



STAFF REPORT

CITY of YORBA LINDA

PUBLIC WORKS DEPARTMENT

DATE: JUNE 7, 2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JAMIE LAI, P.E., DIRECTOR OF PUBLIC WORKS/CITY ENGINEER
PREPARED BY: FREDY CASTILLO, ASSISTANT ENGINEER

SUBJECT: REJECTION OF BIDS RECEIVED FOR THE FISCAL YEAR 2021-22 ANNUAL PAVEMENT PRESERVATION PROJECT (ZONE 6)

RECOMMENDATION

It is recommended that the City Council reject all bids received for the Fiscal Year 2021-22 Annual Pavement Preservation Project Zone 6 (SI221009).

BACKGROUND

The City is divided into seven (7) maintenance zones and pavement maintenance/preservation treatments are implemented for one (1) zone per year. The areas that are scheduled to receive treatment for Fiscal Year 2021-2022 include all of Maintenance Zone 6.

DISCUSSION

Plans and specifications were advertised for bids on April 21st and April 28th, 2022. Formal bidding procedures have been followed in conformance with the State Public Contract Code and the City of Yorba Linda Municipal Code. A total of four bids (4) bids were received and opened by the City Clerk's office on May 19th, 2022, with the following results:

Table 1 – Bid Summary

<u>Bidder</u>	<u>Bid Amount</u>
RJ Noble Company	\$7,958,718.63
Palp, Inc.	\$8,659,894.00
All American Asphalt, Inc.	\$8,700,000.00
VSS International	\$9,066,479.00

Unfortunately, due to a number of factors including recent spikes in material prices, increased labor costs, and trucking shortages, bids came in significantly higher than anticipated. The engineer's estimate for construction was \$6.22 million. At this time, it is staff recommendation to reject all bids and repackage the plans and specifications with modifications to the schedule, treatment area, and treatment types that are anticipated to create an opportunity for cost savings. Once these modifications are made the project will be readvertised for award at a later date.

FISCAL IMPACT

There is no direct fiscal impact.

ALTERNATIVES

Council may direct staff to proceed with approval of RJ Noble Company's bid via a separate staff report recommendation at a future Council meeting date. This is not recommended as the City will incur higher expenses, not currently budgeted in the Capital Improvement Program.

ATTACHMENTS

None.
