

**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 Lourdes David (resident engineer)	CONTRACT NUMBER 04-0120R4	DATE April 12, 2005	IDENTIFICATION NUMBER 7 Page 1 of 3
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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: April 4, 2005

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

The Special Provisions state that if the Contractor determines that he cannot work around Building 206, then he shall relocate it to the location shown on the plans and the cost of doing such is included in the bid prices for the various items of work involved. We have determined that we can work around the building; therefore, we do not intend to relocate it.

The State has entered into two agreements with the US Coast Guard, the owner of the building. One is the Bridge Permit (3-01-11) and the other is License DTCG-Z71111-03-RP-002L. The License also has one amendment. The Special Provisions indicate that the Permit is part of the contract and its terms and conditions are to be adhered to. The Special Provisions and Standard Specifications indicate that the License is for information only and is not a part of the contract. The amendment to the License requires that Building 206 be relocated. It is not optional as in the Special Provisions. The Permit is silent on the building relocation.

During a meeting on April 4, 2005, held to discuss the various correspondences that had been generated regarding the matter, it was confirmed by Caltrans that they want us to comply with the requirement of the US Coast Guard License and proceed to relocate the building. Further, it is the State's contention that we are to complete this work at our expense and no additional compensation will be provided.

We believe that additional compensation is due for the relocation and subsequent restoration of building 206 for the following reasons: 1) the requirement that the building be relocated is contained in a document that is not part of the contract, and 2) the Special Provisions specify that the relocation of the building is at the option of the Contractor and is not mandatory. We therefore submit this Notice of Potential Claim for additional costs and delays that will be incurred as a result of this additional work.

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

The requirement that Building 206 be relocated is only contained in Amendment No. 1 to the United States Coast Guard License DTCG-Z71111-03RP-002L.

Section 10-1.38 EXISTING HIGHWAY FACILITIES of the Special Provisions, subsection EXISTING BUILDING 206 states that "If the Contractor determines that he/she cannot work around Building 206 and he/she believes that Building 206 is an obstruction to perform work, then the Contractor shall physically move Building 206 to one of the locations shown on the project plans." We have designed the Temporary Bypass Structure so that it does not interfere with Building 206 and we have determined that the building is not an obstruction to perform the work.

Section 5-1.35 RELATIONS WITH UNITED STATES COAST GUARD of the Special Provisions states that "A USCG Bridge Permit has been issued covering the work to be performed under this contract. The Contractor shall be fully informed of all rules, regulations and conditions that may govern the Contractor's operations within the construction right of way and shall conduct the Contractor's work accordingly. The Bridge Permit shall be considered an integral part of the contract special provisions." Further, this section specifies that "Full compensation for conforming to the above requirements shall be considered as included in the contract prices paid for the various contract items of work and no additional compensation will be allowed therefore." The Bridge Permit does not make any mention of Building 206.

Section 5-1.13 PROJECT INFORMATION of the Special Provisions lists various documents that are furnished for the Contractor's information. Included in the list of documents under the heading District Materials Information, are the United States Coast Guard Bridge Permit, The United States Coast Guard License DTCG-Z71111-03RP-002L and Amendment No. 1 to said license. This section also states that this information is subject to the conditions and limitations set forth in Section 2-1.03 "Examination of Plans, Specifications, Contract, and Site of Work" in the Standard Specifications. Section 2-1.03 of the Standard Specifications specifies that "In some instances, information considered by the Department to be of possible interest to bidders or Contractors has been compiled as "Materials Information". The "Materials Information" is not a part of the contract and is furnished solely for the convenience of the bidders or Contractors." We therefore conclude that the USCG License and Amendment No. 1 are not a part of the contract. The USCG Bridge Permit is however part of the contract as stated in Section 5-1.35 of the Special Provisions.

Section 7-1.04 PERMITS AND LICENSES of the Standard Specifications specifies that "In the event that the Department has obtained permits, licenses or other authorizations, applicable to the work, in conformance with the requirements in the Environmental Quality Act, the Contractor shall comply with the provisions of those permits, licenses or other authorizations." The United States Coast Guard License DTCG-Z71111-03RP-002L and the amendment thereto were not obtained by the

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Department in conformance with the Environmental Quality Act. Therefore, the Contractor is not obligated to comply with the provisions of the license.

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.

The direct cost would result from the work to relocate or demolish/replace the building as follows:

Estimated Relocation Cost: \$95,000

House moving specialist: \$25,000 each way

Demolition of garage walls: \$10,000

Restoration of garage walls and exterior treatments: \$20,000

Cut, cap, protect and restore utilities: \$15,000

OR

Estimated Demolition/Replacement Cost: \$355,000

Demolition \$15,000

Cut, cap, protect and restore utilities: \$15,000

Reconstruct new building: \$325,000

Indirect costs may be incurred by having to work around the relocated building in either of the two locations specified in the project plans. It is not possible at this time to estimate these costs. The indirect costs would not be incurred if the building was demolished and removed from the site of the work.

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:

There would not be any impact to the project schedule by the relocation or demolish/replacement of the building if the work occurred during the following times:

Initial move or demolition: This work takes place during the temporary suspension of the West Tie-In work.

Return move or replacement: This work takes place during the time between when the West Tie-In work is complete and the reconstruction of Southgate Road begins.

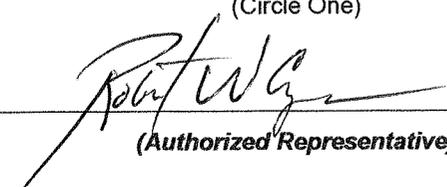
Any deviations from these time frames would impact the project schedule. Until the time frames are established, an accurate analysis of the impact could not be performed.

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.

C. C. Myers, Inc.

SUBCONTRACTOR or CONTRACTOR

(Circle One)


(Authorized Representative)

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For subcontractor notice of potential claim

This notice of potential claim in 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