



City of Gahanna

200 South Hamilton Road
Gahanna, Ohio 43230

Signature Report

Ordinance

FILE NO: 990163

Date Passed: 4/19/99

Date Effective: 4/20/99

Title

TO AUTHORIZE THE MAYOR TO ENTER INTO LETTER OF INTENT TO CONTRACT WITH THE PIZZUTI COMPANIES FOR PROFESSIONAL SERVICES RELATED TO CONSTRUCTION OF PROPERTY KNOWN AS EASTGATE; AND TO DECLARE AN EMERGENCY.

Body

WHEREAS, proposal has been received, and has been recommended by the Administration; and

WHEREAS, no funding is required at this time; and

WHEREAS, it is the desire and goal of this Council and Administration to continue the development of the industrial area to the fullest potential, all for the sound fiscal management of the City's tax base and for the preservation of the public peace, health, safety, and welfare;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, STATE OF OHIO:

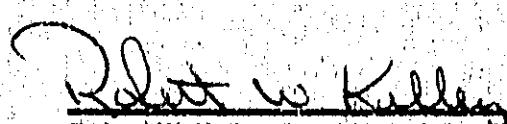
Section 1. That the Mayor is hereby authorized to enter into Letter of Intent to Contract with THE PIZZUTI COMPANIES, 250 East Broad Street, Columbus, Ohio 43215, for general contractor professional services for all matters related to the construction of all infrastructure at the property known as Eastgate.

Section 2. That the terms of the Letter of Intent to Contract with The Pizzuti Companies to be in accordance with "Pizzuti Communication Record, dated March 23, 1999, and attached to this ordinance as EXHIBIT A.

Section 3. That, for the reasons set forth in the preamble herein above, this ordinance is declared emergency legislation and shall be in full force and effect immediately upon passage by this Council and approval by the Mayor,

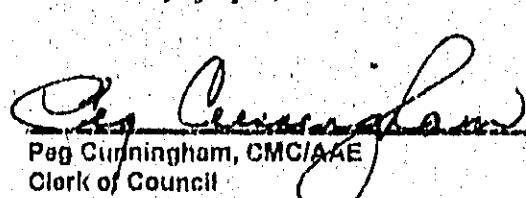
Signature Report continued...

This Ordinance Adopted as an Emergency this 19th day of April, 1999.

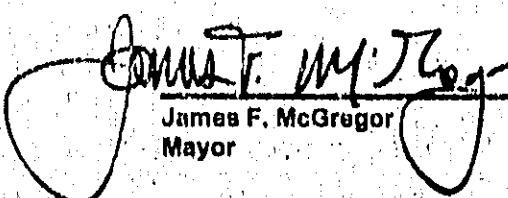

Robert W. Kelley

Robert W. Kelley, President of Council

ATTESTED to and PRESENTED to the Mayor,
this 20th day of April, 1999.


Peg Cunningham
Peg Cunningham, CMC/AAE
Clerk of Council

APPROVED by the Mayor, this
20th day of April 1999.


James F. McGregor

James F. McGregor
Mayor

Approved as to form:


Thomas L. Weber

Thomas L. Weber
City Attorney

PIZZUTI

COMMUNICATION RECORD

DATE: March 23, 1999

TIME:

TO: Sclicka White

FROM: Jim Russell

SUBJECT: EASTGATE

- TELEPHONE CONVERSATION
- CONFERENCE RECORD
- MEMORANDUM
- FACSIMILE

Per your request I am providing the following comments on the process of The Pizzuti Companies managing the Infrastructure development on behalf of the City of Gahanna. These comments reflect our conversation of last Thursday (3/18/99):

- In order to meet the construction deadline necessary to complete the infrastructure at EastGate in 1999, the City needs to declare the project an emergency purchase and as such, authorize the Service Director to enter into an agreement with The Pizzuti Companies to complete the project. Without the improvements at EastGate in 1999 the project and all of the current prospects for the site are in grave jeopardy.
- The City desires to enter into a full service contract with The Pizzuti Companies to design, manage, construct and complete the infrastructure for EastGate. Our most current estimates for such construction is approximately \$2 million. The complete infrastructure costs cannot be better estimated until the engineering portion of the project is complete.
- The Pizzuti Companies will serve as the General Contractor for the project and will be the contracting agent for the work. In order to keep Pizzuti from securing a construction loan and incurring additional costs for the infrastructure, the City would have to agree to an accelerated payment schedule for Pizzuti. This is the only way to keep the interest carry from being added to the costs of construction and to ensure the best prices from the sub-contractors working on the job. Pizzuti would need to receive payment within 30 days of billing.
- The engineering portion of the project would be rolled into the full service contract. Currently we have received proposals from EMH&T and Franklin Consultants. There are significant price differences between each of these proposals. We will continue to negotiate these prices and ultimately award the contract to the firm that will offer the best opportunity to finish the project on time and under budget. **The City needs to pass supplemental appropriations to cover the cost of the engineering while the TIF is being formally created and financed.**

I have also included a revised letter agreement for Pizzuti to act as the General Contractor for this project. I have incorporated much of this memo into the revised agreement. Obviously we need to make sure that this contract between the City and Pizzuti is completed on Monday so that we can begin this project.