



## Legislation Text

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**File #:** 0303-2021, **Version:** 1

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### **1. BACKGROUND**

This ordinance provides \$200,000.00 to prevent construction inspection and administration deficits for capital improvement projects within the Department of Public Service.

Construction inspection and administration funding is normally approved by Council when the construction costs are legislated for the project, and the funds are then available throughout the time it takes to complete the project. Inspection and administration costs are estimated by taking a percentage of the construction cost. Occasionally the funds set-up for this cost are insufficient to last through project completion. Projects may require additional construction inspection and administration funds for varying reasons including project unforeseen conditions, weather, construction change orders, etc. It is then necessary to request additional funding for the remaining inspection costs.

The funds requested by this ordinance are typically used to supplement inspection and administration costs on projects that would have incurred a small deficit without the availability of these funds. The Department of Public Service usually performs an assessment of the remaining funding for inspection and administration for all projects two times a year. Separate legislation is submitted requesting Council approval for additional construction inspection and administration funds for projects that are projected to run large deficits before the completion of construction.

### **2. FISCAL IMPACT**

This is a budgeted expense in the amount of \$100,000.00 in the Department of Public Service's 2020 Capital Improvement Budget, Fund 7704, the Streets and Highways Bond Fund, Project 530161-100071 (Roadway Improvements - Miscellaneous Construction Inspection). An additional \$100,000 is available as a budgeted expense in the Department of Public Service's 2019 Capital Improvement Budget, Fund 7704, the Streets and Highways Bond Fund, Project 530161-100071 (Roadway Improvements - Miscellaneous Construction Inspection). This ordinance is contingent upon receipt of the bond sale funds.

### **3. EMERGENCY DESIGNATION**

Emergency action is requested in the interest of maintaining proper accounting.

To authorize the establishment of an Auditor's Certificate for construction inspection and administration fees; to authorize the expenditure of up to \$200,000.00 from the Streets and Highways Bond Fund for the purpose of providing sufficient funding for construction inspection and administration services on Public Service projects; and to declare an emergency. (\$200,000.00)

**WHEREAS**, capital improvement projects undertaken by the Department of Public Service within the City of Columbus generally include an inspection and administration component; and

**WHEREAS**, the amount encumbered for inspection and administration is ordinarily an estimate based on the project's construction expense; and

**WHEREAS**, the actual amounts charged are subject to many variables including but not limited to unforeseen conditions, weather, construction change orders, and so on; and

**WHEREAS**, it is necessary to establish an Auditor's Certificate for projects that exceed the funds originally set-up in legislation for construction inspection and administration; and

**WHEREAS**, this ordinance is contingent upon receipt of the bond sale funds; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Public Service in that funds should be established immediately in order to maintain proper accounting, 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 City Auditor is authorized to establish an Auditor's Certificate totaling \$200,000.00 for the payment of construction inspection and administration fees.

**SECTION 2.** That the expenditure of \$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 (Design and Construction), Project P530161-100071 (Roadway Improvements - Miscellaneous Construction Inspection), in Object Class 06 (Capital Outlay) per the accounting codes in the attachment to this ordinance.

**SECTION 3.** That this ordinance is contingent upon receipt of the 2020 Capital Improvement Budget bond sale funds.

**SECTION 4.** 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 5.** 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 6.** 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 7.** 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.