



U.S. Department  
of Transportation  
**Federal Highway  
Administration**

# Memorandum

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**Subject:** Small Business Subcontracting Plan  
Contract Number: DTFH68-03-C-00024

**Date:** September 17, 2003

**From:**  Lofi K. Rivera, Acquisition Program Specialist  
Central Federal Lands Highway Division  
Lakewood, CO

**Reply to**  
**Attn of:** HFAC-16

**To:** Sean M. Moss, Director (S-40)  
Office of Small and Disadvantaged Business Utilization  
Federal Highway Administration

As required by TAR 1219.705-6, attached is a copy of the approved Small Business Subcontracting Plan for the subject contract.

The subject contract, designated NV HPP 93(2), Hoover Dam - Nevada Approach located in Lake Mead National Recreation Area and Hoover Dam Reservation Area in Clark County, Nevada, is for 2.112 miles of grading, drainage and bridges. The contract was awarded to Edward Kraemer and Sons, Inc. on September 17, 2003, in the amount of \$30,144,444.00.

Attachment

bc: ~~Harvey Bostwick~~ (HCO-16)  
file

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**NV HPP 93(20)**  
**Hoover Dam Bypass – Nevada Approaches**  
**Small Business Subcontracting Plan**



Submitted By:  
**Edward Kraemer & Sons, Inc.**  
**1616 East Indian School Road**  
**Suite 350**  
**Phoenix, Arizona 85016**  
**Tel: (602) 263-5158**  
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The following together with any attachments is hereby submitted as a Subcontracting Plan to satisfy the applicable requirements of Public-Law 95-507.

The following goals will be applicable to any contract awarded as a result of this solicitation.

	<b>Dollars</b>	<b>Percent of Total Dollars planned to be subcontracted</b>
Total dollars planned to be subcontracted	\$17,000,000.00	
Total Dollars planned to subcontracted to small business concerns	\$5,565,000.00	32.735
Total Dollars planned to be subcontracted to small disadvantaged businesses	\$200,000.00	1.176
Total Dollars to be subcontracted to WBE	\$0.00	0.00
Total Dollars to be subcontracted to Hubzone small business concerns	\$0.00	0.00
Total Dollars to be subcontracted to Service disabled veteran owned small business.	\$115,000.00	0.676

The principal of work to be subcontracted are as follows:

<b>Type of Work</b>	<b>Proposed Subcontractor</b>	<b>Type of Concern</b>	<b>Estimated Cost</b>
Fence	L S fence LLP	Small Business	\$ 400,000.00
QC	Converse Consultants	SDB	\$ 200,000.00
Surveying	Brown Consulting	SB	\$ 127,000.00
Reinforcing Steel	Paradise Rebar	SB- MBE	\$ 1,786,000.00
Earthwork, Grading	KLB Construction		\$ 9,000,000.00
Paving		SDVET	\$ 115,000.00
Blasting Rock Bolting	Yenter Companies	SB	\$ 2,250,000.00
Painting		SB	\$ 200,000.00



Edward Kraemer & Sons, Inc. did not receive subcontracting proposals from HUB contractors. One bid was received from Arizona Highway Specialist a WBE contractor for removal of guardrail; however, their bid was not competitive and therefore was not used in our bid proposal. Although we did not use a WBE subcontractor in the preparation of our bid proposal, we are actively soliciting WBE suppliers for the supply of miscellaneous material.

The above estimated costs do not include EKS indirect costs.

After reviewing the bid documents areas of work that could be potentially subcontracted was established. The principal areas of work to be subcontracted were determined to be as follows.

Earthwork, Storm Drains and Grading

Asphalt

Rebar

QC

Surveying

Drill Shafts

Traffic Control and Striping.

Electrical.

Fence and Guardrail.

The earthwork and grading area was further subdivided into blasting, application of weathering agent, blasting, MSE walls, Pipe, Inlets and MSE walls. By further subdividing the earthwork we were able to increase participation of small business concerns. After establishing areas for subcontracting opportunities we identified potential list of subcontractors using the plan-holders list, EKS database, ADOT small business database and NDOT small business database. The identified list of subcontractors was contacted either by facsimile or telephone. The potential subcontractors were notified as to how the plans and specification could be obtained. In addition we indicated to the potential list of subcontractors that plans and specs were available for inspection at our Phoenix office. A follow up telephone call was made to all subcontractors who indicated initial interest in submitting a proposal. We are enclosing copies of facsimile as part of our subcontracting plan.

Initially Mr. Don Cunningham Purchasing Manager of EKS would administer the subcontracting plan. Mr. Cunningham can be contacted at telephone number (800) 887-0110 extension 240. Mr. Cunningham is responsible for negotiating and executing subcontracts and purchase orders for all EKS contracts. After the project team has been assembled the duty of subcontracting plan will be monitored by the project office manager with overview from Mr. Cunningham.



The Regional Manager in association with the Purchasing Manager, Project Manager and the Office Manager will review, monitor, and maintain a monthly scorecard of the subcontracting plan. Additional outreach to potential small businesses will be made by contacting agencies such as Applied Business Concepts in Arizona, Hayden J Lee Consultants and other small business outreach organizations. EKS will arrange attendance at MBE seminars, Trade Fairs and other Business Opportunity Workshops to enhance meeting of the subcontracting plan goals. EKS continually provides motivational training for purchasing, regional and project personnel.

EKS shall include the clause entitled "Utilization of Small Business Concerns" in all subcontracts in excess of \$ 1,000,000.00 with the exception of small business concerns. The subcontract shall also stipulate that the subcontractor shall adopt the EKS subcontracting plan or generate a subcontracting plan in accordance with the requirements of Public Law 95-507. The subcontractor's subcontracting plan shall be reviewed and approved by the EKS plan administrator. In addition the EKS subcontracting review team will monitor monthly to ensure that each subcontractor in excess of \$ 1,000,000 is meeting its approved subcontracting plan to the intent of Public Law 95-507.

Edward Kraemer & Sons, Inc. agrees to maintain at least the following types of records to document compliance with this subcontracting plan:

- SB, SDB, WOSB, HUB and VET/SDVET small business source lists, guides and other data identifying SB, SDB, WOSB, HUB, and VET/SDVET vendors.
- Organizations contacted for SB, SDB, WOSB, HUB and VET/SDVET small business sources.
- On a contract-by-contract basis, records on all subcontract solicitations over \$100,000, indicating on each solicitation (1) whether small businesses were solicited, and if not, why not; (2) whether small disadvantaged businesses were solicited, and if not, why not; (3) whether women-owned small businesses were solicited, and if not, why not; (4) whether HUBZone small businesses were solicited, and if not, why not; (5) whether veteran-owned small businesses were solicited and if not, why not; (6) whether service-disabled veteran-owned small businesses were solicited and if not, why not, and reasons for the failure of solicited SB, SDB, WOSB, HUB, or VET/SDVET small businesses to receive the subcontract award.
- Records to support other outreach efforts: contacts with Minority and Small Business Trade Associations, Business Development Organizations, and attendance at small and minority business procurement conferences and trade fairs.
- On a contract-by-contract basis, records to support award data submitted to the Government to include name and address of subcontractor.
- Records to be maintained in addition to the above are as follows:



Edward Kraemer & Sons, Inc. agrees to:

- Assist SB, SDB, WOSB, HUB, and VET/SDVET small business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the bidder's (offeror's) lists of potential SB, SDB, WOSB, HUB, and VET/SDVET small business subcontractors are excessively long, reasonable effort shall be made to give all such concerns an opportunity to compete over a period of time.
- Provide adequate and timely consideration of the potentialities of SB, SDB, WOSB, HUB, and VET/SDVET small business concerns IN ALL "make-or-buy" decisions.

Plan Prepared by:

  
Contract Administration

Date: August 20, 2003

TYPED NAME: Don Cunningham  
TITLE: Purchasing Manager  
FIRM: Edward Kraemer & Sons, Inc.

Plan Accepted by:

  
FEWA - CFLHD Contracting Officer

Date: 8/22/03