

DEPARTMENT OF TRANSPORTATION

DIVISION OF ENGINEERING SERVICES

OFFICE ENGINEER, MS 43

1727 30th STREET

P. O. BOX 168041

SACRAMENTO, CA 95816-8041

PHONE (916) 227-6280

FAX (916) 227-6282

www.dot.ca.gov/hq/esc/oe

*Flex your power!
Be energy efficient!*

August 28, 2013

Facsimile: (925) 961-1925

Mr. Robert W. Purdy, Vice President/Secretary
RGW Construction Inc.
550 Greenville Road
Livermore, CA 94550

10-0T1604
10-SJ-26-18.5/19.0
B.O. 7/23/2013

Dear Mr. Purdy:

The Department of Transportation (Caltrans) received the attached bid from RGW Construction Inc. (RGW) for project 10-0T1604 on July 23, 2013, at which time RGW was the apparent low bidder. By this letter Caltrans notifies RGW that its bid has been rejected due to unbalancing.

As you are aware, Caltrans evaluates each bid to determine whether a bid meets the requirements of both the State and Federal contract approval process. In this case, Caltrans Engineers evaluated the bid submitted by RGW and determined that RGW submitted a bid that was materially and mathematically unbalanced. RGW's proposed cost for Bid Item 40, Imported Borrow, was \$0.01 for 13,000 CY for a total cost of \$130.00.

A mathematically unbalanced bid is a bid containing lump sum or unit bid items that do not reflect reasonable actual costs plus a reasonable proportionate share of the bidder's anticipated profit, overhead costs, and other indirect costs. A materially unbalanced bid is a bid which generates a reasonable doubt that award to the bidder submitting a mathematically unbalanced bid will result in the lowest ultimate cost to the State.

Caltrans receives many bids in response to its highway construction needs and strives to ensure the integrity of the competitive bidding process. Based on the item cost listed for Bid Item 40, it is Caltrans' determination that the bid is both mathematically and materially unbalanced as there is reasonable doubt that RGW's bid will result in the lowest ultimate cost to the State.

Based on the above the Department has determined that RGW is no longer eligible for award of this contract. Caltrans will proceed to award this contract to the lowest responsible and responsive bidder.

Mr. R. Purdy
August 28, 2013
Page 2

If you have any questions, please contact Mulissa Smith, Contract Awards Branch Chief, at (916) 227-6228.

Sincerely,



JOHN C. McMILLAN
Deputy Division Chief
Office Engineer
Division of Engineering Services

Attachment

AM

CONTRACT NO. 10 - 0T1604

NAME OF BIDDER RGW Construction, Inc.
BUSINESS P.O. BOX _____
CITY, STATE, ZIP _____
BUSINESS STREET ADDRESS 550 Greenville Road
(Include even if P.O. Box used)
CITY, STATE, ZIP Livermore, CA 94550
TELEPHONE NO: AREA CODE (925) 606-2400
FAX NO: AREA CODE (925) 961-1925
CONTRACTOR LICENSE NO. 591940

1. Bidder agrees, if this bid is accepted, to enter into a contract with the Department, in the form included in the Standard Specifications, to perform the work provided in the Contract under the terms of the Contract for the price or prices bid.

For a lump sum or unit price based bid, Bidder additionally agrees to perform the work within the number of working days shown on the *Notice to Bidders*.

For a cost plus time based bid on a contract without a plant establishment period, Bidder additionally agrees to perform the work within the number of working days bid.

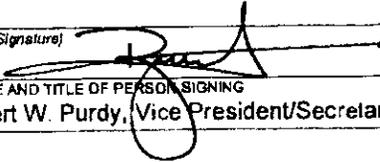
For a cost plus time based bid on a contract with a plant establishment period, Bidder additionally agrees to perform the non-plant establishment work within the number of working days bid for non-plant establishment work.

2. For a lump sum based bid, Bidder submits this bid with a total price in the total bid space provided on the Bid Item List. For a unit price or cost plus time based bid, Bidder submits this bid with a unit price and the item total (the product of the unit price and the quantity) for each item and a total price (the sum of the item totals) in the spaces provided on the attached Bid Item List. For a unit price with additive item based bid, Bidder submits this bid with a unit price and an item total for each item and a total base bid (the sum of the item totals) and the additive items in the spaces provided on the attached Bid Item List. Additionally, for a cost plus time based bid, Bidder submits this bid with working days bid for non-plant establishment work, total bid for time, and total bid for bid comparison in the spaces provided on the Bid Item List. Bidder agrees:
 - 2.1. If a discrepancy between the unit price and the item total exists, the unit price prevails except:
 - 2.1.1. If the unit price is illegible, omitted, or the same as the item total, item total prevails and the unit price is the quotient of the item total and the quantity.
 - 2.1.2. If a decimal error is apparent in the product of the unit price and the quantity, the Department will use either the unit price or item total based on the closest by percentage to the unit price or item total in the Department's Final Estimate.
 - 2.2. If the unit price and the item total are illegible or are omitted, the bid may be determined nonresponsive. If a lump sum total price is illegible or is omitted, the bid may be determined nonresponsive.
 - 2.3. Bids on lump sum items are item totals. If a unit price for a lump sum item is entered and it differs from the item total, the item total prevails.
 - 2.4. Entries are to be expressed in dollars or decimal fractions of a dollar. Symbols such as commas and dollar signs are ignored and have no significance in establishing unit price or item total.
 - 2.5. Unit prices and item totals are interpreted by the number of digits and decimal placement. Do not round item totals or the total bid.

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
BID TO THE DEPARTMENT OF TRANSPORTATION
DES-OE-0102.1 (REV. 3/2011)

- 2.6. For a lump sum based bid, the item total is the bid amount the Department uses for bid comparison.
For a unit price based bid, the sum of the item totals is the bid amount the Department uses for bid comparison.
For a cost plus time based bid, the sum of the item totals and the total bid for time is the bid amount the Department uses for bid comparison.
- 2.7. The Department's decision on the bid amount is final.
3. Bidder has and acknowledges the following addenda:
1, 2
4. Bidder submits this bid with one of the following forms of bidder's security equal to at least 10 percent of the bid:
Cash \$ _____, Cashiers Check, Certified Check, Bidder's Bond
5. Bidder's signature is an affirmation of the included certifications. Bidder is cautioned that making a false certification may result in one or more of the following:
- 5.1. Criminal prosecution
 - 5.2. Rejection of the bid
 - 5.3. Rescission of the award
 - 5.4. Termination of the Contract

BY (Authorized Signature)



DATE SIGNED (Do not type)

7/23/13

PRINTED NAME AND TITLE OF PERSON SIGNING

Robert W. Purdy, Vice President/Secretary

ADA Notice For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-8410 or TDD (918) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

Contract No. 10-OT1604

BID ITEM LIST

Item No.	Item Code	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Item Total
1	070030	LEAD COMPLIANCE PLAN	LS	LUMP SUM	LUMP SUM	2000.-
2	120090	CONSTRUCTION AREA SIGNS	LS	LUMP SUM	LUMP SUM	3500.-
3	120100	TRAFFIC CONTROL SYSTEM	LS	LUMP SUM	LUMP SUM	45000.-
4	120120	TYPE III BARRICADE	EA	3	100.-	300.-
5	120159	TEMPORARY TRAFFIC STRIPE (PAINT)	LF	4,280	0.50	2140.-
6	120165	CHANNELIZER (SURFACE MOUNTED)	EA	150	35.- 35.00	5250.-
7	120300	TEMPORARY PAVEMENT MARKER	EA	130	5.-	650.-
8	128652	PORTABLE CHANGEABLE MESSAGE SIGN (LS)	LS	LUMP SUM	LUMP SUM	5000.-
9	129000	TEMPORARY RAILING (TYPE K)	LF	2,720	13.-	35360.-
10	129100	TEMPORARY CRASH CUSHION MODULE	EA	99	150.-	14850.-
11	130100	JOB SITE MANAGEMENT	LS	LUMP SUM	LUMP SUM	18000.-
12	130300	PREPARE STORM WATER POLLUTION PREVENTION PLAN	LS	LUMP SUM	LUMP SUM	2800.-
13	130310	RAIN EVENT ACTION PLAN	EA	37	500.00	18,500.00
14	130320	STORM WATER SAMPLING AND ANALYSIS DAY	EA	12	400.-	4800.-
15	130330	STORM WATER ANNUAL REPORT	EA	2	2,000.00	4,000.00
16	130505	MOVE-IN/MOVE-OUT (TEMPORARY EROSION CONTROL)	EA	2	850.-	1700.-
17	130510	TEMPORARY MULCH	SQYD	1,560	6.25	9750.-
18	130570	TEMPORARY COVER	SQYD	2,000	5.-	10000.-
19	130640	TEMPORARY FIBER ROLL	LF	1,870	5.-	9350.-
20	130710	TEMPORARY CONSTRUCTION ENTRANCE	EA	2	3800.-	7600.-

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Item No.	Item Code	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Item Total
21	130730	STREET SWEEPING	LS	LUMP SUM	LUMP SUM	10000 -
22	026035	TEMPORARY CLEAR WATER DIVERSION SYSTEM	LS	LUMP SUM	LUMP SUM	5000 -
23	130900	TEMPORARY CONCRETE WASHOUT	EA	2	375.-	750.-
24	026036	WATER QUALITY SAMPLING AND ANALYSIS DAY	EA	10	1000.-	10000.-
25	026037	WATER QUALITY MONITORING REPORT	EA	12	250.-	3000.-
26	141000	TEMPORARY FENCE (TYPE ESA)	LF	300	6.-	1800.-
27	141103	REMOVE YELLOW THERMOPLASTIC TRAFFIC STRIPE (HAZARDOUS WASTE)	LF	1,200	1.50	1800.-
28	150606	REMOVE FENCE (TYPE BW)	LF	5,100	5.-	25500.-
29	150662	REMOVE METAL BEAM GUARD RAILING	LF	310	10.-	3100.-
30	150714	REMOVE THERMOPLASTIC TRAFFIC STRIPE	LF	1,200	1.-	1200.-
31	150722	REMOVE PAVEMENT MARKER	EA	53	1.-	53.-
32	150742	REMOVED ROADSIDE SIGN	EA	4	100.-	400.-
33	150860	REMOVE BASE AND SURFACING	CY	4,890	1.-	4890.-
34	152390	RELOCATE ROADSIDE SIGN	EA	1	300.-	300.-
35	156535	REMOVE BOX CULVERT	EA	4	1500.-	6000.-
36	157550	BRIDGE REMOVAL	LS	LUMP SUM	LUMP SUM	18000.-
37	160102	CLEARING AND GRUBBING (LS)	LS	LUMP SUM	LUMP SUM	60,000.-
38	190101	ROADWAY EXCAVATION	CY	11,000	29.-	318000.-
39	193001	STRUCTURE BACKFILL	CY	140	30.-	4200.-
40	198010	IMPORTED BORROW (CY)	CY	13,000	0.01	130.-

Item No.	Item Code	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Item Total
41	210270	ROLLED EROSION CONTROL PRODUCT (NETTING)	SQFT	85,100	0.40	34040.-
42	210300	HYDROMULCH	SQFT	182,000	0.02	3640.-
43	210350	FIBER ROLLS	LF	5,290	3.70	19573.-
44	210430	HYDROSEED	SQFT	182,000	0.05	9100.-
45	210600	COMPOST	CY	880	34.-	29920.-
46	210630	INCORPORATE MATERIALS	SQFT	182,000	0.03	5460.-
47	260203	CLASS 2 AGGREGATE BASE (CY)	CY	760	42.-	31980.-
48	390133	HOT MIX ASPHALT (TYPE B)	TON	6,170	75.-	462750.-
49	390137	RUBBERIZED HOT MIX ASPHALT (GAP GRADED)	TON	1,510	110.-	166100.-
50	397005	TACK COAT	TON	10	575.-	5750.-
51 (F)	510058	STRUCTURAL CONCRETE, WALL	CY	40	500.-	20000.-
52 (F)	510090	STRUCTURAL CONCRETE, BOX CULVERT	CY	126	1310.-	165060.-
53 (F)	510502	MINOR CONCRETE (MINOR STRUCTURE)	CY	6	1800.-	10800.-
54 (F)	520101	BAR REINFORCING STEEL	LB	4,100	2.-	8200.-
55 (F)	520107	BAR REINFORCING STEEL (BOX CULVERT)	LB	29,862	1.-	29862.-
56	560248	FURNISH SINGLE SHEET ALUMINUM SIGN (0.063" UNFRAMED)	SQFT	11	30.-	330.-
57	566011	ROADSIDE SIGN - ONE POST	EA	2	250.-	500.-
58	623001	12" TEMPORARY CULVERT	LF	72	40.-	2880.-
59	623003	18" TEMPORARY CULVERT	LF	91	40.-	3640.-
60	650014	18" REINFORCED CONCRETE PIPE	LF	210	116.-	24360.-

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Item No.	Item Code	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Item Total
61	650022	30" REINFORCED CONCRETE PIPE	LF	160	180.-	28800.-
62	650026	36" REINFORCED CONCRETE PIPE	LF	77	400.-	30800.-
63	705204	18" CONCRETE FLARED END SECTION	EA	4	250.-	1000.-
64	705210	36" CONCRETE FLARED END SECTION	EA	2	1500.-	3000.-
65 (F)	721015	ROCK SLOPE PROTECTION (LIGHT, METHOD B) (CY)	CY	74	200.-	14800.-
66	729011	ROCK SLOPE PROTECTION FABRIC (CLASS 8)	SQYD	210	2.-	420.-
67	820107	DELINEATOR (CLASS 1)	EA	18	35.-	630.-
68	820132	OBJECT MARKER (TYPE L)	EA	2	40.-	80.-
69	840560	THERMOPLASTIC TRAFFIC STRIPE (SPRAYABLE)	LF	7,650	1.-	7650.-
70	850111	PAVEMENT MARKER (RETROREFLECTIVE)	EA	160	5.-	800.-
71	999990	MOBILIZATION	LS	LUMP SUM	LUMP SUM	184000.-

TOTAL BID:

\$1,898,538.-

**** Transmit Conf. Report ****

P. 1
CALTRANS CONTR AWARDS Fax 916-227-6282

Aug 28 2013 11:26am

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STATE OF CALIFORNIA--CALIFORNIA STATE TRANSPORTATION AGENCY

EDMUND G. BROWN Jr., Governor

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DIVISION OF ENGINEERING SERVICES
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