

**DEPARTMENT OF TRANSPORTATION**  
DIVISION OF ENGINEERING SERVICES  
OFFICE ENGINEER  
P.O. BOX 168041, MS-43  
SACRAMENTO, CA 95816-8041  
PHONE (916) 227-6299  
FAX (916) 227-6282  
TTY 711  
www.dot.ca.gov



*Serious drought.  
Help save water!*

May 22, 2014

Facsimile: (209)983-2375

Eric Stannard  
Teichert Construction Company  
265 Val Dervin Parkway  
Stockton, CA 95206

10-0Y1204  
10-Mer-59-7.9/14.1  
B.O. 03/12/14

Dear Mr. Robertson:

The Department of Transportation (Caltrans) received a letter dated March 26, 2014, from Teichert Construction Company (Teichert) protesting the bid submitted by Sierra Nevada Construction, Inc. (SNC) for project 10-0Y1204, on March 12, 2014. The protest alleged that the bid submitted by SNC was both mathematically and materially unbalanced as a result of SNC's bid for contract Bid Item 12, Emulsified Recycling Agent.

As you are aware, Caltrans receives many bids in response to its highway construction needs and strives to ensure the integrity of the competitive bidding process. Caltrans evaluates each bid to determine whether a bid meets the requirements of both the State/Federal contract approval process. In this case, Caltrans Engineers evaluated the bid submitted by SNC and determined that SNC submitted a bid that was materially unbalanced.

A bid is materially unbalanced when it is based on prices significantly less than the cost of some work and reflects prices which are significantly over stated in relation to the cost of other work, and generates a reasonable doubt that award to the bidder submitting such a bid would result in the lowest ultimate cost to the state.

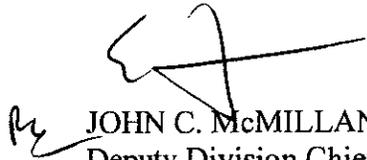
Caltrans evaluated the bid submitted by SNC, as well as the additional 3 low bidders and did determine that the bid submitted by SNC was unbalanced. Furthermore, Caltrans also conducted a review of the bid submitted by Teichert, the second lowest bidder and determined that it too submitted a mathematically unbalanced bid. However, there was no evidence that Teichert's bid generates a reasonable doubt that by awarding the contract to Teichert, would not result in the lowest ultimate cost to the state, nor is there a risk that the Department would have to pay unreasonably high prices for contract performance.

Mr. Robertson  
May 22, 2014  
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Therefore, Caltrans did declare that SNC was not eligible for award of this contract and Caltrans will proceed to award this contract to the lowest responsive and responsible bidder provided that all requirements have been met.

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

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

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CALTRANS CONTR AWARDS Fax 916-227-6282

May 22 2014 04:50pm

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STATE OF CALIFORNIA—CALIFORNIA STATE TRANSPORTATION AGENCY

EDMUND G. BROWN Jr., Governor

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As you are aware, Caltrans receives many bids in response to its highway construction needs and strives to ensure the integrity of the competitive bidding process. Caltrans evaluates each bid to determine whether a bid meets the requirements of both the State/Federal contract approval process. In this case, Caltrans Engineers evaluated the bid submitted by SNC and determined that SNC submitted a bid that was materially unbalanced.

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