



Legislation Text

File #: 1389-2017, Version: 1

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into a construction contract with the Shook Construction Company for the Chemically Enhanced Primary Treatment (CEPT) Project at Southerly Waste Water Treatment Plant (SWWTP), CIP 650367-100003. This project, approved by the Ohio EPA, will provide additional waste water treatment plant capacity to treat wet weather flows in excess of 330 Million Gallons Daily (MGD).

This is a contract to construct the SWWTP CEPT, Clarification facilities. This is one of three projects to complete the full plant expansion, and will focus on upgrades and modifications to provide new clarifiers, sludge handling facilities and chemical feed facilities.

This project has been approved for below market-rate loan financing through the Ohio Environmental Protection Agency's Water Pollution Control Loan Fund (WPCLF) which is administered by the Ohio Water Development Authority (OWDA). Ordinance 2219-2016, passed September 26, 2016, authorizes the Director of Public Utilities to enter into a WPCLF Loan for the project. Upon the loan award, which is expected in either May or June 2017, an OWDA Loan Account number will be assigned.

2. PROJECT TIMELINE: the work is to be completed within 1,050 calendar days after the effective date of the Notice to Proceed.

3. PROCUREMENT INFORMATION: The Division advertised for competitive bids for the subject project on the City's Vendor Services website, the City's Bulletin in accordance with the overall provisions of Section 329 of Columbus's City Codes, and the Bid Express website. The Division of Sewerage and Drainage received four (4) bids on April 26, 2017 from the following companies:

<u>4. Name</u>	<u>C.C. No</u>	<u>Vendor #</u>	<u>Exp. Date</u>	<u>City/State</u>	<u>Status</u>
Shook Construction	31-0443680	004127	09/28/2018	Dayton, OH	MAJ
Kenmore Construction	34-0802152	006456	10/24/2018	Cols, OH	MAJ
Kokosing Industrial	47-2946608	012309	03/10/2019	Cols, OH	MAJ
Adams-Robinson	62-1169481	009775	04/04/2018	Dayton, OH	MAJ

These bids were reviewed and ranked utilizing the Bid Tab and Quality Factor Form process. After reviewing these bids and the QFF form, it was determined that Shook Construction Company was the lowest responsive, responsible, and best bid.

5. EMERGENCY DESIGNATION: An emergency designation **is requested** at this time in order to comply with project requirements.

6. CONTRACT COMPLIANCE NO: 31-0443680 | MAJ | 09/28/2018 | Vendor #: 004127

7. ECONOMIC IMPACT: This project will capture and treat wet weather flows in excess of the current plant capacity. Without this improvement, these wastewater flows would be conveyed, untreated, to the river. The addition of this treatment will remove solids from and disinfect the wastewater, which will provide protection of and benefit to the receiving waters.

8. FISCAL IMPACT: This legislation authorizes the appropriation and transfer of \$26,769,639.00 from the Sanitary

Sewer Reserve Fund 6102, to the Ohio Water Development (OWDA) Loan Fund, Fund 6111; and authorizes the expenditure of up to \$26,769,639.00 from the loan fund.

To authorize the Director of Public Utilities to enter into a construction contract with Shook Construction Company for the Chemically Enhanced Primary Treatment Project at Southerly Waste Water Treatment Plant; to authorize the appropriation and transfer of \$26,769,639.00 from the Sanitary Sewer Reserve Fund to the Ohio Water Development Loan Fund; and to authorize the expenditure of up to \$26,769,639.00 from said loan fund for the Division of Sewerage and Drainage; and to declare an emergency. (\$26,769,639.00).

WHEREAS, it is necessary to authorize the Director of Public Utilities to enter into a construction contract with the Shook Construction Company for the Chemically Enhanced Primary Treatment (CEPT) Project at Southerly Waste Water Treatment Plant (SWWTP), CIP 650367-100003; and

WHEREAS, the Ohio Water Development Authority (OWDA) will approve an Ohio EPA WPCLF loan agreement with the City of Columbus in either the May or June 2017 award period, in the amount of \$26,769,639.00 to provide financing for the above listed project with eligible costs including the construction contract and contingency; and

WHEREAS, it is necessary to both appropriate funds from the Sewer System Reserve Fund and to authorize the transfer of said funds to the OWDA Loan Fund in order to temporarily fund this expenditure until such time as the City receives loan proceeds for the above stated purpose and reimburse the Sewer System Reserve Fund; and

WHEREAS, the aggregate principal amount of obligations which the City will issue to finance this project will not exceed \$26,769,639.00; and

WHEREAS, it is necessary to authorize the expenditure of up to \$26,769,639.00 from the Ohio Water Development (OWDA) Loan Fund, Fund 6111; 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, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to authorize the Director to enter into a construction contract with Shook Construction Company for the Chemically Enhanced Primary Treatment (CEPT) Project at Southerly Waste Water Treatment Plant (SWWTP), CIP 650367-100003 in order to comply with project requirements, for the preservation of the public health, safety and welfare; **now, therefore**

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

SECTION 1. That the Director of Public Utilities is hereby authorized to enter into a construction contract with Shook Construction Company, 4977 Northcutt Place, Dayton, Ohio 45414, for the Chemically Enhanced Primary Treatment (CEPT) Project at Southerly Waste Water Treatment Plant (SWWTP), CIP 650367-100003 in accordance with the terms and conditions on file in the office of the Division of Sewerage and Drainage.

SECTION 2. 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, 2017, the sum of \$26,769,639.00 is appropriated in Fund 6102, per the account codes in the DAX Financial attachment to this ordinance.

SECTION 3. That the transfer of \$26,769,639.00 or so much thereof as may be needed, is hereby authorized between the

Sanitary Sewer Reserve Fund 6102 and OWDA Loan Fund 6111 per the accounting codes in the attachment to this ordinance.

SECTION 4. That the appropriation and expenditure of \$26,769,639.00 or so much thereof as may be needed, is hereby authorized in the Ohio Water Development (OWDA) Loan Fund, Fund 6111 per the accounting codes in the attachment to this ordinance.

SECTION 5. That said firm, Shook Construction Company, 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 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 7. 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 8. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

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 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 11. 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 \$26,769,639.00 (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 6102, which is the fund from which the advance for costs of the Project will be made.

SECTION 12. That for reasons stated in the preamble hereto, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force and after its passage and approval by the Mayor or ten days after its passage if the Mayor neither approves nor vetoes the same.