



C.C. MYERS, INC.

An Equal Opportunity / Affirmative Action Employer

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LETTER OF TRANSMITTAL

Document No: 215-STT.00382
Dated Sep 16 2005 Job No.: 215
Attention: Mr. Lourdes David
Re: 04-0120R4
Temporary Bypass Structure

To: State of California
Department of Transportation
333 Burma Road
Oakland CA 94607

Subject: Notice of Potential Claim #13

We are sending you:

Attached Via Fax

- Drawing Plans Prog. Pmt
- Samples Certificates of compliance Calculations
- Payroll Specs Copy of Letter
- Change Order Schedule Invoice

Copies	Item	Date	Description
1	01	Sep 16 2005	Notice of Potential Claim #13

These are transmitted as checked below:

- For Approval For Review/comment Return For Correction
- For Your Use As Requested For Information

Remarks:

Copy To: Robert Coupe, Main Office
File: 215-101, 215-9913

Signed: _____

Andy Chan
Project Engineer



STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION
NOTICE OF POTENTIAL CLAIM
 CEM-6201A (NEW 9/2002)

FOR STATE USE ONLY		
Received by:	(For Resident Engineer)	Date:

To Lourdes David (resident engineer)	CONTRACT NUMBER 04-0120R4	DATE September 16, 2005	IDENTIFICATION NUMBER 13
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This is an Initial Notice of Potential Claim for additional compensation submitted as required under the provisions of Section 9-1.04 "Notice of Potential Claim" 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: **September 13, 2005**
 The particular nature and circumstances of this potential claim are described as follows:

In State letter 05.03.01000452, and during our various discussions both during meetings and in the field, Caltrans contends that the flagging on Macalla Road has been directed by us and not the State. We do not agree with this statement. At the beginning of the project, we were verbally requested to perform this flagging by the State's field representatives. It was agreed at that time that this work is not flagging that was required by the contract; therefore, the State would provide compensation for 100% of the cost, rather than 50% as described in Section 12-2.02 of the Standard Specifications. This in fact, is what has actually taken place, for nearly one year, prior to said letter. If we were to have originally initiated this flagging, then we should be allowed to discontinue it. However, whenever we suggest this, the State refuses to allow the flagging to cease.

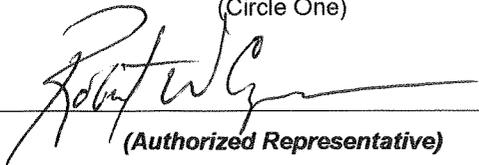
In the above referenced letter, reference is made to Section 7-1.09 of the Standard Specifications as justification for the need for this flagging. However, the section of roadway that the flagging is being directed to occur on is not within the project work area. As such, this specification should not apply.

This very same situation existed on the W2 project that was still underway at the beginning of our project. Compensation was provided for the entire cost of the flagging on that project. We are not aware that their Specifications were any different than ours. For the Substation project, that was also underway at the beginning of our project, they provided no flagging whatsoever for the truck traffic that they caused to occur on Macalla Road.

In our letter 215-STL.00183, we requested that the State reevaluate their position on the matter. In their letter 05.03.01-000565, they continue to state that they will only pay for 50% of the requested flagging. It is for this reason that we submit this Notice of Potential Claim.

The undersigned originator (Contractor or Subcontractor as appropriate) certifies that the above statements and attached documents 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 fully conform to the requirements in Section 9-1.04 of the Standard Specifications and must be restated as a claim in the Contractors written statement of claims in conformance with Section 9-1.07B of the Standard Specifications.

C. C. Myers, Inc.

 SUBCONTRACTOR or CONTRACTOR
 (Circle One)


 (Authorized Representative)

For subcontractor notice of potential claim

This notice of potential claim is knowledgeable and forwarded by

 PRIME CONTRACTOR

 (Authorized Representative)