



## MEMORANDUM

**TO:** City Council

**FROM:** Bill Robeson, Assistant City Manager/Public Works Director

**BY:** Jill McPeck, Capital Improvement Project Manager

**SUBJECT:** Consideration of a Resolution Determining to Continue Work Under Emergency Contracts and an Amendment to the FY 2021-22 CIP Budget Transferring \$115,800 from ARPA funds for the Storm Drain System at 251 E Grand Ave, PW 2021-12

**DATE:** February 8, 2022

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### **SUMMARY OF ACTION:**

Adoption of a Resolution by the required four-fifths vote and approval of an amendment to the Fiscal Year 2021-22 Capital Improvement Program (CIP) budget transferring \$115,800 from American Rescue Plan Act (ARPA) Funding will allow for the continuance of emergency repairs to the storm drain system at 251 East Grand Avenue.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

The FY 2021-22 Capital Improvement Program (CIP) budget includes \$410,000 of ARPA funds for emergency repair of the Storm Drain System at 251 East Grand Avenue Project. It is estimated that an additional appropriation of \$115,800 from ARPA Funds is needed to fully fund the project due to unanticipated concrete obstructions encountered during the underground/boring phase of the project. Staff time has been and will continue to be necessary to coordinate construction activities with the property owners, consultant engineer, and contractors.

### **RECOMMENDATION:**

It is recommended the City Council: 1) Adopt a Resolution finding that there is a need to continue the emergency action for the storm drain system repairs at 251 East Grand Avenue in accordance with Public Contract Code Section 22050; and 2) Approve an amendment to the Fiscal Year 2021-22 Capital Improvement Program budget to add \$115,800 of American Rescue Plan Act (ARPA) funds for the Storm Drain System at 251 East Grand Avenue, PW 2021-12.

### **BACKGROUND:**

Public Contract Code (PCC) Section 22050 allows a public agency, in the case of an emergency, to repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and

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supplies for those purposes without going through a formal bid process. On November 9, 2021, the Council adopted Resolution No. 5124 declaring an emergency and authorizing the immediate expenditure of funds to repair the storm drain system located at 251 East Grand Avenue, which had failed following a storm that occurred in October 2021. The urgency for the repairs is to prevent storm water from entering the deteriorating corrugated metal pipe (CMP) which undermines the soil surrounding the CMP and causes voids under the pavement leading to surface depressions and eventually sink holes.

PCC Section 22050 requires that after proceeding with an emergency project, the City Council shall review the emergency action at its next regularly scheduled meeting and at every regularly scheduled meeting thereafter until the emergency action is terminated, and if it is determined that there is a need to continue the action, authorize continuation of the emergency action by a four-fifths vote. On January 25, 2022, the Council adopted Resolution No. 5147 determining a need to continue work under emergency contracts to repair the storm drain system at 251 East Grand Avenue.

#### ANALYSIS OF ISSUES:

Since the January 25, 2022 City Council meeting, the status of the project, as of February 1, 2022, is as follows:

- The design engineer evaluated and provided direction regarding a second obstruction within the path of the boring;
- California Auger Boring completed the installation of the new 36" storm drain pipe which included critical additional work at the standby/extra work rate to move through two obstructions;
- CalPortland began removal of the bore pit trench boxes; and
- Staff continued research regarding costs and timing of lining the new storm drain pipe.

As of February 1, 2022, the project costs are estimated as follows, including expended plus anticipated costs:

Plug and fill existing CMP storm drain	\$ 47,200
Installation of new storm drain pipe	336,300
Extra work due to new storm drain obstructions	102,600
Site restoration, fencing & barricade rental	15,600
Before/after testing of fuel lines	2,800
Consultant services – design, construction, testing	<u>21,300</u>
Total	\$ 525,800

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During boring operations, the contractor encountered two buried concrete obstructions at 9 feet under the grade level. Based on drawings obtained from the City's files for the property, it was determined that the obstructions were part of the footings for the service station canopy that were constructed deeper than the design depth shown on the original construction plans and/or represented over-pour of concrete when the footings were constructed. Following consultation with a structural engineer, it was determined that boring could proceed through the excess material to allow the new storm drain pipe to remain within the existing storm drain easement and to salvage about 70 feet of the new storm drain pipe installed at that point. In order to complete this work, hand removal of the excess material over the course of eleven days was required, which was extremely labor intensive and performed at the standby/extra work rate contained in California Auger Boring's contract.

The other option identified, but not pursued, was to move the alignment of the new storm drain pipe a few feet away from the footings. This would have required the execution of a new storm drain easement, abandonment of the new storm drain pipe installed to date, relocation of the bore pit, and the purchasing, remobilization and installation of all new storm drain pipe. Besides the potential costs, this option was the least desirable for several reasons, including difficulty in locating additional pipe due to supply chain shortages, the possibility of additional rain events occurring before the additional work could be completed, and the navigation and avoidance of the complex network of piping, fuel tanks, monitoring wells, and above and below ground structural components in the service station area.

With the failed CMP being filled, the potential for directed storm water flow into the failed CMP and surrounding voids no longer exists and storm water will now enter the new permanent storm drain pipe. However, prompt actions still required to complete the project and ensure protection of the new storm drain pipe include lining of the new pipe, construction of headwalls at the inlet and outlet, and site restoration. For these reasons, staff recommends continuing the emergency action.

As required by statute, staff will continue to bring a similar item to the Council on all subsequent regular meeting agendas until all emergency repairs have been completed and the emergency action is terminated by the Council. Staff will continue to work with the contractors and design engineer to complete the emergency repairs.

#### **Budget Adjustment Request**

Staff is recommending the additional funds for this project be funded by reallocating ARPA funds from two other stormwater projects. Currently all ARPA Fund have been allocated to COVID-related City expenditures, Infrastructure Projects, and Qualified ARPA Projects (non-infrastructure). Within the ARPA-funded Infrastructure Projects, six

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stormwater projects have been identified to date, including the \$410,000 for the Storm Drain System at 251 East Grand Avenue Project. The Table below identifies the six Stormwater Projects that have been allocated ARPA funding:

#### Stormwater Infrastructure Projects

Corrugated Metal Pipe (CMP) Lining	500,000
Storm Drain System at 251 East Grand Avenue (Chevron Station)	410,000
Oak Park Boulevard/El Camino Real Storm Drain System	400,000
Trash Capture Devices	214,000
Stormwater Master Plan Update/Watershed Management Plan	172,500
Stormwater GIS Layer (incorporate into the Stormwater Master Plan Update)	50,000
Corp Yard Stormwater Compliance Plan Implementation	60,000

1,806,500

Under applicable US Treasury Rules, the City must commit ARPA funds by way of contract/PO by December 31, 2024, and must spend its funding by December 31, 2026. In light of these deadlines and the status of the at 251 East Grand Avenue Project, the recommendation is to reallocate a portion of the ARPA funds from the Stormwater Master Plan Update/Watershed Management Plan and the Corp Yard Stormwater Compliance Plan Implementation. The Stormwater Master Plan Update/Watershed Management Plan is currently budgeted to cost \$172,500; this reallocation will reduce ARPA funding for the Plan by \$55,800, bringing the updated allocation of ARPA funds to \$116,700. The Corp Yard Stormwater Compliance Plan Implementation reallocation would remove all \$60,000 of ARPA funding for this project. These projects are still needed and will be included in the Mid-Year Budget Financial Status Report with a recommended updated budget allocation from the City's Local Sales Tax Fund. The updated proposed ARPA Stormwater Infrastructure Project allocation is reflected in the table below:

#### Stormwater Infrastructure Projects

Corrugated Metal Pipe (CMP) Lining	500,000
Storm Drain System at 251 East Grand Avenue (Chevron Station)	525,800
Oak Park Boulevard/El Camino Real Storm Drain System	400,000
Trash Capture Devices	214,000
Stormwater Master Plan Update/Watershed Management Plan	116,700
Stormwater GIS Layer (incorporate into the Stormwater Master Plan Update)	50,000
Corp Yard Stormwater Compliance Plan Implementation	-

1,806,500

#### ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve staff's recommendations;
2. Do not approve staff's recommendations and direct staff to prepare a Resolution to terminate the need to continue work under emergency action; or
3. Direct staff to utilize Local Sales Tax Fund Balance to fund the completion of this

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- project and approve the modified budget adjustment accordingly;
4. Provide other direction to staff.

**ADVANTAGES:**

Adoption of the Resolution and approval of the budget amendment will allow for the continuance of emergency repairs to the storm drain system at 251 East Grand Avenue and will eliminate a serious threat to public health and safety and minimize disruptions to the Chevron station's operations. Additionally, the budget adjustment of \$115,800 from ARPA Funding will ensure that the City spends the ARPA allocation within the allotted timeframe.

**DISADVANTAGES:**

An appropriation of ARPA funds to this project will remove \$115,800 in available funding for other potential projects.

**ENVIRONMENTAL REVIEW:**

This emergency project is exempt from the requirements of CEQA under Section 15269. (b). Emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety or welfare.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

**ATTACHMENT:**

1. Proposed Resolution