



# AJP ELECTRIC, INC.

11250 N. Cave Creek Rd. • Phoenix, Arizona 85020

Phone (602) 944-5477 • Fax (602) 944-5784

October 10, 2011

Shannon Coons  
Gila County Public Works Department  
745 North Rose Mofford Way  
Globe, AZ 85501

RE: Gila County PWD Complex Roadyard Shop Area Paving Phase  
Gila County, Arizona  
Bid No. 080211-1

Dear Shannon Coons:

On Friday evening, I had spoken to Ms. Valrie Bejarano of the Gila County Procurement Department in regards to the above referenced Job and the protest that has been made by Lewis and Roca on behalf of Combs Construction (Combs). On September 16, 2011, the Friday before this bid took place, we were the apparent low bidder on an Arizona Department of Transportation (ADOT) project in Phoenix, AZ. This project was also protested by Combs using all of the same reason as they did for the protest that you received.

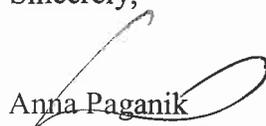
After AJP Electric's response and a revision to Combs' protest, ADOT has issued their response to the Combs' protest in our favor. ADOT deemed that we were indeed prequalified for their project as we feel we are for the Gila County PWD Complex Roadyard Shop. Please see the attached paperwork from ADOT which may help in the decisions of Gila County.

I would like to stress to Gila County that AJP Electric has been under the same name for 24 years concurrently and we have no intentions of changing our name even though our company has expanded its work capabilities. It is a name that carries a reputation that we value greatly.

AJP Electric greatly appreciates the opportunity that we had to bid on this project and would like to have a lasting relationship with Gila County.

Please call me if you have any questions, comments, or concerns.

Sincerely,

  
Anna Paganik  
Corporate President



**Arizona Department of Transportation**  
**Intermodal Transportation Division**  
206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janice K. Brewer  
Governor

John S. Hallkowski  
Director

October 7, 2011

Jennifer Toth  
State Engineer

Mr. Robert F. Roos  
Lewis and Roca, LLP  
40 North Central Avenue, 19th Floor  
Phoenix, Arizona 85004-4429

RE: 0000 MA GLN SH43201C  
HES-GLN-0(031)A  
City of Glendale  
51st Avenue & Camelback Road

Dear Mr. Roos:

The Department acknowledges your letters of September 16, 2011, and September 27, 2011, on behalf of your client, Combs Construction Company (Combs). Combs was second low bidder on this project and is protesting the award to AJP Electric, Inc. (AJP), the apparent low bidder.

Your September 16, 2011, letter states that the bid from AJP should be rejected because AJP is only prequalified for Electrical work. That statement seems to have been based on prequalification information found on the ADOT website. On the date of bid opening, the information on the website about AJP was incomplete. On the date of bid opening, AJP was prequalified for Electrical, Grading, Draining, Miscellaneous Concrete, and Signing work.

Your letter of September 27, 2011, argues that "even with the additional prequalifications, AJP still is not qualified to perform the work". It further argues that "the project requires at a minimum, grading, paving, concrete, landscaping and electrical work" and that "Combs is prequalified to perform all of the proposed work". A footnote in your letter notes that Combs is prequalified for "Asphalt Concrete Paving, Electrical, Grading & Draining, Guardrail/Fencing, Minor Concrete Structures, Miscellaneous Concrete, Pavement Marking, Pavement/Bridge Repair, Rest Areas and Signing". Your letter of September 16, 2011, makes the same argument that landscaping is one of the types of work required for this project and that Combs is prequalified to perform all of the work. However Combs is not prequalified with ADOT for Landscaping.

The project does include a small amount of landscaping, amounting to about 1% of total project costs, but is not of a critical nature and it is my finding that prequalification for Landscaping is not required for this project. Likewise, asphalt paving amounts to about 8% of the project cost but the work is not of a significant amount or complexity and it is my determination that prequalification for Asphalt Concrete Paving is not required for this spot intersection improvement. Nor do I find any critical needs in this project that would require prequalification for Minor Concrete Structures, Pavement Marking or Pavement/Bridge Repair as seem to be suggested by your letter of September 27, 2011. There are times

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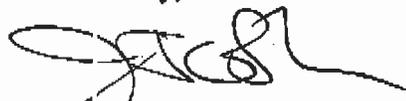
When a minor cost item is of such critical importance to a project that prequalification is required, but I find no such circumstances in this project.

I do agree with your position that the fact that the specifications allow subcontracting does not excuse a contractor from the need to be prequalified for key elements of the work that they intend to subcontract. However, I disagree with any position that would require prequalification for every activity on a project no matter how small. If that were the case, then Combs must be precluded from bidding this job or any other job with a small amount of landscaping because Combs is not prequalified for Landscaping work.

The key elements of this project are electrical, grading, draining and miscellaneous concrete. Together they represent about 60% of project costs. Using the bid prices from Combs and AJP would yield a somewhat different total percent of work, but not enough to alter the overall finding. AJP and Combs both have the necessary prequalification to bid this project.

The Transportation Board is scheduled to meet on Friday, October 21, 2011, at 9:00 A.M. M.S.T. in Littlefield, Arizona. I will recommend that the Transportation Board reject the protest submitted by Combs Construction and award the contract to AJP Electric as the lowest responsive and responsible bidder. Board meetings are open to the public, and the Board will receive input from interested parties. If you intend to make a presentation to the Board, please advise me in writing at the address noted above. In accordance with Subsection 103.10 of the Standard Specifications, please send a copy to all bidders.

Sincerely,



Jennifer Toth, PE  
State Engineer

cc: All bidders