

Dear Mr. Noble

Re: Letter of Credit Requirement – ODOT EVC RAA grant program.

I am writing to express my concerns regarding the requirement for a letter of credit as stipulated by the Oregon Department of Transportation (ODOT) for the EVC RAA grant program. This requirement appears to be overly restrictive and, in my professional opinion, short-sighted.

For both this project and similar projects, the stipulation for a letter of credit is likely to disqualify a significant number of potential bidders. While we are fully capable of providing performance and payment bonds, securing a letter of credit presents a substantial challenge. This restriction will effectively preclude almost all bidders from participating, with the possible exception of a few large entities such as Warren Buffett's holdings in Pilot Travel Centers, Pacific Power, and Bank of America.

As per information from our partner, Flo, it is noteworthy that no other state in the U.S., nor any Canadian province, imposes such a requirement. This raises a significant concern that ODOT's stipulation might be intended to unduly limit competition. It is disheartening to observe that the emphasis seems to have shifted away from fostering job creation for Oregonians and providing opportunities for COBID contractors.

In light of these concerns, I kindly request that you provide the specific legal citation authorizing such a prohibitive requirement. My review of OAR 125 and OAR 137 did not yield any basis for this mandate.

I appreciate your prompt attention to this matter and look forward to your response.

Thank you for your assistance.

Yours sincerely,

Mike Kunert



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