

**TO:** Thomas R. Kneeland

Members of Council

City Attorney

**FROM:** Dottie A. Franey

Director of Public Service and Engineering

**DATE:** July 1, 2016

**SUBJECT:** Report to Council, July 11, 2016

## **ACTION ITEM FROM THE CITY ENGINEER**

ACTION ITEM #1 – Academy Court Culvert ST-1024 – Award Contract: The bid opening for Academy Court Culvert took place on Friday, June 24. A significant amount of debris and sediment collect at the bridge that carries Academy Court over McKenna Creek which reduces its capability to convey stormwater resulting in water overtopping the roadway during frequent rainfall events. This project will reduce the potential for debris to collect at the bridge and reduce the frequency of the flooding events at this bridge. Environmental Remediation Contractor was the lowest responsive and responsible bidder at \$98,890 and came in under the engineer's estimate (\$99,949). We are requesting a 10% contingency in order to cover any unforeseen construction costs which would bring the total amount to \$108,779.

We are respectfully requesting an ordinance to enter into contract with Environmental Remediation Contractor. Funds for this project were included in the 2016 appropriations and prior year funds. (Bid Summary, Contract, and RCA attached)

## **ACTION ITEM FROM THE DIRECTOR OF PUBLIC SERVICE**

**ACTION ITEM #1 – Champion Energy Supply Agreement:** As the City prices rates offered by energy suppliers, we have historically been faced with the issue of needing council action in order to enter into an agreement with a supplier, but needing to be able to sign immediately in order to secure the price.

We thought that we had solved the problem by gaining permission from Council in July of 2014 to enter into an agreement with Tradition Energy to be our energy consultant (ORD-0112-2014). The idea was that Council's approval of the energy

consultant's contract meant that the Mayor would be authorized to enter into an agreement with the successful energy supplier that had responded to the City's RFP that was managed by Tradition Energy.

This arrangement worked well for the first energy supplier agreement. The Mayor was able to lock a 3-year rate (2015 through 2017) with Champion Energy that was less than the rate that we were currently paying.

Tradition Energy recently contacted the City to inform us that, with the current low price of gas (which also affects electric rates), it could be a good time to lock rates even further than we already have. Tradition Energy prepared an RFP and received prices below our current rate that we could lock into now to take affect when our current agreement with Champion expires. The winning supplier was Champion and they offered future rates that extend a 14%+ rate reduction for 2018 through 2020. (Please keep in mind that there are two parts to an electric bill: 1) the energy supplier (Champion), and 2) AEP. The 14%+ savings would be on the supplier's charge – not AEP's. When we factor in AEP's charges and possible increases, the overall cost reduction would be closer to 10%.)

In light of the positive information above, we had the Mayor sign the agreement with Champion Energy (the same as we did for the 2015 through 2017 agreement) and sent it to Tradition Energy for processing. Tradition Energy called back and said that Champion has changed their policy and now requires council approval of these types of agreements because they lost a costly case where a governmental body successfully refused responsibility for an agreement.

We could accept the second bidder on the RFP, but they were only willing to offer the low rate through 2019 and we really wanted the low rate for 2020 also. Tradition Energy worked with Champion and got them to lock the rate that they are offering until we could obtain Council authorization for their agreement. Therefore, I am respectfully requesting legislation authorizing the Mayor to enter into agreement with Champion Energy to supply our electric power from 2018 through 2020. (Agreement and RCA attached.)

## **UPDATES**

**Hamilton Rd Central** - Paving of a portion of the new roadway on the northwest sections of the widened portions of Hamilton Road are expected to continue through the end of July. Once the paving on the northwest section is completed, the western portion and alignment of the northern roundabout will begin to take shape, and all traffic will be shifted from the temporary pavement to the new pavement. Crews are also continuing the installation storm sewer, light poles and foundations, sidewalk, bike path, and restoration on the widened portions. The final remaining waterline work for the project is expected to begin at the end of July.

Pavement repairs will continue throughout the construction zone to maintain traffic throughout construction. The contractor hopes to perform a lane switch to move traffic off of the temporary pavement by the end of July.

Motorists should continue to expect delays throughout the construction zone, and are encouraged to consider other routes if the wish to avoid a possible delay in their travels.

**2016 Paper Shredding and Electronic Recycling Event** – Event will take place on July 30<sup>th</sup> in the City Hall parking lot from 9:00am-1:00pm. Ohio Mobile Shredding (OMS) will be providing the paper shredding and electronic recycling services (free of charge). The event flyer, FAQ sheet and a link to sign up to volunteer is posted the City's website. Here is the volunteer link if any council members are interested: <a href="http://www.signupgenius.com/go/10C0F44AFA928A6FB6-gahanna1">http://www.signupgenius.com/go/10C0F44AFA928A6FB6-gahanna1</a>.