

PACIFIC INFRASTRUCTURE**CONSTRUCTION, LLC**

August 18th, 2015

Department of Transportation
Division of Engineering Services
Office Engineer, MS 43
1727 30th Street
Sacramento, CA 95816-8041

Attention: John C. McMillan, Deputy Division Chief

Regarding: 04-3G7104 - Bid Opening July 21, 2015

Subject: Second Protest of Pacific Infrastructure Construction, LLC by RGW
Dated August 13, 2015

Dear Mr. McMillan,

This letter is in response to the second protest letter (attached) forwarded to the Department of Transportation (Department) by RGW Construction, Inc. (RGW) in regards to Contract #04-3G7104 (Project) that bid on July 21, 2015.

Upon review of the aforementioned RGW letter, it is clear that RGW has again made erroneous assertions regarding the means and methods intended for use on Contract #04-3G7104.

In addition, RGW has made false assumptions in regards to what Pacific Infrastructure Construction, LLC (PIC) presented in the response to the first protest letter by RGW. In response to RGW's unnecessary initial bid protest, PIC clearly did not convey that it would be subcontracting more than 1/2 of 1 percent of the contract in regards to the "bid items" RGW has protested. The actual scope of "work" RGW is referencing is being "exaggerated" in both qualifications to perform the work and the actual quantity to be performed.

PIC is fully aware of all contractual requirements as they pertain to Bid Items 21, 22, and 23 and intends to perform the work in accordance with the specifications.

In conclusion, RGW's second bid protest on the above referenced contract is not substantive and is without merit. PIC submitted the lowest responsive bid for this

PACIFIC INFRASTRUCTURE**CONSTRUCTION, LLC**

project and will perform all work involved for this project in compliance with all State requirements. PIC looks forward to working with Caltrans on this project.

Sincerely,

A handwritten signature in black ink that reads "Gabe Farncroft". The signature is written in a cursive, slightly slanted style.

Gabe Farncroft
Managing Partner

08/14/2015 09:22 FAX 925 606 2499

Received
925 606 2499

RGW LIVERMORE

Aug 14 2015 09:29am

001/002



August 13, 2015

RGW CONSTRUCTION, INC.**Faxed to: 916/227-6282**

Department of Transportation
 Division of Engineering Services
 Office Engineer, MS43
 1727 30th Street
 P.O. Box 168041
 Sacramento, CA 95816-8041

Attention: John McMillan, Deputy Division Chief
 Earl Seaberg, Chief, Office of Contract Awards & Services

RE: 04-3G7104 – For Construction on State Highway in Alameda County at Various Locations

Bid Opening July 21, 2015

SUBJECT: BID PROTEST #2

Gentlemen:

Pacific Infrastructure Construction, LLC (Pacific) in responding to RGW Construction, Inc.'s protest of their bid on contract 04-3G7104, reaffirms that it failed to list a qualified licensed subcontractor to supervise, monitor, implement safety protective measures, handle, excavate, and load hazardous substance material as required by California state licensing board and public contract code.

Pacific's bid for Hazardous Substance Removal and disposal on bid item (21) Roadway Excavation (Type Z-2) (Aerially Deposited Lead), Item (22) Roadway Excavation (Type Z-3) Aerially Deposited Lead, and Item (23) Roadway Excavation (Type HC) totaled \$271,650.00. Out of that total amount \$271,650.00, Pacific subcontracted haul and disposal of material to Bradley Tanks, Inc. for \$148,840.00, leaving \$122,810.00 of contract dollars to supervise, monitor, implement safety protective measures, handle, excavate and load of Hazardous Substance to be performed by a licensed HAZMAT contractor. The remaining \$122,810.00 of Pacific's bid amount for Hazardous Substance Items (21), (22), and (23) dollars equals 12.7% of

AN EQUAL OPPORTUNITY EMPLOYER



08/14/2015 09:22 FAX Received 925 606 2499

RGW LIVERMORE

Aug 14 2015 09:29am

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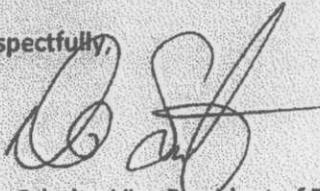
Pacific's contract total \$964,468.00, it's not less than 1/2 of 1% as Pacific has stated in their response letter as needed to circumvent the sub-listing requirement and required by public contract code.

The only information we can find genuine in Pacific's letter is its remarks on RGW pricing being higher than Pacific's for same items of work (21, 22, & 23). RGW being a licensed and certified HAZMAT contractor fully understand the rules of engagement with Hazardous Substance removal as it relates to training, protecting the public/environment, and our workers. We understand what costs are associated with these items of work and recognize that for Pacific to state that to supervise, monitor, implement safety protective measures, handle, excavate, and load hazardous substance material to be less than \$10,000 is just disingenuous and an attempt to circumvent sub-listing requirements as required by public contract law. The value of the work remaining under bid items 21, 22 & 23 under Pacific's bid is \$122,810.00, not less than \$10,000.00. Thus, requiring a subcontractor to be listed at bid time, a subcontractor that is also HAZMAT certified.

Again, Pacific's action has afforded them a competitive advantage over the other bidders and introduces an unfair advantage and subjectivity into their bid. Such non-responsive bidding activity gives bidders the opportunity to take liberties with subcontractor pricing.

Pacific Infrastructure Construction's bid should be rejected as nonresponsive and the project should be awarded to RGW Construction, Inc., the lowest responsive and responsible bidder with Haz-Mat Certification.

Respectfully,



Dan Schultz, Vice President of Estimating
RGW Construction, Inc.

DS/gp
Encls.

RGW CONSTRUCTION, INC.