



Council Agenda Report

From: David LaCaro, Public Works Operations Manager

Subject: Approval of Contract to MGE Underground, Inc. for Bolen Drive Sinkhole and Storm Drainpipe Repairs

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section

Date: June 20, 2023

Facts

1. On January 9, 2023, the City of Paso Robles was impacted by a severe storm event that resulted in sustained damage to public and private infrastructure.
2. As a result, on January 12, 2023, the City declared a local State of Emergency due to the potential for storm intensity and risk to public health and safety.
3. Following the January 9, 2023 storm event, City staff responded to a complaint of a sinkhole that was discovered in the backyard of 715 Bolen Drive.
4. Upon investigation, the cause of the sinkhole appears to be the result of a damaged storm drainpipe that runs east to west, along the backyards of nine separate private properties along Bolen Drive.
5. The 36-inch corrugated metal storm drainpipe was installed as part of Tract 68 in 1957. And because this line runs along the backyard of residential properties, the City maintains rights to a 28-foot-wide drainage easement. The purpose of the drainage easement is to maintain the proper function of the drainage infrastructure and all appurtenances associated with the conveyance of water.
6. On March 2, 2023, staff conducted a video investigation of the 36-inch corrugated metal pipe on to better assess the extent of pipe damage. The video footage was recorded for the entire 620 linear feet of the drainpipe. Approximately 100-linear feet of pipe was not documented as the video camera was obstructed.
7. On March 30, 2023, City staff held a mandatory meeting to discuss the project where solicited contractors had the opportunity to review pictures, maps, and video of the project. On April 6, 2023, staff hosted a site visit with contractors to better understand the project details, constraints, and opportunities.
8. A modification of the formal bidding procedure was necessary for this Project given the public safety concerns, and such a modification is permissible pursuant to Section 6.04.150(f) of the Municipal Code when reasonably necessary for the preservation or protection of public peace, health, safety or welfare of persons or property.
9. On May 9, 2023, the City received the following proposals:

Company	Bid Amount
MGE Underground, Inc.	\$297,893
Souza Contracting, Inc.	\$244,130

Options

1. Take no action;
2. Authorize the City Manager to enter into a construction contract with MGE Underground, Inc. to implement the sinkhole and storm drainpipe repair in an amount not to exceed \$297,893, and to appropriate funds from the General Funds Reserve to cover the cost of this emergency repair; or
3. Direct staff to pursue a different approach.

Analysis and Conclusions

The City of Paso Robles experienced citywide impact from the January 9, 2023 significant storm event. Among the damage, the City responded to a report of a sinkhole discovered in the backyard at 715 Bolen Drive. The sinkhole appeared to be a result of a damaged 36-inch corrugated metal pipe (CMP) that runs east to west along the backyards of nine private property homes. Based on visual inspections, staff determined that the bottom of the CMP is rusted and eroded. As a result, soil adjacent to the damaged pipe eroded through the opening in the CMP; thereby creating the sink hole at 715 Bolen Drive. The pipe is required to be fixed to stop further sinkhole erosion and potentially hazardous conditions.

Staff solicited eight local underground contractors to identify the appropriate options to repair the pipe and remedy the sinkhole. A site visit was conducted following a mandatory meeting. The site visit allowed contractors to better understand added complexities (space limitations, limited access) due to the location of the damaged pipe. Staff received proposals from two underground contractors. The two proposals were evaluated and scored as shown in the following decision matrix.

Contractor	Project Cost	Impact to Property Owners	Project Lifespan	Project Timeline	Total Score
MGE Underground, Inc.	0	1	1	1	3
Souza Contractors, Inc.	1	1	0	0	2

Staff reviewed and evaluated the proposal to identify the most effective repair methodology and approach. The proposals were evaluated using the following criteria:

- Least Intrusive – Fence damage/removal, vegetation damage/removal, excavation, structure (shed, planters, etc.) removal.
- Project Cost – Equipment used, materials required, operators needed, waste disposal.
- Project Timeline/Schedule - Duration of the project start to finish.
- Project Lifespan – Selected project option should have a lifespan of 10 to 20 years, or greater.

Based on the selected methodology of installing a Cure-In-Place Pipe (CIPP), which has a 50-year lifespan and is nonintrusive, staff selected MGE Underground to perform the work. In addition, the CIPP methodology is a proven technology and takes very little time to install. Based on staff evaluation, MGE Underground, Inc. provided a superior repair method that is less intrusive to private property owners and will protect a longer segment of CMP for the cost of installation.

Fiscal Impact

Bolen Drive sinkhole and storm drainpipe repairs are estimated to cost a maximum of \$297,893. It is proposed that General Fund Reserves be used for the project repairs. This project was not previously budgeted but is necessary to maintain safe conditions for neighboring private property owners. Staff is actively seeking reimbursement from FEMA for this project, however it is not yet been determined if the project will qualify.

CEQA

The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15301, subd. (b).

Recommendation

Approve Resolution 23-XXX, authorizing the City Manager to enter into a construction contract with MGE Underground, Inc. to implement the sinkhole and storm drainpipe repair in an amount not to exceed \$297,893, for implementation of the Bolen Drive Sinkhole and Storm Drain Pipe Repairs; to appropriate funds from General Fund reserves to cover the cost of this emergency repair; and to authorize the City Manager and City Attorney to make any minor alterations to the contract that are consistent with the Council action.

Attachments

1. Resolution 23-XXX
 - a. Exhibit A – Bolen Sinkhole and SD Repair – MGE Agreement
2. MGE Underground Proposal