

RESOLUTION NO. 26-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, RESCINDING THE AWARD OF THE DECONSTRUCTION OF
COMMERCE REFUSE-TO-ENERGY FACILITY (CREA) PROJECT TO PRECISION
WORKS, INC. DBA PRECISION ENVIRONMENTAL; REJECTING ALL BIDS; AND
AUTHORIZING RE-ADVERTISEMENT OF THE PROJECT**

WHEREAS, the Commerce Refuse-to-Energy Authority (CREA) facility, located at 5926 Sheila Street in Commerce, California, is a decommissioned industrial refuse-to-energy facility; and

WHEREAS, on April 7, 2026, the City advertised the Project for bids, and bids were received on May 5, 2026; and

WHEREAS, on June 23, 2026, the City Council awarded the Project to Precision Works, Inc. dba Precision Environmental ("Precision Works") in the amount of \$1,362,000 for the Base Bid Schedule; and

WHEREAS, no contract has been executed between the City and Precision Works and no Notice to Proceed has been issued; and

WHEREAS, staff has determined that the Project bid documents should be revised to remove the monitoring-well abandonment work from the Additive Bid Schedule and incorporate that work into the Base Bid Schedule; and

WHEREAS, California Public Contract Code section 20166 provides that the City Council, in its discretion, may reject any bids presented and re-advertise the Project; and

WHEREAS, Section A.00200, Instructions to Bidders, Section 30 of the Project bid documents expressly reserves the City's right to reject any and all bids and waive any irregularity in a bid; and

WHEREAS, due to this revision to the Project scope, staff recommends that the City Council rescind the prior award, reject all bids received, and authorize the Project to be re-advertised through a new competitive procurement process; and

WHEREAS, Precision Works, the lowest responsive and responsible bidder, was notified through certified mail and email on August 3, 2026, that the City Council would consider the proposed action at its August 11, 2026 meeting; and

WHEREAS, the proposed rescission is not based on any default, misconduct, or finding of non-responsibility by Precision Works.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE

DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:

Section 1. The City Council of the City of Commerce hereby finds and declares that the foregoing recitals are true and correct and incorporates them herein as findings and as a substantive part of this Resolution.

Section 2. The City Council finds that the project bid documents should be revised to remove the monitoring-well abandonment work from the Additive Bid Schedule and incorporate that work into the Base Bid Schedule. This revision changes the scope of work included in the Base Bid Schedule and, therefore, the bid documents should be revised and re-advertised to ensure all bidders compete on the same basis

Section 3. The City Council rescinds its June 23, 2026 award of the Deconstruction of Commerce Refuse-to-Energy Facility (CREA) Project to Precision Works, Inc. dba Precision Environmental pursuant to California Public Contract Code section 20166 and Section A.00200, Instructions to Bidders, Section 30 of the Project bid documents.

Section 4. Rejects all bids received for the Project on May 5, 2026.

Section 5. Authorizes Staff to revise the bid documents and re-advertise the Project through a new competitive procurement process.

Section 6. This Resolution shall take full force and effect immediately upon adoption by the City Council.

PASSED, APPROVED and ADOPTED this 11th day of August 2026.

Kevin Lainez, Mayor

ATTEST:

Eduardo Sarmiento, City Clerk