

**H & K, INC.**  
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April 10, 2015

*Via Email/U.S. Mail*

Mr. John C. McMillan  
 Deputy Division Chief  
 California Department of Transportation  
 Division of Engineering Services  
 Office of Engineer, MS 43  
 1727 30<sup>th</sup> Street  
 P.O. Box 168041  
 Sacramento, CA 95816-68041

**Re: Caltrans Contract Number: 06-0Q2104 ("Contract")**  
**Contract Location: Fresno**  
**Contractor: Wabo Landscape Construction, Inc.**  
**DVBE Sam's Equipment & Supplies**  
**DVBE Number: 27563**

Dear Mr. McMillan:

I represent Sam Callison and Sam's Equipment & Supplies ("Sam's Equipment"). Recently, Cal Trans awarded the Contract to Wabo Landscape Construction, Inc. As part of the Contract, Wabo is using DVBE, Sam's Equipment, as a subcontractor to provide Cobble Rock to the jobsite. I have been notified by my client that Analyst Steve Lu, on behalf of Caltrans, has questioned whether: 1) Sam's Equipment is a DVBE and 2) Sam's Equipment and Supplies is providing a Commercially Useful Function (CUF) under California Military and Veterans Code Section 999 (b)(5)(B). The following is a brief summary of Sam's Equipment & Supplies history as a DVBE, the facts that substantiate Sam's CUF under the contract, and the request, on behalf of my client, that you investigate and intervene before inappropriate action(s) are taken that interfere with the awarding of the Contract to Wabo Landscape Construction, Inc.

The Department of General Services ("DGS") has certified Sam's Equipment as a DVBE since 2001. In that time, DGS has made several visits to verify that Sam's Equipment is not a pass through (Cal. Milt. & Vets Code Section 999 (b)(5)(B)(ii)) and that it provides a useful function to all State agencies that it has contracted with. Sam's Equipment has been a DVBE of choice for Caltrans and other State Agencies, since 2001 because it is reliable and knowledgeable about the items it sells and the service it provides.

The Cobble Rock that Sam's Equipment is to provide under the Contract is not simply the "brokering" of a material. The Cobble Rock, in the specifications required under the Contract, must be manufactured in the amounts requested. Sam's Equipment

will be responsible to coordinate the manufacture and transportation of the material in accordance with the specifications and schedule the Contractor has proposed.

The Program Analyst that is determining whether Sam's Equipment is a "pass through" has never traveled to the Sam's Equipment Business Office or the Operation Yard. His failure to investigate may have a negative financial impact on the Contractor and other subcontractors; negatively impacting their businesses and resulting in legal action/claims against the Department.

Based on the information provided above, I request that you investigate and, if appropriate, take action to confirm the award of the Contract to Wabo Landscape Construction, Inc.

If you have any questions, please contact me. Thank you for your consideration.

Very truly yours,

A handwritten signature in cursive script that reads "D. M. Hogue". The signature is written in dark ink and is centered on the page.

David M. Hogue

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cc: Sam Callison