

**C.C. MYERS, INC.**

An Equal Opportunity / Affirmative Action Employer

3286 FITZGERALD ROAD  
RANCHO CORDOVA, CA 95742  
916-635-9370  
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**LETTER OF TRANSMITTAL**

<b>Document No:</b> 215-STT.00658
<b>Dated</b> May 04 2006 <b>Job No.:</b> 215
<b>Attention:</b> Mr. Mahantesh Anigol
<b>Re:</b> 04-0120R4
Temporary Bypass Structure

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

**Subject:** Notice of Potential Claim #18 part B

**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	May 04 2006	Notice of Potential Claim #18 part B

**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: 215-9918

**Signed:**   
Andy Chan  
Project Engineer



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

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

To <b>Mahantesh Anigol</b> (resident engineer)	CONTRACT NUMBER <b>04-0120R4</b>	DATE: 5/04/2006	IDENTIFICATION NUMBER <b>18</b>
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This is a Supplemental 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:

DATE: 4/17/2006

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

CCO 24 Supplement. No 2, has been written for the Temporary Suspension of Work from April 1, 2005 to April 16, 2006. Compensation for this suspension is being paid through Item No. 8, Time Related Overhead. Condon-Johnson & Associates Inc. is not part of the TRO Cost and is not being compensated for our extended Home Office Over Head Costs.

The basis of this potential claim including all relevant contract provisions are listed as follows:

This suspension is well beyond anything that could have been considered at the time of bid and CJA should be compensated for its extended time on the project under Section 4-1.03C and Section 8-1.05 of the Standard Specifications.

The estimated dollar cost of the potential claim including a description of how the estimate was derived and an itemized breakdown of the individual costs are attached hereto. **TOTAL COST = \$ 107,380.25**

Eichley Calculation = \$ 104,380.25

Casing Storage: 10 mo. @ \$300.00/mo = \$3000.00

(attach additional sheets as needed)

A time impact analysis of the disputed disruption has been performed and is attached hereto. The affect on the scheduled project completion date is as follows:

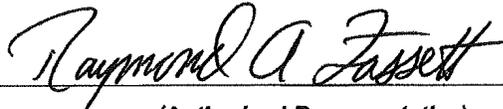
A time impact analysis cannot be performed at this time. The suspension is until further notice. Once the suspension is lifted, a time impact analysis can be performed.

*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.*

Condon-Johnson & Associates Inc.

**SUBCONTRACTOR** or **CONTRACTOR**

(Circle One)



(Authorized Representative)

**For subcontractor notice of potential claim**

***This notice of potential claim is acknowledged, certified and forwarded by***



**PRIME CONTRACTOR**



(Authorized Representative)

ADA Notice

For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814

CONDON-JOHNSON ASSOCIATES INC.  
 480 ROLAND WAY  
 OAKLAND, CA. 94621

5/03/2006

**EICHELLEY CALCULATION**

TOTAL REVENUE FOR 2004: \$ 62,046,001.00

TOTAL OVER-HEAD COSTS FOR 2004: \$ 6,576,901.00

TIME PERIOD START DATE	TIME PERIOD END DATE	DURATION C-DAYS	REVENUE EARNED	RATIO TO TOTAL REVENUE	OVER-HEAD COST BASED ON REVENUE RATIO.	OVER-HEAD COST PER CALENDAR DAY	TOTAL HOME OFFICE OVER-HEAD COST
4/1/2005	7/20/2005	111	\$ 334,840.00	0.0054	\$ 35,493.17	\$ 97.24	\$ 10,793.81
7/21/2005	8/20/2005	31	\$ 669,613.00	0.0108	\$ 70,979.25	\$ 194.46	\$ 6,028.37
8/21/2005	11/20/2005	61	\$ 1,381,990.00	0.0223	\$ 146,491.49	\$ 401.35	\$ 24,482.14
11/21/2005	4/16/2006	147	\$ 1,477,514.00	0.0238	\$ 156,617.08	\$ 429.09	\$ 63,075.92
							<b>\$ 104,380.25</b>

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Condon-Johnson & Associates, Inc.

We have audited the accompanying consolidated balance sheet of Condon-Johnson & Associates, Inc., as of December 31, 2004 and 2003, and the related consolidated statements of income, stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Condon-Johnson & Associates, Inc., as of December 31, 2004 and 2003, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Moss Adams LLP*

San Francisco, California  
March 11, 2005

**CONDON-JOHNSON & ASSOCIATES, INC.**  
**CONSOLIDATED STATEMENT OF INCOME**

	Year Ended December 31,			
	2004		2003	
	Amount	Percent	Amount	Percent
CONTRACT REVENUES	\$ 62,046,001	100.0 %	\$ 62,047,752	100.0 %
COST OF CONTRACT REVENUES				
INDIRECT EQUIPMENT EXPENSE				
GROSS PROFIT				
GENERAL AND ADMINISTRATIVE EXPENSES	6,288,357		5,246,381	
INCOME FROM OPERATIONS				
OTHER INCOME (EXPENSE)				
Interest expense	(288,544)	(.5)	(180,566)	(.3)
Interest income		.1		
Miscellaneous				
Insurance settlement				
Unrealized and realized gain on marketable securities				
INCOME BEFORE PROVISION FOR INCOME TAXES				
PROVISION FOR INCOME TAXES				
NET INCOME	\$			

Promotions and advertising	96,969	.2	180,346	.3
Safety	86,042	.1	76,945	.1
Bidding and estimating	81,355	.1	73,957	.1
Depreciation	74,647	.1	59,284	.1
Miscellaneous	51,040	.1	34,896	.1
Data processing	50,766	.1	51,799	.1
Dues and subscriptions	36,625	.1	42,277	.1
Bank charges	34,537	.1	58,352	.1
Training	25,155	-	10,707	-
Employee testing	12,476	-	14,233	-
Contributions	9,115	-	4,540	-
	<u>\$ 6,288,357</u>	<u>10.1 %</u>	<u>\$ 5,246,381</u>	<u>8.5 %</u>