Item 391/2025

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Lisa L. Kim	From:	John Montanchez
Dept:	City Manager	Dept:	Community Services
		Date:	11/12/2025

Subject: Award a contract to RG General Engineering, Inc. for the Community Project Funding City Parks Improvements Project IFB No. S-1381. (Cost: $1,544,348) (Action Item)

OBJECTIVE

To request that the City Council award a contract for the Community Project Funding City Parks Improvements Project IFB No. S-1381 to RG General Engineering, Inc.

BACKGROUND

On September 19, 2025, pursuant to Municipal Code Section 2.50.100, staff solicited bids for the Community Project Funding City Parks Improvements Project IFB No. S-1381. The project includes park improvements at Haster Basin Park, Jardin de los Niños Park and West Haven Park with the following scope of work: demolition and replacement of two park playgrounds and playground surface, demolition of existing restroom buildings and installation of two new pre-engineered restroom buildings, concrete walkways, concrete paving, irrigation system, and site utilities.

DISCUSSION

On October 20, 2025, six (6) bids were received and opened by the City Clerk's office at 11:00 a.m. on October 28, 2025, staff notified the two lowest bidders, Shiraz Construction and Empire Design & Build LLC, their bid proposals were found non-responsive. Several irregularities were identified in the bid proposal submitted on behalf of Shiraz Construction including calculating the total amount for bid items incorrectly, several required forms were either incomplete, not completed at all, and/or were not submitted with the bid proposal, including the Noncollusion Affidavit, Bid Bond forms, and federal forms that needed to be completed and signed in order to be in compliance with the Housing Urban Development Department. Irregularities were also identified in the bid proposal submitted on behalf of Empire Design & Build LLC that included not submitting the updated Contractor's Proposal forms, pages 11 through 15, provided in Addendum No. 1, and did not submit required federal forms that needed to be completed and signed in order to be in compliance with the Housing Urban Development Department.

State law provides that bids that do not conform to the Invitation for Bids must be rejected as nonresponsive unless the City Council determines that the irregularities are inconsequential, do not affect the bid price, and do not give the bidder a competitive advantage over the other bidders. Staff's independent review of Shiraz Construction and Empire Design & Build LLC bid proposals has concluded that waiving the irregularities in their bid would give these companies a competitive advantage over the other bidders given the number and breadth of irregularities in their bid.

Staff proceeded to review the bid documents submitted by the third lowest contractor, RG General Engineering, Inc., with a total bid amount of $1,544,348. The licenses and references of the contractor have been reviewed and verified by staff, and all other documentation is in order. If approved, the contract schedule would start in December 2025, with completion anticipated by June 2026.

FINANCIAL IMPACT

The cost of the contract for the Community Project Funding City Parks Improvements Project IFB No. S-1381 with RG General Engineering, Inc. is $1,544,348. This amount is included in the City's adopted Five-Year Capital Improvement Plan. The Project is funded by a Community Project Fund Grant through the Department of Housing and Urban Development and Park Fee funds.

RECOMMENDATION

It is recommended that the City Council:

- Reject Shiraz Construction and Empire Design & Build LLC bid proposals as non-responsive;
- Award a contract for the Community Project Funding City Parks Improvements Project IFB No. S-1381, in the amount of $1,544,348, to RG General Engineering, Inc.; and
- Authorize the City Manager, or designee, to execute the agreement on behalf of the City, and make minor modifications as appropriate thereto.

By: Janet Pelayo, Deputy Director

ATTACHMENT(S)

1. Construction Agreement with RG General Engineering, Inc.