



www.slurry.com

May 13, 2014

Laurie Berman  
District Director, District 11  
District 11  
Department of Transportation  
4050 Taylor Street  
San Diego, CA 92110

John C. McMillan  
Office Engineer  
Division of Engineering Services  
Department of Transportation  
1727 30<sup>th</sup> Street  
Sacramento, CA 95816

Re: Response to Aggregate Products Inc.'s Letter Dated April 29, 2014 Regarding Caltrans Contract No. 11-2M5104

Dear Ms. Berman and Mr. McMillan,

Aggregate Products Inc. ("API") continues to rehash the same point, which as addressed in our previous letter, is a non-issue in terms of financial impact to the department. I would like to reiterate that the bid submitted by VSS International, Inc. ("VSS") is **in no way materially unbalanced and carries with it no additional risk to Caltrans.**

Quoting directly from the RTL Guide:

"A bid is materially unbalanced if there is reasonable doubt that award to the bidder submitting the mathematically unbalanced bid will result in the lowest ultimate cost to the government."

API's contention that the bid submitted by VSS would not result in the lowest ultimate cost to Caltrans is patently false. What API fails to include in the table in their letter is the adjusted total bid value. The following table, utilizing actual bid unit prices from both VSS and API, clearly illustrates that even at a 50 percent under-run, the bid submitted by VSS is substantially lower.

	VSS	API
Item 23 Asphaltic Emulsion Membrane	40 Tons at \$1.05 = \$42.00	40 Tons at \$700.00 = \$28,000.00
Item 27 Tack Coat	5.5 Tons at \$1.05 = \$5.78	5.5 Tons at \$500.00 = \$2,750.00
Totals:	\$47.78	\$30,750.00
Original Bid Value	\$3,404,894.00	\$3,497,942.60
Adjusted Bid Value	<b>\$3,404,846.22</b>	<b>\$3,467,192.60</b>
Difference in Adjusted Bid Values	<b>\$62,346.38</b>	

## VSS INTERNATIONAL, INC.

P.O. BOX 981330 • WEST SACRAMENTO, CA 95798, USA • PHONE (916) 373-1500

FAX NO. (916) 373-1438 • CONTRACTOR'S LICENSE NO. 293727A

**PAVEMENT MAINTENANCE SPECIALISTS**



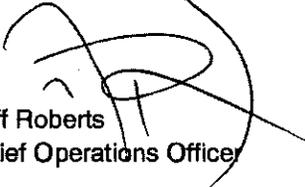
www.slurry.com

As you can clearly see, **even after adjusting the bid items in question VSS comes in at \$62,346.38 less than API.** Therefore, I fail to see any validity in API's argument that they should be awarded this contract.

The facts in this case clearly illustrate that **award of the contract to VSS would result in the lowest ultimate cost to Caltrans,** and as such the contract should proceed to be properly awarded to VSS.

Thank you for your time and consideration of this matter.

Sincerely,

  
Jeff Roberts  
Chief Operations Officer

**VSS INTERNATIONAL, INC.**

P.O. BOX 981330 • WEST SACRAMENTO, CA 95798, USA • PHONE (916) 373-1500

FAX NO. (916) 373-1438 • CONTRACTOR'S LICENSE NO. 293727A

**PAVEMENT MAINTENANCE SPECIALISTS**