

Date: February 11, 2025

**Re:** Protest Letters for Needham Hazardous Fuels Reduction Project and Glenn County Small Landowner Forest Improvement Program - Enclosed

Posted location: https://www.glenncountyrcd.org/rfps-rfqs-request-for-proposals-qualifications

This is official notice that Glenn County Resource Conservation District has received protest(s) for the following Request For Proposals (RFP):

- A. Office Issued: November 7, 2024, for Contractor to provide Mechanical Fuels Treatment for 1,718 acres and Herbicide Application for 1,020 acres for Fuels Reduction Project Needham Hazardous Fuels Reduction Project.
- B. Office Issued: November 26, 2024, for Contractor to provide Reforestation Site Preparation for 600 acres & Mastication Thinning for 250 acres for Forest Improvement Project Glenn County Small Landowner Forest Improvement Program.

Next regular scheduled meeting of the District is Monday, March 17, 2025 at 1:00 PM – 3:00 PM, Glenn County USDA Service Center / Glenn County RCD, 132 North Enright Avenue, Suite C, Willows, California 95988. Information will be posted at https://www.glenncountyrcd.org/.

See protest letters enclosed.

All questions should be in writing and addressed to:

Glenn County Resource Conservation District Attention: Kandi Manhart-Belding, Executive Officer 132 N. Enright Avenue, Suite C, Willows, CA 95988

Email: kandi@glenncountyrcd.org

- A. Office Issued: November 7, 2024, for Contractor to provide Mechanical Fuels Treatment for 1,718 acres and Herbicide Application for 1,020 acres for Fuels Reduction Project Needham Hazardous Fuels Reduction Project.
  - 1. [MurphyAustin Attorneys] Bordges Timber, Inc.
  - 2. Markit! Forestry Management



LISA D. NICOLLS (916) 446-2300 EXT. 3074 lnicolls@murphyaustin.com

February 5, 2025

### VIA EMAIL AND PERSONAL DELIVERY

Attention: Kandi Manhart Glenn County Resource Conservation District 132 N. Enright Avenue, Suite C Willows, CA 95988 kandi@glenncountyrcd.org

Re: Bid Protest of Bordges Timber, Inc.

Needham Hazardous Fuels Reduction Program

Dear Ms. Manhart:

Bordges Timber, Inc. ("BTI") hereby objects to and protests any award or intended award to Diversified Resources, Inc. ("DRI") or Markit! Forestry Management LLC ("Markit!") of the contract for the Needham Hazardous Fuels Reduction Program ("Project") by Glenn County Resources Conservation District ("Glenn County RCD" or "Owner"). As detailed below, DRI's and Markit!'s proposals must be rejected and, further, BTI must have scored higher than both DRI and Makeit! and should be awarded the contract for the Project.

A review of BTI's Proposal, DRI's Proposal and Markit!'s Proposal clearly shows that neither DRI nor Markit! can be awarded a contract for the Project and also that the scoring of BTI's proposal was arbitrary and capricious and appears to have possibly been the result of conflicts of interest within Owner's organization (since no other explanation is apparent)<sup>1</sup>.

California law and the rules governing this project and contract are clear that a public agency owner must strictly follow its own procurement rules in awarding a public works contract. *Pozar v. Department of Transportation* (1983) 145 Cal.App.3d 269, 271-272. Further, a basic rule of competitive bidding is that bids must conform to specifications and bidding documents, and that if a bid does not so conform, it may not be accepted. 47 Ops.Cal.Atty.Gen. 129, 130 (1966), quoted with approval in *National Identification Systems, Inc. v. State Bd. of Control* (1992) 11 Cal.App.4th 1446, 1453; *Ghillotti Construction Co. v City of Richmond* (1996) 45 Cal.App.4th 897, 904-905; and *Konica Business Machines U.S.A., Inc. v. Regents of the University of California* (1988) 206 Cal.App.3d 449, 454 (bidders must strictly comply with bid requirements).

<sup>&</sup>lt;sup>1</sup> As but one example of apparent irregularities in the RFP process in DRI's favor, DRI's proposal package includes a Timber Operator License Certificate that was issued on January 1, 2025, almost a full month *after* DRI's proposal was submitted.

Attention: Kandi Manhart February 5, 2025

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A bid that varies materially from the bidding instructions must be rejected. *Id.* at 47 Ops.Cal.Atty.Gen. 130. To be responsive, a bid must be in strict and full accordance with the material terms of the bidding instructions. *Taylor Bus Serv., Inc. v. San Diego Board of Education* (1987) 195 Cal.App.3d 1331.

The appearance or possibility of an impropriety is forbidden in public contracting, even where it is clear that no impropriety occurred. See e.g., *Thomson v. Call* (1985) 38 Cal.3d 633, 649; see also *Konica Business Machines v. U.S.A Inc. v. Regents of the University of California* (1988) 206 Cal.App.3d 449,454 (setting aside a nonresponsive bid is appropriate "even where it is certain there was in fact no corruption or adverse effect upon the bidding process, and the deviations would save the entity money").

First, DRI's proposal failed to comply with the proposal requirements and must be rejected. Specifically, Section I of the RFP provides, in part:

Proposers are required to comply with all CARB and Regulation requirements, including, without limitation, all applicable sections of the Regulation, as codified in Title 13 of the California Code of Regulations section 2449 et seq. throughout the duration of the Project. Proposers must provide, with their Proposal, copies of Proposer's and all listed subcontractors' most recent, valid Certificate of Reported Compliance ("CRC") issued by CARB. Failure to provide valid CRCs as required herein may render the Proposal non responsive. (Emphasis added.)

DRI failed to submit a valid Certificate of Reported Compliance issued by CARB and also failed to provide a valid Fleet Compliance Certification Form. On DRI's Fleet Compliance Certification Form, DRI checked the box for "The Fleet is exempt from the Regulation under section 2449.1(f)(2), and a signed description of the subject vehicles, and reasoning for exemption has been attached hereto." (Emphasis added.) DRI also checked the box for "The Fleet does not fall under the Regulation or are otherwise exempted and a detailed reasoning is attached hereto." (Emphasis added.) However, no "reasoning" as referenced in either checked item was attached, rendering DRI's certification form entirely invalid. On this basis alone, DRI's proposal must be rejected. The Certifications from Cook Construction Engineering Partnership and Redwood Empire Reforestation, Inc. (DRI's subcontractors) are invalid for the same reason.

Second, DRI proposes to use Cook Construction Engineering Partnership ("Cook") as a "partner" to complete the Project. However, Cook is not properly licensed to perform the Project work for two separate reasons. Specifically, Cook holds a Class A General Engineering license. (See the attached license printout.) A Class A license is not appropriate for this Project. Business and Professions Code section 7056 defines the scope of a Class A license as follows:

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A general engineering contractor is a contractor whose principal contracting business is in connection with fixed works requiring specialized engineering knowledge and skill, including the following divisions or subjects: irrigation, drainage, water power, water supply, flood control, inland waterways, harbors, docks and wharves, shipyards and ports, dams and hydroelectric projects, levees, river control and reclamation works, railroads, highways, streets and roads, tunnels, airports and airways, sewers and sewage disposal plants and systems, waste reduction plants, bridges, overpasses, underpasses and other similar works, pipelines and other systems for the transmission of petroleum and other liquid or gaseous substances, parks, playgrounds and other recreational works, refineries, chemical plants and similar industrial plants requiring specialized engineering knowledge and skill, powerhouses, power plants and other utility plants and installations, mines and metallurgical plants, land leveling and earthmoving projects, excavating, grading, trenching, paving and surfacing work and cement and concrete works in connection with the above mentioned fixed works. (Emphasis added.)

The Project does not involve a fixed work requiring specialized engineering knowledge and skill and a Class A license is therefore wholly inappropriate for performing work on this project.

In addition, Cook's license is completely invalid because it is licensed <u>as a General</u> Partnership comprised of Barney Cook and Kenneth Cook.

Business and Professions Code section 7076(b) provides that "A partnership license shall be canceled upon the death of a general partner. The remaining partner or partners shall notify the registrar in writing within 90 days of the death of a general partner. Failure to notify the registrar within 90 days of the death is grounds for disciplinary action." (Emphasis added.) Barney Cook died on July 16, 2024 Accordingly, Cook's contractors license has been cancelled by operation of law and is invalid. Since DRI proposed to use Cook to complete the Mechanical Vegetation Treatment and Cook is not licensed to perform said work, DRI's proposal must be rejected.

Finally, even if DRI's proposal did not have to be outright rejected (as explained above), as explained below, it cannot be reasonably disputed that BTI was improperly scored as compared to DRI and Makeit!. The specifics of the inappropriate evaluation of BTI's proposal are as follows:

Approach to meet Project needs: BTI scored a 4; DRI scored a 5. BTI was the only contractor in the top three scoring firms that proposed to do the work the way the RFP laid the work out (in two phases with two different project areas). DRI's described approach could not in any way be reasonably found to be superior to that of BTI. Indeed, DRI's timeline is impossible to achieve and a

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blatant misrepresentation. Accordingly, if DRI was awarded 5 points for this item, BTI must be awarded 5 points as well.

- Cost effective?: BTI scored a 4; DRI scored a 5. This scoring absolutely defies explanation since BTI's bid prices were lower than DRI. BTI must be awarded 5 points for this item.
- Environmentally sound?: BTI scored a 4; DRI scored a 5. This scoring also defies explanation since BTI is CARB certified whereas DRI claims an alleged exemption (which is invalid as explained above). There are no other potential distinctions between DRI and BTI as far as environmental soundness and therefore BTI must be scored no lower than DRI and must be awarded 5 points for this item.
- Demonstrated understanding of Project scope? BTI scored a 4; DRI scored a 5. There is no basis for awarding BTI 4 points while awarding DRI 5 points. DRI has not demonstrated any understanding of the Project scope which exceeds BTI's demonstration of such knowledge. Therefore BTI must be scored no lower than DRI and must be awarded 5 points for this item.
- Demonstrated understanding of Project Scope: technically sound?: BTI scored a
  4; DRI scored a 5. There is no basis for awarding BTI 4 points while awarding
  DRI 5 points. DRI has not demonstrated any understanding of the Project scope
  which exceeds BTI's demonstration of such knowledge. Therefore BTI must be
  scored no lower than DRI and must be awarded 5 points for this item.
- Staff experience to meet Glenn County RCD written and calculated project reports?: BTI scored a 4; DRI scored a 5. There is no basis for awarding BTI 4 points while awarding DRI 5 points. DRI has not demonstrated any amount of staff experience to meeting the reporting requirements which exceeds BTI's demonstration of such experience. Therefore BTI must be scored no lower than DRI and must be awarded 5 points for this item.
- Overall cost is within Glenn County RCD budget?: BTI scored a 4; DRI scored a
   5. This scoring absolutely defies explanation since BTI's bid prices were lower than DRI. BTI must be awarded 5 points for this item.
- Demonstrated cash flow availability?: BTI scored a 4; DRI scored a 5. DRI has
  not demonstrated any amount of cash flow availability which exceeds BTI's
  demonstration of such availability. In addition, BTI was awarded 5 points on its
  other proposal which contained identical cash flow information. Therefore BTI

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must be scored no lower than DRI and must be awarded 5 points for this item.

Demonstrated knowledge this Project is subject to availability of grant funding?: BTI scored a 4; DRI scored a 5. DRI has not demonstrated any knowledge that this Project is subject to the availability of grant funding which exceeds BTI's demonstration of such knowledge. Therefore BTI must be scored no lower than DRI and must be awarded 5 points for this item.

The above demonstrates that the Owner's scoring of the Project proposals was arbitrary and capricious and BTI's scores must be adjusted.

For the foregoing reasons, DRI cannot be awarded the contract for the Project.

Markit! also cannot be awarded the contract for the Project. This is because Markit! does not possess a California contractors license that would enable it to perform the work in question. Page 6 of the RFP expressly provides that "Contractor(s) may masticate all brush, trees less than 10 inches dbh, snags less than 15 inches dbh, and down logs less than 15 inches in diameter and 10 feet in length. Trees and brush shall be completely severed from the stump..." (Emphasis added.) A C61/D49 license (tree service contractor) is required to perform work that incudes tree removal. Markit!'s failure to possess such a license makes it ineligible to contract for the Project work. In addition, Markit! does not possess and did not list a subcontractor with a Qualified Applicator License or that is a Pest Control Business (PCM). Page 6 of the RFP expressly provided that" Herbicide application may be necessary for follow up treatment; Pest Control Business main (PCM), a Qualified Applicator License (QAL), and any other applicable licensing shall be required and used." (Emphasis added.) Markit! also has not provided evidence that it holds business license which is also a prerequisite under Page 8 of the RFP and Section 3.2.8 of the Agreement included with the RFP.

Finally, BTI notes that the grant for the Project requires that "procurement of contractual services should be documented to ensure selection on a competitive basis and documentation of price analysis." (Emphasis added.). It does not appear that Owner has tied its scoring system to the pricing provided. The award of the contract for the Project to either DRI (who proposes to use unlicensed subcontractors, is more expensive than BTI, and is no more qualified than BTI) or Markit! (who is unlicensed and is no more qualified than BTI) would not constitute award of this work on a "competitive basis." Accordingly, the proposals of DRI and Markit! must be rejected, BTI's scores must be adjusted, and the Contract awarded, if at all, to BTI. If you require additional information or clarification of any of the information contained in this letter, please do not hesitate to contact the undersigned.

To the extent the Owner awards this Project to any proposer other than BTI, please consider this correspondence as a formal request on behalf of BTI for an immediate hearing and

February 5, 2025

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be advised that BTI reserves the right to file a Petition for Writ of Mandate in the Superior Court to contest any such award.

Sincerely,

MURPHY AUSTIN ADAMS SCHOENFELD LLP

Lisa Nicolls

LISA D. NICOLLS

LDN

cc: Client



# Contractor's License Detail for License # 1012606

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure click
  on link that will appear below for more information. Click here for a definition of disclosable actions.
- Only construction related civil judgments reported to CSLB are disclosed (B&P 7071, 17).
- Arbitrations are not listed unless the contractor fails to comply with the terms.
- Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Data current as of 2/4/2025 10:17:33 PM

Et inners this mation

COOK CONSTRUCTION ENGINEERING PARTNERSHIP PO BOX 127 STONYFORD, CA 95988 Business Phone Number: (530) 713-3158

 Entity
 Partnership

 Issue Date
 04/04/2016

 Reissue Date
 04/21/2020

 Expire Date
 04/30/2026

5 my Stat 3

This license is current and active.

All information below should be reviewed.

LIEUTSKOK

A - GENERAL ENGINEERING

Barral of Information

#### Contractor's Bond

This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY.

Bond Number: 100488324 Bond Amount: \$25,000 Effective Date: 01/01/2023 Contractor's Bond History

Panial Carridge

This license has workers compensation insurance with the STATE COMPENSATION INSURANCE

FUND

Policy Number:9215101 Effective Date: 07/28/2024 Expire Date: 07/28/2025 Workers' Compensation History

Delah residente della

▶ 04/20/2020 - LICENSE CANCELED PER REQUEST

Personnel listed on this license (current or disassociated) are listed on other licenses.

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### Contractor's License Detail (Personnel List)

Contractor 1012606 License#

COOK CONSTRUCTION ENGINEERING PARTNERSHIP Name

Click on the person's name to see a more detailed page of information on that person

Licenses Currently Associated 'With

Name BARNEY GENE COOK

Title GENERAL PARTNER

Association Date 04/04/2016

Name KENNETH MAXWELL COOK

Title QUALIFY PARTNER

Association 04/04/2016

Date

Classification A

Additional There are additional classifications that can be viewed

Classification by selecting this link.

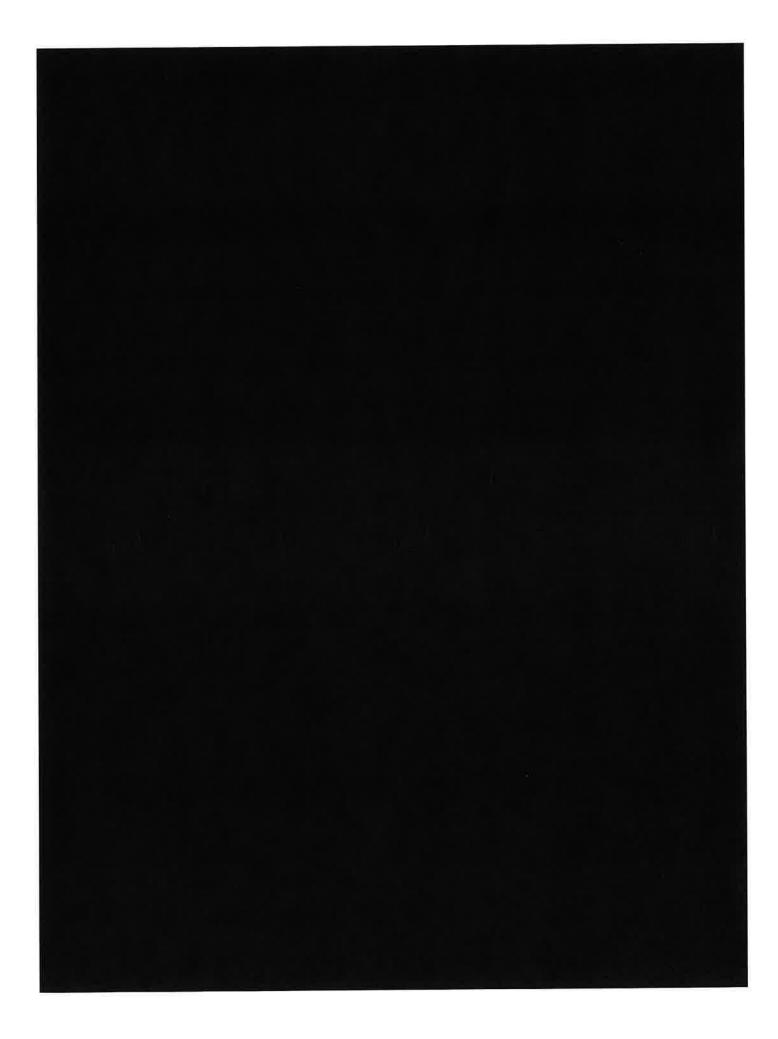
Name ROBERT ALLEN BURT Title GENERAL PARTNER

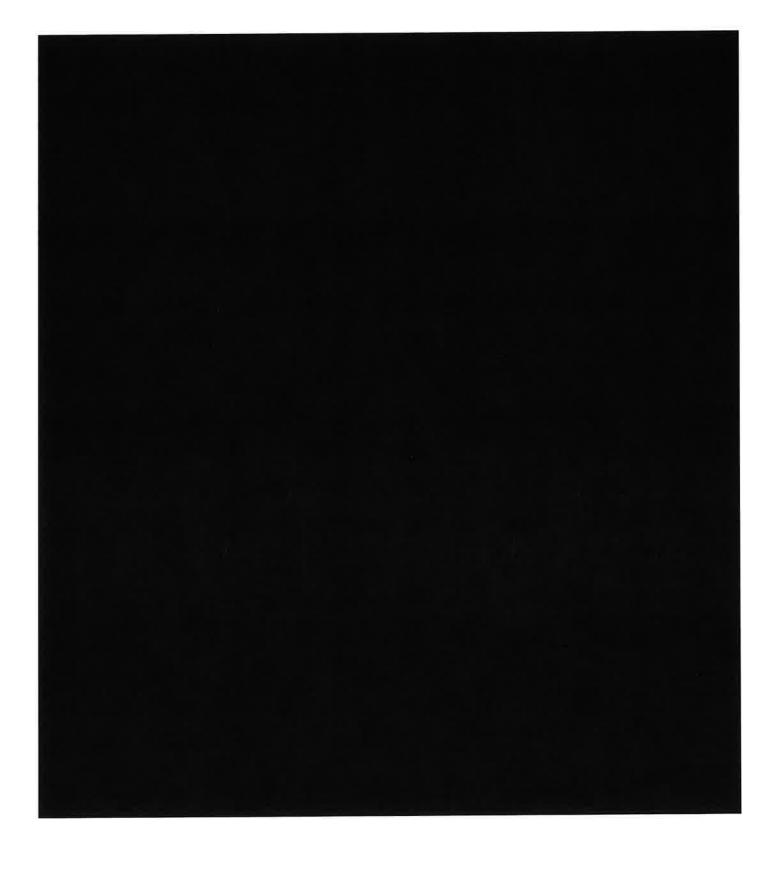
Association 04/04/2016

Date

Disassociation 04/20/2020 **Date** 

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2424 Garden of the Gods Road, Suite 290 Colorado Springs, CO 80919

Tel: 719-593-2365

www.markitforestry.com

February 4, 2025

Sent via email and FedEx

Glenn County Resource Conservation District Attention: Ms. Kandi Manhart (Secretary of the Board) 132 N. Enright Avenue, Suite C Willows, CA 95988

RE: Protest of Award per the Glenn County Resource Conservation District Request For Proposals for Contractor to provide Mechanical Fuels Treatment for 1,718 acres and Herbicide Application for 1,020 acres for Fuels Reduction Project as Issued on November 7, 2024

Dear Ms. Manhart,

I am writing to formally protest the selection process and the announced project award as per the Glenn County Resource Conservation District Request For Proposals for "Contractor to provide Mechanical Fuels Treatment for 1,718 acres and Herbicide Application for 1,020 acres for Fuels Reduction Project" as issued on November 7, 2024 (the "Needham Hazardous Fuels Reduction Project").

As the Vice President of Operations for Markit! Forestry Management ("Markit! Forestry") I am filing this protest in accordance with "Section One: Activities and Timeline" as stated on Page 3 of the Request For Proposals ("RFP"). A bullet point in "Section One: Activities and Timeline" states the following: "February 5, 2025 – Deadline for filing protests." Further, the first bullet point and first paragraph on Page 15 of the RFP states, "Written protest shall be submitted in writing to Glenn County Resource Conservation District, 132 N. Enright Avenue, Suite C, Willows, CA 95988, Attention: Kandi Manhart (Secretary of the Board) and, if available, emailed to <a href="mailto:kandi@glenncountyrcd.org">kandi@glenncountyrcd.org</a>." You will note that I am submitting this formal protest in both printed and email form.

Markit! Forestry is raising the following four points of protest in regard to the Glenn County Resource Conservation District's ("GCRCD") RFP process and award process:

1. The GCRCD Proposal Evaluation Form used to score the bidders for the Project, and its application to the RFP by the GCRCD's Review Committee, is and was severely flawed, leading to an unfair and unjust Project award.

- 2. The Proposal Evaluation Form did not address the true decision criteria that was used to make the Project award.
- 3. The Proposal Evaluation Form and its application by the Review Committee did not give adequate consideration to the **huge** cost disadvantage of the awarded bidder's bid versus the bid submitted by Markit! Forestry.
- 4. The award process was and is essentially a "Direct Award" to a favored local vendor, which you have stated is not permitted by the State of California Department of Forestry and Fire Protection (CAL FIRE), which is the grant funder of the Project.

Please let me use the remainder of this letter to elaborate on the four points above.

### 1. The GCRCD Proposal Evaluation Form Is And Was Severely Flawed

On Friday, January 31, 2025, Markit! Forestry's senior staff and the project management personnel that were directly involved in developing the cost and technical proposals for the Project (six Markit! Forestry people) met with you via video teleconference to conduct a debriefing on the Project award and evaluation process. During the teleconference we discussed the evaluation process as well as the award criteria. During the teleconference we discussed the following flaws in the GCRCD Proposal Evaluation Form:

- Many of the questions in the Proposal Evaluation Form ("Form") were simply "yes-or-no" questions, yet the answers were supposed to be assigned a scoring value between 1 and 5. For example, all of the questions in "Section D. Cost" (on Page 3 of the Form) are yes-or-no questions, yet were somehow scored for all bidders. The first question under Section D. Cost states, "Cost per acre is identified?" As we commented in our debriefing meeting, what criteria could there possibly be to differentiate one "yes" answer from another "yes" answer? Either the cost per acre was identified by a bidder or it wasn't.
- In our teleconference we discussed that Markit! Forestry received a "4" score in answer to the yes-or-no question of "Demonstrated knowledge this Project is subject to availability of grant funding?" Of course, Markit! Forestry has executed multiple CAL FIRE grant projects and read in the RFP that the Project would be implemented through CAL FIRE grants. In the Markit! Forestry proposal submittal letter that I signed, I wrote that Markit! Forestry's proposal was submitted in response to the RFP and would bind Markit! Forestry accordingly. On the Form it was clear that Markit! Forestry was initially given a score of "5" and that the initial score was scratched out and changed to a "4". You will recall that when I asked why Markit! Forestry received a "4" score, you did not have an explanation.

- Adjacent to the blocks demarking Section B., Section C. and Section D. on the Form is the explanation: "Rank 5, most qualified Rank 1, least qualified". The score for each item supposedly was to be between 1 and 5, yet Markit! Forestry received a score of 0 for the question, "Non-discrimination is acknowledged." Once again, Markit! Forestry has executed multiple projects in California, including multiple projects funded by CAL FIRE, with non-discrimination contractual obligations. In the Markit! Forestry proposal submittal letter that I signed, I wrote that Markit! Forestry's proposal was submitted in response to the RFP, which included the non-discrimination provisions. How Markit! Forestry could receive a score of 0 when the lowest score is supposedly 1 is not explained (or explainable).
- During our teleconference I asked how the awarded bidder scored 5 on the question "Cost effective?" and Markit! Forestry also scored 5 when, in fact, Markit! Forestry's bid was over one million dollars lower and obviously more cost effective. If the scoring mechanism is supposed to be on some type of scale (with Markit! Forestry even receiving a score of 0, which is off the scale) how could the awarded bidder have received the exact same score as Markit! Forestry when the awarded bidder's Project cost was 68% higher than Markit! Forestry's?
- How did the awarded bidder receive a score of 4 on the question of "Competitive?" and Markit! Forestry was scored 5 when, in fact, there was over a million dollars difference in the bids, with Markit! Forestry being the low bidder and over 40% more competitive based on price? The second-most cost competitive bidder also received a score of 4 on the "Competitive?" question, even though the second ranked bidder's cost was over \$300,000 less in cost than the awarded bidder. There was obviously no objective measure and no scaling for assessing costs, and the scoring can be and was clearly manipulated to largely eliminate the huge cost competitiveness disparities.
- During our discussion on January 31, I raised the question of why Markit! Forestry scored 4 on the question of "Environmentally sound?" while the awarded bidder received a score of 5? In our debriefing session you didn't have an explanation. From assessing the RFP responses it is clear that Markit! Forestry is a larger company than the awarded bidder and has executed far more Mechanical Fuels Treatment projects in multiple States than the awarded bidder has executed. Simply from evaluating the RFP responses, I don't think that there is any objective explanation as to why Markit! Forestry received a lower score than the awarded bidder on the subject of Environmental Soundness.

In our debriefing discussion on January 31, you acknowledged that there are a number of deficiencies in the Proposal Evaluation Form. As was remarked during our discussion, the Proposal Evaluation Form is so flawed that it can be manipulated to generate any result that the Review Committee of the GCRCD wants to obtain, regardless of the objective facts of the proposals and bids being analyzed. Unfortunately, when you consider the points outlined above, it is obvious on its face that the Proposal Evaluation Form was manipulated to the huge disadvantage of CAL FIRE and Markit! Forestry. It appears that the scoring in the Proposal

Evaluation Form was manipulated to get the result and bidder that GCRCD and the Review Committee wanted for reasons that were not revealed in the RFP or in the Proposal Evaluation Form.

### 2. The Proposal Evaluation Form Did Not Address The True Decision Criteria

Very early in our debriefing discussion on January 31, you remarked that a key consideration in making the award for the Project was getting the "buy in" and "support" from the Glenn County landowners and the local community. You will remember that you remarked that the Glenn County landowners and the local community were very skeptical of the previous forestry projects undertaken by GCRCD, and that a key criteria to the managers of the GCRCD was to continue cultivating the support of the local community. You remarked that the Glenn County landowners and the local community were opposed to large-scale forestry projects and were suspicious of forestry companies outside of Glenn County. You stated that GCRCD was "under the microscope" in regard to proposing and approving larger-scale forestry projects in Glenn County.

You will recall that you discussed that Markit! Forestry's California office in Auburn was about a two (2) hour drive from the Project site in Glenn County and that people in Glenn County regarded Auburn as being a world away from Glenn County. You complimented Markit! Forestry's Project Manager, Bo Luhellier, for going on site visits in Glenn County, and you remarked that it would be helpful to mention in future proposals that he and/or his relatives might live in or near Glenn County.

Near the end of our nearly one-hour teleconference you remarked that the 'tipping point' in the award decision was the preference for a local company to gain the support of the landowners and the local community. You remarked that a prominent subcontractor for the awarded bidder — Cook Construction Engineering Partnership, which is headquartered in Willows in Glenn County — knew all of the subject landowners, which was instrumental in getting the buy-in from the land owners and the local community.

Unfortunately, however, nowhere in the RFP or in the Proposal Evaluation Form was it stated that the key factor, or "tipping point" as you phrased it, in the Project award would be that the vendor(s) would be based in Glenn County or have a connection with the Glenn County landowners and community. Consistent with its name, Section 5: Minimum Qualifications, on Page 8 of the RFP specifies the minimum and required qualifications for a proposer. The Minimum Qualifications do not include a preference for a "local contractor," nor do they mention any evaluation of benefits of a proposer to the local community, apart from completing the forestry work. If there was to be a local contractor preference for the Project, it should have been explicitly included in the RFP requirements and it should have been evaluated in the Proposal Evaluation Form.

As was stated by me and by multiple Markit! Forestry personnel on the call, had the "tipping point" criteria been stated in advance, Markit! Forestry would not have replied to the RFP since it is impossible for Markit! Forestry to be headquartered in Glenn County since the company executes

forestry projects all around California. Markit! Forestry had bid on a number of GCRCD projects in the past and always lost in the bidding process to the awarded vendors that are either located in Glenn County or have preexisting relationships in Glenn County. However, until our teleconference Markit! Forestry never understood — because it was never disclosed — the paramount importance of being a resident company in Glenn County or having previously established a relationship in Glenn County to garner the support of the local community.

As was remarked during our teleconference, Markit! Forestry has successfully completed numerous forestry projects – including forestry projects very similar to the Project – in California, Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. Markit! Forestry has never run into a situation in which we were told that the "tipping point" in one of our bidding processes was being based or headquartered in the county or neighborhood of the forestry project. In the case of Markit! Forestry's bid for the Project, the "local vendor" criteria appears to be worth more than one million dollars (\$1,000,000). However, I do not believe that this unpublished decision criteria is consistent with CAL FIRE's public funding grant standards.

## 3. The Proposal Evaluation Form And Its Application By The Review Committee Did Not Give Adequate Consideration To The Huge Cost Disadvantage Of The Awarded Bidder

In reviewing the outcome of the selection process, I believe that Markit! Forestry's proposal was unfairly evaluated. Markit! Forestry's proposal was over 40% lower in cost – \$1.168 million (One Million One Hundred Sixty-eight Thousand U.S. Dollars) lower – than the awarded bidder's proposal. This significant difference in pricing should have been a key consideration in the selection process since it represents a potential for substantial cost savings and increased project scope. Based on Markit! Forestry's mastication unit price, the \$1.168 million could have resulted in an additional 1,581 treated acres, significantly expanding the reach and impact of the Project and the grantors' funds, which California drastically needs, especially in light of the unfathomable destruction in Los Angeles and the ongoing wildfire risks around the State. Markit! Forestry had a much lower mastication unit price due to the in-house availability of resources such as wheeled masticators, which results in an overall lower cost compared to tracked or boom machines proposed by the other bidders.

The Project was awarded to the third lowest bidder at an additional cost of \$1,168,397.32 above Markit! Forestry's low bid, and \$302,067.32 above the second lowest bidder's price. This cost discrepancy is concerning, as it results in an inflated Project budget without clear justification, except — as we were told — that the landowners and the residents of Glenn County prefer to have a local vendor execute forestry projects. Of course, Glenn County is integrated into the economy of California and the United States, and it is hard to conceive of any other competitive governmental bidding situation in which the preference of the residents of a county for a local vendor justifies the dissipation of grantors' or taxpayers' money of over \$1.1 million on a \$1.7 million dollar project (68%).

In the RFP, Page 13, Section F, Point 4. Award, states "Award will be made to the qualified proposer(s) whose proposal will be most advantageous to the Glenn County RCD, with price and all other factors considered." However, after thoroughly reviewing the scoring system in the Proposal Evaluation Form and comparing it against the Project's outlined goals and budget constraints, it is clear that price and cost were almost totally eliminated from the evaluation criteria for the Project.

As noted above, all of the questions in "Section D. Cost" (on Page 3 of the Proposal Evaluation Form) are yes-or-no questions that establish **NO** cost comparison criteria among bidders. As you noted on the January 31 debriefing call, there is only **ONE** question in the Form that could be construed as relating to a cost comparison among bidders: under "Section C. Approach and Timeline" the question of "Cost effective?".

You will recall that on the January 31 debriefing call you stated that the sole criteria for considering pricing and cost for the Proposal Evaluation Form was whether the proposed pricing and cost fell within the Project budget or not. The reality is that for the evaluation of the proposals and the bidders, cost was an afterthought: hardly a factor.

On the debriefing teleconference you stated that GCRCD was not obligated to choose the lowest bidder. However, when asked, you couldn't explain what magnitude of price discrepancy would have resulted in a different decision. If the awarded bidder's bid was two million dollars (\$2,000,000) more than Markit! Forestry's bid, would there have been a different outcome? It seems that the winning bidder could have bid right up to the amount of the budget of the Project (the limit of the grantors' funds?) and would have been awarded the Project regardless of the overspending.

Markit! Forestry appreciates that the lowest bidder is not always the best bidder, but you didn't indicate that the awarded bidder had any better qualifications than Markit! Forestry, and you didn't indicate any reason to believe that the awarded bidder would do a better job than Markit! Forestry in executing the Project. GCRCD is simply overpaying by over \$1.1 million to get a local vendor that may meet with better approval of the Glenn County landowners and certain community members (especially the local vendors and their circle of supporters). I don't believe that this is in alignment with CAL FIRE's objectives and requirements as the fund's grantors.

## 4. The award process was and is essentially a "Direct Award" to a favored vendor, which generally is not permitted by State grant funders.

During our January 31 debriefing teleconference, it was noted and acknowledged that over the past few years GCRCD has gone through multiple RFP processes for forestry projects and **ALL** of the projects have been awarded to the **same** bidder/vendor. As noted above, you explained that the project awards did not have to go to the low-cost bidder, and that GCRCD was primarily interested in gaining the approval of the landowners and local community.

During the debriefing Markit! Forestry's Chief Administrative Officer, Ms. Alyssa Priest, observed that GCRCD was essentially giving a direct award to the awarded bidder, since the awarded bidder was/is the only qualified bidder that meets the criteria of being a vendor who has the approval of the local community and/or who is headquartered in Glenn County (i.e., Cook Construction Engineering Partnership is a company headquartered in Willows in Glenn County, and is a prominent subcontractor for Diversified Resources, Inc., which was awarded the Project).

In a roundabout reply you remarked that the continual award of forestry project after forestry project to the same bidder/vendor was not direct awarding because when the Needham Hazardous Fuels Reduction Project RFP was issued, GCRCD did not know whether the vendor who previously won awards would reply to the RFP.

However, the determinative factor regarding the question of "direct awarding" is not whether a bidder/vendor chooses to reply to a RFP, but rather, the acts of continual awarding to the bidder/vendor regardless of the costs or qualifications of other bidders/vendors.

Of course, we know with 20-20 hindsight that the perpetually winning bidder/vendor has answered all of the recent GCRCD RFPs (and why not, that bidder/vendor is "winning" all of the awards, and some at extremely premium prices).

From a practical point of view, GCRCD has set up RFP processes and enticed companies like Markit! Forestry to participate in those RFP processes. On the surface it appears that GCRCD has established an impartial and competitive RFP process, but the reality is that only one of the prospective RFP bidders can win the award. Except that GCRCD wants to give the appearance of a competitive award process, the process is really a direct award process — and a direct award process for the benefit of one vendor in particular: the bidder/vendor that has a relationship in Glenn County and that has a partner/subcontractor headquartered in Glenn County.

On our debriefing teleconference call you observed that CAL FIRE does not permit a direct award process for its projects. However, by any objective judgement, the GCRCD RFP process is a "fig leaf" that barely disguises a direct award process in violation of CAL FIRE's requirements.

### **Conclusions**

I appreciate you taking the time on Friday, January 31, to participate in the debriefing teleconference. I thought that our conversation was very productive in identifying many of the weaknesses of the GCRCD RFP review process.

As I commented when we spoke, I think that the Needham Hazardous Fuels Reduction Project RFP is one of the best forestry project RFPs that I have seen, and I have literally reviewed hundreds of similar RFPs. However, we also discussed that the Proposal Evaluation Form is one of the most flawed and weakest evaluation forms that I have seen.

During our discussion you acknowledged many of the weaknesses and asked for help in identifying and correcting the weaknesses. Though this letter is intended as a formal protest of the evaluation and award of the Project, I hope that it can/will also serve as a critique of GCRCD's current review process that will lead to a better review process in the future.

Considering the serious flaws and concerns that I have outlined above, I respectfully request that GCRCD re-evaluate the RFP proposals with an appropriate emphasis on the price and cost components. If GCRCD institutes a revised points scoring system, it should be recalibrated for fairness, transparency, and alignment with the goals of the Needham Hazardous Fuels Reduction Project and CAL FIRE. If GCRCD decides to revise the RFP process, qualified proposers should be allowed to revisit proposals and allowed to answer new requirements as necessary, and at this point the project should, at the very least, be re-advertised with the new requirements.

Please consider this letter a formal challenge and protest to the award of the Project in accordance with the relevant Protest Process as outlined in the RFP.

I would appreciate your prompt attention to this matter and look forward to your response. Of course, I hope that after further consideration Markit! Forestry will be awarded the Project since Markit! Forestry was judged to be the second ranked vendor before due consideration was given to the price/cost components of the project. As outlined above, there was no indication in GCRCD's (flawed) evaluation process that Markit! Forestry would not or could not execute the Project as well as the awarded bidder, and the price/cost considerations are overwhelmingly in Markit! Forestry's favor.

Markit! Forestry appreciates that GCRCD wasn't required to award the Project to the low-cost bidder. Markit! Forestry appreciates that many times a higher-cost vendor can provide much better value through quality of work or through time to completion than a lower-cost vendor. However, as related just above, there is NO indication that the awarded bidder can or will deliver higher quality work or can deliver the Project on a faster timeline than Markit! Forestry. If the cost differential between the awarded bidder and Markit! Forestry was \$50,000 or \$100,000 or even \$200,000, perhaps there would be a justification for the award to the higher-cost bidder. However, the cost differential is over \$1,100,000, or 68 percent!! The cost differential means that the possibility of treating an additional 1,580 acres in California vanishes! The horrific fires in California in the last few years, and the tragic fires in Los Angeles, highlight the fact that there are no funds and no treatable acres to waste. I urge GCRCD to reconsider whether overpaying a forestry vendor by over \$1,100,000 is justified given the dire fire situation that California finds itself in.

I hope that upon further consideration Markit! Forestry can/will receive the Project award, which will spare all parties wasted time and costs in pursuing this matter through CAL FIRE's appeals process and/or the courts.

Finally, the second bullet point and second paragraph on Page 15 of the RFP states, "The protest must include the name, address, telephone number and e-mail address of the person representing

the protesting party, as well as reasons for the challenge." I trust that "reasons for the challenge" are clear from this letter. In accordance with the RFP protest requirements let me give the following information:

Name of Representative of Protesting Party: Brad Christiansen

Address of Protesting Party: Markit! Forestry Management

14330 Musso Road Auburn, CA 95603

**Telephone Number of Protesting Party**: 505-274-8979 (Brad Christiansen)

Email Address of Protesting Party Representative: bradchristiansen@markitforestry.com

Thank you for your time and consideration of this matter.

Sincerely,

Brad Christiansen Vice President

cc: D. Pedersen - State of California Department of Forestry and Fire Protection

K. Welchans - State of California Department of Forestry and Fire Protection

S. Lemmo - California Association of Resource Conservation Districts

M. Scheid - California Association of Resource Conservation Districts

N. Wahl-Scheurich - California Association of Resource Conservation Districts

G. Goedhart - Glenn County Resource Conservation District

B. Lohse - Glenn County Resource Conservation District

B. Luhellier - Project Manager, Markit! Forestry Management

S. Miller - Director of Business Development, Markit! Forestry Management

A. Priest - Executive Vice President, Markit! Forestry Management

A. Smith - Proposal Coordinator, Markit! Forestry Management

G. Thurston - Co-Owner, Markit! Forestry Management

- B. Office Issued: November 26, 2024, for Contractor to provide Reforestation Site Preparation for 600 acres & Mastication Thinning for 250 acres for Forest Improvement Project Glenn County Small Landowner Forest Improvement Program.
  - 1. [MurphyAustin Attorneys] Bordges Timber, Inc.



LISA D. NICOLLS (916) 446-2300 EXT. 3074 lnicolls@murphyaustin.com

February 5, 2025

### VIA EMAIL AND PERSONAL DELIVERY

Attention: Kandi Manhart Glenn County Resource Conservation District 132 N. Enright Avenue, Suite C Willows, CA 95988 kandi@glenncountyrcd.org

Re: Bid Protest of Bordges Timber, Inc.

Reforestation Site Preparation for 600 acres & Mastication Thinning for 250 acres

for Forest Improvement Project

Dear Ms. Manhart:

Bordges Timber, Inc. ("BTI") hereby objects to and protests any award or intended award to Cook Construction Engineering Partnership ("Cook") or J.W. Bamford, Inc. ("Bamford") of the contract for the Reforestation Site Preparation for 600 acres & Mastication Thinning for 250 acres for Forest Improvement Project ("Project") by Glenn County Resources Conservation District ("Glenn County RCD" or "Owner"). As detailed below, Cook's proposal must be rejected and, further, BTI must have scored higher than both Cook and Bamford and should be awarded the contract for the Project.

California law and the rules governing this project and contract are clear that a public agency owner must strictly follow its own procurement rules in awarding a public works contract. *Pozar v. Department of Transportation* (1983) 145 Cal.App.3d 269, 271-272. Further, a basic rule of competitive bidding is that bids must conform to specifications and bidding documents, and that if a bid does not so conform, it may not be accepted. 47 Ops.Cal.Atty.Gen. 129, 130 (1966), quoted with approval in *National Identification Systems, Inc. v. State Bd. of Control* (1992) 11 Cal.App.4th 1446, 1453; *Ghillotti Construction Co. v City of Richmond* (1996) 45 Cal.App.4th 897, 904-905; and *Konica Business Machines U.S.A., Inc. v. Regents of the University of California* (1988) 206 Cal.App.3d 449, 454 (bidders must strictly comply with bid requirements).

A bid that varies materially from the bidding instructions must be rejected. *Id.* at 47 Ops.Cal.Atty.Gen. 130. To be responsive, a bid must be in strict and full accordance with the material terms of the bidding instructions. *Taylor Bus Serv., Inc. v. San Diego Board of Education* (1987) 195 Cal.App.3d 1331.

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The appearance or possibility of an impropriety is forbidden in public contracting, even where it is clear that no impropriety occurred. See e.g., *Thomson v. Call* (1985) 38 Cal.3d 633, 649; see also *Konica Business Machines v. U.S.A Inc. v. Regents of the University of California* (1988) 206 Cal.App.3d 449,454 (setting aside a nonresponsive bid is appropriate "even where it is certain there was in fact no corruption or adverse effect upon the bidding process, and the deviations would save the entity money").

First, Cook's proposal failed to comply with the proposal requirements and must be rejected. Specifically, Section I of the RFP provides, in part:

Proposers are required to comply with all CARB and Regulation requirements, including, without limitation, all applicable sections of the Regulation, as codified in Title 13 of the California Code of Regulations section 2449 et seq. throughout the duration of the Project. Proposers must provide, with their Proposal, copies of Proposer's and all listed subcontractors' most recent, valid Certificate of Reported Compliance ("CRC") issued by CARB. Failure to provide valid CRCs as required herein may render the Proposal non responsive. (Emphasis added.)

Cook failed to submit a valid Certificate of Reported Compliance issued by CARB and also failed to provide a valid Fleet Compliance Certification Form. On DRI's Fleet Compliance Certification Form, Cook checked the box for "The Fleet is exempt from the Regulation under section 2449.1(f)(2), and a signed description of the subject vehicles, and reasoning for exemption has been attached hereto." (Emphasis added.) DRI also checked the box for "The Fleet does not fall under the Regulation or are otherwise exempted and a detailed reasoning is attached hereto." (Emphasis added.) However, no "description of the subject vehicles" nor "reasoning" as referenced in either checked item was attached, rendering Cook's certification form entirely invalid. On this basis alone, Cook's proposal must be rejected. The Certifications from Diversified Resources, Inc. (Cook's subcontractor) is invalid for the same reason.

Second, Cook is not properly licensed to perform the Project work for two separate reasons. Specifically, Cook holds a Class A General Engineering license. (See the attached license printout.) A Class A license is not appropriate for this Project. Business and Professions Code section 7056 defines the scope of a Class A license as follows:

A general engineering contractor is a contractor whose principal contracting business is in connection with **fixed works requiring specialized engineering knowledge and skill**, including the following divisions or subjects: irrigation, drainage, water power, water supply, flood control, inland waterways, harbors, docks and wharves, shipyards and ports, dams and hydroelectric projects, levees, river control and reclamation works, railroads, highways, streets and roads, tunnels, airports and airways, sewers and sewage disposal plants and systems, waste reduction plants, bridges, overpasses, underpasses and other similar works, pipelines and other systems for the transmission of petroleum and

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other liquid or gaseous substances, parks, playgrounds and other recreational works, refineries, chemical plants and similar industrial plants requiring specialized engineering knowledge and skill, powerhouses, power plants and other utility plants and installations, mines and metallurgical plants, land leveling and earthmoving projects, excavating, grading, trenching, paving and surfacing work and cement and concrete works in connection with the above mentioned fixed works. (Emphasis added.)

The Project does not involve a *fixed work requiring specialized engineering knowledge* and skill and a Class A license is therefore wholly inappropriate for performing work on this project.

In addition, Cook's license is completely invalid because it is licensed <u>as a General</u> Partnership comprised of Barney Cook and Kenneth Cook.

Business and Professions Code section 7076(b) provides that "A partnership license shall be canceled upon the death of a general partner. The remaining partner or partners shall notify the registrar in writing within 90 days of the death of a general partner. Failure to notify the registrar within 90 days of the death is grounds for disciplinary action." (Emphasis added.) Barney Cook died on July 16, 2024 . Accordingly, Cook's contractors license has been cancelled by operation of law and is invalid and Cook's proposal must be rejected.

Finally, even if Cook's proposal did not have to be outright rejected (as explained above), as explained below, it cannot be reasonably disputed that BTI was improperly scored as compared to Cook. The specifics of the inappropriate evaluation of BTI's proposal are as follows:

- Overview of qualifications and experience to meet Project Needs: BTI scored a 4; Cook scored a 5. However, Cook doesn't show any reforestation or silvercultural experience. Rather, Cook's experience talks about roadwork, etc. Knowledge of the Mendocino road system is not relevant to this Project. Accordingly, if Cook was awarded 5 points for this item, BTI must be awarded 5 points as well.
- Ability to coordinate with field personnel and project managers: BTI scored a 3; Cook scored a 5. There is absolutely no basis for this difference in scoring. Cook doesn't have any reforestation experience. Accordingly, if Cook was awarded 5 points for this item, BTI must be awarded 5 points as well.
- Approach to meet Project needs: BTI scored a 4; Cook scored a 5. There is no
  basis for this distinction. Cook's proposal made no reference to contour falling,
  tree planting, etc. BTI's proposal was way more specific. Accordingly, if Cook
  was awarded 5 points for this item, BTI must be awarded 5 points as well.

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- Demonstrated understanding of Project scope? BTI scored a 4; Cook scored a 5. There is no basis for awarding BTI 4 points while awarding Cook 5 points. Cook has not demonstrated any understanding of the Project scope which exceeds BTI's demonstration of such knowledge. In addition, how could BTI score a 4 for demonstrating a technically sound understanding of the Project scope and not receive full points on this item? Therefore, BTI must be scored no lower than Cook and must be awarded 5 points for this item.
- Role and responsibilities well defined for each employee and subcontractor: BTI scored a 3; Cook scored a 5. There is no basis for this distinction at all. BTI has defined its employees' roles and responsibilities to an equal to or greater degree than Cook. Therefore, BTI must be scored no lower than Cook and must be awarded 5 points for this item.

The above demonstrates that the Owner's scoring of the Project proposals was arbitrary and capricious and BTI's scores must be adjusted.

For the foregoing reasons, Cook cannot be awarded the contract for the Project.

Finally, BTI notes that the grant for the Project requires that "procurement of contractual services should be documented to ensure **selection on a competitive basis and documentation of price analysis.**" (Emphasis added.). The award of the contract for the Project to either Cook (who is unlicensed and is no more qualified than BTI) or Bamford (who is no more qualified than BTI) would not constitute award of this work on a "competitive basis." Accordingly, the proposal of Cook must be rejected, BTI's scores must be adjusted, and the Contract awarded, if at all, to BTI. If you require additional information or clarification of any of the information contained in this letter, please do not hesitate to contact the undersigned. To the extent the Owner awards this Project to any proposer other than BTI, please consider this correspondence as a formal request on behalf of BTI for an immediate hearing and be advised that BTI reserves the right to file a Petition for Writ of Mandate in the Superior Court to contest any such award.

Sincerely,

MURPHY AUSTIN ADAMS SCHOENFELD LLP

Lisa Nicolls

LISA D. NICOLLS

LDN

cc: Client



# OContractor's License Detail for License # 1012606

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure click
  on link that will appear below for more information. Click here for a definition of disclosable actions.
- Only construction related civil judgments reported to CSLB are disclosed (B&P 7071-17).
- Arbitrations are not listed unless the contractor fails to comply with the terms.
- Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Data current as of 2/4/2025 10:17:33 PM

Susmess Irin, mation

COOK CONSTRUCTION ENGINEERING PARTNERSHIP PO BOX 127 STONYFORD, CA 95988 Business Phone Number:(530) 713-3158

 Entity
 Partnership

 Issue Date
 04/04/2016

 Reissue Date
 04/21/2020

 Expire Date
 04/30/2036

. . . va 3(1) 3

This license is current and active.

All information below should be reviewed.

Fig. 3 Lat. on

A - GENERAL ENGINEERING

Bridge Internative

#### Contractor's Bond

This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY.

Bond Number: 100488324 Bond Amount: \$25,000 Effective Date: 01/01/2023 Contractor's Bond History

194 194 6

This license has workers compensation insurance with the STATE COMPENSATION INSURANCE

FUND

Policy Number:9215101 Effective Date: 07/28/2024 Expire Date: 07/28/2025 Workers' Compensation History

Carolitan-usa Información

▶ 04/20/2020 - LICENSE CANCELED PER REQUEST

Personnel listed on this license (current or disassociated) are listed on other licenses.

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### Contractor's License Detail (Personnel List)

Contractor 1012606 License #

COOK CONSTRUCTION ENGINEERING PARTNERSHIP

Click on the person's name to see a more detailed page of information on that person

Licenses Currently Associated With

Name BARNEY GENE COOK

Title GENERAL PARTNER

Association 04/04/2016 Date

Name KENNETH MAXWELL COOK

Title QUALIFY PARTNER

Association 04/04/2016

Date

Classification A

Additional There are additional classifications that can be viewed

Classification by selecting this link.

Name ROBERT ALLEN BURT

Title GENERAL PARTNER

Association 04/04/2016

Date

Disassociation 04/20/2020 Date

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