



Legislation Text

File #: 2484-2015, Version: 1

1. **BACKGROUND:** This legislation authorizes the Director of Public Utilities to modify (Mod #2) an engineering agreement with CDM Smith Inc. for professional engineering services for the Wastewater Treatment Facilities Instrumentation and Control (I&C) Integration and Programming Team project. The services to be provided are professional engineering and technical services necessary for the DPU's SCADA, Telemetry, and Process Control Systems. The actual project specific detailed design and construction will generally be accomplished by others. CDM Smith, Inc. will provide technical and engineering assistance to the City as requested, during the design and construction efforts. The Scope of Work for this project will consist of the following tasks: (1) Project Management; (2) Project Development Assistance; (3) Project Integration; (4) Project Integration to Servers; (5) Intra-Site Integration; (6) Daily Engineering and Technical Support; and (7) Training. Note: for additional information regarding the various Scope of Work Tasks please see the attachment: Director's Information Sheet, Section 5.

2. **MODIFICATION INFORMATION:**

Amount of additional funds to be expended: \$500,000.00

2013	Original Contract	\$349,988.00
2014	Modification #1	\$711,635.00
2015	Current Modification #2	\$500,000.00
2016	Future Modification #3	<u>\$500,000.00</u>
	Estimated Total	\$2,061,623.00

Reasons additional goods/services could not be foreseen:

This Contract Modification No. 2 was planned and anticipated, and so stated in the original contract's legislation. It is a planned continuation of the services originally included within the existing contract's scope of service.

Reason other procurement processes are not used:

In so much as the majority of this work was planned for and anticipated within the original procurement, and due to the highly complex and technical nature of the engineering assistance provided to the City, it is not reasonable or cost efficient to undertake a new procurement effort to acquire these services. The lengthy process for initiating a new procurement and for a new entity to gain understanding of the project would likely cause an unacceptable project delay and additional cost.

How cost of modification was determined:

A cost proposal was provided by CDM Smith, Inc. and reviewed by the Division of Sewerage and Drainage and was deemed acceptable. The cost of this contract modification is consistent with the direct labor, overhead, and profit rates established within the original proposal.

3. **PROJECT TIMELINE:** The timeline for this contract was for the initial contract award in 2013; with three annual modifications anticipated in 2014, 2015, and 2016. The projected contract end date is for late 2016 or early 2017.

4. **EMERGENCY DESIGNATION:** An emergency designation **is not** requested at this time.

5. **CONTRACT COMPLIANCE NO:** 04-2473650 | MAJ | Exp. 12/04/2016
6. **ECONOMIC IMPACT:** The performance of this project's activities to provide engineering and technical services for CIP's at DPU facilities will help them maintain peak operational performance. If left unperformed, the required scope of work could become larger and more expensive and that could produce a major impact to the budget. No community outreach is considered for this project.
7. **FISCAL IMPACT:** This ordinance authorizes the appropriation and transfer of \$500,000.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund, Fund 664; to authorize the creation of sufficient budget authority; to authorize the expenditure of up to \$500,000.00 from the G.O. Bond Fund, Fund 664. Monies for this contract from the Sanitary Sewer Reserve Fund will be provided from a future Bond Sale via the transfer detailed in this ordinance.

To authorize the Director of Public Utilities to enter into a planned modification (Mod #2) to the engineering agreement with CDM Smith Inc. for professional engineering services for the Wastewater Treatment Facilities Instrumentation and Control (I&C) Integration and Programming Team project; to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund and to authorize the expenditure of \$500,000.00 from the Sanitary Sewer General Obligation (G.O.) Bond Fund. (\$500,000.00)

WHEREAS, this ordinance is a modification of the original contract, EL014386; authorized by ordinance 0437-2013; passed April 01, 2013; executed by the Director June 27, 2013; approved the City Attorney June 28, 2013; and certified by the City Auditor on June 28, 2013; and

WHEREAS, contract, EL015902 was authorized by ordinance 0975-2014; passed June 02, 2014 executed by the Director June 15, 2014; approved the City Attorney June 15, 2014; and certified by the City Auditor on June 17, 2014; and

WHEREAS, this modification provides professional engineering and technical services necessary for the DPU's SCADA, Telemetry, and Process Control Systems; and

WHEREAS, it is necessary to authorize the appropriation and transfer of funds from the Sanitary Sewer Reserve Fund to the Sanitary Sewer General Obligation (G.O.) Bond Fund; and

WHEREAS, it is necessary to transfer funds from the Sanitary Sewer Reserve Fund in the amount \$500,000.00 for this project; and

WHEREAS, it is necessary for City Council to authorize the expenditure of funds from the Sanitary Sewer System GO Bond Fund, Fund 664; and

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

WHEREAS, the City will sell notes or bonds to fund this project and will reimburse the Sanitary 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 project described in this ordinance (the "Project"); and

WHEREAS, the Division of Sewerage and Drainage, Department of Public Utilities is requesting that this Council authorize the Director of Public Utilities to modify a professional engineering services agreement with CDM Smith for the WWTFs I&C Integration and Programming Team project, at the earliest practical date for the preservation of the

public health, peace, property, safety; **Now, Therefore,**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Public Utilities be, and hereby is, authorized to modify (Mod #2) a professional engineering services agreement with CDM Smith Inc., 8800 Lyra Drive, Suite 500, Columbus, Ohio 43240, for the WWTFs I&C Integration and Programming Team project, in accordance with the terms and conditions as shown in the contract on file in the office of the Division of Sewerage and Drainage.

SECTION 2. That from the unappropriated monies in the Sanitary Sewer Reserve Fund No. 654, 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, 2015, the sum of \$500,000.00 is hereby appropriated to the Division of Sewerage and Drainage: Division 60-05 | OCA Code 655225 | Object Level One 10 | Object Level Three 5502.

SECTION 3. That the City Auditor is hereby authorized to transfer and appropriate a total \$500,000.00 from the Sanitary Sewer Reserve Fund to the Sanitary Sewer Bond Fund, Fund 664, into the WWTFs I&C Integration and Programming Team project, CIP 650348-100003, at such time as deemed necessary by the Auditor, or so much thereof as may be necessary in the following manner: Division 60-05 | 643483 | Object Level 06 | Object Level Three 6676

SECTION 4. That the Director of Public Utilities be and hereby is authorized to expend up to \$500,000.00 for the WWTFs I&C Integration and Programming Team project in the following manner for the Div. 60-05 | Obj. Lvl 3 6676:

650348-100003 | WWTFs I&C Integration and Programming Team | 643483 | \$500,000.00

SECTION 5. That the said firm, CDM Smith Inc., shall perform the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Sewerage and Drainage.

SECTION 6. That the City Auditor is hereby authorized 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 are no longer required for said project; except that no transfer shall be made from a project by monies from more than one source.

SECTION 7. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 8. 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 9. That upon obtaining other funds for the purpose of funding sanitary sewer system capital improvement work, the City Auditor is hereby authorized to repay the Sanitary Sewer Reserve Fund the amount transferred above (Section 3), and said funds are hereby deemed appropriated for such purposes.

SECTION 10. That the City intends that this Ordinance constitutes 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 \$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 Sanitary/Sewer Reserve Fund 654, which is the fund from which the advance for costs of the Project will be made.

SECTION 11. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.