



Legislation Text

File #: O-572-23, Version: 1

DPU102423I-65CHLORINATIONPROJECT

Water Reclamation

Mike Schreidah (x2607)

Authorizing the mayor to apply for, enter into agreements, accept and deposit loan proceeds from the Ohio EPA Water Pollution Control Loan Fund (WPCLF) and/or the Ohio Water Development Authority (OWDA) into the Sanitary Sewer Replacement Fund for Improvement No. 65, Chlorination Project; authorizing the appropriation and expenditure of the loan proceeds from the Sanitary Sewer Replacement Loan Fund in an amount not to exceed \$2,000,000; authorizing the appropriation and expenditure of \$10,000 from the Sanitary Sewer Replacement Fund for the payment of loan administration fees and miscellaneous costs; authorizing a dedicated source for repayment of said loan; authorizing the mayor to accept bids and execute necessary agreements and contracts related to the project; and declaring an emergency.

SUMMARY & BACKGROUND:

The Division of Water Reclamation received two formal proposals for the construction of the Chlorination Project, with the lowest bid exceeding the Engineer's construction estimate by \$2,000,000. The Division cannot rebid the construction work as estimates are not guaranteed to go down. The Division must proceed with getting a construction contract with the company that provided the lowest bid in order to keep the project on schedule. Ordinance #432-23 authorized the mayor to apply for, enter into agreements, and accept a loan from the Ohio EPA Water Pollution Control Loan Fund (WPCLF) and/or the Ohio Water Development Authority (OWDA) in an amount not to exceed \$16,500,000. This amount included monies to cover all design and construction activities in addition to \$2,000,000 in contingency, which will now be used to cover the shortage in construction costs. The Division is now seeking an additional \$2,000,000 to use for contingency during the construction phase of the Chlorination Project. This additional money will have to be included in the total loan amount the Division is applying for in October 2023, which will now increase to \$18,500,000.

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

SECTION 1. That the mayor is authorized to apply for, enter into agreements and accept a loan from the Ohio EPA Water Pollution Control Loan Fund (WPCLF) and/or the Ohio Water Development Authority (OWDA) and to deposit loan proceeds in an amount not to exceed \$2,000,000 into the Sanitary Sewer Replacement Loan Fund, Account Code 673L-36000-4UL5123STDSTD, for the Improvement No.65, Chlorination Project.

SECTION 2. That an amount not to exceed \$2,000,000 is appropriated from the unappropriated loan proceeds in the Sanitary Sewer Replacement Loan Fund into Account Code 673L-36000-4UL5123STDSTD; and further authorizing the expenditure of the same amount for the Improvement No. 65, Chlorination Project.

SECTION 3. That an amount not to exceed \$10,000 is appropriated from the unappropriated balance of the Sanitary Sewer Replacement Fund, Account Code 6073-36000-4UC5123STDSTD (Improvement No.

65, Chlorination Project), for payment of loan administration fees and miscellaneous costs; and authorizing the expenditure of the same.

SECTION 4. That the disappropriation of any remaining budget to fund balance is authorized at project closeout.

SECTION 5. That the dedicated source of repayment for said loan shall be the unappropriated balance of the Sanitary Sewer Replacement Fund provided, however, that any loan for this project shall be subordinate to all of the City's sanitary sewer revenue bonds.

SECTION 6. That the mayor is authorized to accept bids and execute necessary agreements and contracts related to this loan upon such terms and conditions as shall be approved by the Director of Public Utilities and the Director of Law.

SECTION 7. That the Director of Finance is authorized to issue their warrant or warrants against the Account Codes identified in Sections 2 and 3 above in amounts not to exceed \$2,010,000 in payment of the obligations incurred pursuant to the agreements authorized in Section 1 above, upon presentation of the proper voucher or vouchers.

SECTION 8. 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 maintain the operational integrity of the Water Reclamation Plant, and to maintain compliance with the NPDES discharge permit requirements, as set forth by the Ohio EPA.

Vote on emergency clause: yeas 12, nays 0.

Passed: October 24, 2023, as an emergency measure: yeas 12, nays 0.

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Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

October 24, 2023
Wade Kapszukiewicz
Mayor