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 21, 2014

Facsimile: (858) 453-6034

Jason A. Mordhorst, Vice President
Hazard Construction Company
6465 Marindustry Drive
San Diego, CA 92192-9000

11-2M6604
11-Imp-98-32.3/39.6
B.O. 04/03/2014

Dear Mr. Mordhorst:

The Department of Transportation (Caltrans) received the attached Disadvantaged Business Enterprise (DBE) Commitment form for Contract No. 11-2M6604 from Hazard Construction Company (Hazard) on April 8, 2014. Hazard listed LMS Transport (LMS) as a Disadvantaged Business Enterprise (DBE) subcontractor to provide hot mix asphalt for this project and claimed $216.072.00 towards its DBE participation..

Pursuant to the Code of Federal Regulations, Title 49, Section 26.55(6)(2) (i), which states, " If the materials or supplies are purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies toward DBE goals."

The Office of Business and Economic Opportunity, Contract Evaluation Unit (CEU), determined that Hazard's calculations did not include the 60 percent credit that is applied to the cost of trucking/materials/supplies provided by DBE suppliers. As a result, CEU reduced Hazard's claimed participation from $216,072.00 to $204,091.20.

This determination did not adversely impact Hazard's efforts to meet the DBE goal for this project.

If you have any questions, please contact Steve Lu, Contract Evaluation Analyst, at (916) 324-0888 or by electronic email at steven.lu@dot.ca.gov.

Sincerely,

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

Attachments

State of California
DEPARTMENT OF TRANSPORTATION

California State Transportation Agency

Memorandum

Flex your power!
Be energy efficient!

To: EARL SEABERG, Chief
Office of Contract Awards and Services
Office of Engineer (OE)

Date: April 17, 2014

From: DEPARTMENT OF TRANSPORTATION (CALTRANS)
Contract Evaluation Branch (CEB)
Office of Business and Economic Opportunity

Subject: Contract Number: 11-2M6604

The bid proposal submitted by Hazard Construction Company (Hazard) for contract number: 11-2M6604, which listed LMS Transport (LMS) as a Disadvantaged Business Enterprise (DBE) subcontractor, has been evaluated by the CEB. The *Caltrans Bidder – DBE - Commitment* form we received listed LMS as providing hot mix asphalt for this project.

Upon review of this contract, Hazard's calculations did not take into account 60 percent credit that is applied to the cost of trucking/materials/supplies provided by DBE suppliers, pursuant to the Code of Federal Regulations, Title 49, Section 26.55(6)(2)(i), which states, "If the materials or supplies are purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies toward DBE goals." As a result, CEB staff reduced the Hazard's participation from $216,072.00 to $204,091.20.

This determination did not adversely impact the prime's efforts to meet the DBE goal for this project. However, the CEB requests that you notify the prime and subcontractor regarding our finding.

If you have questions regarding this determination, please contact Steve Lu, CEB Analyst, at (916) 324-0888 or steve.lu@dot.ca.gov.

Please notify the prime contractor and the subcontractor:

c: Hazard Construction
P. O. Box 229000
San Diego, CA 92192

LMS Transport
3810 Wacker Drive
Mira Loma, CA 91752

04-09-14 P01:15 RCVD #1

STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION

CALTRANS BIDDER - DBE - COMMITMENT

DES-OE-0102.10C (NEW 06/2012)

Low Bidder

This information may be submitted with your bid proposal. If it is not, and you are the apparent low bidder or the second or third low bidder, it must be submitted and received as specified in section 2 of the specifications. Failure to submit the required DBE information will be grounds for finding the bid nonresponsive.

CONTRACT NO: 11-2M6604

BID AMOUNT: $ 2,324,845

BID OPENING DATE: 4-3-2014

BIDDER'S NAME: HAZARD CONSTRUCTION COMPANY

DBE GOAL FROM CONTRACT, %: 8

DBE PRIME CONTRACTOR CERTIFICATION[1]:

BID ITEM NO.	ITEM OF WORK AND DESCRIPTION OF SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED[2]	FOR CALTRANS USE ONLY	NAME OF DBEs (Must be certified on the date bids are opened - include Caltrans certification #, DBE address and phone number) (Indicate 2nd and lower tier subcontractors)	DOLLAR AMOUNT DBE[3]
20	HOT MIX ASPHALT TYPE A (Purchase & Haul PG70-10 0:1)		LMS TRANSPORT 3810 WACKLER DR. MIRA LOMA, CA 951-616-3828 # 40561	$ ~~216,072.-~~ 204,091.20
13	SHOULDER BACKING		AC DIKE COMPANY 2788 VENTURE DR 916-LINCOLN, CA 652-0159 # 38327	$ 5,660.- 209,751.20
			Total Claimed Participation	$ ~~221,732.~~ ~~9.54~~ % 9%

IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Names of the First Tier DBE Subcontractors and their respective item(s) of work listed above must be consistent, where applicable, with the names and items of work in the "Subcontractor List" submitted with your bid. Copies of the DBE quotes are required.

1. DBE prime contractors must enter their certification number and indicate all work to be performed by DBEs including work performed by its own forces.
2. If 100% of item is not to be performed or furnished by DBE, describe exact portion of item to be performed or furnished.
3. See section 2-1.12 of the specifications to determine the credit allowed for DBE firms.

Signature of Bidder

JASON A. MORDHORST, VICE PRESIDENT

Date: 4/4/14

858-587-3600 (Area Code) Tel. No.

Chad Opper EXT. 122

Person to Contact (Please Type or Print)

Submit to:

MSC 43
OFFICE ENGINEER
DEPARTMENT OF TRANSPORTATION
1727 30TH STREET
SACRAMENTO, CA 95816-7005

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-5410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

APPROVED / MET GOAL

CONTRACT EVALUATION MANAGER

DATE: 4-17-14