



Legislation Text

File #: 1951-2018, **Version:** 1

1. BACKGROUND

This legislation authorizes the Director of Finance and Management to enter into contract(s) on behalf of the Department of Public Service in the amount of up to \$1,600,000.00 for the purchase of steel necessary for the completion of the SR-315 at North Broadway - Interchange Project 2 and authorizes the City Auditor to establish an Auditor's Certificate in the amount of \$1,600,000.00 for these purchases.

The aforementioned project, which is the second phase of improvements to the interchange at SR-315, West North Broadway, and Olentangy River Road, encompasses the construction of a new bridge carrying SR-315 over a new southbound ramp to West North Broadway, and various improvements to the SR-315 northbound exit to West North Broadway, the intersection of Olentangy River Road and Thomas Lane/SR-315 southbound exit ramp, and the intersection of West North Broadway and the driveway to Riverside Methodist Hospital.

The steel needed for the project must be delivered by February 2019 so the newly constructed ramp can open to traffic as scheduled in May 2019. The project is projected to be ready to bid in October 2018 with a Notice to Proceed issued in November 2018. The steel needed for the project currently has a six to eight month lead time from placement of order to delivery. The purchase of the steel girders, bearings, and miscellaneous accessories will need to be bid and awarded during the upcoming Council August recess to meet the construction completion date. The Department of Public Service is requesting that City Council approve the award of the needed contract(s) to manufacture the needed steel items prior to the identification of a supplier, and to authorize the expenditure of up to \$1,600,000.00 for the purchase of the items. The City's Purchasing Department will conduct the bid event for this purchase, and all contracts will be obtained and awarded per Chapter 329 of Columbus City Code.

2. FISCAL IMPACT

Funding in the amount of \$1,600,000.00 is budgeted within the 2018 Capital Improvement Budget for this expenditure. Funds will not be available to Public Service until the proceeds of the bond sale are available later this year. Therefore, it is necessary to certify the needed funds against the Special Income Tax Fund. An amendment to the 2018 Capital Improvement Budget and a transfer of funds between the Special Income Tax Fund and the Streets and Highways Bond Fund is required to establish sufficient budget authority and cash for the project.

3. EMERGENCY DESIGNATION

Emergency action is requested to provide the Department of Public Service the lead time necessary to procure the needed steel materials for the ramp to open on schedule.

To amend the 2018 Capital Improvement Budget; to authorize and direct the City Auditor to appropriate funds within the Special Income Tax Fund and within the Streets and Highways Bond Fund; to transfer funds from the Special Income Tax Fund to the Streets and Highways Bond Fund; to authorize the Director of Finance and Management to enter into contract (s) on behalf of the Department of Public Service for the purchase of steel necessary for the completion of the SR-315 at North Broadway - Interchange Project 2; to authorize the expenditure of up to \$1,600,000.00 from the Streets and Highways Bond Fund for that purchase; and to declare an emergency. (\$1,600,000.00)

WHEREAS, the City is administering the SR-315 at North Broadway - Interchange Project 2, which encompasses the construction of a new bridge carrying SR-315 over a new southbound ramp to West North Broadway; and

WHEREAS, all work on that project must be completed by May 2019, when the newly constructed ramp is scheduled to open to traffic; and

WHEREAS, the aggressive construction schedule dictates that the Department of Public Service procure certain materials necessary to the completion of the project prior to the commencement of construction of the project; and

WHEREAS, this legislation authorizes the Director of Finance and Management to enter into contract(s) on behalf of the Department of Public Service in the amount of up to \$1,600,000.00 for the purchase of steel needed for the SR-315 at North Broadway - Interchange Project 2; and

WHEREAS, due to the long lead time required for the purchase of the steel, the commitment to complete this project by May 2019, and the need to order the steel during the Council August recess, the Department of Public Service is requesting that City Council approve this expenditure prior to the City conducting the bid event and before the supplier(s) are identified; and

WHEREAS, all contracts will be obtained and awarded pursuant to Chapter 329 of Columbus City Code, however, it is in the city's best interest to delegate the sole and final contracting decisions to the Director of Finance and Management or designee; and

WHEREAS, it is necessary to amend the 2018 Capital Improvement Budget to establish sufficient budget authority; and

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

WHEREAS, the City will reimburse the Special Income Tax Fund; and

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

WHEREAS, the aggregated principal amount of obligations which the City will issue to finance this purchase is presently expected not to exceed \$1,600,000; 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 Service in that it is immediately necessary to authorize the Director of Finance and Management to enter into contract(s) on behalf of the Department of Public Service for the purchase of steel to allow the steel to be delivered in time to prevent a delay in the opening of the new ramp, thereby preserving the public health, peace, property, safety, and welfare; **now, therefore**

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

SECTION 1. That the 2018 Capital Improvement Budget authorized by Ordinance 1010-2018 be and hereby is amended to provide sufficient budget authority for the appropriate project authorized within this ordinance as follows:

Fund / Project / Project Name / Current / Change / Amended

7704 / P441759-100006 / SR-315 at North Broadway - Interchange Project 2 (Voted 2016 Debt SIT Supported) / \$0.00 / \$1,600,000.00 / \$1,600,000.00

7704 / P441759-200000 / SR315 at North Broadway - Area Infrastructure Improvements (Voted 2016 Debt SIT Supported) / \$22,256,484.00 / (\$1,600,000.00) / \$20,656,484.00

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 ending December 31, 2018, the sum of \$1,600,000.00 is hereby appropriated in Fund 4430 (Special Income Tax Fund), Dept-Div 5912 (Division of Design and Construction), in Object Class 10 (Transfer Out Operating), and in Fund 7704 (Streets and Highways Bond Fund), Dept-

Div 5912 (Division of Design and Construction), Project P441759-100006 (SR-315 at North Broadway - Interchange Project 2), in Object Class 06 (Capital Outlay) per the account codes in the attachment to this ordinance.

SECTION 3. That the transfer of \$1,600,000.00, or so much thereof as may be needed, is hereby authorized from Fund 4430 (Special Income Tax Fund), Dept-Div 59-12 (Division of Design and Construction) to Fund 7704 (Streets and Highways Bond Fund), Dept-Div 5912 (Division of Design and Construction), per the account codes in the attachment to this ordinance.

SECTION 4. That the monies appropriated in the foregoing Section 2 shall be paid upon order of the Director of Public Service 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 5. That upon obtaining other funds for this project, the City Auditor is hereby authorized to repay the Special Income Tax Fund the amount transferred under Section 3 above, and said funds are hereby deemed appropriated for such purpose.

SECTION 6. 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 \$1,600,000.00 (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 the fund from which the advance for costs of the Project will be made.

SECTION 7. That the Director of Finance and Management be and is hereby authorized to enter into contract(s) on behalf of the Department of Public Service in the amount of up to \$1,600,000.00 for the procurement of steel girders and other materials necessary for the successful completion of the SR-315 at North Broadway - Interchange Project 2.

SECTION 8. That the expenditure of \$1,600,000.00, or so much thereof as may be needed, is hereby authorized in Fund 7704 (Streets and Highways Bond Fund), Dept-Div 5912 (Division of Design and Construction), Project P441759-100006 (SR-315 at North Broadway - Interchange Project 2), in Object Class 06 (Capital Outlay) per the account codes in the attachment to this ordinance.

SECTION 9. 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 10. 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 11. 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 12. That this Council hereby recognizes that this ordinance does not identify specific vendors for the expenditures authorized herein and hereby delegates sole and final contracting decisions relative to that determination to the Director of Finance and Management or designee, as long as all other provisions of Columbus Code Chapter 329 are followed in awarding the contracts.

SECTION 13. That for the 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.