



RGW CONSTRUCTION, INC.

December 6, 2013

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

RE: 03-3E1004-For Construction on State Highway in Placer County in an near Loomis, Penryn, Newcastle, Weimer, and Magra from 0.1 Mile West of Brace Road Overcrossing to 0.1 Mile East of Magra Overcrossing.
Bid Opening 11/6/2013.

Subject: Bid Protest Response

Dear Mr. McMillan:

Granite Construction, in responding to RGW Construction, Inc.'s protest of their bid on contract 03-3E1004, reaffirms that it failed to list Central Striping for subcontract work greater than ½ of 1%, as required by the public contract code.

In Granite's 4 day DBE good faith effort submittal, (attachment #1) Granite clearly states that it intended to subcontract both temporary and permanent striping work to Central Striping, in the amount of \$164,881.00 or .81%. Had Granite intended to self-perform the temporary striping work, it would have included itself therein and identified that it was performing items 7, 8, and 10 for \$48,827.50 and that it was not subcontracting this work to Central Striping, and listed Central Striping for \$98,081.50 as they have stated in their bid protest response of 12/5/13 (attachment 2). See attachment 3 for examples of Granite identifying categories of work it intended to self-perform at the expense of DBE participation.

It is clear what Granite did here to try and remedy the fact that they failed to list Central Striping as required by law. When you take Granite's revised bid proposal from Central Striping (attachment 4) Central submitted a price quote for \$182,381.50. Granite, at bid time, determined that Central would not be given bid item #9-Channelizer (Surface Mounted) and that is why it is scratched out.

AN EQUAL OPPORTUNITY EMPLOYER



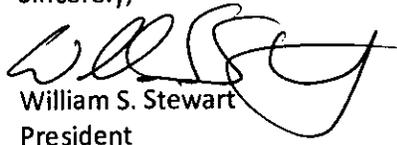
John McMillan, Deputy Division Chief
Department of Transportation
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When you subtract \$17,500.00 from \$182,381.50 you are left with \$164,881.00, which is the dollar value that Granite communicated to Caltrans, via the 4 Day DBE document, it would subcontract to Central Striping.

For Granite to now say that it intends to self-perform a portion of Central Striping's quote is disingenuous, when it clearly intended otherwise. This would call into question all the information that Granite submitted in their 4 Day DBE submittal, and cast a shadow on how they determine what is and isn't justification as to why they failed to select competitively priced DBE subcontractors for work they chose to self-perform. Had Granite self-performed less work, they could have easily secured the 13% DBE goal for this contract, as RGW Construction, Inc. demonstrated with its 14.42% DBE participation. This would have caused Granite to increase its bid price accordingly.

CalTrans should reject Granite's bid as nonresponsive and award this contract to RGW Construction, Inc., the lowest responsive and responsible bidder.

Sincerely,


William S. Stewart
President

/cd
attachments

RGW CONSTRUCTION, INC.

(Attachment 1)

Project Name: I-80 Placer County Improving Vertical Clearance
 Contract No.: 03-3E1004
 Contract Amount: \$20,292,292.00
 Bid Date: 11/6/2013

Item No. & Name	Subcontractors/Suppliers	DBE	Price	Reason for Rejection/Discussions	% of Work	Items Normally Performed By GCCO	Item Broken Down to Facilitate Participation Y or N
#69,70,71, 127 Polyester Overlay and Joint Seals	Myers & Sons		\$433,280	Used: Low Price	2.14%		Y
	Bay Line Cutting & Coring Inc.	x	\$567,200	Not Low			
Received 0 DBE Quote(s)							
#48,50,57,64,123, 129,130,131,132, 133,138 (OH Signs)	Gerco Contractors, Inc. w/ traffic control		\$611,591	Used: Low Price	3.01%		Y
	MBI incl. traffic control		\$624,927	Not Low			
	Statewide Traffic Safety & Signs		\$1,580,164	Not Low			
	Coral Construction Company		\$1,442,124	Not Low			
Received 0 DBE Quote(s)							
#87,88,90,91,92,93 ,94,95,96,97,98,99 Landscape	Marina Landscape		\$50,328	Used: Low Price	0.25%		Y
	Clearwater Landscape		\$53,255	Not Low			
	Wabo Landscape & Construction		\$56,791	Not Low			
	Aerco Pacific Inc.		\$69,953	Not Low			
	John Semsen Landscape		\$73,028	Not Low			
Received 0 UDBE Quote(s)							
* #7,8,10,36,44,45, 46,179,180,181, 182,183,184,185, 186,187,188,189, Striping	Central Striping Service		\$164,881	Used: Low Price	0.81%		Y
	Chrisp Company		\$381,834	Not Low			
Received 0 UDBE Quote(s)							
#80 Clearing	Joe Heim, Inc.		\$87,000	Used: Low Price	0.43%	x	Y
	Al's Land Clearing		\$122,500	Not Low			
Received 0 UDBE Quote(s)							
#154 (P) Steel Water Pipe	Kelly Pipe		\$70,080	Used: Low Price	0.35%		Y
	Ameron International		\$100,000	Not Low			
Received 0 UDBE Quote(s)							
Various Items - Ready Mix Concrete	Syar Concrete		\$373,037	Used: Low Price	1.84%		Y
	Hanson Brothers		\$401,864	Not Low			
Received 0 UDBE Quote(s)							

(Attachment 2)

Granite's Subcontractor List and DBE Commitment Form are Consistent; Central Striping's Work is Less than 1/2 of 1 Percent of the Total Bid

RGW also contends that Granite should have listed Central Striping Service as a subcontractor on its Subcontractor List form. However, Granite is only required to list subcontractors who will perform work in an amount in excess of one-half of one percent of the prime contractor's total bid or \$10,000, whichever is greater [Cal. Pub. Contract Code, § 4104(a)] and the value of Central Striping's scope of work will be less than 0.5% of Granite's total bid. The total of Granite's bid is \$20,292,292. One-half of one percent of Granite's total bid equals \$101,461.46. Central Striping's work will not exceed that amount.

Granite intends to self-perform the temporary striping work (Bid Items 5, 7, 8, 9, and 10). Granite owns the necessary equipment and is fully licensed and qualified to perform such work. Indeed, Granite has self-performed temporary striping work on many Caltrans projects (including, but not limited to, Contract No. 03-0F5904 on Interstate 5 in Elk Grove). Central Striping will only be performing the permanent striping and stripe removals work, which is valued at \$98,081.50. (Attached as Exhibit G, please find a copy of Central Striping's quote, reflecting the portions of work Granite will be self-performing and the portions of work Central Striping will be performing, which total \$98,081.50). The value of Central Striping's work is below the 0.5% subcontractor listing requirement, and thus, Granite was not required to list Central Striping on its Subcontractor List form.

In sum, Granite's bid is free of any defects that would preclude Caltrans from awarding the Contract to Granite. Granite's Subcontractor List satisfies the requirements of the Subcontractor Listing Law and the Contract specifications, and Granite's bid is fully responsive. Granite listed its subcontractors, and listed in general terms the work to be performed by each listed subcontractor. The individual line items in the completed Subcontractor List only list work incidental and/or related to the general categories of subcontracted work. Accordingly, Granite respectfully requests that Caltrans reject RGW's protest as without merit. Granite is fully prepared to perform this job in its customary dependable and high quality manner, using the properly specified services of the listed subcontractors.

Thank you for your time and consideration. If you have any questions or would like additional information, please contact me at 916-855-4466.

Respectfully Submitted,



Colin Crawford
Chief Estimator

(Attachment 3)

Project Name: I-80 Placer County Improving Vertical Clearance
 Contract No.: 03-3E1004
 Contract Amount: \$20,292,292.00
 Bid Date: 11/6/2013

Item No. & Name	Subcontractors/Suppliers	DBE	Price	Reason for Rejection/Discussions	% of Work	Items Normally Performed By GCCO	Item Broken Down to Facilitate Participation Y or N
#41, 155 Fence	Crusader Fence / Atlas Tree		\$31,200	USED: Low Price / Best Value	0.15%		Y
	All Steel Fence, Inc.		\$33,957	Not Low			
	Oliveira Fence, Inc.	x	\$151,200	Not Low			
	Frank Medina Engineering	x	\$18,900	Entire Bid Package not low. Job has high risk, tight time constraint areas and quote is incomplete as night and weekend work is excluded			
	Received 2 DBE Quote(s)						
#163 (Bridge) Chain Link Railing	Myers & Sons		\$201,210	USED: Unwilling to breakout from bridge bid package	0.99%		Y
	All Steel Fence, Inc.		\$169,736				
	Oliveira Fence, Inc.	x	\$437,130	Not Low			
	Frank Medina Engineering	x	\$190,620	Entire Bid Package not low. Job has high risk, tight time constraint areas and quote is incomplete as night and weekend work is excluded			
	Received 2 DBE Quote(s)						
* #16,19 Prepare SWPPP & Storm Water Annual Report	Granite Construction Company		\$2,000	Low - Self Performing	0.01%	x	Y
	Ashbaugh Consulting, Inc.	x	\$4,700	Not Low			
	La Firma Inc.	x	\$5,000	Not Low			
	Verux	x	\$8,225	Not Low			
	TCG Civil Eng. & Stormwater Solutions	x	\$4,300	Not Low			
	Received 4 UDBE Quote(s)						
* #17,18 Prepare REAPS and Sampling/Analysis	Granite Construction Company		\$19,200	Low - Self Performing	0.09%	x	Y
	La Firma Inc.	x	\$36,000	Not Low			
	Verux	x	\$169,500	Not Low			
	TCG Civil Eng. & Stormwater Solutions	x	\$60,000	Not Low			
	Received 4 UDBE Quote(s)						

Attachment 3

Project Name: I-80 Placer County Improving
 Vertical Clearance
 Contract No.: 03-3E1004
 Contract Amount: \$20,292,292.00
 Bid Date: 11/6/2013

Item No. & Name	Subcontractors/Suppliers	D B E	Price	Reason for Rejection/Discussions	% of Work	Items Normally Performed By GCCO	Item Broken Down to Facilitate Participation Y or N
* #1,33,35,38,39 Compliance, Sampling and Safety Plans	Granite Construction Company		\$5,000	Self Performing	0.02%	x	Y
	Appian UDBE SWPPP	x	\$8,350	Not Low			
	Received 1 UDBE Quote(s)						
#106 (P), 107 (P) Bottom Dump Trucking	Double "M" Trucking, Inc.	x	\$18,908	Used, Partial, low on hauls to bridges	0.09%		Y
	Chavez Trucking	x		Not Low			
	Archer Trucking, Inc.			Not Low			
	Dispatch Transportation			Not Low			
	Butte Sand & Gravel			Not Low			
Received 2 DBE Quote(s)							
Various Items - Trucking, Hourly	West Coast Water & Trucking	x	\$14,250	Used, Partial, non schedule critical trucking	0.07%		Y
	NLS Trucking, Inc.			Type of trucks not needed			
	USA Trucking Inc.	x		Limited Equipment, Not used			
Received 2 DBE Quote(s)							
Various Items - Water Truck	West Coast Water & Trucking	x	\$41,000	Used: Low Price, broke out for DBE	0.20%	x	Y
	Granite Construction						
	Received 1 DBE Quote(s)						
#190,191,192,193, 194,195 Electrical	M&M Electric	x	\$432,934	USED: DBE Preference	2.13%		Y
	St. Francis Electric		\$431,000	Not Low			
	Tennyson Electric		\$483,858	Not Low			
	Flatiron Electric Group		\$442,288	Not Low			
	Pacific Excavation, Inc.		\$492,119	Not Low			
	Received 1 DBE Quote(s)						
* #172,173,174,175, 176,177 PCC Barrier	Granite Construction		\$1,050,000	Low - Self Perform	5.17%	x	Y
	R.E. Serrano Inc.	x	\$1,464,890	Not Low			
	F.B.D. Vanguard		\$1,360,195	Not Low			
	Midstate Barrier, Inc.		\$1,231,260	Not Low			
	Received 1 UDBE Quote(s)						

(Attachment 4)

Received 916-369-0422

Dec 5 2013 12:40pm

GRANITE CONSTRUCTION

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12/05/2013 12:38
From: Central Striping

Fax: (916) 999-1022

To:

Fax: +1 (916) 369-0422

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California LIC #031896 CLASS C33
Hawaii LIC #C-11286
Nevada LIC #0039113
Oregon LIC #118214
Small Business Enterprise #0020572

Revised - Bid Proposal

TO: Contractor
LOCATION: Placer County
PROJECT: 03-3E1004 - 03-Pla-808.1/37.8

QUOTED BY: Darren Smith
BID DATE: Wednesday, November 06, 2013
BID TIME: 2:00 PM

ITEM NO.	ITEM DESCRIPTION	UNITS	DOM	UNIT PRICE	TOTAL AMOUNT
1	LEAD COMPLIANCE	1	LS	1,500.00	1,500.00
2	TRAFFIC CONTROL	1	LS	14,400.00	14,400.00
7	TEMPORARY PAVEMENT MARKING	440	SF	5.50	2,420.00
8	TEMPORARY TRAFFIC STRIPE	61,500	LF	0.35	21,525.00
9	CHANNELIZER (SURFACE MOUNTED)	500	EA	33.00	17,500.00
10	TEMPORARY PAVEMENT MARKER	8,130	EA	3.50	28,455.00
36	REMOVE YELLOW THERMOPLASTIC TRAFFIC STRIPE (HAZARDOUS WASTE)	19,000	LF	0.75	14,250.00
44	REMOVE PAINTED TRAFFIC STRIPE	31,000	LF	0.40	12,400.00
45	REMOVE PAINTED PAVEMENT MARKING	130	SF	2.25	292.50
46	REMOVE THERMOPLASTIC TRAFFIC STRIPE	16,000	LF	0.50	8,000.00
179	4" THERMOPLASTIC TRAFFIC STRIPE	57,900	LF	0.40	23,160.00
180	8" THERMOPLASTIC TRAFFIC STRIPE	3,540	LF	0.80	2,832.00
181	THERMOPLASTIC PAVEMENT MARKING	2,020	SF	5.00	10,100.00
182	4" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 12-3)	120	LF	0.18	21.60
183	4" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 36-12)	32,900	LF	0.18	5,922.00
184	4" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 17-7)	630	LF	0.18	113.40
185	4" THERMOPLASTIC TRAFFIC STRIPE (RECESSED, BROKEN 36-12)	1,010	LF	4.00	4,040.00
186	4" THERMOPLASTIC TRAFFIC STRIPE (RECESSED)	2,010	LF	4.00	8,040.00
187	8" THERMOPLASTIC TRAFFIC STRIPE (RECESSED)	140	LF	8.00	1,120.00
188	PAVEMENT MARKER (RETROREFLECTIVE)	1,500	EA	3.50	5,250.00
189	PAVEMENT MARKER (RETROREFLECTIVE-RECESSED)	52	EA	20.00	1,040.00
SEE PAGE 2 OF 3 FOR SPECIFIC TERMS AND CONDITIONS RELATING TO THIS QUOTATION.					
THIS TRANSMISSION CONSISTS OF TWO PAGES. IF THE TRANSMISSION IS NOT LEGIBLE PLEASE CONTACT OUR OFFICE.					
				TOTAL	5 182,381.50

SELF PERFORM
SELF PERFORM
SELF PERFORM
SELF PERFORM

ACCEPTED BY: _____
TITLE: _____
P.O.# OR C.O.#: _____

TOTAL SELF PERFORM = \$84,300

TOTAL SUBCONTRACT = \$98,081.50