

Warren Lai, Director
Deputy Directors
Stephen Kowalewski, Chief
Allison Knapp
Sarah Price
Carrie Ricci

Joe Yee

December 18, 2024

Via Email [bvalentine@valentinecorp.com] and U.S. Mail Valentine Corporation
Attn: Robert O. Valentine, P.E., President
111 Pelican Way
San Rafael, CA 94901

RE: Decision on Your Firm's Appeal and DBE Reconsideration Hearing – Pleasant Hill Rd. Bridge over Taylor Blvd. Preventive Maintenance Project Project No.: (Fed Aid No. BRLS-5928(154))

The County appreciates your attendance at the hearing on your firm's appeal and the DBE Reconsideration Hearing for the subject project, which was held on December 11, 2024 before a Hearing Panel consisting of the Public Works Director and two upper managers (Warren Lai, Joe Yee, and Jeff Acuff).

After further, thorough review of your firm's Good Faith Effort (GFE) and all documentation and argument presented by your firm, it is the Hearing Panel's determination that your firm failed to demonstrate an adequate GFE, as required in the project specs and the federal regulations for this project (see Notice to Bidders and Special Provisions, Sect. 2-1.12B; 49 CFR Part 26, Appendix A). Specifically, your firm's bid and GFE documentation had the following deficiencies:

- (1) The documentation submitted by your firm shows that your first outreach to DBE firms was on October 14, 2024,—8 days before bid opening, rather than the 10 days required by Sect. 2-1.12B. This was a major failure because late outreach like this provided inadequate notice to DBEs and deprived them of an adequate opportunity to evaluate interest in the project, to prepare bids/quotes, and to negotiate bid prices.
- (2) Your firm failed to submit a summary sheet, organized by work areas/materials, listing all bids/quotes received by your firm and the reason(s) for acceptance or non-acceptance of those bids/quotes.
- (3) Your firm failed to submit a copy of all bids/quotes received by your firm.
- (4) Your firm failed to provide an adequate explanation or justification for rejection of the bids/quotes from QA Constructors and CMC Traffic Control Specialists.
- (5) Your firm failed to provide documentation of negotiation in good faith with all interested DBEs.

- (6) Of 115 DBEs listed in the CUPC for the work areas identified by your firm, and of the 230 DBEs listed in the CUPC for all areas of work involved in the project, your firm contacted only 63 DBEs (late contact) and failed to follow up adequately with almost half of those.
- (7) Your firm failed to submit all required GFE documentation within two business days, as required by the Special Provisions. Caltrans Exhibit 15-H, which was part of the required GFE documentation, was submitted but it was not properly filled out and was incomplete, as detailed above.

In addition, the Panel considered the DBE participation attained by the second and third monetary bidders (21.06% and 48.33%), which showed that the 20% DBE goal for this project was attainable and could have also been met by your firm with adequate GFE.

As a result, it is the decision of the Panel that:

- (1) Your firm's appeal does not have merit and is denied; and
- (2) Upon reconsideration, your firm has failed to show that the determination by Public Works staff was erroneous or should be reversed.
- (3) Your firm has failed to show that your firm's GFE was adequate under the project specs and federal regulations, which required all reasonable and necessary steps to achieve the DBE goal, as described more fully in 49 CFR Part 26, Appendix A.

Sincerely,

Warren Lai

Public Works Director

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c: J. Yee, Administration

A. Huerta, Design Construction Division K. Dahl, Design Construction Division

Ximena Castro, Administration