

DEPARTMENT OF TRANSPORTATION

DIVISION OF ENGINEERING SERVICES

OFFICE ENGINEER

1727 30th STREET, MS-43

P.O. BOX 168041

SACRAMENTO, CA 95816-8041

PHONE (916) 227-6299

FAX (916) 227-6282

TTY 711

www.dot.ca.gov

*Serious drought.
Help save water!*

April 24, 2015

Facsimile: (760) 727-8701

Randy Zavalani, President
Pave-Tech, Inc.
2231 La Mirada Drive
Vista, CA 92081

03-0G2604
03-But-162-0.0/7.7
B.O. 3/17/15

Dear Ms. Zavalani:

The Department of Transportation (Caltrans) received the attached Certified Small Business Listing for the Non-Small Business Preference form for Contract 03-0G2604 from Pave-Tech, Inc. (Pave-Tech). Pave-Tech listed WEI Industries (WEI) to provide hot mix asphalt in the amount of \$444,173.

The Office of Business and Economic Opportunity, Contract Evaluation Branch (CEB), determined that WEI does not provide hot mix asphalt as a regular part of its business function. Therefore, the dollar amount listed for WEI was not counted towards the Small Business Preference pursuant to California Code of Regulations 1896.4(h)(1). After the disallowance, the total Non-Small Business participation was reduced from a claimed amount of \$614,991 to \$170,818. As a result, Pave-Tech did not meet the 25 percent Small Business participation to qualify for the Non-Small Business Preference.

In addition, Caltrans received a letter from Pave-Tech on April 2, 2015, protesting the bid submitted by Baldwin Contracting Company, Inc., dba Knife River Construction (Knife River), the protest alleges that Knife River failed to take a 60% reduction in the Asphalt Oil and a result did not meet the 25 percent Non-Small Business Preference.

Caltrans reviewed the bid documents submitted by Knife River and determined that the 60 percent reduction for suppliers is applicable on Federal funded contracts. This is a State funded contract and the reduction does not apply. Furthermore, CEB determined that Knife River did meet the 25 percent Small Business participation goal, as well as the 3 percent Disabled Veteran Enterprise goal for this contract.

Based on the above, Caltrans will proceed to award this contract to the lowest responsible bidder, provided that all requirements have been met.

If you have any questions, please contact Mulissa Smith, Contract Awards Branch Chief, at (916) 227-6228.

Sincerely,

A handwritten signature in black ink, appearing to read "John C. McMILLAN".

JOHN C. McMILLAN
Deputy Division Chief
Office Engineer
Division of Engineering Services

Attachments

cc: WEI Industries (disconnected)
(626) 396-1589

M e m o r a n d u m

*Serious drought.
Help Save Water!*

To: MOHSEN SULTAN, Acting Chief
Office of Contracts Awards and Services
Division of Engineering Services

Date: April 1, 2015

From: 
TIM BULLIVANT, Branch Chief
Contract Evaluation Branch (CEB)
Office of Business and Economic Opportunity

Subject: **Contract No.: 03-0G2604**

The Certified Small Business Listing for the Non-Small Business Preference form submitted by Pave-Tech Inc. (Pave-Tech) listed WEI Industries to provide hot mix asphalt in the amount of \$444,173.

WEI Industries does not provide hot mix asphalt as a regular part of its business function. Therefore, the dollar amount listed for WEI Industries was not counted towards the small business preference pursuant to California Code of Regulations §1896.4(h)(1).

After subtracting the dollar amount listed for WEI Industries, the total small business participation was reduced from a claimed amount of \$614,991, to an actual amount of \$170,818.

If you have any questions/concerns, you may contact John Myers, CEB Specialist, at (916) 324-0988, or by electronic mail at john.myers@dot.ca.gov.

**** Transmit Conf. Report ****

P.1
CALTRANS CONTR AWARDS Fax 916-227-6282

Apr 24 2015 03:27pm

Fax/Phone Number	Mode	Start	Time	Page	Result	Note
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STATE OF CALIFORNIA—CALIFORNIA STATE TRANSPORTATION AGENCY

EDMUND G. BROWN, Jr., Governor

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