File #: 2318-2020, **Version:** 1

1.0 BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into a construction contract with Underground Utilities, Inc. for the Thomas Lane Area Water Line Improvements, Phase 2 Project in an amount up to $2,472,064.43; to encumber funds with the Department of Public Service for prevailing wage services in an amount up to $2,000.00; for Capital Improvements Project No. 690236-100094, Division of Water Contract Number 2118.

Work consists of open-cut installation of approximately 10,000 linear feet of 6-inch and 8-inch water mains and other such work as may be necessary to complete the contract, in accordance with the drawings, technical specifications, special provisions, and City of Columbus Construction and Material Specifications as set forth in the Invitation For Bid (IFB).

The Department of Public Service will be cost participating to provide additional asphalt resurfacing and curb work. The approximate total cost based on bid pricing and estimated quantities, is $114,485.80.

The community planning area is 38 - Olentangy West and includes the following areas: Thomas Ln., Pegg Ave., Lieb St., Latham Ct., Drummond Ct., Island Ct., and Highland Dr.

2.0 ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT: The goal of this 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 Neighborhood Liaison(s) has been contacted and informed of this project. Further community outreach may result through the Neighborhood Liaison Program.

3.0 CONSTRUCTION CONTRACT AWARD: The Director of Public Utilities publicly opened seven (7) bids on September 23, 2020 from: Underground Utilities, Fields Excavating, Elite Excavating Co. of Ohio, Shelly & Sands, Conie Construction, Danbert, and Trucco Construction.

Underground Utilities's bid was deemed the lowest, best, most responsive and responsible bid in the amount of $2,472,064.43. Their Contract Compliance Number is 34-1248942 (expires 3/25/21, Majority) and their DAX Vendor No. is 6588. 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 Underground Utilities, Inc.

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

4.0 FISCAL IMPACT: This Ordinance authorizes the City Auditor to appropriate and transfer $2,357,578.63 from the Water System Reserve Fund - Fund No. 6003 to the Water Supply Revolving Loan Account Fund - Fund No. 6011, in order to fund this proposed 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 December 2020.

A portion of funding will also come from the Water G.O. Voted Bonds Fund - Fund No. 6006, which has sufficient funding.

Funding for the Department of Public Service work is budgeted, appropriated, and available within the Streets and Highways Bond Fund, Fund 7704.

An amendment to the 2019 Capital Improvement Budget is necessary to align budget authority within the proper projects.

To authorize the Director of Public Utilities to enter into a construction contract with Underground Utilities, Inc. for the Thomas Lane Area Water Line Improvements, Phase 2 Project in an amount up to $2,472,064.43; to authorize the appropriation and transfer of $2,357,578.63 from the Water System Reserve Fund to the Water Supply Revolving Loan Account Fund; to authorize the appropriation and expenditure of $2,357,578.63 within the Water Supply Revolving Loan Account Fund; to authorize an expenditure up to $2,000.00 within the Water General Obligations Voted Bond Fund for prevailing wage services; for the Division of Water; to authorize the expenditure up to $114,485.80 from the Streets and Highways Bond Fund for the Department of Public Service; and to authorize an amendment of the 2019 Capital Improvements Budget. ($2,474,064.43)

WHEREAS, seven (7) bids for the Thomas Lane Area Water Line Improvements, Phase 2 Project were received and publicly opened in the offices of the Director of Public Utilities on September 23, 2020; and

WHEREAS, the lowest, best, most responsive and responsible bid was from Underground Utilities, Inc. in the amount of $2,472,064.43; and

WHEREAS, it is necessary to authorize the Director of the Department of Public Utilities to enter into a construction contract and to encumber and expend funds to provide for payment of prevailing wage services associated with the Thomas Lane Area Water Line Improvements, Phase 2 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, 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 is necessary to authorize an expenditure of funds within the Water G.O. Voted Bonds Fund; and

WHEREAS, it is necessary to authorize an expenditure of funds within the Streets and Highways Bond Fund; and

WHEREAS, it is necessary to authorize an amendment to the 2019 Capital Improvements Budget for the purpose of providing sufficient spending 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 of Public Utilities to enter into a construction contract with Underground Utilities, Inc. for the Thomas Lane Area Water Line Improvements, Phase 2 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:

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SECTION 1. That the Director of Public Utilities is hereby authorized to enter into a construction contract for the Thomas Lane Area Water Line Improvements, Phase 2 Project with Underground Utilities, Inc. (FID #34-1248942), 416 W. Monroe St., PO Box 428, Monroeville, OH 44847, in an amount up to $2,472,064.43; in accordance with the terms and conditions of the contract on file in the Office of the Division of Water; and to obtain the necessary prevailing wage services from the Design and Construction Division and to pay up to a maximum amount of $2,000.00.

SECTION 2. That said construction company shall conduct the work to the satisfaction of the Directors of Public Utilities and Public Service and the Administrator of the Division of Water.

SECTION 3. That the 2019 Capital Improvements Budget is hereby amended, as shown below:

Fund No.: 6006
Fund Name: Water G.O. Bonds Fund

Project ID | Project Name | Current Authority | Revised Authority | Change
P690236-100145 (NEW) | Palmetto/Westgate WL Imp's | $48,407 | $46,407 | -$2,000
P690236-100094 (NEW) | Thomas Ave. WL Imp's | $394,215 | $396,215 | +$2,000

Fund No. 7704
Fund Name: Streets and Highways Bond Fund

Project ID | Project Name | Current Authority | Revised Authority | Change
P530282-100117 | Resurfacing - Resurfacing Coordination with future DPU projects (Voted 2019 SIT Supported) | $361,111.00 | $246,625.00 | -$114,486.00
P530282-100151 | Resurfacing-Thomas Lane (DPU project) (Voted 2019 SIT Supported) | $0.00 | $114,486.00 | $114,486.00

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 ending December 31, 2020, the sum of $2,357,578.63 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 $2,357,578.63 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 expenditure of $2,357,578.63 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 the expenditure of $2,000.00 or so much thereof as may be needed, is hereby authorized in Fund 6006 - Water G.O. Bonds Fund, in Object Class 06 - Capital Outlay, per the accounting codes in the attachment to this ordinance.

SECTION 8. That the expenditure of $114,485.80, or so much thereof as may be needed, is hereby authorized in Fund 7704 - Streets and Highways Bond Fund, in Object Class 06 - Capital Outlay, per the accounting codes in the attachment to this ordinance.

SECTION 9. 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 6 above, and said funds are hereby deemed appropriated for such purpose.

SECTION 10. 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 $2,357,578.63 (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 - Fund 6003, which is the fund from which the advance for costs of the Project will be made.

SECTION 11. 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 12. 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 13. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 14. 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 15. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.