



STAFF REPORT

CITY of YORBA LINDA

PUBLIC WORKS DEPARTMENT

DATE: JULY 19, 2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JAMIE LAI, P.E., DIRECTOR OF PUBLIC WORKS/CITY ENGINEER
PREPARED BY: JESSE GUTIERREZ, ASSESSMENT DIST. MANAGER

SUBJECT: REJECTION OF ALL BIDS RECEIVED FOR LANDSCAPE MAINTENANCE WITHIN LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT PACKAGE B – HIDDEN HILLS

RECOMMENDATION

It is recommended that the City Council reject all bids received for the Landscape Maintenance Within Landscape Maintenance Assessment District Package B – Hidden Hills (Package B).

BACKGROUND

All publicly maintained landscaping and equestrian trails within Maintenance Package B are to be maintained by the Landscape Maintenance Assessment District (LMAD), per the approved Fiscal Year 2022/23 Engineer's Report. The City advertised for bids to perform the work. The bid package included an agreement for such work to take effect on or about August 1, 2022 and continue through June 30, 2025. The contract could be extended for one (1) two-year renewal term, providing for a potential term of five (5) years.

DISCUSSION

The City received bids from two (2) landscape maintenance contractors as shown below.

Table 1 – Bid Summary		
	BIDDER	AMOUNT
1.	NIEVES LANDSCAPE	\$919,847.38
2.	MERCHANTS LANDSCAPE	\$965,879.88

This bid amount was calculated to include an amount for the base monthly maintenance work amount and additional quantities for anticipated optional/as-needed supplemental work so that the City would not have to enter into potential future "time and materials" contracts for additional work which are typically more expensive and not as competitive.

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Unfortunately, the low bid exceeds the previous contract amount by approximately 15% comparing base monthly maintenance work as the basis of comparison.

Maintenance Package B is currently maintained by Merchants Landscape. The current agreement with Merchants still has an option for an additional two years of extensions on the current agreement. Merchants has recently indicated that it is willing to agree to an extension of the current agreement based on a yearly CPI increase of approximately 6.8%. An extension of the current agreement would cost less than entering into a contract with the low bidder on this bid. City staff intends to prepare an amendment for an extension of the current agreement with Merchants and bring the item to the Council at a future City Council meeting.

FISCAL IMPACT

The rejection of the bids is a financial benefit to the City over the next two years based upon the comparison between the potential extension of the current agreement versus the costs proposed in the bids.

ALTERNATIVES

Council may direct staff to proceed with approval of Nieves Landscape'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.

ATTACHMENTS

None.
