



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 1758-2014, **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 Thomas & Marker Construction Company for the Reeb Avenue Building Renovations Project. This project involves the renovation and a child care addition to the former Reeb Avenue Elementary School, a historic landmark in the City's South Side. The facility will be known as the Reeb Avenue Center.

The former Reeb Avenue Elementary School is located at 280 East Reeb Avenue. It will be renovated and expanded to house non-profit organizations to provide programs and services that meet the needs of the neighborhood. The Reeb Avenue School was originally constructed in 1907. This project will renovate the historic portion of the building, approximately 44,790 sq. ft., as well as the approximate 4,500 sq. ft. gymnasium addition that was constructed in 1968. The classroom portion of the 1968 addition will be demolished and replaced with an addition of approximately 17,702 sq. ft. for a daycare center.

These renovations and addition will support much needed services within the Southern Gateway community. Among the many functions to be provided by the not-for-profit groups that will occupy this facility will be child care, educational services to children of all ages, support services for families, and workforce development programs.

The City of Columbus currently owns, and will continue to own, the building. A non-profit organization, the Reeb Avenue Center, is awaiting approval of its tax-exempt 501(c)(3) status from the IRS and will be formed to govern and serve as master tenant of the Reeb Avenue Center. Tenants will enter into lease agreements with the Board of the Reeb Avenue Center. Tenants will be expected to pay rents to cover the operating expenses of the Center and for the establishment of a capital fund reserve.

Formal bids were solicited and five companies submitted bid on June 25, 2014 as follows (0 FBE, 0 MBE):

Elford, Inc.	\$11,125,000
Berglund Construction Company	\$11,292,543
Thomas & Marker Construction Company	\$11,375,233
R W Setterlin Building Company	\$11,546,509
Gutknecht	\$12,067,925

The Office of Construction Management recommends the bid award be made to the most responsive and responsible bidder, Thomas & Marker Construction Company. Elford, Inc. and Berglund Construction Company were deemed non-responsive due to incomplete bids.

Emergency action is requested so that to the greatest extent possible the project can be completed prior to the 2015 academic school year.

Thomas & Marker Construction Company Contract Compliance No. 34-4476858, expiration date 01/30/16.

Fiscal Impact: The cost for this renovation is \$11,375,233.00; additional contingency funding of \$223,517.00 brings the total to \$11,598,750.00. Of this, the City has committed \$5,888,750.00 within the Construction Management Capital Improvement Fund. The remainder of the funding (\$5,720,000.00) is to come from payments, donations, grants,

contributions or gifts from private, federal and state entities; due to the varied nature of the revenue sources, it is necessary to properly account for the monies in different funds. The proceeds from these outside funding sources have not yet been received; therefore it is necessary to certify funds needed in the amount of \$5,720,000.00 against the Special Income Tax Fund.

To authorize the Finance and Management Director to enter into a contract on behalf of the Office of Construction Management with Thomas & Marker Construction Company for the Reeb Avenue Building Renovations Project; to authorize and direct the City Auditor to transfer \$5,720,000.00 from the Special Income Tax Fund to the General Permanent Improvement Fund and the General Government Grants Fund; to authorize the City Auditor to appropriate and expend \$3,220,000.00 within the General Permanent Improvement Fund; to authorize the City Auditor to appropriate and expend \$2,500,000.00 within the General Government Grants Fund; to authorize the expenditure of \$4,253,836.00 from the Construction Management Taxable Bonds Fund; to authorize the expenditure of \$1,624,914.00 from the Construction Management Capital Improvement Fund; and to declare an emergency. (\$11,598,750.00)

WHEREAS, the Department of Finance and Management, Office of Construction Management desires to enter into a contract for the Reeb Avenue Building Renovations Project; and

WHEREAS, formal bids were solicited and five companies submitted bids; and

WHEREAS, the bids submitted by Elford, Inc., the apparent lowest bidder, and Berglund Construction Company, the apparent second lowest bidder, were deemed nonresponsive for failing to submit values for all required fields as mandated by the bid specifications; and

WHEREAS, Thomas & Marker Construction Company was determined to be the lowest responsible, responsive and best bidder; and

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

WHEREAS, the proceeds from outside funding sources will reimburse the Special Income Tax Fund; and

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

WHEREAS, funding for the Reeb Avenue Building Renovations Project is available in the Special Income Tax Fund, the Construction Management Capital Improvement Fund, and the Construction Management Taxable Bonds Fund;

WHEREAS, an emergency exists in the usual daily operation of the Finance and Management Department, Office of Construction Management, in that it is immediately necessary to authorize the Finance and Management Director to enter into a contract with Thomas & Marker Construction Company for the Reeb Avenue Building Renovations Project, so that to the greatest extent possible, the project can be completed prior to the 2015 academic school year, thereby, preserving the public health, 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 with Thomas & Marker Construction Company for the Reeb Avenue Building Renovations Project.

SECTION 2. That the sum of \$5,720,000.00 be and is hereby 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, 2014 to the City Auditor, Department 22 -01, Object Level One 10, OCA code 902023, Object Level Three 5502.

SECTION 3. That the City Auditor is hereby authorized to transfer and appropriate said funds in SECTION 2 to the General Permanent Improvement Fund 748 and the General Government Grant Fund 220 as follows:

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

748/570064-100000/Reeb Elementary-Renovation/06-6620/TBD/\$3,220,000.00

220/TBD/Reeb Elementary-Renovation State of Ohio/06-6620/TBD/\$2,000,000.00

220/TBD/Reeb Elementary-Renovation Federal HUD/06-6620/TBD/\$500,000.00

SECTION 4. That the expenditure of \$11,598,750.00, or so much thereof as may be necessary in regard to the actions authorized in Sections 1, be and is hereby authorized and approved as follows:

Dept/Div: 45-50

Fund: 748

OCA: TBD

Object Level 1: 06

Object Level 3: 6620

Amount: \$3,220,000.00

Dept/Div: 45-50

Fund: 220

OCA: TBD

Object Level 1: 06

Object Level 3: 6620

Amount: \$2,000,000.00

Dept/Div: 45-50

Fund: 220

OCA: TBD

Object Level 1: 06

Object Level 3: 6620

Amount: \$500,000.00

Dept/Div: 45-50

Fund: 732

Project: 570064-100000

OCA: 732064

Object Level 1: 06

Object Level 3: 6620

Amount: \$4,253,836.00

Dept/Div: 45-50

Fund: 733

Project: 570064-100000

OCA: 733064

Object Level 1: 06

Object Level 3: 6620

Amount: \$1,624,914.00

SECTION 5. That the City Auditor is hereby authorized to establish a grant receivable in the General Government Grand Fund 220 for the amount(s) authorized in SECTION 3.

SECTION 6. That upon obtaining funds from outside entities for the Reeb Avenue Building Renovation Project, the City Auditor is hereby authorized and directed to repay the Special Income Tax Fund for the amount(s) transferred under SECTION 3.

SECTION 7. That the City intends 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 \$5,720,000.00 (the "Obligations").

The City intends to make a reimbursement allocation on its books for the Original Expenditures not later than eighteen (18) 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 as "placed in service" within the meaning of the 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 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 9. 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 10. 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 11. That for 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.