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San Diego, CA 92121
hazardconstruction.com
License No. 750542A/B

April 20, 2015

Department of Transportation
Division of Engineering Services
Office Engineer, MS 43
1727 30th Street
Sacramento, CA 95816
Attn: John C. McMillan

Re: Rebuttal to Bid Protest of Apparent Low Bidder
Caltrans Contract 11-405504

Dear Mr. McMillan:

Hazard Construction ("Hazard") is in receipt of your letter dated April 17, 2015 requesting a response to Coffinan's Specialties, Inc. ("Coffinan") protest of the award to Hazard on the above referenced project. We have reviewed the bid protest whereby Coffinan has suggested that Hazard failed to list a rebar subcontractor for Bid Item 73 - 16" Cast-in-drilled-hole (CIDH) Concrete Piling.

As described in our Subcontractor List, submitted at bid time, Western Foundations ("Western") has been listed for 100% of bid item 73 which includes the rebar within the CIDH Pile. Attached is Western Foundations bid day subquote we received which includes drilling of 135 shafts, setting reinforcing cages supplied by Western (**per an add on and the bottom of their subquote**), and furnishing and placing concrete for the CIDH Piles. All the work noted in Western's subquote compromises 100% of Bid Item 73 - 16" Cast-in-drilled-hole (CIDH) Concrete Piling. For this reason, we believe that Coffinan's protest lacks merit and should be disregarded.

In regards to the omission of a rebar subcontractor for Bid Item 75 - Structural Concrete, Approach Slab (Type R), Bid Item 76 - Minor Concrete (Minor Structure) and Bid Item 77 - Paving Notch Extension, Hazard Listed Bert W. Salas for the Storm Drain Structures which is a portion of bid item 76. The remaining dollar amount of rebar included for those items of work remaining amount to less than 1/2 of 1% of the contract total and no subcontractor needs to be listed.

If you have any questions regarding any of these matters or need further clarification, please do not hesitate to call me at the main office. Thank you for your attention to this matter.

Sincerely,
HAZARD CONSTRUCTION COMPANY

Jason A. Mordhorst
President

Attachments
cc: Bid File



April 2, 2015

Hazard Construction
6465 Marindustry Drive
San Diego, CA 92121

Phone: (858) 587-3600
Fax: (858) 453-6034
Email: mthunder@hazardconstruction.com

Attn: Mark Thunder, Estimating

RE: CALTRANS CONTRACT NO. 11-405504
I-8 Waring Road to College Avenue
San Diego, California

Bid No. 0315-067

Subject: 16" Cast-In-Drilled-Hole Concrete Piling "Partial"

Revision #1

Mark,

Western Foundations & Shoring, Inc. (WFSI) proposes to furnish the labor, equipment, and materials in order to install the 16" Cast-In-Drilled-Hole Concrete Piling in accordance with the following:

Acknowledgement

- 1) Contract Plans and Specifications prepared by Caltrans.
- 2) Addendum No. 1 through 5 prepared by Caltrans.
- 3) Non-Union, Prevailing Wage, Certified Small Business Enterprise "SBE".
- 4) Department of Industrial Relations Registration #1000007693.
- 5) Attached WFSI "General Conditions", 3 pages.
- 6) WFSI "Scope of Work" referenced below.

Scope of Work – Item No. 68 – 16" Cast-In-Drilled-Hole Concrete Piling

- 1) One (1) equipment mobilization to jobsite.
- 2) Drill 135 shafts - 16" diameter at 16' deep with track mounted drilling equipment.
- 3) Set reinforcing steel cages furnished by others. Contractor shall deliver fabricated rebar cages to drilling location, including spacers.
- 4) Furnish, place, vibrate and cure specified concrete. Form top 3" of pile extending into barrier and strip following workday.
- 5) Pile cap excavation shall be performed prior to piling construction.
- 6) Work shall be performed behind traffic barrier (approx. 12'-13' wide) on I-8 eastbound during day shift per staging plans.
- 7) We specifically exclude survey/layout, drill spoil stockpiling/loading/hauling/disposal, rebar cages, rebar protection, demolition, clearing & grubbing, utility locating, traffic control, protection of roadway, and concrete washout.

Pricing

Item No. 73 - 16" C-I-D-H Concrete Piling (2,200 LF @ \$43.75) \$96,250.00

Adds:

Furnish Reinforcing Steel Cages Delivered to Drilling Locations (2,200 LF @ \$28.10) \$61,820.00
 Additional Equipment Mobilizations (each) \$1,750.00
 Payment and Performance Bond @ 1.5% \$1,443.75

Mailing Address: P.O. Box 1939, Lakeside, CA 92040 – Shipping Address: 10875 Highway 67, Lakeside, CA 92040
Phone: (619) 561-3510 – Fax: (619) 561-7916 – Email: gthov@westernfoundations.net

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Special Conditions

While all inclusions, exclusions, and conditions in the attached WFSI "General Conditions" apply, we wish to specifically emphasize the following exclusions:

- 1) Permits, permission to encroach. WFSI includes OSHA and business permits.
- 2) Material testing and special inspections.
- 3) All weather access and maintenance. Construction benches shall be dry, flat, and firm.
- 4) Potholing, hand excavation, protection, location, removal or relocation of utilities (above and below ground).
- 5) As-built photos and surveys of existing structures/improvements before construction.
- 6) Protection or repair of damage to existing structures/improvements, unless caused by WFSI sole negligence.

We appreciate the opportunity to provide this proposal to you. Please feel free to contact the undersigned with any questions regarding this proposal.

Sincerely,

Western Foundations & Shoring, Inc.

A handwritten signature in black ink, appearing to read "Garry Hove", with a long horizontal line extending to the right.

Garry Hove
Chief Estimator

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GENERAL CONDITIONS

These General Conditions define the scope of work included in our Proposal and shall be attached and become part of the operative contract between General Contractor and WFSI. These General Conditions shall supersede and nullify any conflicting conditions, contractual provisions or statements contained within the operative contract.

Definitions: The "Owner" is hereby defined as "_____". The "General Contractor" is hereby defined as "_____". "WFSI" is hereby defined as "Western Foundations & Shoring, Inc.".

Specific Exclusions: The following items are excluded from WFSI scope of work and are to be performed or furnished by others unless specifically included in our Special Conditions.

Anchor Bolts	Layout and Survey
As Built Drawings	Lighting
Bond Premiums	Night Time Premium for Concrete
Building Permits	Protection of Work after Completion
Casing	Pumping Concrete
Concrete/Shotcrete Overbreak	Removal of Shoring/Underpinning Elements
Concrete Washout & Disposal	Rock Coring or Augering
Cribbing	Sandblasting
Curing Compound	Sanitary Facilities
Dewatering of Site	Shoring of Belts
Dowels, Dowel Cages, or Keys	Stripping of Forms
Field Engineering	Tieback Disengaging/Removal
Forming Shafts Above or Below Grade	Utility Locating, Protection, Relocating or Supporting
Hand Cleaning of Holes	Water and Electric
Hazardous Materials (PPE, Handling)	

ITEMS TO BE FURNISHED OR PROVIDED BY GENERAL CONTRACTOR / OWNER

Access: For all equipment moving under its own power to each work location, this includes: benches, ramps, mats, or other materials to maintain access throughout the work site.

Clearances: Overhead and swing to over head lines or other structures to maintain legal clearances. Clearance to all other obstructions to allow a swing radius of 25 ft from center pin of equipment.

Continuous Operation: Necessary coordination to provide continuous uninterrupted normal day time operation to allow WFSI to work a standard 40 hour straight work week.

Coordination of Work: Of all other contractors, subcontractors, and material suppliers so as not to hinder, interfere with or delay WFSI's work.

Easements: Or permissions to encroach on adjacent property to install our work.

Storage: On site areas for storage of materials and equipment, and fabrication of materials.

Sump Pits: Tanks or desilting basins for pumping of water or drill fluids located within 100 feet of work area.

Surveys: Pre-work site surveys and reports.

Testing and Inspection: All required soil, concrete, and materials testing. All notifications and scheduling of inspections. All overtime costs and premium for inspectors working beyond normal end of shift.

Traffic Control: Jobsite traffic control and protection this includes: flagmen, flashers, barricades, fences, and handrails. WFSI will provide flagging for our own operation only.

Trash/Debris Removal: WFSI will place trash/debris in dumpsters/receptacles provided by Contractor.

In the event General Contractor and/or Owner fails to furnish the above-listed items, General Contractor and/or Owner agrees to be billed via change order for the increased costs, fees and losses of WFSI due to the failure of General Contractor and/or Owner to furnish said items. General Contractor and/or owner agree to pay bill/change order within 30 days.

ADDITIONAL CONDITIONS OF OUR PROPOSAL

Acceptance of Proposal: Within 30 days of bid date.

Acceptance of Work: To be made immediately upon completion of the work item. Changes made after acceptance will be billed as extra work.

Arbitration: In the event that direct negotiation between the parties fails to resolve any controversy, claim or breach arising out of or related to the operative contract within 30 days, such matters shall, at the option of any

party, be thereafter submitted to binding arbitration in accordance with the Construction Industry rules of the American Arbitration Association.

Attorney Fees: In the event legal action must be initiated to enforce payment, the General Contractor/Owner, agrees to pay WFSI its reasonable attorney's fees. The payment of attorney's fees shall only apply to payment disputes and no other dispute under the operative contract shall entitle any party to its attorney's fees.

Back Charges: Will not be accepted unless agreed to in writing by an authorized representative of WFSI on a daily basis.

Cap Excavation: Drilling access to shafts shall be provided prior to cap excavation or agreed to in writing. If caps are excavated prior to drilling, WFSI shall not be responsible for cleanup of drill spoils from cap, retrimming or fine grading of bottom of cap, or sloughing of sidewalls of cap.

Cutoffs: If tremie placement of concrete is required, WFSI will not be responsible for accuracy of concrete cutoff more than 1'-0" below drill grade.

Delays: Delays caused by others, delays caused by lack of access, or delays due to man-made obstructions will be charged for at standard rates.

Extra Work: Extra work and items of work specifically excluded but performed by WFSI shall be invoiced at cost plus 15% markup for overhead and 10% markup for profit.

Insurance: WFSI carries standard Workers Compensation Insurance in the amount of \$1,000,000.00 each occurrence, Auto Insurance as required by law in the amount of \$1,000,000.00 each occurrence and General Liability Insurance in the amount of \$5,000,000.00 each occurrence with \$6,000,000.00 in the aggregate. We include Additional Insured Endorsements for on-going operations, but exclude Additional Insured Endorsements for completed operations. All other forms of insurance (errors and omissions, railroad, long shermen, etc.) or limits other than listed above are excluded, but may be provided for an additional fee if reasonably available on the market.

Liquidated Damages: No Liquidated, consequential or incidental damages shall be assessed without WFSI specifically agreeing to said damages in writing.

Minor Cracking: Unless negligent, WFSI assumes no responsibility or liability for cracking or settlement of any existing streets, sidewalks, curbs, gutters, utilities, pavements, buildings, or any other damages which may occur during the installation of the work, and which may be caused by the work of WFSI, vibration of machinery or equipment.

Move-Ins: Unless specifically detailed in the special conditions of the proposal, our quotation is based on performing our work in one continuous uninterrupted operation. In the event WFSI is required to move-in more than once, it will be considered extra work and will be billed at standard rates.

Obstructions: Including man-made which interfere with our work will be considered extra work and will be billed at standard rates. Obstructions are defined as: any material which cannot be drilled at the rate of 2 feet in 5 minutes with a conventional earth auger and/or requires the use of rock augers, coring tools, air tools, blasting, hand excavation, and/or other methods of excavating.

Payments: During work progress payments are to be made monthly. These progress payments shall include costs for all materials purchased and/or fabricated but not installed. Interest will be charged on all past due amounts over 30 days at the rate of 10% per annum. Full payment (including retention) for our work is to be made within 25 days after substantial completion of our work. If there are phases or if there is a break in continuity of the work exceeding 25 days, retention for all work preceding the break in continuity shall be immediately due and payable on the 28th day.

Placement of Concrete: All Concrete for drilled shafts is to be placed per ACI 336.1 which specifies free fall of concrete.

Reinforcing Cages: Furnishing of all reinforcing steel is excluded unless specifically mentioned in our Special Conditions. When WFSI agrees to hoist reinforcing steel cages, the cages are to be furnished and tied adjacent to the drill locations suitable for hoisting by the drill rig positioned over the hole. All cages will be adequately tied with spacers attached and adequately braced so they will retain their shape during handling and placing operations. Unless specifically included in our Special Conditions reinforcing cages will be placed minus column/pile extensions. Guying or tying of exposed portions of reinforcing cage is excluded.

Termination: Work shall begin within 90 days of bid date. If not, the proposal or operative contract will be subject to termination or escalations charges due to increased costs.

Tolerances: Cast-In-Drilled-Hole Piles: +/- 3 inches from plan location; +/- 2% from plumb. ~~Soldier Piles tolerance from plan location +/- 3 inches at any point on the pile. Notification of repairs to maintain specified tolerance shall be made in writing to WFSI prior to installation of the lagging.~~

Indemnification: WFSI shall indemnify but not defend Owner and/or Contractor, for claims of death or bodily injury to person, injury to property, or any other loss, damage, or expense to the extent the claims arise out of the scope of work of WFSI pursuant to the construction contract, except WFSI shall not indemnify or defend the Owner and/or General Contractor to the extent the claims arise out of, pertain to, or relate to the active negligence or willful misconduct of the Owner, General Contractor, contractor, construction member, or other subcontractor, or their other agents, other servants, or other independent contractors, or for defects in design furnished by those persons, or to the extent the claims do not arise out of the scope of work of WFSI pursuant

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to the construction contract. Furthermore, the extent of such indemnity shall be limited only to WFSI's proportionate share of fault causing the claim and shall not be joint liability. Lastly, WFSI shall not indemnify or defend Owner and/or Contractor for any claims related to design or any claims related to adjacent properties.

Steel Escalation: Our proposal is based on current prices and surcharges for steel types and shapes necessary for our work as posted and made publicly available by West Coast Steel Suppliers. Any increases in the price of the steel ordered by WFSI, or any additional surcharges imposed on the steel ordered by WFSI 30 days after the proposal date shall result in a corresponding dollar-for-dollar increase in the contract price.

Western Foundations & Shoring, Inc.

By: Garry Hove _____

Title: Chief Estimator _____

Signature:  _____

Date: 4/2/2015 _____

(General Contractor)

By: (Print) _____

Title: _____

Signature: _____

Date: _____