



## Legislation Text

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**File #: 3309-2017, Version: 1**

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**1.0 BACKGROUND:** This legislation authorizes the Director of Public Utilities to enter into a construction contract with Elite Excavating Co. of Ohio, Inc. for the Dewberry Road Area Water Line Improvements Project (including Elwood Avenue/Stambaugh Avenue/Buckeye Park Road Storm Sewer Improvements); in an amount up to \$4,267,898.31; and to encumber funds with the Department of Public Service, Design and Construction Division for inspection, material testing, and related services in the amount of \$616,161.88.

This is a joint project between the Division of Water and the Stormwater section of the Division of Sewerage and Drainage.

The purpose of the Water project is to construct necessary improvements to the water distribution system and includes open-cut installation of approximately 4,600 linear feet of 6-inch water main, 16,500 linear feet of 8-inch water main, and 20 linear feet of 12 and 16-inch water main. The improvements will replace water lines that have high break histories and require frequent maintenance.

The purpose of the Stormwater project is to construct approximately 2,200 feet of 12-inch to 21-inch storm sewer and catch basins necessary to address street and yard flooding throughout the area including improvements to drainage along Elwood Avenue and the rear of properties along Stambaugh Avenue.

The Department of Public Service will be performing Construction Administration / Inspection services in the amount of \$559,705.63 for Water and \$56,456.25 for Stormwater.

This project is in the “Far South” Planning Area and includes the following streets: Dewberry Rd., Elwood Ave., Stambaugh Ave., Buckeye Park Rd., Curtis St., Eagle Ave., Bellevue Ave., Lawndale Ave., Glendower Ave., Wilson Ave., Studer Ave., Evergreen Rd., Grovewood Dr., Clarfield Ave., and Augmont Ave.

### **2.0 ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT:**

The goal of the water project is to replace or rehabilitate the existing 6-inch and 8-inch water lines that have a high break frequency. Replacement of these water lines will improve water service, decrease burden on water maintenance operations, and reduce water loss.

The goal of the stormwater project is to improve drainage along Elwood Avenue and the rear of properties along Stambaugh Avenue and eliminate street and yard flooding throughout the area.

The Neighborhood Liaison(s) will be contacted and informed of this project during the design phase. Further community outreach may result through the Neighborhood Liaison Program.

**3.0 CONSTRUCTION CONTRACT AWARD:** The Director of Public Utilities publicly opened eight bids on November 15, 2017:

1. Elite Excavating Co. of Ohio, Inc. - \$4,267,898.31
2. Beheler Excavating Inc. - \$4,392,205.73
3. Darby Creek Excavating, Inc. - \$4,551,299.04
4. Underground Utilities, Inc. - \$4,629,639.52

5. Shelly & Sands, Inc. - \$4,726,580.30
6. Danbert, Inc. - \$5,348,836.79
7. Conie Construction Co. - \$5,414,780.80
8. Trucco Construction - \$6,129,121.63

**3.1. BID WAIVER INFORMATION:** Elite Excavating Co. of Ohio submitted the lowest bid, however, their Construction Prequalification status lapsed October 6, 2017. The Office of Construction Prequalification gave Elite Excavating permission to submit their prequalification application past the application season and considered them responsible at the time of their status expiration and prequalified during the November 15, 2017 bid opening.

**3.2 PRE-QUALIFICATION STATUS OF SUBS:** All proposed subcontractors have met code requirements with respect to pre-qualification, pursuant to relevant sections of Columbus City Code Chapter 329.

Elite Excavating's bid was deemed the lowest, best, most responsive and responsible bid in the amount of \$4,267,898.31. Their Contract Compliance Number is 20-1643186 (expires 6/22/19, Majority, DAX #001064). Additional information regarding all bidders, description of work, contract time frame and detailed amounts 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 Elite Excavating Co. of Ohio, Inc.

**4.0 FISCAL IMPACT:** This Ordinance authorizes the City Auditor to appropriate and transfer funds from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund in order to fund the Water portion of this expenditure. This transaction is a temporary measure that is required until such time as the Division is able to execute a loan with the Water Supply Revolving Loan Account Fund and reimburse the Water System Reserve Fund. The loan is expected to be approved in January 2018.

Funding for the Stormwater portion will come from the Storm Sewer Bond Fund 6204.

An amendment to the 2017 Capital Improvements Budget will also be necessary.

To authorize the Director of Public Utilities to execute a construction contract with Elite Excavating Co. of Ohio, Inc. for the Dewberry Road Area Water Line Improvements Project (including Elwood Avenue/Stambaugh Avenue/Buckeye Park Road Storm Sewer Improvements); to waive the provisions of competitive bidding; to authorize the appropriation and transfer of \$4,011,568.61 from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the appropriation and expenditure of \$4,011,568.61 from the Water Supply Revolving Loan Account Fund; to authorize a transfer and expenditure up to \$559,705.63 within the Water General Obligations Bond Fund; to authorize an expenditure of up to \$312,785.95 within the Storm Sewer Bond Fund; to provide for payment of inspection, material testing and related services to the Department of Public Service, Design and Construction Division; and to amend the 2017 Capital Improvements Budget; for the Divisions of Water and Sewerage and Drainage. (\$4,884,060.18)

**WHEREAS,** eight bids for the Dewberry Road Area Water Line Improvements Project (including Elwood Avenue/Stambaugh Avenue/Buckeye Park Road Storm Sewer Improvements) were received and publicly opened in the offices of the Director of Public Utilities on March 22, 2017; and

**WHEREAS,** Elite Excavating Co. of Ohio submitted the lowest bid, however, their Construction Prequalification status lapsed October 6, 2017. The Office of Construction Prequalification gave permission to submit their prequalification application past the application season and considered them responsible at the time of their status expiration and

prequalified during the November 15, 2017 bid opening; and

**WHEREAS**, the Director of Public Utilities believes it is in the City's best interest to waive the competitive bidding provisions of Chapter 329 of the Columbus City Code in order to authorize the Director to award to Elite Excavating Co. of Ohio, thereby saving over \$124,000.00; and

**WHEREAS**, this is a joint project between the Division of Water and the Stormwater section of the Division of Sewerage and Drainage; and

**WHEREAS**, it is necessary to authorize the Director of the Department of Public Utilities to encumber and expend funds to provide for payment of construction, inspection, and testing services costs associated with said project; and

**WHEREAS**, it is necessary to both appropriate funds from the Water System Reserve Fund and to authorize the transfer of said funds into the Water Supply Revolving Loan Account Fund in order to temporarily fund this expenditure, until such time as the City is able to execute a loan for the above stated purpose and reimburse the Water System Reserve Fund; and

**WHEREAS**, it is necessary to authorize a transfer and expenditure within the Water G.O. Bonds Fund; and

**WHEREAS**, it is necessary to authorize an expenditure of funds within the Storm Sewer Bond Fund; and

**WHEREAS**, it is necessary to authorize an amendment to the 2017 Capital Improvements Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditures; 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**, it has become necessary in the usual daily operation of the Department of Public Utilities to authorize the Director to enter into a construction contract with Elite Excavating Co. of Ohio, Inc. for the Dewberry Road Area Water Line Improvements Project, 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 is hereby authorized to award and execute a contract for the Dewberry Road Area Water Line Improvements Project (including Elwood Avenue/Stambaugh Avenue/Buckeye Park Road Storm Sewer Improvements) with Elite Excavating Co. of Ohio, Inc., 4500 Snodgrass Rd., Mansfield, OH 44903; in an amount up to \$4,267,898.31; in accordance with the terms and conditions of the contract on file in the Office of the Division of Water.

**SECTION 2.** That this Council finds it in the best interest of the City of Columbus to waive the competitive bidding provisions of Chapter 329 of the Columbus City Code in order to contract with Elite Excavating Co. of Ohio for the Dewberry Road Area Water Line Improvements Project (including Elwood Avenue/Stambaugh Avenue/Buckeye Park Road Storm Sewer Improvements), and such provisions are hereby waived.

**SECTION 3.** That said contractor shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrators of the Divisions of Water and Sewerage and Drainage.

**SECTION 4.** 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, 2018, the sum of \$4,011,568.61 is appropriated in Fund 6003 - Water System Reserve Fund, in Object Class 10 - Transfer Out Expenditure, per the account codes in the attachment to this ordinance.

**SECTION 5.** That the transfer of \$4,011,568.61 or so much thereof as may be needed, is hereby authorized between Fund 6003 - Water System Reserve Fund and Fund 6011 - Water Supply Revolving Loan Account Fund, per the account codes in the attachment to this ordinance.

**SECTION 6.** That the appropriation and expenditure of \$4,011,568.61 or so much thereof as may be needed, is hereby authorized in Fund 6011 - Water Supply Revolving Loan Account Fund, in Object Class 06 - Capital Outlay, per the accounting codes in the attachment to this ordinance.

**SECTION 7.** 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 5 above, and said funds are hereby deemed appropriated for such purpose.

**SECTION 8.** 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 \$4,011,568.61 (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 Water System Reserve Fund 6003, which is the fund from which the advance for costs of the Project will be made.

**SECTION 9.** That a transfer of funds is hereby authorized per the account codes in the attachment to this ordinance.

**SECTION 10.** That the expenditure of \$4,884,060.18 or so much thereof as may be needed, is hereby authorized in Object Class 06 - Capital Outlay, per the accounting codes in the attachment to this ordinance.

**SECTION 11.** That the 2017 Capital Improvements Budget is hereby amended, as follows:

**Water:**

<b>Fund No.</b>	<b>Fund Name</b>	<b>Project ID</b>	<b>Project Name</b>	<b>Current Authority</b>	<b>Revised Authority</b>	<b>Change</b>
6011	WSRLA	P690236-100077 (New)		\$0	\$4,011,569	+\$4,011,569 (establish authority needed for expenditure)
6006	Water G.O. Bonds	P690236-100068 (New)	Silver Dr. WL Imp's	\$450,000	\$0	-\$450,000
6006	Water G.O. Bonds	P690236-100084 (New)	E. Franklinton WL Imp's	\$4,489,593	\$4,379,887	-\$109,706
6006	Water G.O. Bonds	P690236-100077 (New)	Dewberry Rd. WL Imp's	\$0	\$559,706	+\$559,706

**SECTION 12.** 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 13.** 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 14.** That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

**SECTION 15.** 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 16.** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.