



CITY COUNCIL AGENDA STATEMENT



April 21, 2020

File ID: 20-0143

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING THE INFRASTRUCTURE, FACILITIES, AND EQUIPMENT EXPENDITURE PLAN AND TRANSFERRING \$331,000 IN MEASURE P APPROPRIATIONS FROM STL0430 TO DRN0211, STORM DRAIN (CMP) REHABILITATION OUTSIDE THE RIGHT OF WAY (PHASE II) PROJECT, FOR EMERGENCY CONTRACT CHANGE ORDERS (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On July 17, 2018, City Council awarded a construction contract to Spiniello Companies for the CMP Rehabilitation Outside the Right of Way Phase II Project FY2017/2018 CIP No. DRN0211, funded by Measure P. Due to an unexpected pipe failure and sinkhole requiring extensive emergency repairs, cost increases to the project exceed the approved contingencies.

On November 8, 2016, Chula Vista voters approved Measure P, authorizing a one-half cent sales tax increase on retail sales within the City for a period of ten (10) years to repair failed or failing assets throughout the city. Staff recommends (1) amending the Infrastructure, Facilities, and Equipment Expenditure Plan, and (2) transferring \$331,000 in Measure P from STL0430 to DRN0211 to complete emergency construction change orders with Spiniello Companies.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for Class 1 Categorical Exemptions pursuant to Section 15301, Class 1 (b) (Existing Facilities) of the CEQA State Guidelines. Consistent with Section 15301(b), the proposed action would not result in a significant effect on the environment, create a cumulative impact, damage a scenic highway, be located on a site pursuant to Section 65962.5, or cause a substantial adverse change in the significance of a historical resource. The project involves no expansion of an existing use. Thus, no further environmental review is necessary.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Per Ordinance 3371, the function of the Measure P Citizen Oversight Commission shall be to review and report on City compliance with the terms of this Ordinance and the spending guidelines contained in the City Council Intended Infrastructure, Facilities and Equipment Expenditure Plan and each Measure P Spending Plan presented and approved by the City Council, thereafter.

Due to the COVID-19 emergency, the City Manager has cancelled all Boards and Commission meetings until further notice unless he determined that an emergency meeting was necessary. After reviewing the nature of the item, it was determined that CMP projects are eligible expenditures identified in the Plan and the item can be brought back for COC consideration as soon as the next meeting could be scheduled.

Staff will e-mail the COC members the staff report that will be considered by the City Council at the April 21st Council meeting in order to provide them the opportunity to provide comments as individuals.

DISCUSSION

On December 31, 2019, a sinkhole was discovered at a recycled aggregate processing and storage facility operated by Pavement Recycling Systems Inc. at 855 Energy Way. Research revealed that the sinkhole was within a City of Chula Vista drainage easement (not in the public street Right of Way) and centered on an access riser on a 66-inch diameter Corrugated Metal Pipe (CMP) owned by the City of Chula Vista.

The City engaged Spinello Companies on an emergency basis to begin the repair work. The condition of the pipe and riser were unknown. Excavation was done to determine the scope of the repair work and repairs to the slope supporting Energy Way were made. It is believed that the existing 66-inch pipe is relatively structurally sound and the sinkhole can be repaired by replacing the riser with a new cleanout without replacing the pipe. However, the true pipe condition has not been fully evaluated and the scope of the needed repairs is not yet fully known, so additional contingency is warranted. The estimated cost of the repair work is \$450,000 which includes contingency. Remaining funds in DRN0221 is \$119,000 resulting in a shortfall of \$331,000.

STL0430 - Street Pavement Rehab Phase II

CIP STL0430 was awarded to Spinello Companies by Council on April 16, 2019. STL0430 is the second phase of the pavement rehabilitation project and included the remaining street segments with a Pavement Condition Index (PCI) of less than 25. This project is approximately 85% complete. Based upon the contingency fund needs to date, it appears there would be sufficient funding available to complete the project after transferring \$331,000 from STL0430 (pavement rehabilitation category) to DRN0211 (storm drain category). Staff will continue to monitor this project closely to ensure that any unforeseen conditions that may arise are managed within the limits of the remaining contingency amount.

Infrastructure, Facilities and Equipment Expenditure Plan

The City Council adopted the Infrastructure, Facilities and Equipment Expenditure Plan (Plan) on December 6, 2016, relating to the expenditure of the Measure P Sales Tax. Both projects were approved and funded as part of the Measure P Pavement Rehabilitation category (STL0430) and, the Other

Infrastructure (storm drain) category (DRN0211). The scope and location of the sinkhole repair is compliant with the Measure P commitment of fixing failed Corrugated Metal pipe outside of the public right of way. Staff has determined amending the Plan to include the sinkhole repair is compliant with the Measure P guidelines and is urgent due to the nature of the failure.

In response to the COVID-19 pandemic, the Citizen Oversight Committee (COC) meetings have been cancelled. Due to the nature of the emergency, staff recommends amending the Infrastructure, Facilities and Equipment Expenditure Plan due to the risks of additional damage and increased costs if delayed. The funding of CMP is an authorized expense category in the plan. The amendment would only be to reallocate funds between two categories as discussed below. Staff is planning on presenting this item for review to the Measure P COC as soon as possible. The amended Plan and various expenditure categories are summarized below:

ITEM DESCRIPTION	DEPARTMENT	PRIOR	FY 2019-20	
		MEASURE P ALLOCATION	REQUESTED ADJUSTMENT	NEW FY 2019-20 ALLOCATION
Street Pavement Rehab Phases I/II (STL0427/STL0430)	Eng & Capital Proj	\$ 15,882,566	\$ (331,000)	\$ 15,551,566
CMP Rehab Outside ROW Phases I/II (DRN0209/DRN0211)	Eng & Capital Proj	\$ 6,610,000	\$ 331,000	\$ 6,941,000
TOTALS		\$ 22,492,566	\$ -	\$ 22,492,566

Change Orders

On May 9, 2017, City Council approved Resolution 17-0174 to adopt ordinance (Ord. 3400 § 1, 2017) of the City of Chula Vista and amend Chapter 2.56 of the Chula Vista Municipal Code – “Purchasing System”. This ordinance amended the change order limits and authorizes the City Engineer to approve change orders up to the remaining CIP budget available for the CIP project. As such, amending the Expenditure Plan and transferring funds to DRN0211 would allow the City Engineer to enter into necessary contract change orders.

DECISION-MAKER CONFLICT

This item solely concerns repairs, replacement or maintenance of existing streets, water, sewer, storm drainage or similar facilities, and the Council Members’ property will not be affected disproportionately to other properties receiving the same services. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(d)(1)), this item does not present a real property-related conflict of interest under the Political Reform Act (Cal. Gov’t Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

Approval of the resolution will (1) amend the Infrastructure, Facilities, and Equipment Expenditure Plan, and (2) transfer \$331,000 in Measure P from STL0430 to DRN0211 accelerating the repair and replacement of critical assets.

ONGOING FISCAL IMPACT

Upon completion of the project, the improvements will require routine maintenance.

ATTACHMENTS

None.

Staff Contact: Jonathan Salsman, Senior Civil Engineer