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SPECTRUM

July 28, 2016

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

Attention: Contract Awards

RE: Caltrans 08-1E1004 – Response to Fax Received on 8/25/16

Dear Sir/Madam,

Spectrum Construction Group, Inc. ("SCGI") is in receipt of the fax sent by the California Department of Transportation ("Caltrans") on 8/25/16.

SCGI – Subcontractor Listing

SCGI listed Chrisp Company for bid items 3 through 6 for temporary striping. Since the percentage listed for bid item 3 is less than 100%, SCGI provided a description for the portion of work to be subcontracted which is Temporary Striping. Manerl Traffic Control was also listed for the same bid item 3, but also for less than 100%, so SCGI provided a description for the portion of work to be subcontracted which is Traffic Control. It is clear that SCGI did not list more than one subcontractor for the same portion of work but for the same bid item. SCGI can perform the traffic control portion of work with its own forces if awarded and required. Furthermore, SCGI stands by the DBE commitment form value and percentage since we Manerl Traffic Control will supply all of the traffic control equipment.

Vance – Failure to Submit a Responsive Bid & DBE Submittal

As stated in SCGI's bid protest dated July 28, 2016, Vance submitted a DBE Submittal with no signature by an officer or any representative from Vance. We protested that since the form bears no signature, Vance cannot claim that their company "acknowledges that it is committed to use the DBEs shown on this form to meet the contract goal (49 CFR 26.53) since Code of Federal Regulation Title 49, Section 26.53 states that the bidder must make a "contractually binding commitment to meet the goal" and this unsigned form is neither contractual or binding.

Vance responded on August 4th, 2016 stating that the subcontractors listed in the DBE submittal were also listed as subcontractors in their bid submission; however, a contractor may substitute subcontractors or reduce the amount of the subcontractor's contract. The DBE Commitment form binds the contractor to hold to a certain amount and percentage and that if any changes occur, that they will ensure the committed DBE goal percentage is maintained. Caltrans provides specific instructions for the

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utilization and reporting of the DBE participation once a contract has been approved. All of these forms provide instructions that the "contractor will sign, print name, and date the form indicating that the information provided is completed and correct". The lack of a signature does not qualify as a certification by a responsible individual authorized by the company.

Vance submitting a bid which does not contain a signature on a document that is required to be responsive provides Vance an unfair advantage. A bid is materially non-responsive if it gives the bidder a competitive advantage not available to other bidders. If Caltrans were to simply waive the requirement of a signature for certification and commitment to meet the DBE goal, it would give Vance an unfair advantage since they could alter the DBE utilization during the project which would not be in conflict with the DBE commitment since it was not signed.

In addition, the amounts listed in Vance's DBE Commitment form do not match the amounts listed in his bid and subcontractor listing percentages. If Vance's DBE Commitment should be based off of the subcontractor listing, then his total claimed participation would be \$103,995.32 and 10.7% as can be seen in Attachment A to show that Vance cannot rely on the bid submission to validate the DBE Commitment. There is also a tabulation error in the DBE Commitment form where the subtotal for Covarrubius Bros Construction, Inc. ("CBC") is \$97,799.99 which is in fact the total claimed participation which is less than what Vance has listed the DBE subcontractors for. Vance further fails to provide addresses of the DBE firms which is required per 49 CFR 26.53 Paragraph (b)(2).

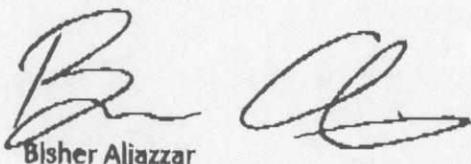
Summary

The multiple errors in Vance's DBE Submittal compounded upon the fact that there is no signature to certify the utilization and amounts which are incorrect does not comply with the guidelines set forth in the Code of Federal Regulations.

We repeat and urge our request that you find the DBE Submittal for Vance to be inadequate and subsequently their bid to be non-responsive and ineligible for award.

We hereby request that you award Contract 08-1E1004 to Spectrum Construction Group, Inc., the lowest responsive bidder.

Thank you,



Bisher Aljazzar

President

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Attachment A-

Vance Bid & DBE Breakdown

VANCE BID & DBE BREAKDOWN						
Subcontractor	Bid Item #	% on Sub List	\$ on Bid Item List	Subtotal of Bid	Amount in DBE Submittal	Subtotal of DBE
Manerif Traffic Control	2	100.00%	\$ 7,500.00		\$ 6,977.00	
Manerif Traffic Control	7	100.00%	\$ 14,000.00	\$ 21,500.00	\$ 12,640.00	\$ 19,617.00
Diversified Landscape Co.	13	100.00%	\$ 2,040.00		\$ 1,938.00	
Diversified Landscape Co.	29	100.00%	\$ 400.00		\$ 380.00	
Diversified Landscape Co.	30	100.00%	\$ 6,144.00	\$ 8,584.00	\$ 5,760.00	\$ 8,078.00
Covarrubias Bros Construction	24	100.00%	\$ 10,800.00		\$ 9,840.00	
Covarrubias Bros Construction	39	100.00%	\$ 4,950.00		\$ 4,779.99	
Covarrubias Bros Construction	43	100.00%	\$ 7,875.00		\$ 7,710.00	
Covarrubias Bros Construction	44	100.00%	\$ 7,990.00		\$ 7,650.00	
Covarrubias Bros Construction	45	100.00%	\$ 24,750.00		\$ 23,400.00	
Covarrubias Bros Construction	46	100.00%	\$ 1,500.00		\$ 1,440.00	
Covarrubias Bros Construction	59	4.20%	\$ 3,946.32	\$ 61,811.32	\$ 3,960.00	\$ 58,779.99
Ace Fence Company	50	100%	\$ 4,800.00		\$ 4,320.00	
Ace Fence Company	52	100%	\$ 2,300.00		\$ 2,185.00	
Ace Fence Company	53	100%	\$ 5,000.00	\$ 12,100.00	\$ 4,800.00	\$ 11,305.00
				\$ 103,995.32		\$ 97,779.99

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Fax

To: CA Dept. of Transportation	From: Spectrum Construction Group, Inc.
Fax: 916-227-8282	Pages: 4
Phone: 916-227-6228	Date: August 26, 2016
Re: Caltrans 08-1E1004	cc:

Comments:

Dear Sir/Madam,

Please find enclosed Spectrum Construction Group, Inc.'s response to the fax received from your office on August 25th, 2016

Thank you,

Bisher Aljazzar

President