

SAN BERNARDINO COUNTY

BUILDERS UNITED, LLC,

Moving Party,

v.

**BRAZOS VALLEY THERMAL
SYSTEMS, INC.,**

Responding Party

HEARING OFFICER'S REPORT
OF FINDINGS AND DECISION
(Public Contract Code section 4107)

Date: April 8, 2026
Time: 1:00 P.M.
Location: 385 N. Arrowhead Ave.,
Fourth Floor
San Bernardino, CA

- I. Pursuant to Public Contract Code (“PCC”) section 4107, Builders United, LLC (“Builders”), the prime contractor for the Rosena Ranch Fire Station Project (“Project”), by letter dated March 11, 2026, requested the consent of San Bernardino County to allow it to substitute subcontractor Brazos Valley Thermal Systems, Inc. (“Brazos”) and replace the subcontractor with Exclusive Metals, Inc. Builders alleged that Brazos refused to execute a written contract and therefore subcontractor substitution is appropriate under PCC section 4107(a)(1).
- II. On March 18, 2026, the San Bernardino County (“County”) Project and Facilities Management Department (“PFMD”) transmitted the substitution request to Brazos. On March 23, 2026, Brazos sent a letter objecting to the substitution request to PFMD. Under County Policy 11-14, a subcontractor substitution hearing was scheduled and the Interim Director of Project and Facilities Management, as the Duly Authorized Officer, presided as the Hearing Officer.
- III. At the April 8, 2026 hearing, the parties represented themselves and were each given an opportunity to present their case as well as time for rebuttal/closing. Copies of the notices, briefs, exhibits and audio recording of the hearing are available upon request.
- IV. The decision of the Hearing Officer is that Builders did not meet its burden of proof to

1 demonstrate that one or more of the subsections of PCC section 4107 applied that would allow
2 the County to consent to the substitution of subcontractor Brazos with Exclusive Metals, Inc.
3 Therefore, Brazos remains the listed subcontractor for the Project and the request to allow the
4 substitution of Brazos with Exclusive Metals, Inc. is denied.

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6 V. The findings supporting this decision are as follows:

7 a. Builders referred to PCC section 4107(a)(1) as the basis for the requested subcontractor
8 substitution.

9 b. Builders did not provide sufficient evidence that the requirements of PCC section
10 4107(a)(1) were satisfied.

11 c. PCC section 4107(a)(1), allows for a subcontractor substitution when “the subcontractor
12 listed in the bid, after having had a reasonable opportunity to do so, fails or refuses to
13 execute a written contract for the scope of work specified in the subcontractor’s bid and
14 at the price specified in the subcontractor’s bid, when that written contract . . . is presented
15 to the subcontractor by the prime contractor.”

16
17 i. Builders asserts that Brazos submitted an initial bid in the amount of
18 \$1,813,000 at 7:02 p.m. on October 6, 2025, and on October 7, 2025, at 8:49
19 a.m., approximately 1 hour before Builders’ proposal for the Project was due,
20 submitted a revised bid in the amount of \$2,129,190.

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22 ii. Builders asserts that it used Brazos’ initial bid of \$1,813,000 in drafting its
23 proposal for the Project, which was sealed and enroute to be delivered to the
24 County at the time Brazos submitted its revised bid. This assertion is
25 supported by the corresponding amounts listed in Builders proposal and
26 Brazos initial bid for Additive Alternate No. 3, as well as the fact that
27 Builders’ proposal was received by the County at 9:46 a.m. on October 7,
28

1 2025.

2 iii. Builders asserts that Brazos initial bid contained defects making it invalid,
3 however, Builders waived those defects when it chose to incorporate the
4 initial Brazos bid into its proposal.

5 iv. Builders asserts that it provided Brazos with the opportunity to confirm its
6 willingness to execute a subcontract consistent with its original bid of
7 \$1,813,000 and Brazos refused, instead asserting its revised proposal of
8 \$2,129,190.

9 v. Brazos asserts that it did not refuse to execute a written subcontractor
10 agreement as it was never presented with a written subcontractor agreement
11 by Builders. Brazos further asserts that its email to Builders did not refuse to
12 complete the scope of work for the original bid amount of \$1,813,000 but
13 instead sought clarification and additional information from Builders to
14 confirm which bid Builders used in its proposal to the County. At the hearing
15 Brazos affirmed it is still willing to honor its initial bid of \$1,813,000.

16 vi. There was no evidence that Brazos was ever presented with a written contract
17 for the scope of work at the price specified in its initial bid of \$1,813,000.
18 Therefore, there was no evidence that Brazos refused or failed to execute a
19 written contract for the scope of work at the price specified in its initial bid.
20 As such, the requirements of PCC Section 4107(a)(1) have not been met for
21 a substitution of Brazos.
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25 DATED: 5/4/26

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27 Moe Yousif, Interim Director
28 Project and Facilities Management Department