



Legislation Text

File #: 1721-2016, **Version:** 1

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into a construction contract with Burch Hydro, Inc. for the Hap Cremean Water Plant (HCWP) Lagoon No. 2 Sludge Removal 2016 Project; in an amount up to \$1,291,704.71; for Division of Water Contract Number 2153.

This project consists of removing sludge from Lagoon No. 2 at the HCWP, and other such work as may be necessary to complete the contract, in accordance with the plans and specifications set forth in the Invitation for Bid (IFB).

The planning area for this project is "N/A" since HCWP serves multiple planning areas.

2. ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT: The removal of sludge from Lagoon No. 2 will provide additional storage for emergency situations due to loss of pumping capabilities and for maintenance shutdown of the pumping equipment. Additional storage space will allow decantation of the sludge and significantly increase the useful life of the lagoon. This work is being performed at a secure facility and no public outreach was performed as part of this project.

3.0 CONSTRUCTION CONTRACT AWARD: The Director of Public Utilities publicly opened one bid on June 15, 2016 from Burch Hydro, Inc. in the amount of \$1,291,704.71.

3.1 PRE-QUALIFICATION STATUS: Burch Hydro, Inc. and all proposed subcontractors have met code requirements with respect to pre-qualification, pursuant to relevant sections of Columbus City Code Chapter 329.

Burch Hydro's bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$1,291,704.71. Their Contract Compliance Number is 31-0978934 (expires 9/2/17, Majority) and their DAX Vendor Account No. is 004545. Additional information regarding this bidder, description of work, contract time frame and detailed amount can be found on the attached Information form.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Burch Hydro, Inc.

4. FISCAL IMPACT: This legislation includes a transfer of funds from the Water System Reserve Fund to the Water G.O. Bonds Fund as a temporary measure until such time as the proceeds from the 2016 summer bond sale can be made available. Funds for Project No. P690331-100004 are included in Bond Sale Ordinance No. 1607-2016. A transfer of funds within the Water G.O. Bonds Fund, the Water Super Build America Bonds Fund, and the Water Permanent Improvements Fund is also necessary, as well as an amendment to the 2016 Capital Improvements Budget.

To authorize the Director of Public Utilities to execute a construction contract with Burch Hydro, Inc. for the Hap Cremean Water Plant Lagoon No. 2 Sludge Removal 2016 Project; to authorize the appropriation and transfer of \$524,113.60 from the Water System Reserve Fund to the Water General Obligations Bond Fund; to authorize transfers and expenditures up to \$767,591.11 within the Water General Obligations Bond Fund; the Water Super Build America Bonds Fund, and the Water Permanent Improvements Fund; for the Division of Water; and to authorize an amendment to the 2016 Capital Improvements Budget. (\$1,291,704.71)

WHEREAS, one bid for the Hap Cremean Water Plant (HCWP) Lagoon No. 2 Sludge Removal 2016 Project was received and publicly opened in the offices of the Director of Public Utilities on June 15, 2016; and

WHEREAS, the lowest, best, most responsive and responsible bid was from Burch Hydro, Inc. in the amount of \$1,291,704.71; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to award and execute a contract for the HCWP Lagoon No. 2 Sludge Removal 2016 Project; and

WHEREAS, it is necessary to authorize the City Auditor to transfer funds from the Water System Reserve Fund to the Water G.O. Bonds 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 construction of the Project described in this Ordinance (collectively, the "Project"); and

WHEREAS, the aggregate principal amount of obligations which the City will issue to finance this project is presently expected not to exceed \$524,113.60; and

WHEREAS, it is necessary for this Council to authorize the City Auditor to transfer and expend funds within various Division of Water Funds; and

WHEREAS, it is necessary to authorize an amendment to the 2016 Capital Improvements Budget for purposes of providing sufficient funding and expenditure authority for the aforementioned project expenditures; and

WHEREAS, it has become necessary in the usual daily operation of the Division of Water, Department of Public Utilities, to authorize the Director to enter into a construction contract for the HCWP Lagoon No. 2 Sludge Removal 2016 Project and to authorize the appropriation and transfer of funds from the Water System Reserve Fund to the Water G.O. Bonds Fund, for the preservation of the public health, peace, property and 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 award and execute a contract for the Hap Cremean Water Plant (HCWP) Lagoon No. 2 Sludge Removal 2016 Project with Burch Hydro, Inc., 17860 Ankneytown Road, Fredericktown, Ohio 43019; in an amount up to \$1,291,704.71; in accordance with the terms and conditions of the contract on file in the Office of the Division of Water.

SECTION 2. That said contractor shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Water.

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, 2016, the sum of \$ 524,113.60 is appropriated in Fund 6003 - Water System Reserve Fund, in Object Class 06 Capital Outlay, per the account codes in the attachment to this ordinance.

SECTION 4. That the transfer of \$524,113.60 or so much thereof as may be needed, is hereby authorized between Fund 6003 - Water System Reserve and Fund 6006 - Water G.O. Bonds Fund, per the account codes in the attachment to this ordinance.

SECTION 5. That the transfer of \$767,591.11 or so much thereof as may be needed, is hereby authorized between projects in various Division of Water funds, per the account codes in the attachment to this ordinance.

SECTION 6. That the expenditure of \$1,291,704.71 or so much thereof as may be needed, is hereby authorized from various Division of Water funds, per the accounting codes in the attachment to this ordinance.

SECTION 7. That the 2016 Capital Improvements Budget is hereby amended per the accounting codes in the attachment to this ordinance.

SECTION 8. That upon obtaining other funds for the purpose of funding water system capital improvement work, the City Auditor is hereby authorized to repay the Water System Reserve Fund the amount transferred under Section 4 above, and said funds are hereby deemed appropriated for such purpose.

SECTION 9. 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 \$524,113.60 (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 Water System Reserve Fund 6003, which is the fund from which the advance for costs of the Project will be made.

SECTION 10. 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 11. 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 12. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 13. 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 14. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.