



CHARLEY TOPPINO & SONS, INC.

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April 15, 2011

Doug Bradshaw
Senior Project Manager
City of Key West
Engineering/Port

Re: Awarding Smather's Beach Rebid to Charley Toppino & Sons based on the local business enterprise preference No 09-22 Sec.2.798(b)(1)

Dear Mr. Bradshaw,

Thank you for extending the local preference option to Charley Toppino & Sons, Inc. Charley Toppino & Sons, Inc. will not be able to accept the award of the Smathers Beach Project at the proposed Unit Prices of the low bidder, American Earth Movers. The reason is that the bid is grossly unbalanced.

The apparent low bidder has disproportionately allocated the bid price by inflating mobilization costs and minimizing material costs, with the result that any sand ordered by the City above the estimated 17,500 tons would cost the bidder to perform a at least \$4.00 per ton loss, in addition to the lost cost of placing the sand.

The facts are that the cost of the sand from the sole source is more than \$8.00 per ton, the cost for delivery is \$26.00 per ton and likely to go up based on the rise in the cost of fuel. That is at least \$34.00 per ton plus the cost to place and grade the sand. The low bidder has a total price of \$30.66 to purchase, transport and place.

Based upon the unbalanced scenario bid by American Earth Movers, Charley Toppino & Sons, Inc. respectfully declines the award.

Thank you for the consideration,



Paul E Toppino