



Agenda Report

Fullerton City Council

MEETING DATE: MAY 21, 2024

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEPHEN BISE, P.E., PUBLIC WORKS DIRECTOR

PREPARED BY: DAVID GRANTHAM, P.E., CITY ENGINEER

SUBJECT: CONTRACT WITH PETROCHEM MATERIALS INNOVATION, LLC FOR RESIDENTIAL PAVEMENT TREATMENT FISCAL YEAR 2023-24

SUMMARY

Award \$395,968.70 construction contract to Petrochem Materials Innovation, LLC for the Residential Pavement Treatment – Fiscal Year 2023-24 Project.

PROPOSED MOTION

1. Approve Residential Pavement Treatment – Fiscal Year (FY) 2023-24 Project plans and specifications.
2. Approve \$430,000 budget transfer and appropriation of American Rescue Plan Act (ARPA) Revenue Replacement Funds (Fund 74) from Project 44589 Residential Street Program to Project 44700 Residential Pavement Treatment – FY 2023-24 within the Capital Projects Fund (Fund 74).
3. Award \$395,968.70 construction contract for Residential Pavement Treatment – FY 2023-24 Project to Petrochem Materials Innovation, LLC and authorize City Manager, or designee, to execute and administer the contract, in a form approved by the City Attorney.
4. Authorize Public Works Director, or designee, to approve any future change orders for construction and professional engineering construction support services within the approved project budget.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Reject bid
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

The Fiscal Year (FY) 2023-24 Adopted Capital Improvement Program (CIP) Budget has sufficient funding for the project provided from American Rescue Plan Act (ARPA) Revenue Replacement Funds. Staff recommends a \$430,000 budget transfer and appropriation of ARPA Revenue Replacement Funds from Project 44589 Residential Street Program to Project 44700 Residential Pavement Treatment – FY 2023-24 Project within the Capital Projects Fund (Fund 74).

Staff attached a budget Data Sheet / Summary of Bids and the Contractor Quote for reference (Attachments 1 and 2).

BACKGROUND AND DISCUSSION

Staff proposes using the pavement treatment approved by City Council on Hillcrest Drive, Hillcrest Lane, Lincoln Avenue and Burning Tree Road to continue investigating cost-effective paving alternatives. The Central Mix Rubberized Emulsion Aggregate Seal (CM REAS) treatment is a blend of asphalt emulsion, California recycled tire rubber, aggregate, polymers, plus stabilizers and performance additives produced by Petrochem Materials Innovation, LLC (PMI). This product is higher quality as it requires approximately double the modified binder content resulting in thick film of binder and long service life. The product is mixed at a controlled location, rather than on site, providing a higher quality solution.

The City installed this product on streets approximately 12 months ago and, to date, staff is pleased and encouraged with the condition of the product and roadway surfaces. The City needs to install this product on multiple streets with varying pavement conditions and traffic patterns to determine its viability as a cost-effective method to maintain fair and good pavement conditions. Installing the product on the proposed street segments would help staff evaluate for future, large scale use.

The following describes the proposed street segments (also shown on Attachment 3). Staff selected these streets using the following criteria:

- Residential streets
- Pavement Condition Index (PCI) and pavement conditions
 - PCI scores for each street shown on Attachment 3

- Location 4 is losing asphalt concrete fines and longitudinal cracking
- Area of roadway
 - Ability to complete each location within two days to maximize area of product placement versus contractor labor costs
- Location of streets
 - Considered 'standalone' areas rather than small part of a larger, continuous neighborhood area and/or adjacent streets are in good condition
- Traffic volume and traffic circulation patterns
 - Location 3 experiences high parking volume from Cal State Fullerton and Fullerton College students

Location 1

- Richman Knoll – Valencia Mesa to cul-de-sac
- Green Acre Drive – Richman Knoll to cul-de-sac
- Highland Drive – Bastanchury to Green Acre
- Miramonte Drive – Valencia Mesa to Valencia Mesa
- Glen View Drive – Valencia Mesa to cul-de-sac
- Margarita Drive – Valencia Mesa to cul-de-sac
- Dolores Drive – Margarita to cul-de-sac
- Crestview Dr – Valencia Mesa to cul-de-sac

Location 2

- Princeton Circle West – Chapman to Princeton
- Princeton Circle East – Chapman to Princeton
- Brookdale Place – Berkeley to Princeton Circle East

Location 3

- Concord Avenue – Old River to State College
- Sycamore Avenue – Old Creek to Old River
- Old Creek Road – Victoria to Sycamore
- Old River Road – Victoria to Concord
- Meadow Lane – Sycamore to cul-de-sac

Location 4

- Rosalia Drive – Rolling Hills to Live Oak
- Laurel Avenue – Lark Ellen to Maple Avenue
- Ponderosa Avenue – El Mirador to Lark Ellen

The pavement treatment on all streets would involve CM REAS Type II slurry seal using a ¼-inch aggregate, help seal cracks and provide a smooth surface for alligatored and distressed streets. PMI provides a seven-year warranty on the CM REAS Type II product.

Staff plans to complete another slurry seal project using more conventional slurry seal products during summer 2024 on a larger number of streets in the south and west areas of the City to use, in part, as a comparison to this project.

Staff recommends awarding this contract through piggybacking off the multi-year contract (Contract #MA-1S-2440097-1) between PMI and the County of Los Angeles (Attachment 4). This contract allows piggyback pricing to other agencies. The Purchasing Manager may contract for goods or services and 'piggyback' contractual agreements of other governmental agencies that have formally bid for a given project within the previous 365 days pursuant to the City Purchasing Policy, Policy No. 4.1.2 Section IV (F) Exceptions to the Bid Process. This piggyback contracting enables the City to take advantage of pricing from the economies of scale that a larger agency like the County of Los Angeles can achieve.

Staff reviewed the terms and conditions of the multi-year contract between PMI and the County of Los Angeles and found contract and pricing terms acceptable.

Staff requested crack sealing as part of this project which requires additional materials and services not included in PMI's County of Los Angeles Contract but priced at market value. Staff requests approval of the PMI project bid to the City which includes both the piggyback provisions as well as pricing and approval of additional materials and services not in the original County of Los Angeles contract.

Staff anticipates project completion in late summer 2024. Staff would notify impacted residents and businesses of upcoming project construction and potential impacts.

Staff prepared an environmental assessment in accordance with California Environmental Quality Act Guidelines and determined that the project is categorically exempt.

Attachments:

- Attachment 1 – Budget Data Sheet
- Attachment 2 – Petrochem Materials Innovation, LLC Quote
- Attachment 3 – Project Location Map
- Attachment 4 – County of Los Angeles Contract # MA-1S-2440097-1

cc: City Manager Eric J. Levitt