

May 12, 2016

VIA Facsimile 916-227-6282

Mulissa Smith, Contract Awards Branch Chief
Department of Transportation, Division of Engineering Services
Office Engineer, MS 43
1727 30th Street
P.O. Box 168041
Sacramento, CA 95816-8041

Re: Contract 04-3J4404
Bids Opened: May 10, 2016
Protest of Bid of George Reed

Dear Ms. Smith,

O.C. Jones & Sons, Inc. (OCJ) was the second monetary bidder on the above referenced project. With this letter, we protest the bid submitted by George Reed, Inc. (GRI), the lowest monetary bidder. GRI clearly mathematically unbalanced their bid for bid item no. 26, Rubberized Hot Mix Asphalt (GAP Graded). The unit price bid by GRI does not reflect reasonable actual costs to perform the work required under this bid item. Monetarily, bid item no. 26 is the largest item of work on the project, and deserves scrutiny.

GRI bid item no. 26 at a unit price of \$55.00 per ton. The second, third, fourth and fifth placed bidders bid this item at \$100.00, \$ 103.00, \$115.00, and \$115.00 per ton respectively. Taking into account that a bid unit is expected to include the cost of the work, plus a reasonable proportionate share of the bidder's anticipated profit, overhead and other indirect costs, it is nearly impossible to justify a bid unit of \$55.00 per ton.

Please see attached Exhibit 1, George Reed's material quote to supply (only) the Rubber HMA to OCJ. GRI's price for the material (only) was \$77.76 per ton including tax. Also attached is Exhibit 2, which is quoted rates to haul the Rubber HMA to the jobsite from two truckers. The lower of these two bids (Alegre) was \$9.60 per ton to haul the HMA material from GRI's Clements Asphalt Plant to the jobsite. The cost to place the Rubber HMA is in the \$12 - \$18 per ton range depending on production. These three items (buy, haul, place) total to a unit cost of at least \$99.00/ton before profit or overhead is applied.

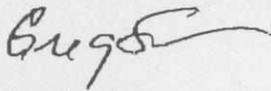
Page 2
Ms. Smith
5-12-16

Based on the item cost bid for item no. 26, the bid submitted by GRI is mathematically unbalanced, and it will not result in the lowest ultimate cost to the State, and the tax payers.

O.C. Jones requests that Caltrans review the bid submitted by GRI and reject the bid as unbalanced, and therefore non-responsive.

If you have any questions or require additional information, please contact me.

Sincerely,
O.C. Jones & Sons, Inc



Greg Souder
Secretary

Enclosure: Exhibits 1, 2



Exhibit #1
page 1 of 1

Quote

Quote Number: MP01536
Quote Date: 05/10/2016
Expire Date: 08/09/2016
Terms: Net 10th

Bill To:

483900 O.C. JONES & SONS, INC.
1520 - 4TH ST.

BERKELEY, CA 94710

Contact: Greg Souder
Phone: 510-526-3424
Fax: 510-525-0457

Description:

Cal Trans 04-3J4404 Solano Cty in Rio Vista

Comments:

Sales Person: 25 - Josh Hinchey
209-247-5257 (Phone)
209-838-6106 (Fax)

Location	Product	Qty	Unit	Material Rate	Freight Rate	Tax Rate	Cost Per Ton	Sales Price
GRI - Clements	13100 AB-CL II (19 MM)	420.00	Tons	\$12.00	0.00	0.96	12.96	\$5,443.20
GRI - Clements	21100 HMA-3/4 (19 MM)	2500.00	Tons	\$43.00	0.00	3.44	46.44	\$116,100.00
GRI - Clements	21190 HMA-1/2 TYPE G RUBBI	3700.00	Tons	\$72.00	0.00	5.76	77.76	\$287,712.00

CONDITIONS OF SALE

Total Amount: \$409,255.20

The Clements Plant requires 60 days notice prior to hauling material. Quote based on the California Statewide Crude Oil Price Index. Price increase of \$1.00 per ton on HMA and \$0.50 on aggregate effective 3/1/17 and 3/1/18. Pricing based on 3 shifts for RHMA, 4 shifts for HMA and 1 shift for shoulder backing. Quote based on nights Sunday through Thursday.

All material subject to availability. Please call prior to schedule loadout. AC Pricing based on current rack asphalt oil. For every \$10.00 increase in asphalt oil, AC Price will increase \$0.80 per ton.

Saturdays/Night Load Outs: \$1500 Opening Fee. No night work available out of the Munn & Parkins Plant. Clements Plant night opening requires 1 month notice.

Sunday Openings: \$3000 Opening Fee

Overtime Fee (After 8 Hours): \$200 Per Hour for the First 2 Hours, \$500 per hour thereafter except Sundays which is \$500 per hour.

Prices Quoted are Predicated upon an 8 hour day by our Plant.

Quoted Prices are F.O.B. the plant unless otherwise noted. Title of Material Transfers at Plant.

Quoted Prices include the cost of Mix Designs unless otherwise noted.

This Quote is good for the specified number of days (30). Written confirmation required prior to expiration date.

If freight is included, 20 Minutes allowed for Delivery. Anything after 20 minutes will be billed Per Minute at applicable Rates.

Retention by Contractor of Monies due GRI will not be permitted. GRI's terms are net 10th of the month following the date of purchase.

All quotes are Subject to the following Force Majeure Conditions:

Any prevention, non-performance or stoppage due to any of the following reasons may cause a delay in the production and/or load-out of some materials: Failure of power, increases in prices and/or supplies of raw materials and/or services (such as trucking) outside the control of GRI, governmental restrictions, regulations, acts of God or other causes beyond GRI's reasonable control. Invoices are due and payable the 10th of the month following date of purchase. Overdue accounts subject to interest at 1.5% per month. Purchaser agrees to pay reasonable attorney's fee incurred

46⁴⁴
12
58⁴⁴

77⁷⁶
11⁹⁵
89⁷¹

Accepted by: _____

Date: _____



P.O. Box 1508 Lodi, Ca 95241
 Email: justin@alagretucking.com
 Website: alagretucking.com

Trucking Quote & Haul Agreement

5/9/2016

Estimator

Justin Serpa
 Phone: (209) 334-2112
 Fax: (209) 367-0572
 Direct: (209) 340-4733
 Cell: (209) 200-2926

Job Bid #:

Contractor: O.C. Jones & Sons Inc
 Contact: Greg Souder
 Phone: 510-526-3424
 Fax: 510-526-0990
 Email: gsouder@ocjones.com
 Job Name: Caltrans 04-3J4404 Highway 12 Rio Vista
 Job Site: Cattery Lane to Gardner Way
 City: Rio Vista

Haul Only

Plant Name & Location	Material Type	Truck Types	Rate	Unit	Haul Notes
Telcherl Aggregates Perkins Sacramento	Aggregates	Double Bottoms	\$11.50	Ton	
Telcherl Aggregates Perkins Sacramento	Aggregates	Transfers	\$13.00	Ton	
Telcherl Aggregates Perkins Sacramento	Asphalt	Double Bottoms	\$12.10	Ton	
Telcherl Aggregates Perkins Sacramento	Asphalt	Transfers	\$97.00	Hour	Approximate 3.15 Hour Loop
Telcherl Aggregates Perkins Sacramento	Asphalt	Mega/Super Dumps	\$100.00	Hour	Approximate 3.15 Hour Loop
Granite Aggregates Bradshaw Sacramento	Aggregates	Double Bottoms	\$11.85	Ton	
Granite Aggregates Bradshaw Sacramento	Aggregates	Transfers	\$13.35	Ton	
Granite Aggregates Bradshaw Sacramento	Asphalt	Double Bottoms	\$12.45	Ton	
Granite Aggregates Bradshaw Sacramento	Asphalt	Transfers	\$97.00	Hour	Approximate 3.25 Hour Loop
Granite Aggregates Bradshaw Sacramento	Asphalt	Mega/Super Dumps	\$100.00	Hour	Approximate 3.25 Hour Loop
George Reed Aggregates Clements	Aggregates	Double Bottoms	\$8.00	Ton	
George Reed Aggregates Clements	Aggregates	Transfers	\$10.50	Ton	
George Reed Aggregates Clements	Asphalt	Double Bottoms	\$8.80	Ton	← HAUL
George Reed Aggregates Clements	Asphalt	Transfers	\$97.00	Hour	Approximate 2.5 Hour Loop
George Reed Aggregates Clements	Asphalt	Mega/Super Dumps	\$100.00	Hour	Approximate 2.5 Hour Loop
George Reed Aggregates Jackson Valley Quarry Ione	Aggregates	Double Bottoms	\$10.75	Ton	
George Reed Aggregates Jackson Valley Quarry Ione	Aggregates	Transfers	\$12.25	Ton	

Please Note All Shoulder Backing Will Be Hourly

Please Note Above Quoted Tonnage Rates Include Bridge Tolls Where Bridges Apply. Hourly Rates Do Not Include Bridge Tolls Where Bridges Apply

PROVISIONS FOR ACCEPTANCE OF ABOVE QUOTED JOB

- BOTTOMS STAND-BY TIME AFTER 10 MINUTES AT LOAD END AND AFTER 10 MINUTES JOBSITE. ANY TIME AFTER WILL BE CHARGED AT CURRENT HOURLY RATE.
- TRANSFER STAND-BY TIME AFTER 10 MINUTES AT LOAD END AND AFTER 20 MINUTES JOBSITE. ANY TIME AFTER WILL BE CHARGED AT CURRENT HOURLY RATE.
- PRICES SUBJECT TO CHANGE WITHOUT NOTICE, UNLESS THIS AGREEMENT IS SIGNED, DATED, AND RETURNED, WITH A VALID PURCHASE ORDER, WITHIN 30 DAYS.
- PRICING IS NOT QUOTED TO MEET ANY LABOR AGREEMENTS CONTRACTOR HAS ENTERED INTO, NOR DO THEY REFLECT ANY PREVAILING WAGE RATES
- IF LEGAL ACTION IS REQUIRED TO RECEIVE PAYMENT ON THIS ACCOUNT CONTRACTOR AGREES TO PAY ALL COURT COST AND ATTORNEY FEES
- PRICES QUOTED ARE FOR THE ENTIRE JOB, IF ONLY A PORTION OF QUOTE IS AWARDED PRICE ADJUSTMENTS MAY BE NECESSARY.
- OFF-HAULED MATERIAL MAY NEED UP TO 3 WEEKS ADVANCED NOTICE AND MUST BE FREE ANY & ALL POLLUTANTS.
- CONTRACTOR IS RESPONSIBLE FOR ALL OVER WEIGHT TICKETS WHEN LOADING ANY ALEGRE TRUCK
- ANY AND ALL PRICES QUOTED ARE FOR DAY WORK UNLESS OTHERWISE STATED ABOVE
- TRANSFERS ARE TO TRANSFER WITHIN 1/8 MILE OF JOB SITE ON ALL TONNAGE QUOTED PRICES
- ANY AND ALL PRICING IS SUBJECT TO MATERIAL AND OR EQUIPMENT AVAILABILITY
- UNLESS STATED OTHERWISE IN QUOTE ABOVE ADD 5% FOR ALL NIGHT WORK
- ANY AND ALL MATERIAL DELIVERED AND HAULED IS WEATHER PERMITTING
- ANY AND ALL PRICES MAY BE SUBJECT TO FUEL SURCHARGES
- IF TARPING LOADS ADD \$1.50 PER TON ON ALL TONNAGE BID JOBS
- ANY AND ALL JOBS ARE SUBJECT TO A 4 HOUR MINIMUM

QUOTE ACCEPTED BY: X _____

Exhibit #2 page 2 of 2

TRUCKING QUOTE AND HAUL AGREEMENT



DIR
#1000013773

DBE
CERTIFIED
#41931

SMALL
BUSINESS
#1192644

P O Box 30688
Stockton, CA 95213
(209) 464-0107 Office
(209) 464-0108 Fax

From: Rogers Estimator

ROLAND WELCH

MOBILE: 209-639-9414

JRTESTIMATING@GMAIL.COM

Date Sent: 5/9/2016

Bid Date: 5/10/2016

Start Date:

Contractor: O.C.Jones & Sons, Inc.

Estimator: Greg Souder

Phone: (510) 626-3424

Fax: (510) 626-0990

Email:

Project: Hwy 12 Rio Vista , Caltrans #04-3J4404

Job site to	Service	Material	Rate
Job site to Bouldin Island	Mega Dump	Grindings	\$102.90hr (Night Rate)
Teichert Vernalis	Dbt Bottoms	HMA / RHMA	\$11.90tn (haul only)
Granite Vernalis	Dbt Bottoms	HMA / RHMA	\$11.90tn (haul only)
Geo. Read Clements	Dbt Bottoms	HMA / RHMA	\$10.44tn (haul only) ← Haul
Syar Lake Herman	Dbt Bottoms	HMA / RHMA	\$11.04tn (haul only)
Teichert Vernalis	Transfer	Shoulder Back	\$102.90hr (haul & dump only)
Granite Vernalis	Transfer	Shoulder Back	\$102.90hr (haul & dump only)
Geo. Read Jackson Valley, lone	Transfer	Shoulder Back	\$102.90hr (haul & dump only)
Syar Lake Herman	Transfer	Shoulder Back	\$102.90hr (haul & dump only)

PROVISIONS FOR ACCEPTANCE :

If job starts after 6/30/2016 add 5%

- Prices are subject to change without notice unless this quote is signed, dated and returned with a valid Purchase Order within 20 days of bid opening.
- Prices quoted are for day work unless stated otherwise (5 am or later start time).
- Prices quoted are for entire job. If only a portion of this quote is accepted, price adjustments may be necessary.
- All trucking is subject to and may be charged a 4 hour minimum rate. (4 HOUR MINIMUM AT NIGHT)
- All Dumps are allowed 10 min to load and 10 min to unload. After first 10 min, stand-by will be charged at the current hourly rate of \$1.55 per minute.
- All Transfers are allowed 10 min to load and 10 min to unload. After the initial time is met, stand-by will be charged at the current hourly rate of \$1.55 per minute.
- Prices are not quoted to meet any labor agreement or other contracts you may have entered into, nor do they reflect any Prevailing Wage Pricing or Certified Payroll.
- Prices are quoted in U.S. standard measurements.
- All prices may be subject to a Fuel Surcharge based on current fuel prices at bid time. A 1% increase may be added for every \$0.10 escalation.
- All material being off-hauled will be certified clean and free of any and all pollutants. Large quantities may require up to 3 weeks advanced notice.
- Quote is given in good faith and is based upon availability of products and equipment.
- Due to C.A.R.B. rules we are not responsible for the shortage of truck availability.
- Prices will increase 5% every year on bid date anniversary.

HOURLY Rates / ADD 5% PER HR FOR NIGHTS	
Transfers	\$98.00 HR
Mega Dumps	\$98.00 HR
Double Bottoms	\$98.00 HR
Ten Wheelers	\$93.00 HR
End Dumps	\$98.00 HR
Semi Bottom	\$98.00 HR
Prevailing wage	\$135.00 HR
On site Prevailing	\$150.00 HR
1 1/2 Times pay rate after 8 HR	
FLATBEDS	\$95.00 HR Gate to Gate
LOWBEDS	\$115.00 HR Gate to Gate

ROLAND WELCH

5/9/2016

Quote sent by - Signature

Contractor, accepted by - Signature

Date

O.C. JONES & SONS, INC.
GENERAL ENGINEERING CONTRACTOR
1520 FOURTH STREET
BERKLEY, CA 94710-1774
PHONE (510) 526-3424 FAX (510) 526-0990

FACSIMILE TRANSMITTAL SHEET

TO: Mulissa Smith	FROM: Greg Souder
COMPANY: Department of Transportation, Div. of Eng. Services, Office Engineer	DATE: 05-12-16
FAX NUMBER: 916-227-6282	TOTAL NO. OF PAGES INCLUDING COVER: 6
PHONE NUMBER:	SENDER'S REFERENCE NUMBER:
RE: 04-3J4404 DOB: 05-10-2016 Bid Protest	YOUR REFERENCE NUMBER:

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Thank you.

Greg Souder
Estimating Manager
O.C. Jones & Sons, Inc.
510-809-3430 - direct line
Ph (510) 526-3424 Fax (510) 526-0990
E-mail: gsouder@ocjones.com