

MERCER-FRASER COMPANY
CONTRACTORS & ENGINEERS
Since 1870

December 23, 2014

Mr. John McMillan, Deputy Division Chief
California Department of Transportation, Office Engineer
PO Box 168041, MS-43
Sacramento, CA 95816-8041

Ref: Contract #01-41504 **404**

Sub: Response to Granite Protest Letter Dated December 4, 2014

Dear Mr. McMillan,

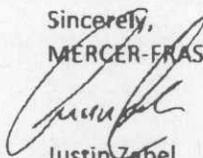
On December 22nd, Mercer-Fraser Company discovered that Granite Construction Company filed a bid protest for the referenced project. Granite, a disappointed bidder, requests that the California Department of Transportation reject Mercer-Fraser Company's bid as nonresponsive. Granite is a sophisticated bidder, although we do not understand the logic of Granite's protest. They appear to raise two issues:

First, as they correctly point out, pursuant to California Public Contract Code 4100, the "Subletting and Subcontracting Fair Practices Act.", each bidder is required to list at the time of bid, all Subcontractors the bidder intends to use and will perform work in excess of one-half of one percent of the total submitted bid amount. Mercer-Fraser did just that.

Second, Granite asserts that Mercer-Fraser does not possess the proper license required to perform certain asphalt paving work on the project and states, in part, "... performance of this work requires a contractor's license ..." and that "...MFC is not capable of self-performing ..." The Caltrans published invitation to bid for this project requires the bidder possess a Class "A" license. It should be clear to Granite that the California Contractors License Board determined Mercer-Fraser qualified as a Class "A" licensed contractor by issuing Mercer-Fraser a current Class "A" Contractor's license. Regarding self-performance, Mercer-Fraser Company was founded in 1870, fifty-two (52) years prior to Granite Construction being founded (1922) and has always performed Heavy Civil, Grading, and Paving projects, etc. for nearly one hundred forty four (144) years and I am confident of our self-performing capabilities.

In summary, Mercer-Fraser satisfies the requirements of the contract and Granite's protest should be denied.

Sincerely,
MERCER-FRASER COMPANY


Justin Zabel
President

JZ:wp