

CITY OF PALM DESERT

STAFF REPORT

MEETING DATE: May 22, 2025

PREPARED BY: Neal Ennis, Project Manager
Ryan Lamb, Senior Project Manager

SUBJECT: AWARD CONSTRUCTION CONTRACT TO MATICH CORPORATION
FOR THE ELDORADO DRIVE REHABILITATION PROJECT, PROJECT
NO. CST00023

RECOMMENDATION:

1. Make a finding that the project is categorically exempt from further review under the California Environmental Quality Act (CEQA) Guidelines, pursuant to Class 1, Section 15301 (Existing Facilities), and authorize the City Engineer to submit a Notice of Exemption.
2. Award a construction contract to Matich Corporation, of San Bernardino, CA, in the amount of \$2,777,695.60 for the Eldorado Drive Rehabilitation Project, which includes the Base Bid of \$2,735,535.60 and Bid Alternate #1 in the amount of \$42,160.
3. Authorize the Director of Finance to set aside a 10% contingency in the amount of \$278,000.
4. Authorize the City Attorney to make necessary non-monetary changes to the agreement.
5. Authorize the City Manager to execute the agreement and any written requests for change orders up to the contingency amount, amendments, and any other documents necessary to effectuate this action, in accordance with Palm Desert Municipal Code Section 3.30.170(B).
6. Authorize the City Manager to execute the Notice of Completion (NOC) and the City Clerk to file the NOC upon satisfactory completion of the Project.

BACKGROUND/ANALYSIS:

The asphalt on Eldorado Drive, between Hovley Lane East and Country Club Drive, has significantly deteriorated. To assess the appropriate rehabilitation method, the City engaged Applied Research Associates, Inc. (ARA) to perform pavement testing and analysis. ARA's testing—consisting of core samples, ground-penetrating radar, and falling weight deflectometer—concluded that a full-depth reclamation (FDR) approach was most appropriate.

Under this method, the existing asphalt and base will be pulverized and blended to create a more durable 8-inch aggregate base, followed by a 5-inch layer of warm-mix asphalt concrete. This treatment will restore structural integrity and extend pavement life. Staff recommends that the City Council find that the project is categorically exempt from CEQA, pursuant to Class 1, Section 15301 (Existing Facilities) under the CEQA Guidelines, as the project involves the repair and maintenance of existing streets, sidewalks, gutters, and similar facilities.

On June 13, 2024, the City contracted with NAI Consulting for engineering design services. Community outreach began with a public meeting on March 26, 2025, where over 2,500 households in adjacent neighborhoods were invited. Due to low turnout, staff conducted follow-up meetings with the affected HOAs:

- April 16, 2025 – Sunterrace (Sarazen Way and Eldorado Dr.)
- April 17, 2025 – The Lakes (Red River Rd. and Eldorado Dr.)
- April 23, 2025 – Indian Ridge (Red River Rd. and Eldorado Dr.)
- May 14, 2025 – Tierra Vista (Appian Way and Eldorado Dr.)

In addition to rehabilitating the roadway, the project includes restriping bike lanes to align with the City's General Plan, which designates Eldorado Drive as a Balanced Arterial. While the overall project received broad community support, many residents expressed concerns about the proposed Shur-Curb delineators, with only a few in favor of their use. Shur-Curb delineators are traffic control devices used to physically separate bike lanes from vehicle lanes. They typically consist of 2-foot-high tubular plastic posts mounted on a low -profile base that are bolted directly to the pavement. Since the delineators are optional, lack strong public support, and are not consistent with a balanced arterial design, staff recommend excluding them from the contractor's scope of work, thereby removing Bid Alternate #2 from consideration.

Requests for Bids

The project was advertised via the City's bid portal (OpenGov), and five bids were received electronically on April 29, 2025:

Contractor	Location	Base Bid	Bid Alt #1	Subtotal	Bid Alt #2 (excluded)
Matich Corporation	San Bernardino, CA	\$2,735,535.60	\$42,160.00	\$2,777,695.60	\$110,050.00
Vance Corporation	Beaumont, CA	\$2,748,376.21	\$74,103.07	\$2,822,479.28	\$121,919.90
Granite Construction Company	Indio, CA	\$2,822,855.00	\$63,045.00	\$2,885,900.00	\$108,500.00
All American Asphalt	Corona, CA	\$2,976,863.00	\$79,900.00	\$3,056,763.00	\$78,120.00
R.J. Noble Company	Orange, CA	\$3,101,570.90	\$63,050.00	\$3,164,620.90	\$77,500.00

The all-inclusive engineer's estimate was \$3,250,000. The project was bid with Additive Bid Items, #1 Raise CVWD valves and manholes, and #2 Furnish and install Shur-Curb delineators, but the **low bidder is determined by the Base Bid only**.

Pursuant to Contract No. C31910 between the City and the Coachella Valley Water District (CVWD), the bid included Bid Alternate #1 to raise valves and manholes to the final surface elevation. CVWD has agreed to reimburse the City for this work at the contractor's quoted price of \$42,160, bringing the total contract amount to \$2,777,696 (rounded).

As the low bidder, Matich Corporation has successfully completed many paving projects for the City of Palm Desert and staff are confident in their ability to complete this project. If approved, the project is expected to begin early July 2025 and be completed by the end of September 2025.

Public Notice

The contractor will be conveying information regarding traffic control and work schedules to the nearby residents. Changeable message signs will be utilized as needed to provide advanced notice for drivers. In addition to any public outreach by the contractor, the City has scheduled public meetings with the residents that will be affected by the project. The City will mail out informational notices and is maintaining a page on Engage Palm Desert so interested parties can obtain up-to-date information on the project.

Legal Review:

This report has been reviewed by the City Attorney's Office.

FINANCIAL IMPACT:

Funding for this project is included in the approved Capital Improvement Project (CIP) list for Fiscal Year FY 2024-25 and will be funded through a combination of special revenue funds allocated for street improvements. These funding sources include Measure A, SB1 Gas Tax, and Assessment District R/M Funds. There is no impact to the General Fund.

Project-CST00023 Eldorado Drive Rehabilitation	Budget	Expenditures	Available Budget
SB1 Gas Tax (211-4311-4391505-Street Resurfacing)	1,300,000		
Measure A (213-4311-4332000-Street Resurfacing)	800,000		
AD Annual R/M Funds (304/306/308/351-4311-4332000)	1,585,336		
Engineering Design (NAI Consulting)		60,200	
Topographical Survey (TKE Engineering)		3,380	
Community Engagement Mtg (Xpress Graphics)		2,020	
Construction: Matich Corporation		2,777,696	
10% Contingency		278,000	
Totals	\$3,685,336	\$3,121,296	\$564,040

Assessment District R/M Funds identified above are from eligible 1915 Imp Bond AD's 87-1, 92-1, 94-2 Sunterrace, 91-1 Indian Ridge

ATTACHMENTS:

1. Construction Contract
2. Contractor Bid
3. Payment and Performance Bonds
4. CEQA Notice of Exemption