



Legislation Text

File #: O-205-23, **Version:** 1

DPU041823AMI
Utilities Administration
Ed Moore (x1845)

Authorizing the additional appropriation and expenditure of an amount not to exceed \$2,929,722 from the Water Replacement Fund and \$2,609,292 from the Sewer Replacement fund for the AMI project pursuant to the existing contract with Johnson Controls Inc.; and declaring an emergency.

SUMMARY & BACKGROUND:

Ordinance 364-20 authorized the Mayor and Department of Public Utilities (DPU) to enter into contract with Johnson Controls Inc. (JCI) for the Automatic Metering Infrastructure Project. The contract included a base price of \$75,790,135 for the installation of the meters and AMI network and a \$2,000,000 contingency for unforeseen items outside the scope of the base contract. The \$2,000,000 contingency was well below the standard 10% contingency on a construction contract, which in this case would amount to \$7,579,013. Over the course of the project, it has become evident that original \$2,000,000 contingency is insufficient to complete the project and an additional \$5,539,014 is necessary to complete the work (\$2,929,722 from the Water Replacement Fund and \$2,609,292 from the Sewer Replacement Fund). Additional scopes of work already identified include residential valve repairs, curb box location services, and operation of curb valves that are estimated at a combined \$6.64M. It is necessary to obtain the additional funds to ensure successful completion of the project.

Appropriation of these funds now will ensure successful project completion, ensure meters are changed out at no cost to our residential customers, avoid significant delays to the project, and avoid cost overruns that don't provide additional service to customers or value to the project.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That an additional appropriation and expenditure in an amount not to exceed \$2,929,722 is authorized from the unappropriated balance in the Water Replacement Fund to Account Code 6063-31000-4UC4423STDSTD and an amount not to exceed \$2,609,292 is authorized from the unappropriated balance in the Sewer Replacement Fund to Account Code 6073-31000-4UC4423STDSTD for additional scope of services pursuant to the existing contract with Johnson Controls Inc.

SECTION 2. That the Finance Director is authorized to issue their warrant or warrants against the Account Codes identified in Section 1 in an amount not to exceed that authorized in above in payment of the above authorized obligations upon presentation of the proper voucher or vouchers.

SECTION 3. That the disappropriation of any remaining budget to fund balance is authorized at project closeout.

SECTION 4. That this Ordinance is declared to be an emergency measure and shall be in force and

effect from and after its passage. The reason for the emergency lies in the fact that same is necessary for the immediate preservation of the public peace, health, safety, and property and for the further reason that this Ordinance must be immediately effective in order to timely provide sufficient funding for the Automatic Metering Infrastructure project to ensure successful project completion.

Vote on emergency clause: yeas 11, nays 0.

Passed: May 2, 2023, as an emergency measure: yeas 8, nays 3.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

May 2, 2023
Wade Kapszukiewicz
Mayor