

02-22-16A08:39 RCVD



February 21, 2016

California Department of Transportation
Division of Engineering Services
Office Engineer, MS-43
1727 30th Street
PO Box 168041
Sacramento, CA 95816-8041

Attention; Mr. John McMillan, Deputy Division Chief

RE: Contract ^{12-0N78U4} 12-308504, Bid Opening Date January 5, 2016 Bid Protest

Dear Mr. McMillan:

Crosstown Electrical & Data, Inc. (Crosstown) is a prime bidder on Caltrans Contract 12-0N78U4. Crosstown hereby protests the award of this contract to the apparent low bidder, KDC, Inc., dba Dynalectric (Dynalectric) due to a major discrepancy in their bid:

Dynalectric listed G & C Equipment Corp (G & C) as their material supplier in the amount of \$2,038,638.00.

In the G & C quotation, there is an item with the part number GLC-ZX-SMD that are being sold for \$2,819.75 each, and there are a total of 300 units, for a total of \$785,925.00, approximately 38% of the DBE commitment.

These Cisco parts, which are Small Form Factor Pluggable (SFP) modules, are Gigabit SFPs that have a distance capability of 70 Kilometers, and are quite expensive relative to the type of SFP modules that are required by this contract. This non-hardened long distance Gigabit type of SFP Module is not required by this contract, and do not fit into the requirements of the plans and specifications, which are very specific about the temperature and distance requirements of the SFPs.

The contract clearly requires SFPs of a completely different type at each field Ethernet Access switch which are much less expensive (Cisco GLC-FE-100LX-RGD), and also have a higher temperature rating (-30 to +165 degrees F) necessary for deployment in an outside cabinet environment. The plans and specification clearly describe the quantities and types of Ethernet switches and these SFP modules. There are 493 Ethernet Access switches on the contract, each with two temperature hardened SFP modules per Addendum 5, for a total of 986 temperature hardened SFP Modules.

In addition to these SFP modules, the plans and Addendum 5 specifically require the contractor to install an additional 116 SFP modules at four communications HUBs per the table below. These SFP modules are less expensive than the temperature hardened field Access switches because the Hubs are an air conditioned environment.

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**Quantity of SFP Modules at Hubs:**

Plan Ref. Page	Location	Quantity
E-147	Hub 1, Rack 1	35
E-153	Hub 2, Rack 8	15
E-161	Hub 3, Rack 1	26
E-170	Hub 4, Rack 6	40
TOTAL SFP Modules at HUBS		116

The contract Special Provisions specify Cisco Layer 3 Access switches, and those switch part numbers are correct on the list of material that G & C is providing for Dynalectric (Cisco IE-3000-4TC-E). The special provisions also require that the SFP modules be from the same manufacturer as the Ethernet Switch (Cisco). The proper temperature hardened Cisco SFP modules for these Layer 3 Access Switches (Cisco GLC-FE-100LX-RGD) have an approximate value of **\$280** each, and the SFP Modules for the Hubs (Cisco GLC-FE-100LX) have an approximate value of **\$250** each.

Per the table below, using these prices (high market value), even if Caltrans allowed the contractor to purchase the correct 1,102 SFP modules that are required by the contract instead of the 300 incorrect ones that are listed in the G & C quotation, the value of all of the 1,102 SFP modules on this contract would be **\$305,080**. This is far below the **\$785,925.00** that is listed in the G & C Equipment Corp quotation.

Approximate Value of Required SFP Modules:

Item	Cisco P/N	Quantity	Approx. Unit Value	Total
SFP Module at Ethernet Access Switch	GLC-FE-100LX-RGD	986	\$ 280.00	\$276,080.00
SFP Module at Hub	GLC-FE-100LX	116	\$ 250.00	\$ 29,000.00
TOTAL				\$305,080.00

Summary:

From the information above, it is clear that, using the G & C quotation, if Dynalectric installs the SFP modules per the plans and specifications, at a minimum they will fall approximately **\$480,845** (5.2%) short of meeting the promised 13% DBE participation, even if Caltrans gives them credit for purchasing all 1,102 switches that are required to be installed by the contract instead of the 300 listed on the G & C quotation.

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For this reason, we request that you disqualify Dynalectric as a non-responsive bidder, and award this contract to the next qualified bidder.

Thank you for your consideration in this matter.

Sincerely

A handwritten signature in black ink, appearing to read "David P. Heermance".

David P. Heermance, President
Crosstown Electrical & Data, Inc