THE KRUDYS LAW FIRM

Mark J. Krudys
mkrudys@krudys.com
(804) 774-7950

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Lawsuit Says VDOT Told Black Contractor He Could Have "a Boat, but Not a Yacht"

Amended federal lawsuit alleges VDOT rejected a Black-owned contractor's bid under a rule VDOT's own records show it did not apply to other bidders

RICHMOND, Va. JIREH Construction Co., Inc., a Black-owned Richmond highway contractor, has filed a First Amended Complaint against the Virginia Department of Transportation in federal court in Richmond. The complaint alleges that VDOT refused JIREH a nearly $4 million highway project because its owner, Willie C. Lee, is Black, and because JIREH complained of bias against minority contractors.

JIREH was the only bidder on Project L48, a sidewalk and traffic-signal project in four counties around Richmond. VDOT opened the bid on October 23, 2024, and rejected it 12 days later. Its rejection letter gave no reason. It was the third JIREH low bid VDOT had rejected in three months. VDOT has told the Commonwealth Transportation Board that it rejects around 5% of contracts on average.

VDOT gave one factual reason in writing for the two earlier rejections. In an October 2024 letter, VDOT wrote that JIREH's bids exceeded the advertised project values. The letter added that VDOT's rules could not be overlooked "based on who is the low bidder, even when they are a DBE," referring to JIREH's certification as a Disadvantaged Business Enterprise.

The complaint alleges that VDOT's own records show it did not hold other bidders to that rule. From September 2022 through August 2024, VDOT awarded at least 80 contracts to bidders whose prices exceeded the published project value. Twenty-nine of those awards went to the only bidder. Three months before the October letting,

VDOT awarded a $12.5 million contract to a sole bidder at nearly 41% over the project value. At the October letting itself, VDOT awarded a contract to the only bidder even though VDOT recorded that bid as exceeding the range of its own cost estimate. It approved that award 16 days after it rejected JIREH's bid. The complaint alleges that neither of those firms is Black-owned.

One of the 80 awards previously went to JIREH. In December 2023, VDOT awarded JIREH a contract of about $900,000 at 26.74% over the project value. JIREH completed it on time. Ten months later, VDOT rejected JIREH's bid on Project L48. That project was more than four times larger.

When Mr. Lee called a senior VDOT official about the rejection, the complaint alleges, the official told him: "We don't mind you getting a boat, but not a yacht." JIREH was prequalified and bonded for the work. It owned the heavy equipment the work required.

The complaint also alleges retaliation. On October 22, 2024, the day before the letting, Mr. Lee wrote VDOT's Chief Engineer that minority contractors face implicit bias. The next day, he sent that letter to another senior VDOT official. On the morning of November 4, JIREH raised those concerns with VDOT again. VDOT's letter rejecting JIREH's bid is dated the same day. VDOT had let Project L48 twice in two months. After the October rejection, it has not advertised the project again.

The complaint also cites the Commonwealth's 2025 Disparity Study. The study found that from July 2019 through June 2024, Black-owned firms received about eleven cents of each state agency construction dollar their availability predicted.

"VDOT told Willie Lee his bids were rejected because they exceeded the project value," said Mark J. Krudys, counsel for JIREH. "VDOT's own records show it awarded at least 80 contracts over the project value in the two years before. That shows that rejecting a bid because it exceeded project value was not VDOT's practice. It was a rule for JIREH. JIREH is not asking for a break. It is asking for the same rule everyone else got."

“I built JIREH to compete for any job VDOT puts out. I followed the rules. I was the only bidder. All I have ever asked for is the same chance VDOT gives everyone else,” said Willie C. Lee, JIREH’s owner.

The complaint asserts claims under Title VI of the Civil Rights Act of 1964, the Equal Protection Clause of the Fourteenth Amendment, and 42 U.S.C. § 1981. The Title VI claims are against VDOT. The equal protection and § 1981 claims name three VDOT officials in their individual capacities. Federal law allows those damages claims only against individual officials, not against the state agency. JIREH seeks damages, including its lost profit and lost bonding capacity.

The case is *JIREH Construction Co., Inc. v. Virginia Department of Transportation*, No. 3:26-cv-01387-DJN (E.D. Va.). JIREH is represented by Mark J. Krudys of The Krudys Law Firm, PLC.

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