to authorize an amendment to the 2022 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditure; and

**WHEREAS**, funds will need to be appropriated and transferred from the Special Income Tax Fund, Fund 4430, to the Construction Management Taxable Fund, Fund 7732; and

**WHEREAS**, it is necessary to authorize the appropriation and expenditure of funds in the Construction Management Taxable Fund; Fund 7732; and

**WHEREAS**, the transfer described herein should be considered as a temporary funding method as the City will reimburse the Special Income Tax Fund, Fund 4430; 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 West Side Early Learning Center 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 modify and increase the construction contract with Elford Construction Company, for the West Side Early Learning Center Project, in an emergency manner for unforeseen repairs, renovation, and remediation caused by water intrusion; 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 modify and increase the construction contract with Elford Construction Company, Inc., on behalf of the Office of Construction Management, for the West Side Early Learning Center project, in an amount up to \$350,000.00.

**SECTION 2.** That this Modification is in compliance with Chapter 329 of Columbus City Codes.

**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, 2023, the sum of \$267,728.44 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 \$267,728.44, 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 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, 2023, the sum of \$267,728.44 is appropriated in Fund 7732 (Construction Management Taxable Fund), Dept-Div 4550 (Construction Management), Project P420100-100001 (Westside Early Education Center) in Object Class 06 (Capital Outlay) per the account codes in the attachment to this ordinance.

**SECTION 6.** That the transfer of \$82,271.56, or so much thereof as may be needed, is hereby authorized between projects within the Construction Management Taxable Fund - Fund No. 7732, per the account codes in the attachment to this ordinance.

**SECTION 7.** That the 2022 Capital Improvements Budget is hereby amended per the account codes in the attachment to this ordinance.

**SECTION 8.** That an expenditure up to \$350,000.00, or so much thereof as may be needed, is hereby authorized from the Construction Management Taxable Fund - Fund No. 7732, per the accounting codes in the attachment to this ordinance.

**SECTION 9.** 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 in the amount transferred under Section 4.

**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 \$267,728.44 (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 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 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.