

NOTICE OF POTENTIAL CLAIM

CEM-6201 (REV 3/2001)

FOR STATE USE ONLY	
Received by (For resident engineer)	DATE

TO Mr. Ben Ghafghazi (resident engineer)	CONTRACT NUMBER 04-0120L4	DATE 11/30/07
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This is a Notice of Potential Claim for additional compensation under the provisions of Section 9-1.04 of the Standard Specifications. The act of the engineer, or his/her failure to act, or the event, thing, occurrence, or other cause giving rise to the potential claim occurred on _____ DATE

The particular circumstances of this potential claim are described in detail as follows:

Please reference the following letters: MCM-LTR-000221, 227, 229, and 241; all related to the PG&E High Pressure Gas Line issue. As you are aware, PG&E would not locate their line as requested by MCM. The only mention of clearance in any of the contract document are related to the duck bank where a 610mm clearance is required. No mention of any additional setback from the pipe is made. Upon investigation and requests for additional information from PG&E as to the exact location of the pipe, MCM received an as-built drawing that was clarified to only be accurate within 2% of the vertical dimension. Due to the inability of PG&E to verify the exact as-built location of the pipe and an increased horizontal clearance was imposed, redesign of the approved trestle plan was necessary to include straddle bents. These straddle bents required a significant amount of material, time and labor.

The reasons for which I believe additional compensation may be due are:

A significant amount of time, materials, labor and exploratory diving operations were necessary to resolve this issue. These costs could have been avoided had the contract drawings reflected accurate information regarding the High Pressure Gas Line.

The nature of the costs involved and the amount of the potential claim are described as follows:

(If accurate cost figures are not available, provide an estimate, or describe the types of expenses involved.)

Materials, Labor, Time and costs related to investigation and redesign are estimated at \$200,000.

The undersigned originator (Contractor or Subcontractor as appropriate) certifies that the above statements are made in full cognizance of the California False Claims Act, Government Code sections 12650-12655. The undersigned further understands and agrees that this potential claim to be further considered unless resolved, must be restated as a claim in response to the states proposed final estimate in accordance with Section 9-1.07B of the Standard Specifications.

SUBCONTRACTOR or CONTRACTOR
(Circle one)

(Authorized Representative)

For subcontractor notice of potential claim

This notice of potential claim is acknowledged and forwarded by

PRIME CONTRACTOR

(Authorized Representative)