



Legislation Text

File #: 2066-2019, **Version:** 1

1. BACKGROUND

This ordinance authorizes the Director of Public Service to grant consent and propose cooperation with the Ohio Department of Transportation (ODOT) for the Roadway Improvements - I-70/71 South and East Freeways project and to expend funds to support construction and inspection services for that project. This project will consist of several phases such as but not limited to: FRA-71-17.46 Phase 3B PID 105453, FRA-70/71-12.68/15.16 Phase 4R PID 105523 Phase 4R (Livingston Avenue Phase A, to be bid with Phase 4R), and FRA-70/71-13.21/14.36 Phase 6R PID 105588.

The aforementioned project, which is slated to commence in 2019, encompasses various improvements to IR70 and IR71 corridor in Downtown Columbus, including reconstructing and widening portions of IR70 eastbound and westbound between 4th Street and Miller Avenue and resurfacing portions of IR70 and IR71.

The purpose of this legislation is to authorize the encumbrance and expenditure of funding in the amount of up to \$8,050,000.00 to defray anticipated construction costs and \$150,000.00 in anticipated inspection services costs; however, the final costs to the City may vary based on the results of the competitive bidding process. If more funds are needed at that time the Director of Public Service will seek additional Council approval.

2. FISCAL IMPACT

Partial funding in the amount of \$5,584,687.00 is available within the Streets and Highways Bond Fund within the Department of Public Service for this project (Project P530161-100207 as Voted Carryover funds). The remaining Public Service funding for this project is budgeted within the 2019 Capital Improvements Budget, which has been approved by Council under Ordinance 1326-2019. The 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 Public Service funds in the amount of \$2,615,313.00 against the Special Income Tax Fund.

3. EMERGENCY DESIGNATION

Emergency action is requested to allow ODOT to maintain the planned project schedule and to promote highway safety.

To amend the 2019 Capital Improvement Budget; to authorize the Director of Public Service to enter into agreements with the Ohio Department of Transportation for Roadway Improvements - I-70/71 South and East Freeways project; to authorize and direct the City Auditor to appropriate and transfer funds from the Special Income Tax Fund to the Streets and Highways Bond Fund; to appropriate funds within the Streets and Highways Bond Fund; to authorize the expenditure of up to \$8,200,000.00 from the Streets and Highways Bond Fund; and to declare an emergency. (\$8,200,000.00)

WHEREAS, the Ohio Department of Transportation proposes to construct various improvements to IR70/IR71 eastbound and westbound between 4th Street and Miller Avenue as part of Roadway Improvements - I-70/71 South and East Freeways project; and

WHEREAS, this improvement project is located within the Columbus corporate boundaries; and

WHEREAS, ODOT may revise its preliminary cost estimate following the passage of this Ordinance and the costs attributable to the City may increase substantially, necessitating an additional contribution from the City to defray anticipated construction costs; and

WHEREAS, this legislation authorizes the Director of Public Service to encumber and expend funds for that purpose; and

WHEREAS, it is necessary to authorize an amendment to the 2019 Capital Improvement Budget for the purpose of providing sufficient spending authority for the aforementioned project expenditures; and

WHEREAS, it is necessary to transfer funds from the Special Income Tax Fund to fund this project; 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 project is presently expected not to exceed \$2,615,313.00; 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 Public Service to make payment to the Ohio Department of Transportation as soon as reasonably practicable so as to allow ODOT to maintain the planned project schedule and to promote highway safety, 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 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, 2019, the sum of \$2,615,313.00 is appropriated in Fund 4430 (Special Income Tax), Dept-Div 2201 (City Auditor) 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 P530161-100207 / Roadway Improvements - I-70/71 South and East Freeway, in Object Class 06 (Capital Outlay), per the accounting codes in the attachment to this ordinance.

SECTION 2. That the transfer of \$2,615,313.00, or so much thereof as may be needed, is hereby authorized from Fund 4430 (Special Income Tax), Dept-Div 2201 (City Auditor) 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 3. That the Director of Public Service be and hereby is authorized to enter into agreements with the Ohio Department of Transportation for Roadway Improvements - I-70/71 South and East Freeways project and to contribute funding to the Ohio Department of Transportation to support the completion of Roadway Improvements - I-70/71 South and East Freeway.

SECTION 4. That the expenditure of \$8,200,000.00, 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 P530161-100207 / Roadway Improvements - I-70/71 South and East Freeway, in Object Class 06 (Capital Outlay), per the accounting codes in the attachment to this ordinance.

SECTION 5. That the monies appropriated in the foregoing Section 1 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 6. That upon obtaining other funds for this project for the Department of Public Service, the City Auditor is hereby authorized and directed to repay the Special Income Tax Fund the amount transferred under Section 2.

SECTION 7. 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 \$2,615,313.00 (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 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 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 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 11. 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.