

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

**FROM:** Ron Moreno, Director of Public Works/City Engineer

**DATE:** July 22, 2025

**SUBJECT:** Award Construction Contract to Asad Holdings LLC dba OrangeBlue General Contractors for Murrieta Creek Trail Solar Lights, PW21-13

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**PREPARED BY:** Nino Abad, Principal Civil Engineer  
Emalee Manning, Assistant Engineer I

**RECOMMENDATION:** That the City Council:

1. Award a construction contract to Asad Holdings LLC dba OrangeBlue General Contractors, in the amount of \$108,949 for the Murrieta Creek Trail Solar Lights Project, PW21-13; and
2. Authorize the City Manager to approve contract change orders up to 25% of the contract amount, \$27,237.25; and
3. Make a finding that the Murrieta Creek Trail Solar Lights, PW21-13 is exempt from Multiple Species Habitat Conservation Plan (MSHCP) fees.

**BACKGROUND:** On May 13, 2025, the City Council approved the plans and specifications and authorized the Department of Public Works to solicit construction bids for the Murrieta Creek Trail Solar Lights Project, PW21-13.

The Murrieta Creek Improvements Project, PW15-07, is identified in the 2026-2030 City of Temecula Capital Improvement Program Budget, and funds coordination efforts and several follow up projects to the Murrieta Creek Channel improvements constructed by the United States Army Corps of Engineers (USACE) and Riverside County Flood Control (RCFC) within City limits. The Murrieta Creek Trail Solar Lights Project, PW21-13, is one of these follow up projects, shares funds with PW15-07, and proposes to install twenty-seven (27) solar lights along the Murrieta Creek Trail between the Epperson Memorial Parking Lot, at the project's southern end, to the project's northern boundary located near the intersection of Moreno Rd and Old Town Front Street.

The construction contract was publicly advertised between May 14, 2025, and June 3, 2025. Eight (8) bids were received and publicly opened on Tuesday, June 3, 2025.

The results were as follows:

Rank	Bidder	Amount
1.	Asad Holdings LLC DBA OrangeBlue General Contractors	\$ 108,949.00
2.	KEC Engineering	\$ 135,510.00
3.	Marin Concrete Construction, Inc.	\$ 143,680.00
4.	Leonida Builders, Inc	\$ 156,300.00
5.	Light House Construction Services	\$ 169,108.50
6.	AMTEK Construction	\$ 195,333.00
	Metrocell Construction, Inc.	Non-Responsive
	Premo Construction, Inc.	Non-Responsive

On June 12, 2025, Asad Holdings dba Orange Blue General Contractors (OrangeBlue) submitted a bid challenge contesting the bid of the apparent low bidder, Metrocell Construction, Inc. (Metrocell). The basis of the challenge was that Metrocell incorrectly listed self-performance on the subcontractor list by not listing all subcontractors that would perform more than 0.5% of the work and should therefore be deemed non-responsive. Staff verified that Metrocell was not self-performing the survey work, which no subcontractor was listed for at time of bid, and determined the Metrocell bid was non-responsive. Therefore, a “Determination Letter” was issued on June 25, 2025 finding that the protest by OrangeBlue was valid.

On July 2, 2025 Metrocell submitted a rebuttal to the June 25, 2025 Determination Letter. The basis of the rebuttal was that survey work should not be considered a subcontracted work because Surveyors as Licensed Professionals, as well as other classifications that perform survey work, are not considered mechanics or laborers and are not subject to prevailing wages. Metrocell then states that if work is not prevailing wage it should not be considered subcontracted. In consultation with the City Attorney’s office, it has been determined that this assertion is not a valid rebuttal to the prior determination. The requirement of the contract documents is to list all work greater than 0.5% that is subcontracted or it shall be self-performed by the prime contractor. Whether all or a portion of that work is subject to prevailing wage rates is irrelevant with regards to listing the required information. Therefore, Metrocell’s bid is still considered non-responsive.

During Staff’s evaluation of the remainder of the bids received, Premo Construction, Inc. bid was deemed non-responsive for not completing the Statement of Technical Ability and Experience as required.

Staff has now completed the bid evaluation and made a determination on the bid challenge that was received. After waiving any minor irregularities, Asad Holdings LLC DBA OrangeBlue General Contractors of Laguna Hills, California is the lowest responsive and responsible bidder. Asad Holdings LLC DBA OrangeBlue General Contractors has public contracting experience and

has successfully completed similar projects for various public agencies.

The Engineer's Estimate of construction cost was \$135,500.00. The construction contract allows for 40 working days (approximately 2 months) to construct the Project.

The Multiple Species Habitat Conservation Plan (MSHCP) is an element of the Riverside County Integrated Project (RCIP) to conserve open space, nature preserves and wildlife to be set aside in some areas. It is designed to protect over 150 species and conserve over 500,000 acres in Western Riverside County. The City of Temecula is a permittee to the MSHCP and as such is required to abide by the Regional Conservation Authority's (RCA) MSHCP Mitigation Fee Implementation Manual adopted by Resolution 2020-013 on December 7, 2020. The RCA is a joint regional authority formed by the County and the Cities to provide primary policy direction for implementation of the MSHCP.

Since July 1, 2008, the RCA has required that locally funded Capital Improvement Projects contribute applicable MSHCP fees within 90-days of construction contract award. Fees outside the public right of way are calculated on a cost per acre of disturbed area basis, while fees for typical right-of-way improvements projects are 5% of construction costs. The Murrieta Creek Trail Solar Lights Project is a safety measure, and such projects are exempt from MSHCP fees.

**FISCAL IMPACT:** The Murrieta Creek Improvements Project is included in the City's Capital Improvement Program Fiscal Years 2026-30. The sources of funds include Measure S, DIF-Corporate Facilities, General Fund, and TEAM funds. There are sufficient funds in the project account to cover the contract amount of \$108,949.00 plus the 25% contingency amount of \$27,237.25 for a total encumbrance of \$136,186.25.

**ATTACHMENTS:**

1. Contract
2. Project Description
3. Project Location Map
4. Bid Protest Letter from OrangeBlue
5. Bid Protest Determination Letter from City
6. Disqualification Rebuttal from Metrocell