

DEPARTMENT OF TRANSPORTATION
DIVISION OF ENGINEERING SERVICES
OFFICE ENGINEER
P.O. BOX 168041, MS-43
SACRAMENTO, CA 95816-8041
PHONE (916) 227-6299
FAX (916) 227-6282
TTY 711
www.dot.ca.gov



*Serious drought.
Help save water!*

March 24, 2015

Facsimile: (760) 727-8701

Rudy C. Zavalani, President
Pave-Tech Inc.
2231 La Mirada Drive
Vista, CA 92081

10-1C9304
10-Ama-124-R2.5/R10.3
B.O. 3/12/2015

Dear Mr. Zavalani:

The Department of Transportation (Caltrans) received the attached letter dated March 24, 2015, from George Reed Inc. (GRI), protesting Pave-Tech Inc. (PT) bid. The protest alleges that PT's request for Non-Small Business Preference should be denied because WEI Industries is an extra participant in the transaction and should be deemed as not performing a commercially useful function on this contract.

Please provide your response to GRI's protest no later than March 27, 2015.

If you have any questions, please contact Mulissa Smith, Contract Awards Branch Chief, at (916) 227-6228.

Sincerely,

A handwritten signature in black ink that reads "John C. McMILLAN".

JOHN C. McMILLAN
Deputy Division Chief
Office Engineer
Division of Engineering Services

Attachment

MODESTO OFFICE
P.O. BOX 4760, MODESTO, CA 95352
TELEPHONE: (209) 523-0734
ESTIMATING FAX: (209) 523-4927
ACCOUNTING FAX: (209) 523-4313



OFFICE AND YARD:
140 EMPIRE AVENUE
MODESTO, CALIFORNIA 95354
1-877-823-2305
WWW.GEORGEREED.COM

State Contractor's License No. 211337-A



March 24, 2015

California Department of Transportation
Division of Engineering Services
Office Engineer, MS-43
1727 30th Street
P.O. Box 168041
Sacramento, CA 95816-8041
Phone: (916) 227-6280
Fax: (916) 227-6282

Attention: John McMillan, Deputy Division Chief

RE: Contract 10-1C9304
Bid Opened March 12, 2015
Bid Protest of Pave-Tech

Dear Mr. McMillan:

Please consider this letter to be a formal protest of the bid submitted by Pave-Tech Inc. (PT) on the above referenced project. Pave-Tech listed WEI Industries (WEI) on the Certified Small Business Listing for the Non-Small Business Preference in an attempt to meet the 25% participation in order to gain the 5% (up to \$50,000) bid comparison advantage. George Reed, Inc. (GRI) contends that WEI is an extra participant in this transaction and should be deemed as not performing a commercially useful function on this contract.

To allow PT to list WEI for Hot Mix Asphalt goes against Section 1896 of the California Code of Regulations which states that "Small business contractors and subcontractors shall perform commercially useful functions in each contract they are awarded by state agencies". The code further states that "A contractor or subcontractor will not be considered as performing a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to achieve the appearance of small business participation".

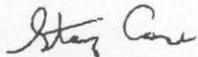
In this case WEI does not manufacture Hot Mix Asphalt, does not store Hot Mix Asphalt and does not list trucking in its classifications of work. WEI is merely an extra participant in this transaction. WEI's website states that they are a Power Technology company that specializes in Electrical High & Low Voltage distribution of materials and equipment, Green Energy Solar Products, and Pre-Fab Steel Buildings. Without a copy of the quote it is impossible to know exactly where the actual HMA is originating or exactly what scope of work is being performed.

A copy of the quote would likely show that the HMA is being bought through another regular manufacturer and supplier and not being produced by WEI themselves.

Because of these reasons GRI hereby requests that Pave-Tech Inc. be denied their request for Non-Small Business Preference and the project be awarded to George Reed, Inc. as the low responsive, responsible bidder.

Please call with any questions,

Respectfully,



Stacy Case
Chief Estimator
George Reed Inc.

MODESTO OFFICE
P.O. BOX 4760, MODESTO, CA 95352
TELEPHONE: (209) 523-0734
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FAX TRANSMITTAL

Date: March 24, 2015

To: John McMillan, Deputy Chief
Company: State of California, Department of Transportation
Phone:
Fax: 916-227-6282

From: Stacy Case
Company: George Reed, Inc. - Modesto
Phone: (209) 523-0734
Fax: (209) 523-4927

Project Name: 10-1C9304

Comments: Protest of Pave-Tech Inc.

Pages Faxed: 3

ORIGINAL TO FOLLOW BY US MAIL

Thanks, Stacy Case

Second Bidder

03-16-15 P02:59 RCVD

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION

CERTIFIED SMALL BUSINESS LISTING FOR THE NON-SMALL BUSINESS PREFERENCE

DES-OE-0102.8 (REV 2/2011)

BIDDER NAME Pave-Tech Inc.

CONTRACT NO. 10 - IC9304

List the description of work, name, telephone number, certification number, and dollar amount of each certified small business who will be employed on this project. Failure to provide this information may be cause for denial of the non small business subcontractor preference. Attach additional sheets if necessary.

Submit to:

MSC 43
OFFICE ENGINEER
DEPARTMENT OF TRANSPORTATION
1727 30TH STREET
SACRAMENTO, CA 95816-7005

Bid Item Number	Description of Work, Service, or Materials	Certified Small Business (Name, Telephone No., and Certification No.)	\$ Amount
3	Traffic Control	Sombrano Traffic Control Incorporated (916) 687-6472 Certification No. 1159740	\$106,740.00
28	Maintain Existing Traffic Management System	Tennyson Electric, Inc. (925) 606-1038 Certification No. 33555	\$1,250.00
29	Modify Traffic Monitoring Station	Tennyson Electric, Inc. (925) 606-1038 Certification No. 33555	\$6,500.00
22	Trucking	USA Trucking Inc. (707) 624-9522 Certification No. 1636760	\$78,750.00
11	Remove AC Dike (Rental)	Anrak Corporation (916) 383-5030 Certification No. 18781	\$3,000.00
13	Cold Plane Asphalt Pavement (Rental)	Anrak Corporation (916) 383-5030 Certification No. 18781	\$6,000.00
22	Hot Mix Asphalt	WEI Industries (626) 531-7575 Certification No. 1458260	\$1,121,041.00 x .60 \$672,984.60
22	Testing	Trinity Engineering Laboratories, Inc. (559) 292-2188 Certification No. 1269800	\$19,370.00
11, 13, 14 & 15	Trucking	Gold & Sons Trucking (209) 418-5208 Certification No. 1196000	\$25,620.00
22	Trucking	Gold & Sons Trucking (209) 418-5208 Certification No. 1196000	\$5,760.00

Rudy C. Zavalani/President

Person to Contact (Please Type or Print)

\$ 925,974.60

(760) 727-8700

(Area Code) Telephone Number

Total Claimed Participation

27 % of Contract

ADA Notice For Individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 664-6410 or TDD (916) 664-3880 or write Records and Forms Management, 1120 N Street, MS-38, Sacramento, CA 95814.



Second Bidder

GENERAL ENGINEERING CONTRACTOR License #720394
735 Laguna Dr.
Carlsbad, CA 92008
(760) 729-7592 Phone (760) 729-6158 Fax
Email: mainoffice@pave-tech.com

03-16-15P02:59 RCVD

March 12, 2015

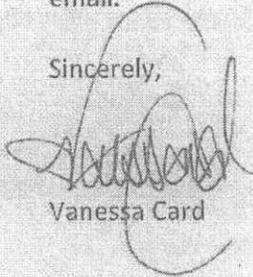
MSC43
Office Engineer
Department of Transportation
1727 30th Street
Sacramento, CA 95816-7005

Re: 10-1C9304 Bid Date: 03/12/2015

As a low bidder on the above referenced bid we hereby submit
the Certified Small Business Listing.

If you have any questions, please contact our office by phone or
email.

Sincerely,



Vanessa Card