

**RGW CONSTRUCTION, INC.**

November 4, 2014

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: 06-0P9704 – For Construction on State Highway in Madera County near Chowchilla from the Merced County line to 0.1 mile west of Road 4.

Bid Opening October 22, 2014

SUBJECT: BID PROTEST

Gentlemen:

Please consider this letter as a protest of the bid submitted by Granite Construction, Inc. (Granite) for Contract No. 06-0P9704. The bid submitted by Granite is nonresponsive and must be rejected because they failed to comply with the Instructions to bidder relating to DBE requirements.

The DBE Commitment Form state in part "Names of the first tier DBE subcontractors and their respective items (s) of work listed above must be consistent, where applicable, with the names and items of work in the "Subcontractor list" submitted with your bid." Granite failed to list Veridico Group, Inc. on bid day Subcontractor listing, and subsequently (4) four days later Granite listed Veridico on their DBE Commitment Form performing work items 1 and 9. This is in violation of bidding DBE requirements and grounds for Caltrans to find Granite's bid nonresponsive. (See exhibit 1)

AN EQUAL OPPORTUNITY EMPLOYER



Granite'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 ability to take liberties with DBE subcontractor pricing between bid day and DBE Commitment Form Submittal, and the potential of withdrawing their bid. Caltrans in the past has rejected bids as non-responsive because of bidders not complying with its own DBE bidding requirements, and on this project, it must similarly deem Granite's bid to be non-responsive.

Granite Construction's bid should be rejected as nonresponsive and the project should be awarded to RGW Construction, Inc., the lowest responsive and responsible bidder.

Respectfully,

A handwritten signature in black ink, appearing to read 'Dan Schultz', written in a cursive style.

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

/gp
Encls.

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

Contract No.: 06-0P9704 Project ID: 0612000319

Bidder Name:Granite Construction, Inc.

Bidder ID:VC0000000213

SUBCONTRACTOR LIST

DES-OE-0102.2B(REV 5/2014)

Bidding Firm: Granite Construction, Inc.

Under Public Contract Code 4100 et seq., the Bidder must set forth in the bid the name, the location of the place of business, the California contractor license number, and the portion of work of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of 1 percent of the prime contractor's total bid or ten thousand dollars (\$10,000), whichever is greater.

The Bidder must submit within 24 hours of the bid opening the bid item numbers with percentages of the portion of work subcontracted.

a Not required on contracts with Federal-Aid.

List this sub? Yes

- 1) Business Name Safety Striping Service, Inc.
- Location City Goshen State CA
- California Contractor License Number (a) 308669
- Description of Portion of Work

← Bid ON SUB LISTING

Pavement Delineation

Bid Item Numbers

Percentage of Bid Item Subcontracted

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

Contract No.: 06-0P9704 Project ID: 0612000319

Bidder Name:Granite Construction, Inc.

Bidder ID:VC0000000213

List this sub? Yes

2) Business Name KCI Environmental, Inc.
Location City San Luis Obispo State CA
California Contractor License Number (a) 813844
Description of Portion of Work

← *BID DAY SUB LISTING*

Erosion Control
Bid Item Numbers

Percentage of Bid Item Subcontracted

List this sub? Yes

3) Business Name APEX Fence Co., Inc.
Location City Anderson State CA
California Contractor License Number (a) 269127
Description of Portion of Work

← *BID DAY SUB LISTING*

Metal Beam Guard Railing, High Tension Cable Barrier
Bid Item Numbers

Percentage of Bid Item Subcontracted

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION
Contract No.: 06-0P9704 Project ID: 0612000319
Bidder Name:Granite Construction, Inc.

Bidder ID:VC0000000213

List this sub? Yes

4) Business Name KRC Safety Co., Inc.
Location City Visalia State CA
California Contractor License Number (a) 507950
Description of Portion of Work
Signs, Channelizers, Crash Cushions
Bid Item Numbers

← BIO DAY SUB LISTING

Percentage of Bid Item Subcontracted

Bid Item Numbers

Percentage of Bid Item Subcontracted

List this sub? Yes

5) Business Name St. Francis Electric
Location City San Leandro State CA
California Contractor License Number (a) 335324
Description of Portion of Work

← BIO DAY SUB LISTING

Electrical

Bid Item Numbers

Percentage of Bid Item Subcontracted

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

Contract No.: 06-0P9704 Project ID: 0612000319

Bidder Name:Granite Construction, Inc.

Bidder ID:VC0000000213

List this sub? Yes

6) Business Name KRC Safety Co., Inc. ← *BID DAY SUB LISTING*

Location City Visalia State CA

California Contractor License Number (a) 507950

Description of Portion of Work

Temporary K-Rail, Construction Area Signs

Bid Item Numbers

Percentage of Bid Item Subcontracted

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
CALTRANS BIDDER - DBE - COMMITMENT
DES-OE-0102.10C (NEW 06/2012)

10-28-14P12:1e RCVD

This information may be submitted with your bid proposal. If it is not, and you are the apparent low bidder or the second or third low bidder, it must be submitted and received as specified in section 2 of the specifications. Failure to submit the required DBE information will be grounds for finding the bid nonresponsive.

CONTRACT NO: **06-0P9704**

BID AMOUNT: \$ **1,699,924.00**

BID OPENING DATE: **October 22, 2014**

BIDDER'S NAME: **Granite Construction Company**

DBE GOAL FROM CONTRACT, %: **13%**

DBE PRIME CONTRACTOR CERTIFICATION¹:

BID ITEM NO.	ITEM OF WORK AND DESCRIPTION OF SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED ²	FOR CALTRANS USE ONLY	NAME OF DBEs (Must be certified on the date bids are opened - include Caltrans certification #, DBE address and phone number) (Indicate 2nd and 3rd tier subcontractors)	DOLLAR AMOUNT DBE ³
1	Prepare Lead Compliance Plan		Veridico Group, Inc. P.O. Box 673	1,250.00
9	Prepare Storm Water Pollution Plan		Roseville, CA 95661 707-317-0032 #39572	1,795.00

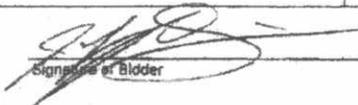
IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Names of the First Tier DBE Subcontractors and their respective items(s) of work listed above must be consistent, where applicable, with the names and items of work in the "Subcontractor List" submitted with your bid. Copies of the DBE quotes are required.

1. DBE prime contractors must enter their certification number and indicate all work to be performed by DBEs including work performed by its own forces.
2. If 100% of item is not to be performed or furnished by DBE, describe exact portion of item to be performed or furnished.
3. See section 2-1.12 of the specifications to determine the credit allowed for DBE firms.

Total Claimed Participation

\$ 241,818.50

14.22 %


Signature of Bidder

10/24/14
Date

559-441-5700
(Area Code) Tel. No.

Jeffrey W. Grimm
Person to Contact (Please Type or Print)

Submit to:

MSC 43
OFFICE ENGINEER
DEPARTMENT OF TRANSPORTATION
1727 30TH STREET
SACRAMENTO, CA 95816-7006