



# Staff Report

City Council

Item No. 5.B

**Meeting Date:** March 26, 2025

**From:** John A. Corella, Director of Public Works

**Title:** Contract with Petrochem Materials Innovation, LLC for Fiscal Year 2024-2025 Rubberized Emulsion Aggregate Slurry Projects

## **RECOMMENDATION:**

To approve a contract with Petrochem Materials Innovation, LLC. (PMI) for \$1,441,901.29 to supply and apply Rubber Emulsion Aggregate Slurry (REAS) on East Palm Canyon Drive (C08695), Assessment District (AD) 86-5 Neighborhood streets (C08696), Vista Chino Drive (C08697), and Date Palm Drive (C08698), including traffic control, crack seal, asphalt patchwork and striping replacement; and, approve a fifteen percent (15%) contingency in the amount of \$217,098.71 for unforeseeable construction costs, making the total encumbrance \$1,659,000.00; and, authorize the City Manager to execute the required contract documents; and, authorize the City Engineer to request bonds and insurance for the project, and issue the notice to proceed.

## **BACKGROUND:**

Since 2015, the City of Cathedral City has used REAS as the primary pavement maintenance surface treatment to preserve the asphalt on public streets because of its durability and longevity. The city utilizes REAS every five to seven years to preserve streets and to prolong street life until a complete street reconstruction is necessary.

Additionally, REAS is a proven treatment preservation method embraced by large and small cities in the west. As a result of this widely used product supplied by PMI, the City of Cathedral City and other cities in the Coachella Valley can “piggyback” on PMI’s REAS central mix contract prices with the City of Los Angeles. By piggybacking, the city receives the same unit price per gallon for PMI’s material and equipment as the City of Los Angeles; thereby providing significant savings for Cathedral City.

## **DISCUSSION:**

Staff are proposing to apply REAS to the following streets:

- East Palm Canyon Drive REAS Project (C08695)
- Assessment District 86-5 Neighborhood Streets REAS Project (C08696)
- Vista Chino Drive REAS Project (C08697)

- Date Palm Drive REAS Project (C08698)

Maps of the above-cited selected streets and assessment district area are attached to this staff report and discussed further below.

#### East Palm Canyon Drive REAS Project (C08695)

The scope of work for the East Palm Canyon Drive REAS project will include the application of Type II REAS on East Palm Canyon Drive from the western city limits to Cathedral Canyon Drive. Crack sealing treatment will precede the REAS applications, and the street striping and marking will occur after the REAS work.

Note that the East Palm Canyon Drive REAS project will exclude the following street segments:

- East Palm Canyon Drive between Perez Road and Auto Park Drive which was included in the East Palm Canyon Drive Pavement Rehabilitation Project (C08669) and completed on December 6, 2023.
- East Palm Canyon Drive between Canyon Plaza and Canyon Plaza/El Dorado which is included in the East Palm Canyon Drive Pavement Rehabilitation Project (C08694) and was awarded for construction to Vance Corporation on February 26, 2025.
- Eastbound East Palm Canyon Drive between western city limits and 200 feet west of Canyon Plaza Drive which is included in the East Palm Canyon Drive Widening and Master Underground Plan (C08874) and scheduled to start construction toward the end of 2025.

#### Assessment District 86-5 Neighborhood Streets REAS Project (C08696)

The scope of work in the Assessment District 86-5 Neighborhood Streets project will include the application of Type II REAS on seven streets within AD 86-5. The selected streets are:

- Aliso Road from Cul de Sac to San Eljay Avenue
- San Helena Avenue from Cul de Sac to San Eljay Avenue
- San Susanna Avenue from Cul de Sac to San Eljay Avenue
- Garner Avenue from Cul de Sac to San Eljay Avenue
- Neuma Avenue from Cul de Sac to Baristo Road
- El Toro Road from Cul de Sac to Baristo Road
- Victor Road from Cul de Sac to Baristo Road.

Crack sealing treatment and asphalt patch work will precede the REAS applications, and the street striping and markings will occur after the REAS work.

#### Vista Chino Drive REAS Project (C08697)

The scope of work for the Vista Chino Drive REAS project will include the application of Type II REAS on Vista Chino Drive from western city limits to 175 feet east of Panorama Road. Crack sealing treatment will precede the REAS applications, and the street striping and markings will occur after the REAS work.

In October 2023, the CIP budget was reevaluated to address the areas impacted by Tropical Storm Hilary. Note that the proposed Vista Chino Drive REAS Project (C08697) excludes the pavement reconstruction of Vista Chino Drive from Date Palm Drive to 175 feet east of Panorama Road. The Federal Aid System of the Federal Highway Administration (FHWA) approved the city's Damage Assessment Form (DAF) which included the pavement reconstruction of Vista Chino Drive from Date Palm Drive to 175 feet east of Panorama Road. This treatment is more comprehensive and has a longer useful life than a REAS treatment.

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#### Date Palm Drive REAS Project (C08698)

The scope of work for the Date Palm Drive REAS Project will include the application of Type II REAS on Date Palm Drive from East Palm Canyon Drive to Gerald Ford Drive. Crack sealing treatment will precede the REAS applications, and the street striping and markings will occur after the REAS work.

PMI has evaluated the condition of the proposed streets with city staff and has determined the REAS application will have an average spread ratio of approximately eight square feet per gallon (8 Sq. Ft./gallon). Based on this evaluation and subsequent calculations, PMI prepared a cost estimate that includes the price of the slurry, machinery, and labor. The cost estimate also includes traffic control, notice to residents, asphalt patching, crack seal and striping replacement.

City staff and PMI will coordinate with local utilities and service providers, such as Burrtec and Sunline Transit, to accommodate service schedules and access with the work to be performed.

City staff recommends the City Council approve a contract with PMI for \$1,441,901.29 to supply and apply REAS on East Palm Canyon Drive (C08695), AD 86-5 Neighborhood streets (C08696), Vista Chino Drive (C08697), and Date Palm Drive (C08698), including traffic control, crack seal, asphalt patchwork and striping replacement; and, approve a fifteen percent (15%) contingency in the amount of \$217,098.71 for unforeseeable construction costs, making the total encumbrance \$1,659,000.00; and, authorize the City Manager to execute the required contract documents; and, authorize the City Engineer to request bonds and insurance for the project, and issue the notice to proceed.

#### ENVIRONMENTAL ANALYSIS:

No environmental impact. A slurry project is Categorically Exempt as it involves work on existing streets and is listed as a Class 1 Exemption under CEQA Guidelines §15301(c).

#### **FISCAL IMPACT:**

##### East Palm Canyon Drive REAS Project (C08695)

The Fiscal Year (FY) 2023-24 Capital Improvement Program (CIP) amount of \$350,000 from the city's General Fund Maintenance of Effort (MOE) funds for the REAS work on East Palm Canyon Drive. Following the October 2023 CIP reevaluation, city staff are proposing to perform maintenance this fiscal year (FY 2024-25) and allocate available MOE funds for this project in the amount of \$345,231.73.

##### Assessment District 86-5 Neighborhood Streets REAS Project (C08696)

The original FY 2023-24 CIP amount of \$555,271 from AD 86-5 account was estimated for the REAS work within the AD 86-5 neighborhood. Following the 2023 CIP reevaluation, City staff are proposing to perform REAS work within the AD 86-5 this fiscal year (FY 2024-25) and allocate available AD 86-5 funds in the amount of \$213,012.50.

##### Vista Chino Drive REAS Project (C08697)

The REAS work on Vista Chino Drive was not included in the FY 2023-24 CIP biennial budget. Following the 2023 CIP reevaluation, city staff are proposing to allocate available Measure A funds in the amount of \$629,026.65 to perform maintenance on Vista Chino from western city limits to 175 feet east of Panorama Road.

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#### Date Palm Drive REAS Project (C08698)

The original FY 2023-24 CIP amount of \$90,000 from city's MOE funds was estimated for the REAS work on East Palm Canyon Drive. Following the October 2023 CIP reevaluation, city staff are proposing to allocate available MOE funds in the amount of \$254,630.41 for REAS work on Date Palm Drive between East Palm Canyon Drive and Gerald Ford Drive to perform maintenance this fiscal year (FY 2024-25).

The overall PMI proposal to complete the FY 2024-25 REAS Projects is \$1,441,901.29.

A 15% contingency, utilizing Measure A funds, is proposed amounting to \$217,098.71, and thus the total estimated cost of the FY 2024-25 REAS Projects is \$1,659,000.00 as shown in the table below.

PMI Cost Proposal	\$1,441,901.29
15% Contingency	\$ 217,098.71
<b>Construction Total Estimate</b>	<b>\$1,659,000.00</b>

FISCAL YEAR	DESCRIPTION	GENERAL LEDGER ACCOUNT CODES	PROJECT CODE	AMOUNT	ONE TIME or ONGOING
2024-2025	East Palm Canyon REAS (MOE)	100-100-150-156-8800-8802	C08695	\$ 345,231.73	ONE TIME
2024-2025	Assessment District 86-5 Neighborhood Streets REAS (AD 86-5)	344-100-150-156-8800-8802	C08696	\$ 213,012.50	ONE TIME
2024-2025	Vista Chino Drive REAS (Measure A)	243-100-150-156-8800-8802	C08697	\$ 629,026.65	ONE TIME
2024-2025	Date Palm Drive REAS (MOE)	100-100-150-156-8800-8802	C08698	\$ 254,630.41	ONE TIME
2024-2025	15% Contingency	XXX-100-150-156-8800-8802	According to Project Funding Above	\$ 217,098.71	ONE TIME
	<b>Total</b>			<b>\$1,659,000.00</b>	

#### **FIVE-YEAR STRATEGIC PLAN:**

Goal B: Community Investment

Objective: Cathedral City roads, gateways, public spaces, and other city infrastructure are well planned, designed, constructed, and maintained.

#### **ATTACHMENTS:**

1. FY 24-25 Spring REAS Project Area Map
2. PMI Cost Estimate
3. PMI Contract