

**Galt Joint Union Elementary School  
District Board of Education**  
*“Building a Bright Future for All Learners”*

**Regular Board Meeting**  
**April 28, 2021**  
**6:00 p.m. Closed Session**  
**7:00 p.m. Open Session**

**To Join Meeting**  
**Webinar:** [https://galt-k12-  
ca.zoom.us/j/85186829952](https://galt-k12-ca.zoom.us/j/85186829952)  
**Webinar ID:** 851 8682 9952  
**Phone Participation:** 408-638-0968

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**Location:** The Board meeting is a blended hybrid meeting with the trustees convening at a school location and broadcasted through teleconference for public access.

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# AGENDA

The teleconference meeting is being recorded and is being held pursuant to Executive Order N-25-20 issued by California Governor Gavin Newsom on March 12, 2020.

The public may observe the open session meeting by using the zoom link or phone number on the agenda.

Public Comment will be accepted by teleconference following the teleconference protocol included in the board packet.

- Public Comment is limited to three minutes or less.
- Comments indicating agenda topics can also be emailed to [kbock@galt.k12.ca.us](mailto:kbock@galt.k12.ca.us) by 12:00 p.m. on April 27, 2021 and is limited to 450 words.

Individuals requiring reasonable modifications to access the meeting or accommodations in order to observe or participate in the Board meeting are invited to contact Kauai Bock at 209-744-4545 or at [kbock@galt.k12.ca.us](mailto:kbock@galt.k12.ca.us) by April 27, 2021.

- A. 6:00 p.m. – Closed Session:** Vernon E. Greer Elementary, Room 3
- B. Announce Items to be Discussed in Closed Session, Adjourn to Closed Session**
1. PUBLIC EMPLOYMENT, Government Code §54957
    - Superintendent
  2. CONFERENCE WITH LABOR NEGOTIATOR, Government Code §54957.6  
Agency Negotiator: Karen Schauer, Lois Yount, Donna Mayo-Whitlock, Claudia Del Toro-Anguiano
    - Employee Agency: (GEFA) Galt Elementary Faculty Association
    - Employee Agency: (CSEA) California School Employee Association
    - Non-Represented Employees
  3. CONFERENCE WITH LEGAL COUNSEL--Anticipated Litigation: significant exposure to litigation pursuant to paragraphs (2) or (3) of Subdivision (d) of Government Code section 54956.9
    - one case

**C. Adjourn Closed Session, Call Meeting to Order, Flag Salute, Announce Action Taken in Closed Session**

**D. Teleconference Board Meeting Protocol**

**E. Recognition**

1. Galt COVID-19 Vaccination Recognition: Cosumnes Services District (CSD), Fire Department, and GJUESD Health Services Staff

**F. Reports**

**LCAP GOAL 1**

*Develop and implement a personalized learning and strengths-based growth plan for every learner that articulates and transitions to high school learning pathways while closing the achievement gap.*

**LCAP GOAL 2**

*Implement California State Standards in classrooms and other learning spaces through a variety of blended learning environments while closing the achievement gap.*

**LCAP GOAL 3**

*Processes and measures for continuous improvement and accountability are applied throughout the district, including personalized evaluation processes for educators.*

1. Local Control Accountability Plan (LCAP) Update

**LCAP GOAL 4**

*School facilities are safe, healthy, hazard free, clean and equipped for 21<sup>st</sup> century learning*

**G. Routine Matters/New Business**

**202.187 Consent Calendar**

**MOTION**

**a. Approval of the Agenda**

At a regular meeting, the Board may take-action upon an item of business not appearing on the posted agenda if, first, the Board publicly identifies the item, and second, one or more of the following occurs:

- 1) The Board, by a majority vote of the full Board, decides that an emergency (as defined in Government Code section 54956.5) exists; or
- 2) Upon a decision by a two-thirds vote of the Board, or if less than two-thirds of the Board members are present, a unanimous vote of those present, the Board decides that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was posted; or
- 3) The item was posted on the agenda of a prior meeting of the Board occurring not more than five calendar days prior to the date of this meeting, and at the prior meeting, the item was continued to this meeting.

**b. Minutes: March 24, 2021 Regular Board Meeting**

Minutes: April 1, 2021 Special Board Meeting

Minutes: April 15, 2021 Special Board Meeting

**c. Payment of Warrants:**

Vendor Warrant Numbers: 21394791-21394834; 21395763-21395800; 21396764-21396787; 21397320-21397321; 21397658-21397685; 21398696-21398763; 21399304-21399325

Certificated/Classified Payrolls Dated: 03/31/21, 03/19/21, 04/09/21

**d. Personnel**

1. Resignations/Retirement
2. Leave of Absence Request
3. New Hires/Reclassifications

**e. Donations**

f. Inspector of Record for Vernon E. Greer Elementary HVAC Upgrade and Roof Replacement 02-117322

202.188	Consent Calendar (Continued) – Items Removed for Later Consideration	CC Items Removed
202.189	Board Consideration of Approval of GJUESD 2019-20 Measure K Bond Audit Report by Christy White Associates	MOTION
202.190	Board Consideration of Approval of Memorandum of Understanding Between Sheldon Business Park Ltd, and the Galt Joint Union Elementary School District Regarding Summerfield Development Project	MOTION
202.191	Board Consideration of Approval of Approval of Memorandum of Understanding Between Arcadia Development Company, and the Galt Joint Union Elementary School District Regarding Fairway Oaks Development Project	MOTION
202.192	Board Consideration of Approval of Memorandum of Understanding Between Elliott Homes, Inc., and the Galt Joint Union Elementary School District Regarding Simmerhorn Development Project	MOTION
202.193	Board Consideration of Approval To Continue the Four-Day TK-8 AM/PM Blended Learning Model Through June 4, 2021	MOTION
202.194	Board Consideration of Approval of Resolution No. 12 Approving a Site Lease, a Sublease, and Construction Services Agreement Relating to the Vernon Greer Elementary School HVAC Upgrades and Roof Replacement	MOTION
202.195	Board Consideration of Approval of Agreement Between The Sacramento Metropolitan Air Quality Management District (SMAQMD) and the GJUESD To Purchase An Electric Bus And Be Fully Reimbursed For The Costs	MOTION
202.196	Board Consideration of Approval of Memorandum Of Understanding 2020-2021 Summer School Extended Year Program (SSEYP) Between the California School Employees Association and its Galt Chapter #362 (CSEA) and the GJUESD	MOTION

**H. Public Comments** for topics not on the agenda  
*Public comment is limited to three minutes or less pending Board President approval.*

- I. Pending Agenda Items**
1. School District Properties
  2. Low Performing Block Grant: Mathematics
  3. Brown Act Updates

*The next regular meeting of the GJUESD Board of Education: May 26, 2021*

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Board agenda materials are available for review at the address below.

Galt Joint Union Elementary School  
District 1018 C Street, Suite 210,  
Galt, CA 95632  
(209) 744-4545

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## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item:</b> Closed Session
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> <b>Information Item:</b> XX
<ol style="list-style-type: none"> <li>1. PUBLIC EMPLOYMENT, Government Code §54957           <ul style="list-style-type: none"> <li>▪ Superintendent</li> </ul> </li>   <li>2. CONFERENCE WITH LABOR NEGOTIATOR, Government Code §54957.6            Agency Negotiator: Karen Schauer, Lois Yount, Donna Mayo-Whitlock, Claudia Del Toro-Anguiano           <ul style="list-style-type: none"> <li>▪ Employee Agency: (GEFA) Galt Elementary Faculty Association</li> <li>▪ Employee Agency: (CSEA) California School Employee Association</li> <li>▪ Non-Represented Employees</li> </ul> </li>   <li>3. CONFERENCE WITH LEGAL COUNSEL--Anticipated Litigation: significant exposure to litigation pursuant to paragraphs (2) or (3) of Subdivision (d) of Government Code section 54956.9           <ul style="list-style-type: none"> <li>▪ one case</li> </ul> </li> </ol>	



## SESSION INTRODUCTION

1. Session is being recorded
2. Devices are muted

## PUBLIC COMMENT PER ACTION ITEM

### ❖ **Public Participation: Board Bylaw 9323**

1. Public comment is three minutes per agenda item.
2. The Board shall limit the total time for public comment for each agenda item to 20 minutes.
3. With Board consent, Board President may increase or decrease the time allowed for public comment.
4. Regular Board meetings shall be adjourned by 10:30 p.m.

### ❖ **Email Public Comment**

1. Email public comments, sent to [kbock@galt.k12.ca.us](mailto:kbock@galt.k12.ca.us) 24 hours prior to the board meeting, will be read aloud by a meeting facilitator.
2. Email public comment is limited to 450 words.

### ❖ **Teleconference Webinar Public Conference**

1. As the board meeting progresses, **please use the raised hand icon** to make public comment for items on the agenda.
2. A meeting facilitator will announce your name, when it is your turn to provide public comment.
3. When unmuted, please state your name and indicate the agenda topic you are commenting upon.

## BOARD VOTE AND CONNECTIVITY

1. For action items, the motion will be followed by a roll call vote.
2. Should a board member lose connectivity by teleconference or phone, the meeting will be delayed five minutes before reconvening.





## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item:</b> Recognition
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>

1. **Galt COVID-19 Vaccination Recognition: Cosumnes Services District (CSD), Fire Department, and GJUESD Health Services Staff**

On February 24th and March 26th, the Cosumnes Services District (CSD) supported exemplary efforts to provide safe and efficient COVID-19 vaccinations to the Galt area school district employees and community members. The CSD and Fire Department's vision, expertise and collaboration with four south Sacramento County School Districts were instrumental to achieve this successful vaccination event in the City of Galt.

At the meeting, GJUESD and Cosumnes Community Services District will jointly recognize their successful partnership and the efforts of GJUESD health services staff members that were instrumental in providing hundreds of vaccines.

- ★ Rosa Perez, GJUESD Health Secretary
- ★ Araceli Gamez, Health Assistant II, Lake Canyon Elementary School
- ★ Lori Burkett, Health Assistant II, Fairsite School Readiness Center
- ★ Sabrena Fry, Health Assistant II, McCaffrey Middle
- ★ Cheryl Baglietto, Health Assistant II, Vernon E. Greer Elementary School
- ★ Isabel Valencia, Health Assistant II, Marengo Ranch Elementary School
- ★ Rachelle Romero, Health Assistant II, Valley Oaks Elementary School
- ★ Katrina Ordaz, Health Assistant II, River Oaks Elementary School
- ★ Maria Carbonell, GJUESD Registered Nurse
- ★ Marty Cuevas-Ortega, Retired GJUESD and Currently Contracted Registered Nurse



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item:</b> Reports
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> <b>Information Item:</b> XX

### LCAP GOAL 1

*Develop and implement a personalized learning and strengths-based growth plan for every learner that articulates and transitions to high school learning pathways while closing the achievement gap.*

### LCAP GOAL 2

*Implement California State Standards in classrooms and other learning spaces through a variety of blended learning environments while closing the achievement gap.*

### LCAP GOAL 3

*Processes and measures for continuous improvement and accountability are applied throughout the district, including personalized evaluation processes for educators.*

1. Local Control Accountability Plan (LCAP) Update

### LCAP GOAL 4

*School facilities are safe, healthy, hazard free, clean and equipped for 21<sup>st</sup> century learning*



### **LCAP GOAL 3**

*Processes and measures for continuous improvement and accountability are applied throughout the district, including personalized evaluation processes for educators.*

#### **1. Local Control Accountability Plan (LCAP) Update**

*Karen Schauer Ed.D., Superintendent, Lois Yount, Business Services Supervisor, Claudia Del Toro-Anguiano, Curriculum Director, Donna Mayo-Whitlock, Educational Services Director*

The Local Control Accountability Plan (LCAP) is being revised for another three-year cycle. Stakeholder feedback has resulted in two goals:

**GOAL 1: Engaging learners** through a focus on **equity, access, and academic rigor** with inclusive practices in a variety of environments.

**GOAL 2: Promoting whole learner development** through **social and emotional learning** opportunities in a variety of environments.

Next steps will be reported for preparing a draft plan to post for public review by May 27, 2021.

Possible plan actions may include partnerships and resources through:

- 1) Yale University and Sacramento County Office of Education Social Emotional Learning Initiative
- 2) Healthy Hearts and Minds Mentor Program with Artists in Residence & Mental Health Experts
- 3) Reach To The Upside Proposal to Support Action Learning Instructors

Attachments:

- 1) LCAP Development Overview
- 2) LCAP Timeline

# **Local Control Accountability Plan (LCAP)**

# Criteria for LCAP Adoption: Districts

- Present the LCAP to the **parent advisory committee** for review and comment, and if applicable, present the LCAP to the **English learner parent advisory committee** for review and comment.
- **Notify members of the public** of the opportunity to submit comments regarding specific actions and expenditures proposed to be included in the LCAP.
- Hold at least one **public hearing**.
- Adopt the local control and accountability plan in a public meeting.
  - Present the **Local Indicators** data at the same public meeting.
- **Submit** to County Superintendent by July 1 annually.

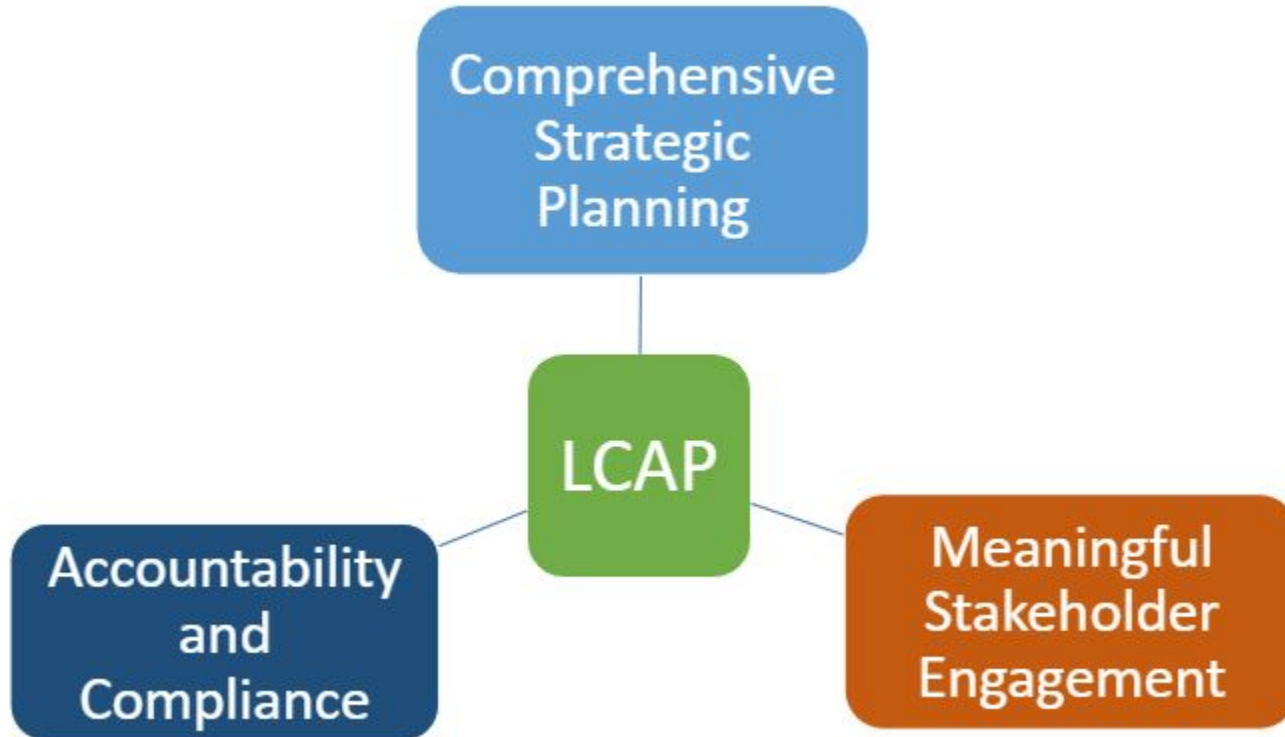
# Reminder: Present Local Indicators with LCAP Adoption



Education Code 52064.5 (e) (2) requires that the governing body of a school district, county board of education, or governing body of a charter school review any data to be publicly reported for local indicators ***in conjunction with the adoption of the LCAP.***



# Elements of LCAP Development



# The Vision

Given present performance across the state priorities and on indicators in the California School Dashboard, how is the LEA using its **budgetary resources** to respond to **student and community needs**, and address any performance gaps, including by meeting its obligation to **increase or improve services** for foster youth, English learners, and low-income students?

LEAs are encouraged to focus on a set of **metrics** or a set of **actions** that the LEA believes, based on input gathered from **stakeholders, research,** and **experience**, will have the biggest impact on behalf of its students.

# Elements of the LCAP

## Annual Update

**Draft Annual Update for the 2019–20 Local Control and Accountability Plan Year**

Local Educational Agency (LEA) Name	Contact Name and Title	Email and Phone
[Insert LEA Name here]	[Insert Contact Name and Title here]	[Insert Email and Phone here]

Complete a copy of the following table for each of the local educational agency's (LEA's) goals from the 2019-20 Local Control and Accountability Plan (LCAP). Duplicate the table as needed.

**Goal #**

[Describe goal here]

State and/or Local Priorities addressed by this goal:

State Priorities: [Add State Priorities Here]

Local Priorities: [Add Local Priorities Here]

Annual Measurable Outcomes	
Expected	Actual
[Add expected outcome here]	[Add actual outcome here]
[Add expected outcome here]	[Add actual outcome here]
[Add expected outcome here]	[Add actual outcome here]

A description of any substantive differences in planned actions and actual implementation of the actions.

[Add text here]

An explanation of material differences between Budgeted Expenditures and Estimated Actual Expenditures.

[Add text here]

An explanation of how lessons learned from implementing in-person instruction have informed the development of goals and actions in the 2021-24 LCAP, as applicable.

## Template Narrative

**Local Control and Accountability Plan (LCAP)**

Instructions for completing the LCAP follow the template.

Local Educational Agency (LEA) Name	Contact Name and Title	Email and Phone
[Insert LEA Name here]	[Insert Contact Name and Title here]	[Insert Email and Phone here]

**Plan Summary**

**General Information**  
A description of the LEA, its schools, and its students.  
[Response here]

**Reflections: Successes**  
A description of successes and/or progress based on a review of the Dashboard and local data.  
[Response here]

**Reflections: Identified Need**  
A description of any areas that need significant improvement based on a review of Dashboard and local data, including any areas of low performance and significant performance gaps among student groups on Dashboard indicators, and any steps taken to address those areas.  
[Response here]

**LCAP Highlights**  
A brief overview of the LCAP, including any key features that should be emphasized.  
[Response here]

Draft - For Review and Feedback

## Expenditure Tables

Template 1 Data Entry Table: Not for Inclusion with the LCAP Template

Goal	Action	Title	Contributing	Scope	Unduplicated Student	Location	Time Span
1	1	Instructional coaches (28 FTE)	yes	LEA-wide	All	all	ongoing
1	2	English learner support and leadership	yes	LEA-wide	English	all	ongoing
1	3	Instructional and socio-emotional	yes	LEA-wide	All	all	ongoing
1	4	Curriculum content specialist (ELA, math, science)	no	n/a	n/a	n/a	ongoing
2	1	Beginning teachers support and	no	n/a	n/a	n/a	ongoing
2	2	Professional development (classified)	yes	Schoolwide	All	All	ongoing
3	1	Child welfare attendance and safety	yes	LEA-wide	All	all	ongoing
3	2	Child welfare attendance and safety	yes	LEA-wide	All	all	ongoing
3	3	Foster youth liaison and support staff	yes	Targeted	Foster Youth	all	ongoing

Personnel Expense	Total Personnel	Total Non-personnel	LCFF Funds	Other State Funds	Local Funds	Federal Funds	Total Funds
100%	\$ 3,088,959	\$ -	\$ 2,157,951	\$ -	\$ -	\$ 931,008	\$ 3,088,959
100%	\$ 693,285	\$ -	\$ 693,285	\$ -	\$ -	\$ -	\$ 693,285
85%	\$ 400,000	\$ 100,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
100%	\$ 637,247	\$ -	\$ 137,247	\$ 350,000	\$ -	\$ 150,000	\$ 637,247
75%	\$ 266,290	\$ 88,750	\$ 275,000	\$ -	\$ -	\$ -	\$ 275,000
85%	\$ 21,594	\$ 5,356	\$ 26,952	\$ -	\$ -	\$ -	\$ 26,952
100%	\$ 577,017	\$ -	\$ 577,017	\$ -	\$ -	\$ -	\$ 577,017
100%	\$ 161,010	\$ -	\$ 161,010	\$ -	\$ -	\$ -	\$ 161,010
100%	\$ 70,987	\$ -	\$ 70,987	\$ -	\$ -	\$ -	\$ 70,987

## BOFP

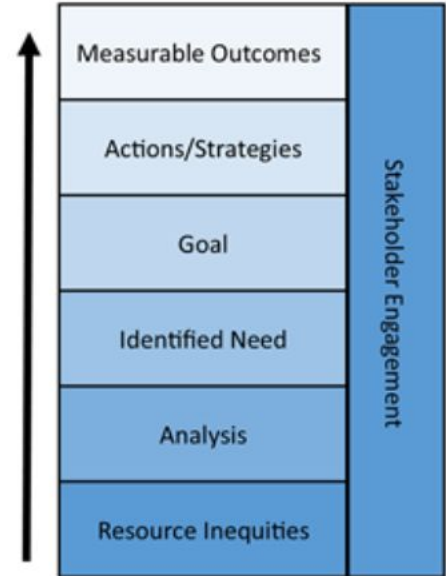
## Local Control Funding Formula (LCFF) Budget Overview for Parents Template

Developed by the California Department of Education, December 2018

# Stakeholder Engagement

The purpose of the Stakeholder Engagement section is to demonstrate that the LEA has genuinely thought about the **feedback received from stakeholders** and is acting on this feedback in a manner that best serves all students.

*School Districts and County Offices of Education:* School districts and county offices of education are required to “consult with teachers, principals, administrators, other school personnel, local bargaining units of the school district, parents, and pupils in developing” the LCAP (EC sections 52060(g) and 52066(g) respectively).



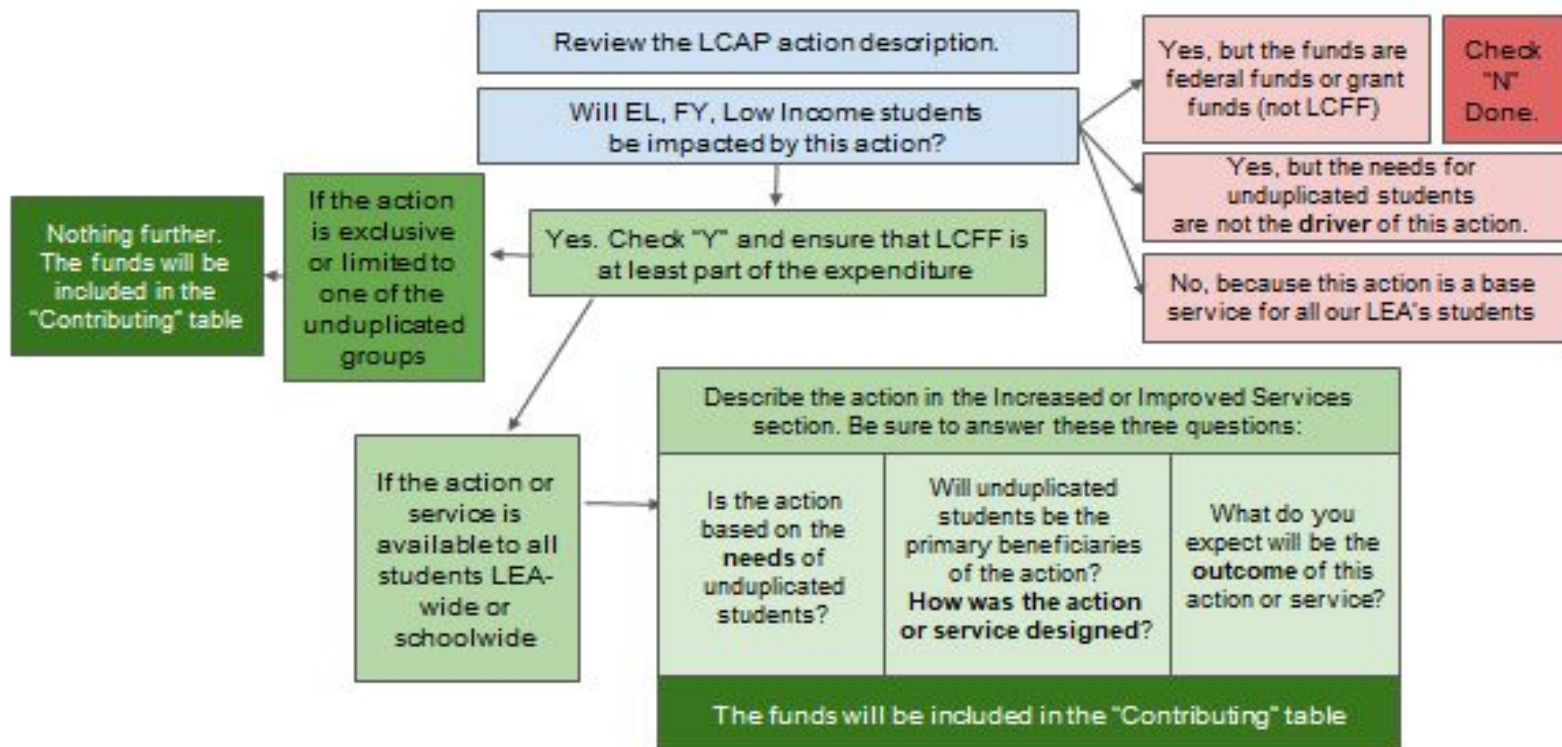
# Goals and Actions: Reminders

- LEAs should **prioritize the state priorities** within the planning process and consider verifiable state data in determining how to prioritize the specific actions and expenditures.
  - Priority 1: Basic (Conditions of Learning)
  - Priority 2: Implementation of State Standards (Conditions of Learning)
  - Priority 3: Parental Involvement (Engagement)
  - Priority 4: Pupil Achievement (Pupil Outcomes)
  - Priority 5: Pupil Engagement (Engagement)
  - Priority 6: School Climate (Engagement)
  - Priority 7: Course Access (Conditions of Learning)
  - Priority 8: Other Pupil Outcomes (Pupil Outcomes)
- LEAs must continue to **track progress of metrics** in all Local Control Funding Formula (LCFF) priorities
- LEAs that have a **numerically significant group of English learners** must include actions/services related to, at a minimum, its EL language acquisition programs, and professional development activities related to English learners in the LCAP.

# Increased or Improved Services

- How will your LEA prioritize the needs of **unduplicated pupils**?
  - Foster youth
  - English learners
  - Low-income students?
- Actions in the LCAP identified as “**Contributing**” at a LEA wide or schoolwide level must be **described and justified** using specific criteria

# Defining the Contributing Action



# Considerations for the 2021-22 LCAP

- It is expected that the use of expenditure tables should substantially reduce the length of most LCAPs.
- How much of the LEA budget should be included in the LCAP? **What funding sources should be considered?**
  - Include all supplemental and concentration funds
  - Include all funds that are necessary to meet the goals you've established for students
- **CARES funds** - include them if your LCAP includes actions that address student needs made evident by the pandemic



# Posting Order: Components of the LCAP

- 2021-22 Budget Overview for Parents
- Annual Update with Instructions
- Plan Summary
- Stakeholder Engagement
- Goals and Actions
- Increased or Improved Services
- Expenditure Tables
- Instructions





# LCAP TIMELINE

District Advisory Committee (DAC)	<ul style="list-style-type: none"> <li>• April 12</li> <li>• May 10</li> <li>• May 24</li> </ul>	Zoom Teleconference	3:30-4:45 p.m.
DELAC (District English Learner Advisory Committee)	<ul style="list-style-type: none"> <li>• April 12</li> <li>• May 10</li> <li>• May 24</li> </ul>	Zoom Teleconference	5:00-6:00 p.m.
Tentative Board Study Session	<ul style="list-style-type: none"> <li>• May 19</li> </ul>	Blended Zoom Teleconference	5:30 p.m.
Tentative Board Public Hearing	<ul style="list-style-type: none"> <li>• June 9 or</li> <li>• June 16</li> </ul>	Blended Zoom Teleconference	5:30 p.m.
Board Adoption	<ul style="list-style-type: none"> <li>• June 23</li> </ul>	Blended Zoom Teleconference	7:00 p.m.





## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.187</b> Board Consideration of Approval of Consent Calendar
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>

<ul style="list-style-type: none"> <li>a. Approval of the Agenda</li> <li>b. Minutes: March 24, 2021 Regular Board Meeting Minutes: April 1, 2021 Special Board Meeting Minutes: April 15, 2021 Special Board Meeting</li> <li>c. Payment of Warrants: <u>Vendor Warrant Numbers:</u> 21394791-21394834; 21395763-21395800; 21396764-21396787; 21397320-21397321; 21397658-21397685; 21398696-21398763; 21399304-21399325 <u>Certificated/Classified Payrolls Dated:</u> 03/31/21, 03/19/21, 04/09/21</li> <li>d. Personnel               <ul style="list-style-type: none"> <li>1. Resignations/Retirement</li> <li>2. Leave of Absence Request</li> <li>3. New Hires/Reclassifications</li> </ul> </li> <li>e. Donations</li> <li>f. Inspector of Record for Vernon E. Greer Elementary HVAC Upgrade and Roof Replacement 02-117322</li> </ul>	
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# Galt Joint Union Elementary School District BOARD OF EDUCATION MINUTES

This meeting is held pursuant to Executive Order N-26-20 issued by California Governor Gavin Newsom on March 12, 2020.

## Regular Board Meeting

Zoom Teleconference

March 24, 2021

Webinar Meeting ID: 844 7923 8409

## Board Members Present

Thomas Silva  
Wesley Cagle  
Traci Skinner  
Grace Malson  
Casey Raboy

## Administrators Present

Karen Schauer	David Nelson
Lois Yount	Jennifer Porter
Claudia Del Toro-Anguiano	Laura Papineau
Donna Mayo-Whitlock	Stephanie Simonich
Donna Gill	Judi Hayes
Kuljeet Nijjar	Leah Wheller
	Ron Rammer

- A. Thomas Silva announced items to be discussed in Closed Session.
- B. Present for Closed Session: Thomas Silva, Wesley Cagle, Traci Skinner, Grace Malson, Casey Raboy, Karen Schauer and Chris Keiner, Attorney at Law

Closed Session was called to order at 6:05 p.m. to discuss the following items:

- 1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF GOVERNMENT CODE 54956.9
  - Two potential cases
- 2. PUBLIC EMPLOYMENT, Government Code §54957
  - Superintendent
- 3. CONFERENCE WITH LABOR NEGOTIATOR, Government Code §54957.6  
Agency Negotiator: Karen Schauer, Lois Yount, Donna Mayo-Whitlock, Claudia Del Toro-Anguiano
  - Employee Agency: (GEFA) Galt Elementary Faculty Association
  - Employee Agency: (CSEA) California School Employee Association
  - Non-Represented Employees
- C. Closed Session Adjourned at 7:16 p.m. The open meeting was called to order at 7:24 p.m. by Thomas Silva. He announced no action taken in closed session followed by the flag salute.
- D. Karen Schauer shared the Teleconference Board Meeting Protocol.
- E. Reports

## LCAP GOAL 1

*Develop and implement a personalized learning and strengths-based growth plan for every learner that articulates and transitions to high school learning pathways while closing the achievement gap.*

### 1. Superintendent Report

Karen Schauer, Superintendent, shared how wonderful it is to serve as the superintendent of GJUESD. She is honored to see students transition to in-person learning beginning tomorrow for students that want to come back to school.

Dr. Schauer shared that she participated in phenomenal sessions with Stanford d.school and Genetec regarding the Reach for the Upside program, working on prototypes to advance innovative and impactful education projects with Claudia Del Toro-Anguiano, Curriculum Director, and Jennifer Collier, Extended Learning Supervisor.

Additionally, Dr. Schauer stated that despite the challenges the District is working through, it has to look to the future. The District is moving forward to develop the new 3-year accountability cycle for the Local Control Accountability Plan (LCAP) and is essential to work through the process to develop something strong.

Dr. Schauer reflected that she started working in the District in 1980. She was hired to teach 1<sup>st</sup> grade at Fairsite Elementary School and indicated it had been a dream come true that she has served 40 years as a teacher, administrator and fourteen years as superintendent. However, now is the time for the District to look for a new superintendent. She is looking to retire when the time is right. Dr. Schauer indicated she is not in a rush to retire and she would like to see what direction the District goes towards in the next few months. She recognized her colleagues and husband. She stated that she loves the District very, very much.

Tom Silva, Board President, stated that Dr. Schauer had set the bar high. He indicated that every event that he has ever attended in the school district, Dr. Schauer has been in attendance. Her presence has always been felt. That is a great reflection of the type of superintendent she has been. The District has been very lucky to have her.

## LCAP GOAL 3

*Processes and measures for continuous improvement and accountability are applied throughout the District, including personalized evaluation processes for educators.*

### 1. Assembly Bill 86 and District Transitional Learning Model Implications

Karen Schauer reported that it is a challenging time in education. There is funding coming from the state and federal levels to address learning loss during the pandemic and some significant resources to consider. The goals of the report are 1) provide information on what AB86 and additional COVID relief funding mean for our schools 2) share upcoming strategic planning efforts with coordination of other initiatives 3) present March 20, 2021, California Department of Health (CDPH) guidance highlights 4) clarify the current status of reopening and implications given new guidance and other factors 5) present next steps for reopening and strategic

planning efforts.

Lois Yount, Business Services Director, reported three new funding sources coming to the District:

- 1) AB86 will provide GJUESD with \$3,453,195 for in-person instruction and expanded learning opportunities. A funding plan needs to be Board approved by June 1, 2021. The expenditure timeline is through August 31, 2022. The plan will outline a learning recovery plan that, at a minimum, provides supplemental instruction, support for social and emotional well-being, and meals.
- 2) Elementary and Secondary School Emergency Relief Fund (ESSER) II will provide GJUESD with \$3,434,656 for addressing learning loss, preparing schools for reopening, testing, repairing, and upgrading projects to improve air quality in school buildings. The expenditure timeline is March 13, 2021-September 30, 2023.
- 3) American Rescue Plan will provide GJUESD with \$7,643,315. The plan must reserve at least 20% for learning loss mitigation such as after-school programs, summer school, extended day/year programs that target English Learners, socioeconomically disadvantaged, homeless, and foster youth. 80% of funds can be used, similar to ESSER II. The expenditure timeline is through September 2024.

Ms. Yount stated that funds are distributed based on the Local Control Funding Formula (LCFF). Districts that have higher unduplicated counts will receive more funds.

Tom Silva asked if any of these funds will offset any of the state funding deferrals.

Lois Yount said no. The state deferrals began in February and will continue until the fall. The new COVID funding is projected. The District has not received it yet. She emphasized that the funds are all one-time funds. The District will need to be cautious and plan smart.

Additionally, preliminary projections from SchoolWorks regarding student enrollment indicate that even with projected development, the District will be down 62 students from current funding in six years. Once the one-time funds are spent, the District will still be in declining enrollment.

Grace Malson, Board Member, asked if there is a reason for declining enrollment?

Lois Yount stated that the District has been in declining enrollment for a few years. She indicated most districts in California are in declining enrollment. The dip in enrollment this year is most likely due to the pandemic.

Wesley Cagle, Board Member, asked if the COVID funds are one-time funds, will the summer learning loss opportunities only be offered for a short time?

Lois Yount said yes, that is correct. The funds will allow for services this summer and next summer.

Tom Silva asked if declining enrollment mirrors statewide trends.

Lois Yount indicated she is not as familiar with California trends. She stated the

District is working on a demographic study and will include statewide trends and county trends in the study if possible.

Tom Silva said if declining enrollment is a statewide trend, it is beyond the District's control but if it is a local trend, then it is something to look at.

Donna Whitlock, Educational Services Director, reported the 3-year LCAP is the District's strategic plan, postponed one year due to the pandemic. It reflects the District's key priority areas and how to best use resources to implement services for action. The District wants to revise goal areas with stakeholder feedback. This feedback began last year with stakeholder meetings and board meetings as the District considered social-emotional learning being optional or not. The recommendation from stakeholder committees was to focus on social-emotional learning as a must-have. Ms. Whitlock indicated the District administered the CalSchools survey last March. The District was narrowing in on four goal areas but it took a backseat due to the pandemic. As the District considers the new LCAP cycle, it needs to look at goals and align resources. The District will be "braiding" funding, including Title 1, 2, and 3 dollars in the LCFF and other state funding plus AB86 and federal ESSER funding. District leadership will bring updates to the Board throughout the year. Additionally, in December, the Board approved School Plans for Student Achievement (SPSA's) for approval. The District is aligning the timeline of the SPSA with the LCAP so the SPSA's will be the school's strategic plan. Ms. Whitlock reviewed the LCAP timeline through June 23, 2021.

Karen Schauer stated that the Board might want to hold a special board meeting in April to consider important work regarding in-person learning and added resources. Additionally, the District is launching the CalSchls survey in April. It will adapt to how a student is learning during the pandemic; distance learning and in-person learning.

Grace Malson said it would be nice to reach out to students through a wellness center at elementary schools.

Donna Whitlock stated that this subject was recently discussed at an advisory committee meeting. The committees have given feedback on social-emotional issues. She indicated that the District is fortunate to have social workers at each school site. The idea of mini-wellness centers at elementary locations is a great thought.

Donna Whitlock reported the California Department of Public Health (CDPH) updated its guidance to align with the Center for Disease Control (CDC) Guidance. On March 20, 2021. The new guidance changed the recommendation for social distancing as it relates to classroom seating. The recommendation is now 3ft vs. 6ft. It remains 6 ft throughout the rest of the District, especially between adults. Additional updates included notifications related to exposure to determine what kind of communications go out and to who.

Wesley Cagle asked if this guidance was in coordination with CalOsha?

Donna Whitlock indicated it is in coordination with CalOsha and that the COVID-19 Worksite Specific Plan may need to be updated. However, the District is not making any changes to social distance requirements at this time.

Tom Silva asked if classrooms have been measured to determine capacity at 3ft?

Lois Yount said yes. Approximately 30-32 desks can fit into a classroom in traditional-style rows.

Traci Skinner asked if the new 3ft social distancing guideline applies to transportation?

Lois Yount indicated there is no change to the guidance for transportation

Wesley Cagle asked if teachers are expected to teach from the front of the class to adhere to adults' 6ft social distancing requirements.

Lois Yount said it is ok to assist a student while standing less than 6ft from the student for less than 15 minutes.

Donna Whitlock emphasized the use of face coverings.

Claudia Del Toro-Anguiano reported that Sacramento County has transitioned to the Red Tier. GJUESD has transitioned from a distance learning model to a blended model, with 84% of students returning to in-person learning. She indicated layers of safety protocols are being implemented along with maintaining 6ft social distancing guidelines.

Ms. Del Toro-Anguino reflected to moving from a blended model to an in-person model. Some important considerations are pandemic conditions social distancing requirements outside of the classroom, length of the school year remaining, and rescheduling requirements. The original transitional model does not account for ongoing changes, including vaccine availability and CDPH guidance changes.

Traci Skinner asked if any of the guidance has changed due to teachers getting vaccinated.

Donna Whitlock said the new guidelines do not address vaccinated employees.

Claudia Del Toro-Anguiano stated that the guidance is recommendations, not mandates. Suppose the District considers implementing a 3ft social distance requirement in the classroom. In that case, it needs to consider how to offer lunch and transportation where the requirement is still 6ft social distancing.

Karen Schauer stated that the District would not re-open fully without an updated and CDPH approved safety plan.

Traci Skinner confirmed that the safety plan is a mandate.

Donna Whitlock stated that more updated guidance would come. The District is lucky to start in-person learning before spring break. We want to be successful at our blended model before moving to another model.

Claudia Del Toro-Anguiano stated that staff have done a phenomenal job of welcoming back students and families.

Wesley Cagle asked if 84% of students are coming back to in-person learning.



How does that compare with surrounding districts?

Karen Schauer said GJUESD has one of the highest percentages of families wanting to come back to in-person learning. It is different in different communities. She added, many families are not permitted to work from home.

Claudia Del Toro-Anguiano said districts with a lower percentage of children coming back might be able to pivot to a 5-day model more easily.

Grace Malson asked if the changing guidelines would change the transitional reopening schools model. She has not heard anything about Sacramento County going into the Orange Tier any time soon. She indicated the current model does not address five days a week of in-person learning until the county reaches the yellow tier. How feasible is it that the model would change?

Tom Silva said it would seem that we would need input from all stakeholders regarding a change to the model to align it with current pandemic conditions.

Donna Whitlock said the current model is based on the 6ft physical distancing guidance from CDPH to prevent the spread of COVID. The District will need strong guidance from CDPH to make changes.

Karen Schauer reflected to when the Board asked what it would take to open schools fully. It is the reduction of restrictions. The CDC and CDPH recommendation of at least three feet for students in classroom settings does and continues to recommend at least 6 feet guidance in other areas.

Wesley Cagle stated that all board members had received emails from community members regarding schools reopening. He confirmed that the Transitional Reopening Schools Model is on the District website.

Karen Schauer indicated it is. Additionally, the District has 13 labor agreements with teachers and classified staff aligned with the model.

Karen Schauer stated the next steps. She is grateful that parents want to come back to campus and that staff has worked tirelessly to make that happen. The District is looking to a gradual and thoughtful reopening. That is safe and successful in a blended am/pm model. The District will research the feasibility of transitioning from the am/pm blended model to a less restrictive model and holding a special board meeting to consider it. Additionally, the District is at a critical point in the next couple of months to look at where the District is going in the next few years related to the LCAP.

Karen Schauer stated information regarding health guidelines and funding is coming out daily/weekly. The District is working to surface funding and strategic planning at schools and the district levels.

Wesley Cagle asked when summer school was offered last.

Donna Whitlock said approximately ten years ago for the general population of students. Extended year for special needs students and migrant students are offered yearly.

Casey Raboy asked when the Board will see what summer services could look like?

Donna Whitlock indicated by the end of April or sooner.

Thomas Silva said more than anything else, the District needs to find out if staff is interested in extended year or summer school. Clearly, we need to focus on learning loss.

Public Comments: Martha Vielma, Kathy Loesch, Bryant Gomez, Kristi Schwartz-Ward, Kim Lizama addressed the Board regarding reopening schools.

Lois Yount addressed the use of disinfectant in classrooms. She indicated disinfectant information is on the District website and approved by the Environmental Protection Agency (EPA) for use in schools with minimal hazards or risks.

Grace Malson asked if Clorox disinfecting wipes is ok to use in classrooms?

Lois Yount said no, Clorox wipes should not be used in classrooms. The District has ordered disinfecting wipes for classrooms as needed and middle school because their schedule and setting are different from those of elementary schools.

Tom Silva stated that the current use and frequency of disinfectant are in accordance with guidance from CDPH and included in our back-to-school safety plan, which is on the school district website.

**F. Routine Matters/New Business**

202.177 Grace Malson made a motion to approve the Consent Calendar, seconded by Casey Raboy and unanimously carried.

**Consent Calendar**

- a. Approval of the Agenda
- b. Minutes: February 24, 2021 Regular Board Meeting  
Minutes: March 4, 2021 Special Board Meeting
- c. Payment of Warrants:  
Vendor Warrant Numbers: 21390600-21390637, 21391677-21391722, 21392913-21392968, 21393928-21393967  
Certificated/Classified Payrolls Dated: 02/24/21, 3/10/21
- d. Personnel

Name	Position	Effective Date	Site
<b>Resignations</b>			
Holland, Launi	Teacher	6/4/21	River Oaks
Jensen, Karissa	Instructional Assist. Special Education	3/14/21	Valley Oaks
LaQuay, Katherine	Teacher	6/4/21	Vernon E. Greer
Newman, Ryan	Technology Assistant	3/19/21	District Office
Sanchez, Lucero	Instructional Assist. Special Education	3/4/21	Fairsite
<b>Leave of Absence Requests</b>			
Baglietto, Cheryl	Health Assistant	3/3/2021	Vernon E. Greer
Bernal, Maria	Bilingual Instruction Assist.	3/18/21	River Oaks
Duenas, Erika	Teacher	3/25/21	McCaffrey Middle

Gomez, Lorena	Yard Supervisor	3/9/21	Lake Canyon
Martindale, Cozann	Teacher	3/5/21	McCaffrey Middle
Montgomery, Kari	Teacher	3/25/21	McCaffrey Middle
Ostrander, Lisa	Bus	2/5/21	Transportation
Reuthinger, Heidi	Instructional Assst.	2/22/21	Lake Canyon
Setberg, Kitty	Teacher	3/18/21	Vernon E. Greer
<b>New Hires/Reassignment</b>			
Anderson, Yvonne	Yard Supervisor	-----	Marengo Ranch
Bundsen, Karrie	Instructional Asst. Special Education	-----	Lake Canyon
Chavez, Laura	Bilingual Instructional Asst.	-----	Fairsite
Flowers-Collins, Dezeria	Yard Supervisor	-----	McCaffrey Middle
Fritts, Lindsey	Yard Supervisor	-----	McCaffrey Middle
Hall, John	Classified Substitute	-----	N/A
Moe, Stephanie	Instructional Asst. Special Education	-----	River Oaks
Pamplona, Susan (reassignment)	Payroll Technician	-----	District Office
Quitter, Anna	Classified Substitute	-----	N/A
Rocha, Taylor	Instructional Asst. Special Education	-----	McCaffrey Middle
Valencia, Connie (reassignment)	Accounts Payable Clerk	-----	District Office
Villalpando, Maria (reassignment)	Early Childhood Education Home Visitor	-----	Fairsite
Warner, Katherine	Certificated Substitute	-----	N/A

e. Donations

f. SchoolWorks Professional Services Agreement

- 202.178 Consent Calendar (Continued) – Items Removed for Later Consideration. There were no items removed.

**CC  
Items  
Removed**

- 202.179 Wesley Cagle made a motion to approve the GJUESD Audit Report for Fiscal Year Ended June 30, 2020, seconded by Traci Skinner and unanimously carried.

**Audit Report**

Michael Ash presented the Audit Report. He reported an unmodified opinion. Mr. Ash indicated the financial statements referred to in the report present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Galt Joint Union Elementary school District, as of June 30, 2020.

- 202.180 Grace Malson made a motion to approve the Memorandum Of Understanding Between the California School Employees Association and its Galt Chapter #362 (CSEA) and the GJUESD Regarding 1) Reduction in Hours – Bilingual Office Assistant to Special Programs, 2) Increase in Hours – Personnel Technician, 3) New Positions, seconded by Traci Skinner and unanimously carried pending CSEA ratification.

**CSEA MOU**

- |         |  |   |
|---------|--|---|
| 202.181 | Casey Raboy made a motion to approve Memorandum Of Understanding Between the California School Employees Association and its Galt Chapter #362 (CSEA) and the GJUESD Regarding One-time Stipend for Reopening Transitions, seconded by Grace Malson and unanimously carried. | <b>CSEA MOU</b>                         |
| 202.182 | Wesley Cagle made a motion to approve a one-time Stipend for Non-Represented Employees and Management for Reopening Transitions, seconded by Casey Raboy and unanimously carried.  | <b>Non-Rep</b>                          |
| 202.183 | Grace Malson made a motion to approve Resolution #11 Denouncing Anti-Asian Racism Due to COVID-19 Global Pandemic in Support of Asian American and Pacific Islander Communities, seconded by Casey Raboy and unanimously carried.  | <b>Res 11<br/>Anti-Asian<br/>Racism</b> |

**G. Board members congratulated Dr. Schauer on the announcement of her retirement.**

**H. Pending Agenda Items**

1. School District Properties
2. Low Performing Block Grant: Mathematics
3. Brown Act Updates

**I. Adjournment 9:31 p.m.**

# GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT BOARD OF EDUCATION MINUTES

This meeting is held pursuant to Executive Order N-26-20 issued by California Governor Gavin Newsom on March 12, 2020.

## Regular Board Meeting

Zoom Teleconference

April 1, 2021

Webinar Meeting ID: 850 1700 0590

## Board Members Present

Thomas Silva  
Wesley Cagle  
Traci Skinner  
Grace Malson  
Casey Raboy

## Administrators Present

Karen Schauer  
Lois Yount  
Claudia Del Toro-Anguiano  
Donna Mayo-Whitlock

- A. Thomas Silva announced items to be discussed in Closed Session
- B. Present for Closed Session: Thomas Silva, Wesley Cagle, Traci Skinner, Grace Malson, Casey Raboy, Karen Schauer

Closed Session was called to order at 6:11 p.m. to discuss the following items:

- 1. PUBLIC EMPLOYMENT, Government Code §54957
  - Superintendent
- 2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS, Proposed School Site Within Simmerhorn Project and Related Projects, Government Code §54956.8
  - East Galt Infill Annexation/Simmerhorn Ranch Project
  - Summerfield at Twin Cities Project
  - Fairway Oaks Project
- C. Closed Session Adjourned at 7:05 p.m. The open meeting was called to order at 7:11 p.m. by Thomas Silva. He announced no action taken in closed session followed by the flag salute.
- D. Karen Schauer shared the Teleconference Board Meeting Protocol.

## E. New Business

- 202.184 Karen Schauer recognized David Gordon, Sacramento County Superintendent of Schools. She indicated the Sacramento County Office of Education (SCOE) had prepared a contract for consideration that outlines services for assisting the GJUESD Board of Trustees in selecting the next superintendent.

**SCOE  
Agreement**

Mr. David Gordon thanked the Board for their consideration. He indicated he has worked with Robla, Elverta, and River Delta School Districts to select new superintendents. All the superintendents have stayed until retirement or are still serving their respective school districts. The selection process includes 1) recruitment; 2) advertising in appropriate professional journals; 3) outreach with superintendents in the region and state, to work towards finding suitable candidates; 4) staff and community input forums to gain insight into what they would like to see in a new superintendent.

Mr. Gordon would then meet with the Board in a closed session meeting to give feedback and finalize the process to select a new superintendent. He anticipates interviews at the beginning of June so the Board can make an appointment by the end of June.

Thomas Silva asked if Mr. Gordon could explain the urgency to expedite the search process. What typically goes on this time of year when searching for a new superintendent?

Mr. Gordon indicated this time of year is late in the superintendent hiring season to get the highest number of high-quality candidates. Also, with the pandemic emergency, the state is seeing an unprecedented number of superintendents retire. The GJUESD will be considered an attractive job opportunity because of the quality of leadership and programs.

Thomas Silva reflected on what kind of superintendent the District has had and his appreciation for Dr. Schauer's service to the District. He is looking forward to input from stakeholders to understand what their expectations are.

Wesley Cagle made a motion to Approve a Proposal for the Sacramento County Office of Education to Conduct the Superintendent Search for the GJUESD, seconded by Grace Malson and unanimously carried.

202.185 Grace Malson made a motion to Approve Public Agency Retirement Services (PARS) Supplementary Retirement Plan for Certificated Non-Management Employees, seconded by Thomas Silva and unanimously carried. MOTION

**F. Public Comments**

There was no public comment.

**G. Pending Agenda Items**

1. School District Properties

2. Low Performing Block Grant: Mathematics
3. Brown Act Updates

**H. Adjournment** 7:35 p.m.

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Wesley Cagle, Clerk

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Date

# GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT BOARD OF EDUCATION MINUTES

This meeting is held pursuant to Executive Order N-26-20 issued by California Governor Gavin Newsom on March 12, 2020.

**Special Board Meeting**  
Zoom Teleconference

**April 15, 2021**  
Webinar Meeting ID: 892 2427 1931

## **Board Members Present**

Thomas Silva  
Wesley Cagle  
Traci Skinner  
Grace Malson  
Casey Raboy

## **Administrators Present**

Karen Schauer	Ron Rammer
Lois Yount	Donna Gill
Claudia Del Toro-Anguiano	Laura Papineau
Donna Mayo-Whitlock	Kuljeet Nijjar

- A.** Thomas Silva announced items to be discussed in Closed Session.
- B.** Present for Closed Session: Thomas Silva, Traci Skinner, Grace Malson, Casey Raboy, Karen Schauer, Chris Keiner, Attorney at Law and David W. Gordon, Sacramento County Superintendent of Schools
1. PUBLIC EMPLOYEE APPOINTMENT, Government Code §54957
    - Superintendent
  2. CONFERENCE WITH LABOR NEGOTIATOR, Government Code §54957.6  
Agency Negotiator: Karen Schauer, Lois Yount, Donna Mayo-Whitlock, Claudia Del Toro-Anguiano
    - Employee Agency: (GEFA) Galt Elementary Faculty Association
    - Employee Agency: (CSEA) California School Employee Association
    - Non-Represented Employees
  3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS, Proposed School Site Within Simmerhorn Project and Related Projects, Government Code §54956.8
    - East Galt Infill Annexation/Simmerhorn Ranch Project
    - Summerfield at Twin Cities Project
    - Fairway Oaks Project
- C.** Closed Session Adjourned at 6:10 p.m. The open meeting was called to order at 7:05 p.m. by Thomas Silva. He announced no action taken in closed session followed by the flag salute.
- D.** Karen Schauer, Superintendent, shared the Teleconference Board Meeting Protocol.



## E. New Business

202.186 Karen Schauer provided an overview of the action item. She stated that the District is in the second week of in-person learning and recognized families, students, and staff to follow new processes and procedures to get in-person learning off to a good start.

Volunteer  
Summer  
Program

Dr. Schauer stated that at the March 24, 2021 board meeting, the Board was updated on reopening efforts, including changes to social distancing requirements in classrooms. Next steps were shared that included scheduling a special board meeting regarding transitioning the learning model before the last day of school.

Dr. Schauer reported that schools just completed the first full week of blended learning after spring break. The District intends to fully transition to the traditional learning model 5 days per week when pandemic conditions and other factors permit. She indicated the District had been challenged with changing pandemic conditions, and resulting health guidance has impacted the transition progression.

Dr. Schauer shared challenges to consider if the District transitions from the AM/PM blended learning model to a Modified Traditional Model by early May. They include: 1) learning program transition would occur with only 5 to 7 weeks of school left, resulting in the creation of new school and family schedules, numerous services adjustments, new teacher and student assignments, and additional labor group consultations and agreements. 2) 84% of GJUESD students are attending school for in-person learning. The recent change to 3 feet distancing is limited to classroom settings. Additionally, there are teachers serving students concurrently in the classroom and distance learning. The District has tried hard to minimize changes between teachers and students, including at the middle school.

Lois Yount, Business Services Director, provided additional transportation information. She stated the AM/PM model allows the District to transport more students because there is a morning and afternoon schedule. There are a lot of students that rely on transportation. Currently, there are about 30 students on a waitlist. If the District transitions to a 5-day model, transportation would only be able to transport approximately 40% of the students transported in the past until restrictions are lifted. The largest school bus can accommodate 26 students.

Donna Whitlock, Educational Services Director, stated that when the District implemented the AM/PM blended model, some parents brought their children back to in-person learning who requested to remain in distance learning if a 5-day model is considered. She indicated some families are not comfortable with a full campus. The District would need to hire more distance

learning teachers. Currently, the District has approximately 200 students participating in distance learning, with teachers serving them concurrently with students attending in-person learning. It will make it more difficult to serve students concurrently. She added that it would be challenging to maintain current student/teacher assignments.

Claudia Del Toro-Anguiano, Curriculum Director, stated that there is a greater chance of addressing learning loss when there are fewer students in the classroom, both emotionally and academically.

Karen Schauer stated that most families are sending their students to school for the AM/PM model. Some districts have 30-40% students returning to on-campus learning. The GHSD is at about 60%. Part of the challenge right now is the social distance requirements.

Donna Whitlock stated the social distance requirement guidance of 3 ft from 6 ft applies just in the classroom and is just between students. Adults still need to maintain 6ft apart and outside of the classroom; students still need to be 6 ft apart. The cafeterias would not be able to accommodate all students.

Karen Schauer emphasized that transportation cannot support a full 5-day schedule for all students needing services.

Lois Yount restated that students have to be 3 ft apart on the bus, which is one student per seat for a total of 26 students on the largest busses.

Karen Schauer said given the current distancing requirements, teachers have indicated that teachers have smaller class sizes allowing teachers to provide more personalized learning. They also told they have observed a level of fatigue with children at school. The District is just getting back to the AM/PM model. Will moving to another model so quickly allow kids to be more successful?

Claudia Del Toro-Anguiano added, we know that children are flexible. They have only received nine days in this new AM/PM model. The District should be aware of how much disruption children can take.

Karen Schauer stated that the District is looking at a June extended year program. The goal of the summer school program is to have 50-60% attendance. The model would be open to all students full-day, prioritizing students with high needs. She indicated staff is giving 150%. The thought of making another transition in early May while preparing a summer school program is challenging. There is a strong interest in supporting a summer program. It may be challenging to hold that interest if the District transitions to another learning model.

The recommendation is to approve that the District continue with the AM/PM blended model through June 4 and implement a voluntary summer school program through June 30.

Public Comments: Stephanie, Kristi Ward, Mallory, Shana Gibbons, Barbara Woods, Elaine Trull, and Jennifer addressed the Board.

Tom Silva, Board President, asked Lois to clarify the transportation challenge.

Lois Yount stated that there is a shortage of school bus drivers in California. The District has three buses that are not being used. The largest bus holds 26 students at 50% capacity. The District cannot move as many children as pre-pandemic. The actual capacity is more like 30-40% because some routes held three students per seat.

Wesley Cagle, Board Member, asked if pop-up tents could be used to eat meals.

Lois Yount indicated students could eat outside or in classrooms.

Traci Skinner, Board Member, asked if it is possible to survey to determine transportation needs? The District may see less demand if a full-day program is offered.

Lois Yount stated that considering the number of students transported before the pandemic, the District was transporting hundreds of students. Based on that history, the District would need to provide similar levels of transportation.

Traci Skinner indicated it seems like a lot of people are teleworking.

Lois Yount said a lack of transportation services would affect middle school students the most.

Traci Skinner asked if there is a possibility of bringing K-6 students back to full-time on-campus learning and not 6-8 since there appear to be more challenges with middle school.

Karen Schauer stated that could work but not sure how the District would address the staffing changes needed. Will current teachers that are teaching concurrently continue to serve their distance learning students? The District could not guarantee that the current teacher/student assignment would stay stable.

Traci Skinner indicated parents need to understand that everyone needs to be flexible. There may be sacrifices to getting kids to come back full-time in-person learning. She suggested

she does not want to lose momentum with seven weeks left in the school year.

Karen Schauer emphasized it takes the system to serve the children. Staff members are giving it everything they can. It's the aspect of what it would take to make it all go. It would not be a regular schedule. She indicated she is not aware of any district that has been able to go back to a regular schedule due to health guidance that has not gone away. GJUESD has been able to serve children with appropriate staffing levels. The District has also spoken to parents who did not comment tonight who have concerns about a 5-day model, and another change for one month of school.

Claudia Del Toro-Anguiano stated that some parents ask why the District is considering a 5-day learning model in the summer but not now. She indicated the District is serving over 80% of students on campus. If there were fewer students, the District might implement a 5-day model after spring break. She added that the District might want to consider quality over quantity to address learning needs better.

Tom Silva asked how students are responding. Are they fatigued as he has heard? The AM/PM model appears to be a positive experience.

Claudia Del Toro-Anguiano indicated the first week back was hard. The children were very quiet. Their desks are back in rows, and they have masks on. The second week, children seemed more engaged. Some of the little ones are still struggling. They need more time to get used to being back on campus.

Tom Silva asked what the focus of the summer plan is?

Claudia Del Toro-Anguiano stated the District is still developing the focus areas. The plan will use MAP academic tests results to determine where children are and where they need to be based on grade-level standards.

Karen Schauer stated there are 94 teachers interested in supporting summer services.

Grace Malson, Board Member, indicated she read an article about youth going back to school and getting fatigued, and it gave guidelines on how to interact with your children. She said she had experienced this first hand. Youth are exhausted. It is fabulous that staff is vaccinated, but I am reminded that children are not vaccinated. Some students do have anxiety about getting sick.

Wesley Cagle states nothing is normal, but it is better than it was. He indicated he is personally not comfortable having a vote tonight as the District already has a transition model. He would like to see how things progress over the next week.

Traci Skinner indicated the same. She is not comfortable voting for the learning model but is supportive of the summer program.

Grace Malson made a motion to amend 202.186 to Approve Voluntary Summer School Program at Multiple School Locations Through June 30, 2021, and table action to Continue the four-day TK-8 AM/PM Blended Learning Model Through June 4.

**F. Public Comments:** No additional public comments

**G. Pending Agenda Items**

1. School District Properties
2. Low Performing Block Grant: Mathematics
3. Brown Act Updates

**H. Adjournment** 8:21 p.m.



# CONSENT CALENDAR

## Human Resources

Recommend approval of the following:

### Retirements

Name	Position	Effective Date	Site
Burnett, Catherine	Teacher	6/30/21	Marengo Ranch
Byerly, Lynn	Teacher	6/30/21	Vernon E. Greer
Ernst, Kelly	Teacher	6/30/21	McCaffrey
Fluty, Lynne	Teacher	6/30/21	Marengo Ranch
Hunt, Judith	Cafeteria Cashier	6/04/21	Lake Canyon
Jackson, Laurie	Teacher	6/30/21	Marengo Ranch
Kenneweg, Debra	Teacher	6/30/21	Lake Canyon
Loesch, Kathy	Teacher	6/30/21	Valley Oaks
Madison, Amy	Teacher	6/30/21	Vernon E. Greer
Matherly, Barbara	Teacher	6/30/21	Valley Oaks
Mikalonis, Michael	Teacher	6/30/21	Lake Canyon
Raquel, Sherilyn	Teacher	6/30/21	Lake Canyon
Richman, Robin	Teacher	6/30/21	Lake Canyon
Seamons, Valerie	Teacher	6/30/21	Lake Canyon
Setberg, Catherine	Teacher	6/30/21	Vernon E. Greer
Severin, Nancy	Teacher	6/30/21	River Oaks
Woods, Barbara	Teacher	6/30/21	Valley Oaks
Wordlaw, Mary	Teacher	6/30/21	Valley Oaks

### Leave of Absence Requests

Name	Position	Effective Date	Site
Dorheim, Robert	Instructional Assist. Special Education	3/25/21	McCaffrey Middle
Farren, Dereck	Instructional Assist. Special Education	3/25/21	McCaffrey Middle
Florez, Lizet	Instructional Assist.	3/18/21	Fairsite
Kluender, Karen	Food Service	4/29/21	Vernon E. Greer
Lopez, Veronica	Instructional Assist.	3/18/21	Fairsite
Mundy-McCook, Erin	Psychologist	5/26/21	Marengo/Lake Canyon
Partridge, Tamara	Teacher	4/9/21	Marengo Ranch
Patrick, Kirsten	Teacher	4/8/21	Valley Oaks
Williams, Janice	Instructional Assist. Special Education	4/5/21	Fairsite

## New Hires/Reassignments/Reclassifications

Name	Position	Site
Alegria, Debbie (Reclassified)	Instruct. Assistant Bilingual	Fairsite
Bachmann, Matthew	Substitute Classified	N/A
Ceja, Maritssa	Substitute Classified	N/A
Elefante-Gary, Gabrielle	Substitute Classified	N/A
Gomez, Mercedes	Instruc. Assist-Bilingual	Fairsite
Gonzalez, Maria (Reclassified)	Instruct. Assistant Bilingual	Fairsite
Gumm, Kaitlin	Substitute Classified	N/A
Gustafson, Kristen (Reassignment)	Instruct. Assistant Special Education	Fairsite
Herrera, Beverly	Yard Supervisor	Vernon E. Greer
Lopez, Veronica (Reclassified)	Instruct. Assistant Bilingual	Fairsite
Maravilla, Martha (Reclassified)	Instruct. Assistant Bilingual	Fairsite
Morris, Ashley	Substitute Teacher	N/A
Nehmer, Carmen	Substitute Classified	N/A
Nehmer, Samantha	Substitute Classified	N/A
Norris, Michael	Substitute Teacher	N/A
Papineau, Trevor	Technology Assistant	District
Raygoza-Montes, Neyda	Yard Supervisor	Valley Oaks
Robles, Cristina (Reassignment)	Secretary II	River Oaks
Robles, Heather	Instruc. Assistant Special Education	Fairsite
Robles, Marissa	Substitute Classified	N/A
Somers, Barbara (Reassignment)	Instruct. Assistant Special Education	Valley Oaks
Soria, Rosa (Reassignment)	Secretary I	River Oaks
Stancil, Erica	Substitute Classified	N/A
Swain, Heather	Substitute Teacher	N/A
Villanueva, Maria (Reclassified)	Instruct. Assistant Bilingual	Lake Canyon
Walker, Aleesa	Instructional Assistant	River Oaks



## CONSENT CALENDAR

### Donations

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#### Valley Oaks Elementary

- Cuauhtémoc and Lazaro Cueva of NLJ Traders Clothing Wholesalers donated 12 work vests valued at \$97.42 for site use





## **CONSENT CALENDAR**

Inspector of Record: Greer HVAC Upgrade and Roof Replacement 02-117322

---

All school construction projects under the jurisdiction of the Division of State Architects (DSA) must have a certified project inspector on site. KCB Investments LLC, Kent Brandon, meets all DSA compliance requirements.

Attached is a cost proposal and an agreement between GJUESD and KCB Investments LLC not to exceed \$25,000 for inspection services over the estimated four months of construction for the Greer Elementary HVAC Upgrades and Roof Replacement.

## DSA Inspection Proposal

3-30-2021

From: KCB Investments LLC

3450 Hector Road Newcastle, Ca 95658

To: Galt Joint Union Elementary School District

Re: Vernon Greer HVAC Upgrade and Roof Replacement 02-117322

We propose to perform DSA construction inspection for the aforementioned project, estimated to be completed within a 4 month construction time frame.

1. Price to be \$90.00 per hour with a 3 hour minimum charge per visit.
2. The project inspection fee estimated to not exceed \$25,000 for the 4 month schedule.
3. Work to include all observations, inspections, documentation and reports as required by the Division of State Architect per title 24 of the California Building code, relating to the DSA project inspector.
4. Inspector to be Kent Brandon.
5. We are to be an independent contractor, no benefits will be paid, and we determine; our hours based on project needs, methods, means, and provide our own tools.
6. GJUESD agrees it does not have any employees that are currently members of the Cal PERS retirements system that work in the category of DSA Inspector.
7. Billing to be monthly, payment within two weeks of billing date.

Sincerely;

Kent Brandon



Galt Joint Union Elementary School District

## Galt Joint Union Elementary School District

1018 C Street, Suite 210, Galt, CA 95632

209-744 4545 \* 209-744-4553 fax

### Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item:</b> 202.188 Consent Calendar (continued)- Items Removed For Later Consideration
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>

The Board will have the opportunity to address any items that are moved from the consent calendar.



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.189</b> Board Consideration of Approval of GJUESD 2019-2020 Measure K Bond Audit Report by Christy White Associates
<b>Presenter:</b> Lois Yount	<b>Action Item:</b> XX <b>Information Item:</b>

Education Code 41020 requires an independent annual financial and compliance audit of a school's financial and internal controls. The 2019-20 Measure K Bond Fiscal Year Audit has been completed by Christy White Associates and will be presented by Michael Ash. The District is pleased that no findings or recommendations were determined as a result of this audit.

Board approval is recommended.

Fiscal Impact: None



**MEASURE K BOND BUILDING FUND OF  
GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2020**



**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
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JUNE 30, 2020**

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**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 MEASURE K BOND BUILDING FUND  
 INTRODUCTION AND CITIZENS' OVERSIGHT COMMITTEE MEMBER LISTING  
 JUNE 30, 2020**

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Galt Joint Union Elementary School District operates five elementary schools and one middle school.

In November 2016, the voters of the District approved, by more than the required 55% favorable vote, Measure K, authorizing the issuance and sale of general obligation bonds, not to exceed \$19,700,000. Measure K is a Proposition 39 bond. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability provisions. Specifically, the District must conduct an annual independent performance audit to ensure that funds have been expended only on the specific projects listed as well as an annual, independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended for facilities projects.

Measure K bonds were issued by the District, through the County of Sacramento. On June 12, 2017, the District issued Series 2017 of the Election of 2016 General Obligation Bonds in the amount of \$9,600,000. On December 11, 2018, the District issued Series 2018 of the Election of 2016 General Obligation Bonds in the amount of \$10,100,000.

The accompanying Measure K Audit Report, for the year ended June 30, 2020, reflects the issuance of Series 2017 and 2018 of the Measure K general obligation bonds and compliance with the applicable requirements of Proposition 39 for such period.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908 (Chapter 44, Statutes of 2000), was also enacted, which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond measure pursuant to the 55% majority authorized in Measure K including formation, composition and purpose of the Citizens' Oversight Committee (COC).

The Citizens' Oversight Committee had the following members as of June 30, 2020:

<b>Name</b>	<b>Representation</b>
St Claire, Lorri	Member who has grandchildren in the District
Pruitt, Melissa	PTA Organization Member & Parent of Child in District
Wood, Anne	Parent of Child in District
St. Claire, Jim	Parent of Child in District
Rodriguez, Bonnie	Member of a Business Organization and Parent of Child in District
Cathey, Carissa	Parent of Child in District
Vacant*	Member of a Senior Citizens' Organization
Vacant*	Member of a Bona Fide Taxpayers' Organization



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## INDEPENDENT AUDITORS' REPORT

Measure K Citizens' Oversight Committee and  
Governing Board Members of the  
Galt Joint Union Elementary School District  
Galt, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Measure K Bond Building Fund of Galt Joint Union Elementary School District (the "District"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure K Bond Building Fund of Galt Joint Union Elementary School District, as of June 30, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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### **Emphasis of Matter**

As discussed in Note 1A, the financial statements present only the Measure K Bond Building Fund and do not purport to, and do not present fairly the financial position of the Galt Joint Union Elementary School District, as of June 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters specific to the Measure K Bond Building Fund. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Measure K Bond Building Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

### **Report of Other Legal and Regulatory Requirements**

In accordance with the requirements of Proposition 39, as incorporated in California Constitution Article 13A, we have issued our performance audit dated March 19, 2021, on our consideration of the District's compliance with the requirements of Proposition 39 as it directly relates to the Measure K Bond Building Fund. That report is an integral part of our audit of the Measure K Bond Building Fund of Galt Joint Union Elementary School District, as of and for the year ended June 30, 2020, and should be considered in assessing the results of our financial audit.

*Christy White, Inc.*

San Diego, California  
March 19, 2021

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## **FINANCIAL SECTION**

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**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
BALANCE SHEET  
JUNE 30, 2020**

---

**ASSETS**

Cash and investments	\$	1,471,736
Accounts receivable		<u>34,567</u>
<b>Total Assets</b>	<b>\$</b>	<b><u>1,506,303</u></b>

**LIABILITIES**

Accrued liabilities	\$	<u>717,377</u>
<b>Total Liabilities</b>		<b><u>717,377</u></b>

**FUND BALANCES**

Restricted		<u>788,926</u>
<b>Total Fund Balances</b>		<b><u>788,926</u></b>
<b>Total Liabilities and Fund Balances</b>	<b>\$</b>	<b><u>1,506,303</u></b>

The accompanying notes to financial statements are an integral part of this statement.

**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 MEASURE K BOND BUILDING FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2020**

---

<b>REVENUES</b>	
Other local sources	\$ 92,810
<b>Total Revenues</b>	<u>92,810</u>
<b>EXPENDITURES</b>	
Current	
Facilities acquisition and maintenance	8,168,728
Debt service	
Interest and other	<u>700</u>
<b>Total Expenditures</b>	<u>8,169,428</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(8,076,618)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(8,076,618)
<b>Fund Balance - Beginning</b>	<u>8,865,544</u>
<b>Fund Balance - Ending</b>	<u>\$ 788,926</u>

The accompanying notes to financial statements are an integral part of this statement.

**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2020**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

The Galt Joint Union Elementary School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

An oversight committee to the District's Governing Board and Superintendent, called the Citizens' Oversight Committee (COC), was established pursuant to the requirements of state law and the provisions of the Measure K bond. The COC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. The COC provides oversight and advises the public whether the District is spending the Measure K bond funds for school capital improvements within the scope of projects outlined in the Measure K bond project list. In fulfilling its duties, the COC reviews, among other things, the District's annual performance and financial audits of Measure K activity.

The statements presented are for the individual Measure K Bond Building Fund of the District, consisting of the net construction proceeds of Election 2016 Measure K Series 2017 and Series 2018 bonds, as issued by the District, through the County of Sacramento, and are not intended to be a complete presentation of the District's financial position or results of operations. There are no related parties or component units included in this financial statement presentation.

**B. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on the modified accrual basis of accounting. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. "Available" means the resources will be collectible within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, "available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

**C. Cash and Cash Equivalents**

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

**D. Interfund Balances**

Receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds."

**E. Accrued Liabilities**

In general, payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the fund.

**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2020**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Fund Balance**

Under GASB Statement No. 54, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The fund balance in Measure K is considered restricted.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

**G. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

**H. Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**I. Budgetary Data**

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

**NOTE 2 – CASH AND INVESTMENTS**

Cash as of June 30, 2020 consisted of \$1,471,736 deposited in the Sacramento County Treasury Investment Pool.

**A. Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2020**

---

**NOTE 2 – CASH AND INVESTMENTS (continued)**

**A. Policies and Practices (continued)**

**Investment in County Treasury** – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The Sacramento County Treasurer's pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County's investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District's investment in the pool is based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**B. General Authorizations**

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**C. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately \$1,490,253 and an amortized book value of \$1,471,736. The average weighted maturity for this pool is 281 days.

**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 MEASURE K BOND BUILDING FUND  
 NOTES TO FINANCIAL STATEMENTS, continued  
 JUNE 30, 2020**

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**D. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2020, the pooled investments in the County Treasury were rated at least A.

**E. Fair Value**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Sacramento County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2020 were as follows:

	<u>Uncategorized</u>
Investment in county treasury	<u>\$ 1,490,253</u>
<b>Total fair market value of investments</b>	<b><u>\$ 1,490,253</u></b>



**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2020**

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**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable consisted of \$34,567 from local sources at June 30, 2020.

**NOTE 4 – ACCRUED LIABILITIES**

Accrued liabilities at June 30, 2020 consisted of \$717,377 in construction related costs.

**NOTE 5 – COMMITMENTS AND CONTINGENCIES**

**A. Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2020.

**B. Construction Commitments**

As of June 30, 2020, the District had commitments with respect to unfinished capital projects of \$829,292.

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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Certified Public Accountants serving  
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

Measure K Citizens' Oversight Committee and  
Governing Board Members of the  
Galt Joint Union Elementary School District  
Galt, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure K Bond Building Fund of Galt Joint Union Elementary School District (the "District"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Galt Joint Union Elementary School District's basic financial statements of the Measure K Bond Building Fund, and have issued our report thereon dated March 19, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Galt Joint Union Elementary School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements of the Measure K Bond Building Fund, but not for the purpose of expressing an opinion on the effectiveness of Galt Joint Union Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Galt Joint Union Elementary School District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Galt Joint Union Elementary School District's financial statements of the Measure K Bond Building Fund are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christy White, Inc.*

San Diego, California  
March 19, 2021



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K-12 School Districts and Charter  
Schools throughout California

## REPORT ON PERFORMANCE

### Independent Auditors' Report

Measure K Citizens' Oversight Committee and  
Governing Board Members of the  
Galt Joint Union Elementary School District  
Galt, California

#### Report on Performance

We have audited Galt Joint Union Elementary School District's compliance with the performance audit procedures described in the *2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810, that could have a direct and material effect on Galt Joint Union Elementary School District's Measure K Bond Building Fund for the year ended June 30, 2020, as identified below.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to local school construction bonds.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance of Galt Joint Union Elementary School District's Measure K Bond Building Fund based on our performance audit of the types of compliance requirements referred to above. We conducted our performance audit in accordance with generally accepted government auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810. Those standards require that we plan and perform the performance audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. An audit includes examining, on a test basis, evidence about Galt Joint Union Elementary School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that the evidence obtained in our performance audit provides a reasonable basis for our findings and conclusions based on our audit objectives. However, our audit does not provide a legal determination of Galt Joint Union Elementary School District's compliance with those requirements.

#### **Opinion on Performance**

In our opinion, Galt Joint Union Elementary School District complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the Measure K Bond Building Fund noted below for the year ended June 30, 2020.

348 Olive Street  
San Diego, CA  
92103

O: 619-270-8222  
F: 619-260-9085  
[christywhite.com](http://christywhite.com)

## Procedures Performed

In connection with the performance audit referred to above, we selected and tested transactions and records to determine Galt Joint Union Elementary School District's compliance with the state laws and regulations applicable to the Financial Audit Procedures and Performance Audit Procedures over the Measure K Bond Building Fund. Additional agreed upon procedures relating the Measure K Bond Building Fund may also be included.

The results of the procedures performed and the related results are further described in the accompanying audit procedures and results section following this Report on Performance.

*Christy White, Inc.*

San Diego, California  
March 19, 2021

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## **AUDIT PROCEDURES AND RESULTS SECTION**

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**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
AUDIT PROCEDURES AND RESULTS  
FOR THE YEAR ENDED JUNE 30, 2020**

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**SECTION I – FINANCIAL AUDIT PROCEDURES AND RESULTS**

**Financial Statements**

As mentioned in the Report on Financial Statements, we have issued an unmodified opinion over the financial statements of the Measure K Bond Building Fund as of and for the year ended June 30, 2020.

**Internal Control Evaluation**

We tested internal controls over financial reporting and compliance with laws, regulations, or provisions of contracts or agreements and have determined through our inquiry of management and our evaluation of District processes that no significant deficiencies were noted.

**SECTION II – PERFORMANCE AUDIT PROCEDURES AND RESULTS**

**Facility Project Expenditures**

We selected a representative sample of expenditures charged to the Measure K Bond Building Fund and reviewed supporting documentation to ensure funds were properly expended on specific project(s) listed in the text of the Measure K ballot.

We tested \$5,134,741 million of non-personnel expenditures or 63% of total 2019-20 Measure K Bond Building Fund expenditures for validity, allowability and accuracy and concluded that the sampled expenditures were in compliance with the terms of Measure K ballot language, the District approved facilities plan, and applicable state laws and regulations.

**Personnel Expenditures**

Based on review of expenditure information, we noted that there were no salaries or benefits charged to the Measure K Bond Building Fund during the fiscal year ended June 30, 2020. Audit procedures over personnel expenditures was not applicable.



**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
MEASURE K BOND BUILDING FUND  
AUDIT PROCEDURES AND RESULTS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

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**SECTION II – PERFORMANCE AUDIT PROCEDURES AND RESULTS (continued)**

**Contract and Bid Procedures**

We reviewed a listing of contracts awarded during the fiscal year ended June 30, 2020 and selected a sample to ensure that contracts for public projects followed appropriate bidding procedures per applicable Public Contract Code. Additionally, we reviewed overall expenditures by vendor in order to determine if multiple projects under the applicable bidding threshold were identified to suggest any possible bid-splitting.

We noted that all contracts involved lease-leaseback agreements and were not subject to formal bidding procedures. We reviewed a sample of 1 out of 1 total lease-leaseback agreements to assess whether a competitive selection process was followed and found that the District appeared to exercise due diligence in the selection of the construction manager for River Oaks Elementary Roof and HVAC Replacement Project.

Based on our review of overall expenditures and projects by vendor, no instances or possible indications of bid-splitting were identified. The District appears to be properly reviewing projects and applying appropriate procedures over contract and bidding procedures.

**Contracts and Change Orders**

We reviewed a listing of contracts and change orders during the fiscal year ended June 30, 2020 and selected a sample to ensure that change orders were properly approved and in accordance with District policies. Additionally, cumulative change orders for any given contract were reviewed to ensure that total change orders did not exceed ten percent of the total original contract.

We reviewed a total of two (2) change orders for the Oaks Elementary School Construction Project and one (1) for Marengo Ranch Elementary School Project and verified that the total of the change orders did not exceed ten percent of the total contract with S&B James Construction. All change orders were properly reviewed and approved by management and the governing board in accordance with District policy.

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## **FINDINGS AND RECOMMENDATIONS SECTION**

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**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 MEASURE K BOND BUILDING FUND  
 SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
 FOR THE YEAR ENDED JUNE 30, 2020**

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**PART I – SUMMARY OF AUDITORS’ RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors’ report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to the financial statements?	<u>No</u>

**PERFORMANCE AUDIT**

Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditor’s report issued on performance for local school construction bonds:	<u>Unmodified</u>

**PART II – FINANCIAL STATEMENT FINDINGS**

There were no financial statement findings for the year ended June 30, 2020.

**PART III – PERFORMANCE AUDIT FINDINGS**

There were no findings or recommendations related to Measure K Bond Building Fund for the year ended June 30, 2020.

**PART IV – PRIOR AUDIT FINDINGS**

There were no findings and recommendations for the year ended June 30, 2019.



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.190</b> Board Consideration of Approval of Memorandum of Understanding Between Sheldon Business Park Ltd, and the Galt Joint Union Elementary School District Regarding Summerfield Development Project
<b>Presenter:</b> Karen Schauer Lois Yount	<b>Action Item:</b> XX <b>Information Item:</b>

Board consideration to approve this agreement will provide additional revenue to the District from fees paid by the developer of the anticipated Summerfield Development Project.

The fees will offset a portion of the costs of new school facilities to serve future students residing within the project.

Board approval is recommended.

**MEMORANDUM OF UNDERSTANDING  
BETWEEN SHELDON BUSINESS PARK LTD, AND THE  
GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT**

This MEMORANDUM OF UNDERSTANDING (the "MOU"), is made and entered into this 22 day of April, 2021, by and between SHELDON BUSINESS PARK, LTD. (the "Landowner") and the GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT, a political subdivision of the State of California (the "District"). Landowner and the District are sometimes collectively referred to herein as the "Parties".

This MOU documents the understanding between the Landowner and the District in regard to financing the acquisition and development of a public elementary school to be operated by the District to serve students generated in part by Landowner's Project as further described below.

**RECITALS**

WHEREAS, Landowner is the owner of property proposed for development adjacent to the City of Galt ("City"), referred to as the Summerfield at Twin Cities Road Project (the "Project") within the County of Sacramento and within the City of Galt's sphere of influence;

WHEREAS, the Project is the subject of land use proceedings at the City which may include annexation, along with a development agreement to be entered into between the Landowner and the City relating to the Project (the "Development Agreement");

WHEREAS, the Project is subject to the payment of school facility impact fees under the provisions of Government Code section 65995, et seq.;

WHEREAS, Landowner acknowledges the District has identified the potential future need for additional funding in order to assure that adequate revenue is available for the planning, acquisition and improvement of a school site along with funds to offset the costs of construction for such school and its related facilities (the "School"), sufficient to serve the Project and adjacent areas;

WHEREAS, the District hereby indicates its support of the Project and agrees not to challenge Landowner's entitlements so long as this Memorandum of Understanding is in effect; and

WHEREAS, by way of this MOU, the Parties now desire to memorialize their understanding of certain issues relating to the Project and matters similar, by way of this MOU, in regard to the Project and a school.

NOW, THEREFORE, the Parties hereto agree as follows:



## AGREEMENT

1. **State Funding Program.** The Parties recognize that the State of California provides to school districts a school construction funding program based on an application and eligibility process. Such program is referred to as the Leroy F. Greene State School Facilities Act of 1998, set forth at Education Code sections 17070.10 et seq. (the "State Program"). The District shall exercise best efforts to apply for and establish eligibility for funding under the State Program and seek State approval for a proposed elementary school consisting of permanent and modular facilities (the "School"), to be located near the Project in the location as generally shown in the East Galt Infill (Notch) Annexation, Simmerhorn Ranch Development Project Specific Plan.

2. **District's State Impact Fee.** The Parties acknowledge that the District has established a State authorized impact fee administered in accordance with Government Code Section 65995, et seq. (the "State Impact Fee"). The purpose of the State Impact Fee is to provide a portion of the revenue necessary to acquire land and to design and construct school facilities to serve in part, new development within the District. The District generally collects the State Impact Fee throughout its boundaries. The Project shall be subject to the District's State Impact Fee. Landowner shall pay the State Impact Fee at the time of building permit issuance for each non-age restricted residential unit within the Project.

3. **Supplemental School Impact Fee.** In addition to the State Impact Fee, Landowner shall pay to the District a supplemental school impact mitigation fee, on a square footage basis, for each non-age restricted residential unit to be constructed within the Project. Such fee, referred to herein as the "Supplemental Impact Fee" shall be in the amount of \$0.60 per square foot. The calculation of square footage for determining the amount of the Supplemental Impact Fee per residential unit shall be based upon the fee calculation criteria set forth in Government Code Section 65995, et seq.

4. **Allocation of Supplemental Impact Fee and Need for School.** The Parties acknowledge that the District, in consultation with the Galt Joint Union High School District shall jointly determine the allocation of the Supplemental Impact Fee between the two respective School Districts. Landowner shall pay the State Impact Fee and the Supplemental Impact Fee to the District at the time of building permit issuance for each non-age restricted residential unit within the Project. The Parties acknowledge that the need for new school facilities within the City of Galt is driven in part by new students resulting from new residential units within the Projects, in tandem with other newly developing projects within the City.

5. **Coordination with the City.** The Parties shall work cooperatively with the City to carry out the terms and conditions of this MOU.

6. **District Support.** The District agrees to withdraw all objections to the Project and to support the Project and all Project approvals before the City and LAFCo if requested by the Landowner. District agrees not to file any legal challenges to the Project in its current

configuration and or legal challenges to the Project approvals pending at the City or as may be filed with LAFCo.

7. **Term.** This MOU shall become effective as of the date first set forth above and shall continue until the completion of all the respective rights and obligations of the Parties as provided for herein or until terminated upon the negotiation and execution of a subsequent agreement governing the matters provided for herein. The validity of this MOU is contingent upon City's approval of the Project as substantially submitted by Landowner.

8. **Entire Agreement.** This MOU supersedes all prior discussions and agreements between the Parties with respect to the Project and the School. This MOU contains the sole understanding between the Parties relating to the Project and the School as of the effective date herein.

9. **Notices.**

a. Notices required to be given to the Landowner shall be addressed as follows:

Sheldon Business Park LTD  
8940 Elder Creek Road  
Sacramento, CA 95829

b. Notices required to be given to the District shall be addressed as follows:

Galt Joint Union Elementary School District  
1018 C Street, Suite 210  
Galt, CA. 95632  
Attn: Superintendent

10. **Counterparts.** This MOU may be executed in several counterparts, each of which shall be deemed an original and all such counterparts together shall constitute one and the same agreement.

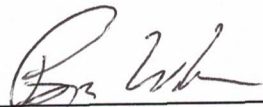
11. **Successors and Assigns.** This MOU shall be binding on the Parties hereto, their heirs, successors, and assigns. The obligation to pay the Combined Fee is exclusively an obligation of a landowner within the Project and runs with the land and upon transfer of the Project or a portion thereof, Landowner will be automatically relieved of any obligations as to the property transferred.

12. **Joint Drafting.** This MOU shall be interpreted as if drafted by both Parties.

13. **Authority.** Each party in executing this Agreement does represent and warrant that it does so with the authority to bind that party to the rights and obligations set forth herein.

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be executed as of the date first written above.

**SHELDON BUSINESS PARK LTD**

By   
Its V.P.

**GALT JOINT UNION ELEMENTARY  
SCHOOL DISTRICT**

By \_\_\_\_\_  
Its \_\_\_\_\_





## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.191</b> Board Consideration of Approval of Approval of Memorandum of Understanding Between Arcadia Development Company, and the Galt Joint Union Elementary School District Regarding Fairway Oaks Development Project
<b>Presenter:</b> Karen Schauer Lois Yount	<b>Action Item:</b> XX <b>Information Item:</b>
<p>Board consideration to approve this agreement will provide additional revenue to the District from fees paid by the developer of the anticipated Fairway Oaks Development Project.</p> <p>The fees will offset a portion of the costs of new school facilities to serve future students residing within the project.</p> <p>Board approval is recommended.</p>	

**MEMORANDUM OF UNDERSTANDING  
BETWEEN ARCADIA DEVELOPMENT COMPANY AND THE  
GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT**

This MEMORANDUM OF UNDERSTANDING (the "MOU"), is made and entered into this \_\_\_ day of \_\_\_\_\_, 2021, by and between ARCADIA DEVELOPMENT CO., a California corporation (the "Landowner") and the GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT, a political subdivision of the state of California (the "District"). Landowner and the District are sometimes collectively referred to herein as the "Parties".

This MOU documents the understanding between the Landowner and the District in regard to funding for the District, which serves the students generated in part by Landowner's Fairway Oaks Project located within the City of Galt.

**RECITALS**

WHEREAS, Landowner is the owner of property approved for development in the City of Galt (the "City"), referred to as the Fairway Oaks Project (the "Project") on August 4, 2020, by Resolution 2020-50;

WHEREAS, the approval of the Project by the City of Galt included Condition of Approval A-23, requiring the Landowner to enter into a good faith negotiation with the District regarding funding for the District (the "Condition");

WHEREAS, the Project as described below, is subject to the payment of Mello Roos Community Facilities District special taxes ("Special Taxes") under the provisions of Government Code section 53311, et seq. (the "Mello Roos Act") and in the alternative, is subject to the payment of school facility impact fees under the provisions of Government Code section 65995, et seq. (collectively the "Mandated Fees");

WHEREAS, Landowner acknowledges the District has identified the potential future need for additional funding beyond the Mandated Fees in order to assure that adequate revenue is available to for the District;

WHEREAS, the District hereby indicates its support of the proposed Project and agrees not to challenge Landowner's entitlements so long as this Memorandum of Understanding is in effect; and

WHEREAS, by way of this MOU, the Parties now desire to memorialize their understanding of certain issues relating to the Project including additional school funding related thereto.

NOW, THEREFORE, the Parties hereto agree as follows:



## AGREEMENT

1. **District's State Impact Fee.** The Parties acknowledge that the District has established, on a District-wide basis, a State authorized impact fee administered in accordance with Government Code Section 65995, et seq. (the "State Impact Fee"). The purpose of the State Impact Fee is to provide a portion of the revenue necessary to acquire land and to design and construct school facilities to serve in part, new development within the District. The District collects the State Impact Fee throughout its boundaries with the exception of that portion of the District contained within Mello Roos Community Facilities District No. 1 as described below.

2. **Mello Roos Community Facilities District No. 1.** Separately, the Parties acknowledge that the District in conjunction with the Galt Joint Union High School District, through a Joint Powers Agency (the "Galt School Facility JPA") operates a Mello Roos Community Facilities District under the provisions of the Mello Roos Act (the "Act") known as "CFD No. 1". CFD No. 1 is operated in portions of the two respective School Districts, the Parties further acknowledge that the Project is located within the boundaries of CFD No. 1 and is subject to the payment of special taxes ("Special Taxes") as previously established and re-approved annually by the Galt School Facility JPA in accordance with provision of the Act.

3. **Termination of CFD No. 1 and Application of District's State Authorized Fee.** The Parties further acknowledge that in the event the Galt School Facility JPA determines to terminate CFD No. 1 and discontinue the levy of special taxes upon property within the boundaries of the CFD, the Project shall no longer be subject to the payment of Special Taxes and instead, shall become subject to the District's State Impact Fee in effect at the time of termination of CFD No. 1.

4. **Supplemental School Impact Fee.** In addition to CFD No. 1 Special Taxes or in the event of termination of CFD No. 1, in which case in addition to the State Impact Fee, Landowner shall pay to the District a supplemental school impact mitigation fee, on a square foot basis, for each non-age restricted residential unit to be constructed within the Project. Such fee, referred to herein as the "Supplemental Impact Fee" shall be in the amount of \$0.60 per square foot. The calculation of square footage for determining the amount of the Supplemental Impact Fee per residential unit shall be based upon the fee calculation criteria set forth in Government Code Section 65995, et seq.

5. **Allocation of Supplemental Impact Fee.** The Parties acknowledge that the District, in consultation with the Galt Joint Union High School District shall jointly determine the allocation of the Supplemental Impact Fee between the two respective School Districts. Landowner shall pay the applicable portion of the State Taxes (the specific portion of which is within the discretion of the Landowner within the parameters permitted by State law), or the State Impact Fee, whichever is applicable at the time, along with the Supplemental Impact Fee to the District at the time of building permit issuance for each non-age restricted residential unit within the Project. The Parties acknowledge that the need for the Supplemental Impact Fee is driven in part





by new students resulting from new residential units within the Project; in tandem with other newly developing areas within the City.

6. **Coordination with the City.** The Parties shall work cooperatively with the City to carry out the terms and conditions of this MOU.

7. **District Support.** The District agrees to withdraw all objections to the Project and to support the Project and all Project approvals before the City if requested by the Landowner. District agrees not to file any legal challenges to the Project and or legal challenges to any Project approvals by City. District agrees that the entering into of this MOU satisfies the Condition.

8. **Term.** This MOU shall become effective as of the date first set forth above and shall continue until the completion of all the respective rights and obligations of the Parties as provided for herein or until terminated upon the negotiation and execution of a subsequent agreement governing the matters provided for herein.

9. **Entire Agreement.** This MOU supersedes all prior discussions and agreements between the Parties with respect to the Project and the School. This MOU contains the sole understanding between the Parties relating to the Project and the School as of the effective date herein.

10. **Notices.**

a. Notices required to be given to the Landowner shall be addressed as follows:

Arcadia Development Company  
P.O. Box 5368  
San Jose, CA 95150

b. Notices required to be given to the District shall be addressed as follows:

Galt Joint Union Elementary School District  
1018 C Street, Suite 210  
Galt, CA. 95632  
Attn: Superintendent

11. **Counterparts.** This MOU may be executed in several counterparts, each of which shall be deemed an original and all such counterparts together shall constitute one and the same agreement.

12. **Successors and Assigns.** This MOU shall be binding on the Parties hereto, their heirs, successors, and assigns. The obligation to pay the State Taxes or State Impact Fee, whichever applies at the time of issuance of building permits, along with the Supplemental Impact Fee is



exclusively an obligation of a Landowner or any future Landowners within the Project and runs with the land.

13. **Joint Drafting.** This MOU shall be interpreted as if drafted by both Parties.

14. **Authority.** Each party in executing this Agreement does represent and warrant that it does so with the authority to bind that party to the rights and obligations set forth herein.

**IN WITNESS WHEREOF**, the Parties have caused this Memorandum of Understanding to be executed as of the date first written above.

**ARCADIA DEVELOPMENT CO.**  
**a California Corporation**

By  \_\_\_\_\_

Michael Fletcher

Its  \_\_\_\_\_

**GALT JOINT UNION ELEMENTARY  
SCHOOL DISTRICT**

By \_\_\_\_\_

Its \_\_\_\_\_



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.192</b> Board Consideration of Approval of Memorandum of Understanding Between Elliott Homes, Inc., and the Galt Joint Union Elementary School District Regarding Simmerhorn Development Project
<b>Presenter:</b> Karen Schauer Lois Yount	<b>Action Item:</b> XX <b>Information Item:</b>
<p>Board consideration to approve this agreement will provide additional revenue to the District from fees paid by the developer of the anticipated Simmerhorn Development Project.</p> <p>The fees will offset a portion of the costs of new school facilities to serve future students residing within the project.</p> <p>Board approval is recommended.</p>	

**MEMORANDUM OF UNDERSTANDING  
BETWEEN ELLIOTT HOMES, INC, AND THE  
GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT**

This MEMORANDUM OF UNDERSTANDING (“MOU”), is made and entered into this \_\_\_ day of \_\_\_\_, 2021, by and between ELLIOTT HOMES, INC. an Arizona corporation (“Landowner”) and the GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT, a political subdivision of the state of California (“District”). Landowner and District are sometimes collectively referred to herein as the “Parties”.

This MOU documents the understanding between Landowner and District in regard to the potential acquisition and financing of a proposed public elementary school to be operated by District within the boundaries of the Project (as defined below).

**RECITALS**

WHEREAS, Landowner is the owner of property proposed for development and annexation into the boundaries of the City of Galt (the "City"), which development is commonly referred to as the Simmerhorn Ranch project (the "Project"). The Project is contained within the proposed East Galt Infill (Notch) Annexation area (“Notch Annexation”); and

WHEREAS, the Notch Annexation, along with the Project, have been and will be the subject of land use proceedings at the City and the Sacramento County Local Agency Formation Commission (“LAFCo”); and

WHEREAS, the Specific Plan for the Project identifies various proposed public and private uses within its boundaries, including a potential public elementary school anticipated to serve grades K-6 (the “School”) as described below; and

WHEREAS, the Project is subject to the payment of school facility impact fees under the provisions of Government Code section 65995, et seq. (the "State Authorized Fee"). Landowner acknowledges that separate from the State Authorized Fee, District has identified the potential future need for additional funding and planning in order to assure that adequate revenue is available for the acquisition and improvement of the School site and improvements thereto; and

WHEREAS, District hereby indicates its complete support of the Project and the proposed Notch Annexation and agrees not to challenge the Project and/or Notch Annexation in any manner whatsoever, including but not limited to before the City and/or LAFCo, so long as this MOU is in effect; and

WHEREAS, by way of this MOU, the Parties desire to memorialize their understanding of certain issues relating to the Project, along with matters relating to the School site and funding therefore.

NOW, THEREFORE, the Parties hereto agree as follows:

## AGREEMENT

1. **State Funding Program.** The Parties recognize that the State of California provides to school districts a school construction funding program based on an application and eligibility process. Such program is referred to as the Leroy F. Greene State School Facilities Act of 1998, set forth at Education Code sections 17070.10 et seq. (the "State Program"). District shall exercise best efforts to apply for and establish eligibility for funding under the State Program and seek State approval for the School.

2. **State Authorized Fee.** District charges the State Authorized Fee in accordance with Government Code Section 65995, et seq. The purpose of the State Authorized Fee is to provide a portion of the revenue necessary to acquire land and to design and construct school facilities to serve in part, new development within District. District generally collects the State Authorized Fee throughout its boundaries. The Project shall be subject to District's State Authorized Fee. Landowner shall pay the State Authorized Fee to District at the time of building permit issuance for each non-age restricted residential unit within the Project.

3. **Supplemental School Fee.** In addition to the State Authorized Fee, Landowner shall pay to District a voluntary, supplemental school mitigation fee, on a square foot basis, for each non-age restricted residential unit to be constructed within the Project. Such fee, referred to herein as the "Supplemental Fee" shall be in the amount of Sixty Cents (\$0.60) per square foot. The calculation of square footage for determining the amount of the Supplemental Fee per residential unit shall be based upon the fee calculation criteria set forth in Government Code Section 65995(b)(2). Landowner shall pay the Supplemental Fee to District at the time of building permit issuance for each non-age restricted residential unit within the Project.

4. **Allocation of Supplemental Fee.** The Parties acknowledge that District, in consultation with the Galt Joint Union High School District, shall jointly determine the allocation of the Supplemental Fee between the two respective School Districts.

5. **Coordination with the City.** The Parties shall work cooperatively with the City to carry out the terms and conditions of the MOU. Within three (3) business days of execution of this MOU, District shall advise the City that from District's perspective, Landowner has satisfied all conditions of approval applicable to the Project relating to District.

6. **District Support.** District agrees to withdraw all objections to the Project and to support the Project and all Project approvals before the City and LAFCo if requested by Landowner. District agrees not to file any legal challenges to the Project of any kind or nature.

7. **Acquisition of School Site.** District shall enter into an agreement to acquire the School site from Landowner within three (3) years of the effective date of this MOU. The purchase price under such acquisition agreement shall be the fair market value of the School site as of the date of acquisition by District, based on an appraised value of the School site with any completed improvements installed by Landowner. In the event District does not enter into an acquisition

GJUESD – Simmerhorn MOUGJUESD-Elliott MOU (4.21.21)



agreement to acquire the School site from Landowner within three (3) years of the effective date of this MOU, District shall consent to and support Landowner's development of the School site for residential purposes. District hereby agrees to provide written and oral testimony in support of Landowner's efforts to amend any and all entitlements applicable to the School site as may be required by City to allow for Landowner's development of the School site for residential purposes, including but not limited to General Plan and Specific Plan amendments to remove the School site designation therefrom.

8. **Enrollment Priority.** To the extent permitted by law, District shall provide enrollment priority at the School to students residing within the Project.

9. **Term.** This MOU shall become effective as of the date first set forth above and shall continue until the completion of all the respective rights and obligations of the Parties as provided for herein or until terminated upon the negotiation and execution of a subsequent agreement governing the matters provided for herein.

10. **Entire Agreement.** This MOU supersedes all prior discussions and agreements between the Parties with respect to the Project and the School. This MOU contains the sole understanding between the Parties relating to the Project and the School as of the effective date hereof.

11. **Notices.**

a. Notices required to be given to Landowner shall be addressed as follows:

Elliott Homes, Inc.  
80 Iron Point Circle, Suite 110  
Folsom, CA 95630  
Attn: Price Walker

b. Notices required to be given to District shall be addressed as follows:

Galt Joint Union Elementary School District  
1018 C Street, Suite 210  
Galt, CA 95632  
Attn: Superintendent

12. **Counterparts.** This MOU may be executed in several counterparts, each of which shall be deemed an original and all such counterparts together shall constitute one and the same agreement.

13. **Successors and Assigns.** Landowner shall have the right to assign this MOU as to the property upon which the Project is located, or any portion thereof, in connection with any sale, transfer, or conveyance thereof. Upon Landowner's assignment of this MOU and

conveyance of its interest in the property upon which the Project is located, or any portion thereof, Landowner shall be released from further liability or obligation related to the portion of the property so conveyed and the assignee will be considered the "Landowner," with all rights and obligations related thereto, with respect to such conveyed property.

14. **Joint Drafting.** This MOU shall be interpreted as if drafted by both Parties.

15. **Authority.** Each party in executing this Agreement does represent and warrant that it does so with the authority to bind that party to the rights and obligations set forth herein.

**IN WITNESS WHEREOF**, the Parties have caused this Memorandum of Understanding to be executed as of the date first written above.

ELLIOTT HOMES, INC.  
an Arizona corporation

GALT JOINT UNION ELEMENTARY  
SCHOOL DISTRICT, a political subdivision of  
the state of California

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.193</b> Board Consideration of Approval To Continue the Four-Day TK-8 AM/PM Blended Learning Model Through June 4, 2021
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>
<p>At the April 15, 2021 board meeting the Board of Trustees approved 1) moving forward with the June summer program that extends the school year three weeks and 2) tabled a decision on continuing the blended model through the end of the school year. The board directed the superintendent to revisit the learning model recommendation at the next school board meeting.</p> <p><b>Learning Model factors</b> considered for the recommendation include:</p> <ol style="list-style-type: none"> <li>84% GJUESD students attend school in Person. 16% of students participate in a distance learning program that takes place concurrently with classroom teachers or through the GLEE Home Learning Academy.</li> <li>If all schools moved to the Modified Traditional model, transportation cannot be provided to all GJUESD schools given the social distancing requirement for school busses.</li> <li>The recent change reducing classroom social distancing from 6 to 3 feet is a recommendation not requirement.</li> <li>Sustaining current student/teacher assignments cannot be guaranteed when transitioning to the Modified Traditional.</li> <li>Meeting new staffing and childcare needs are transition considerations.</li> <li>GJUESD is in the third trimester</li> <li>Summer program beginning June 9<sup>th</sup>.</li> <li>Sacramento County remains in the Red Tier (Substantial). The GJUESD Transitional Model sustains AM/PM in person blended model for the Red Tier (Substantial) and Orange Tier (Moderate) with the move to Modified Traditional in the Yellow tier. Union agreements are aligned to this progression.</li> <li>COVID-19 Employee Vaccination opportunity completed March 26, 2021.</li> </ol> <p>The current AM/PM model is providing 2.5 hours of <u>uninterrupted time</u>, giving teachers greater opportunity to meet and exceed learning targets. The current model is reintroducing children classroom norms in a calm and supportive way with immediate feedback. The current model supports the following:</p> <ul style="list-style-type: none"> <li>a unique opportunity to <b>accelerate learning</b></li> <li>the opportunity to <b>re-engage in social settings</b></li> <li>the opportunity to <b>strengthen relationships</b></li> </ul> <p>At this time, the AM/PM model is proving the best opportunity to provide children what they need- <u>when they need it</u>.</p> <p><b>Student impact to change the learning model for the final month of school:</b></p> <ol style="list-style-type: none"> <li>Changes in third trimester class size and schedules impede the priority to conduct precise diagnosis of learner needs with responsive report</li> <li>Continuity of student/teacher assignments will change for students impacting student well-being.</li> <li>Transportation routes cannot transport all schools, given the social distancing requirements.</li> <li>Addressing new family and staff scheduling needs for childcare changes.</li> </ol> <p><b>Recommendation:</b>          Board consideration is requested for approval of the recommendation to continue the AM/PM Blended Model TK-8 through June 4, 2021.</p>	

# Learning Model Recommendation for Final Month of School

Galt Joint Union Elementary School District  
Board of Education  
April 28, 2021



Galt Joint Union Elementary School District

# Background Overview

1. April 15, 2021 Special Board Meeting Recap
2. Learning Model Transition Factors
3. Student Impact
4. Recommendation

# April 15, 2021 Special Board Meeting Recap

1. The superintendent shared that GJUESD is building reopening schools momentum as in-person school orientation/instruction was provided to students PreK-8, prior to spring break and the schools just completed the first full week of blended learning after spring break.
2. The district's intention is to fully transition to the traditional learning model 5 days per week, when pandemic conditions and other factors permit.
3. Throughout the school year, changing pandemic conditions and resulting health guidance have impacted the timing of transition of learning model transition. The transition to the 4 day blended learning model took place during the last trimester.
4. Superintendent recommendation continued the 4 day blended learning model through June 4, 2021 with a transition to a full day summer school program.
5. Board approved 1) moving forward with the June summer program that extends the school year three weeks and 2) tabled a decision on continuing the blended model.

# Learning Model Factors

1. 84% GJUESD students attend school in Person. 16% of students participate in a distance learning program that takes place concurrently with classroom teachers or through the GLEE Home Learning Academy.
2. If all schools moved to the Modified Traditional model, transportation cannot be provided to all GJUESD schools given the social distancing requirement for school busses.
3. The recent change reducing classroom social distancing from 6 to 3 feet is a recommendation not requirement.
4. Sustaining current student/teacher assignments cannot be guaranteed when transitioning to the Modified Traditional.
5. Meeting new staffing and childcare needs are transition considerations.
6. GJUESD is in the third trimester.
7. Summer program beginning June 9th.
8. Sacramento County remains in the Red Tier (Substantial). The GJUESD Transitional Model sustains AM/PM in person blended model for in the Red Tier (Substantial) and Orange Tier (Moderate) with the move to Modified Traditional in the Yellow Tier (Minimal). Union agreements are aligned to this progression.
9. COVID-19 Employee Vaccination opportunity completed March 26, 2021.

# AM/PM Blended Model: Health & Safety Data

Since transitioning to blended learning, student and staff COVID cases indicate:

## Scenario 1- COVID-19 Symptoms

- ★ Staff- 7 symptomatic (*flu/allergy/headache*)
- ★ Students
  - Multiple cases through the daily health screenings or parent calls (*flu/allergy symptoms*)
  - *Schools report that they are sending very FEW students home during the school day with symptoms (1-2 per week)*

## Scenario 2- Close contact with a confirmed COVID-19 case

- ★ Staff- 1 (*Exposure outside of work*)
- ★ Students- 7 (*Exposure outside of school*)

## Scenario 3- Confirmed COVID-19 case infection (at school/worksite)

- ★ Staff- 0
- ★ Students- 0



# Current Learning Model Strengths

The current AM/PM model is providing 2.5 hrs of uninterrupted time with smaller class sizes, giving teachers greater opportunity to meet and exceed learning targets. The current model is reintroducing children classroom norms in a calm and supportive way with immediate feedback. The current model supports the following:

- a unique opportunity to **accelerate learning**
- the opportunity to **re-engage in social settings**
- the opportunity to **strengthen relationships**

At this time, the AM/PM model is proving the best opportunity to provide children what they need- when they need it.

# Childcare: Multiple Childcare Options Have Been Established For Families And Staff At All School Locations

<b>FAMILY CHILDCARE</b>						
ASES	Greer 35				Valley Oaks 45	McCaffrey 25
SOAR		Lake Canyon 20	Marengo Ranch 22	River Oaks 17		
CHAMPIONS			Marengo Ranch 15			
<b>EMPLOYEE CHILDCARE</b>	Greer 11	Lake Canyon 13	Marengo Ranch 14	River Oaks 10	Valley Oaks 14	McCaffrey 9

**Total Children Participating: Families=179 / Staff Children=71** 7

# Transportation: Routes Have Been Established To Transport Students To Elementary And Middle School

The AM/PM model maximizes the amount of students the district can transport.

GJUESD currently transports 124 students in the AM and 114 in the PM. If TK-8 students were on the same school schedule this would be reduced by half.

We are currently transporting 238 students.

- Special Education - 12
- Elementary - 106
- Middle School - 120

# Blended Learning School Success Stories

1. Safety
2. Learning
3. Well-being
4. Services

# Student Impact Of Learning Model Transition For One Month

1. Resulting increase with class size and changing schedules impede the third trimester priority to conduct precise diagnosis of learner needs with responsive support.
2. Continuity of student/teacher assignments will change for students impacting student well-being.
3. Transportation routes cannot transport all students at all schools given social distancing requirements.
4. Childcare changes will result in new family and staff scheduling needs.

1. Resulting increase with class size and changing schedules impede the third trimester priority to conduct precise diagnosis of learner needs with responsive support.

We are at a critical point:

- Continue to provide academic **acceleration**
- Continue to provide “just in time” support
- Or we prepare for up to 5 months of ‘*catch-up growth*’ in the fall



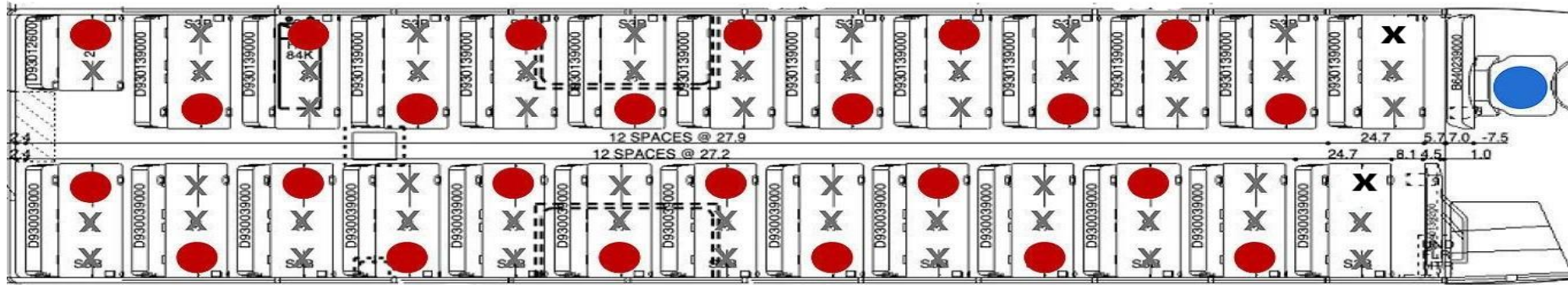
## 2. Continuity of student/teacher assignments will change for students impacting student well-being.

- **GLEE 1.0**
  - 5 teachers & 190 Students
- **GLEE 2.0**
  - 6 teachers & 80 Students
  - 75 live-concurrent teachers & 254 students
- **By Grade & Site**

TOTAL GLEE	PreK	TK	K	1st	2nd	3rd	4th	5th	6th	7th	8th	Site Total
Greer	-	1	17	7	14	13	16	12	8	-	-	88
Valley Oaks	-	1	12	9	15	14	7	11	20	-	-	99
River Oaks	-	1	13	13	13	11	10	16	10	-	-	87
Marengo Ranch	-	1	5	10	10	8	7	3	17	-	-	61
Lake Canyon	-	1	10	6	11	8	7	9	4	-	-	56
Fairsite	25	-	-	-	-	-	-	-	-	-	-	25
McCaffrey	-	-	-	-	-	-	-	-	-	68	74	142
	25	5	57	45	63	54	47	51	59	68	74	557

### 3. Transportation routes cannot transport all students to schools given the social distancing requirements.

● Driver ● Student





## 4. Childcare changes will result in new family and staff scheduling needs.

- Currently 250 children participate in childcare programs at every school.
  - Aligned to the blended model throughout the day and after school.
  - ASES, SOAR, Champions, Employee Childcare

# Recommendation

Board consideration is requested for approval of the recommendation to continue the AM/PM Blended Model TK-8 through June 4, 2021.

## **Additional Information:**

At this time 94 teachers are interested in providing an additional three weeks of learning in June through the voluntary summer program. The goal is to serve 50-60% of GJUESD students at every school location.



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.194</b> Board Consideration of Approval of Resolution No. 12 Approving a Site Lease, a Sublease, and Construction Services Agreement Relating to the Vernon Greer Elementary School HVAC Upgrades and Roof Replacement
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<b>Presenter:</b> Lois Yount	<b>Action Item:</b> XX <b>Information Item:</b>
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S+B James Construction California Inc. will perform the Lease Leaseback agreement to provide construction services for the Vernon Greer Elementary HVAC Upgrades and Roof Replacement Project.

Construction services will include:

- HVAC upgrades & roof replacement for permanent buildings
- School-wide fire alarm replacement
- School-wide exterior painting
- Dry rot repair on portables

Attachments:

- Resolution No. 12
- Vernon Greer Elementary HVAC Upgrades & Roof Replacement Sublease Agreement
- Vernon Greer Elementary HVAC Upgrades & Roof Replacement Site Lease Agreement
- Construction Services Agreement For Vernon Greer Elementary HVAC Upgrades & Roof Replacement

Fiscal impact: \$2,606,976 using State Facility Funds, COVID Relief Funds (ESSER), and Routine Maintenance and Repair.

Board approval is recommended.

**RESOLUTION NO. 12**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
APPROVING A SITE LEASE, A SUBLEASE, AND  
A CONSTRUCTION SERVICES AGREEMENT  
RELATING TO THE VERNON GREER ELEMENTARY SCHOOL HVAC UPGRADES  
AND ROOF REPLACEMENT PROJECT**

WHEREAS, the Galt Joint Union Elementary School District (the “District”) has previously identified significant facility needs throughout the District in its Facilities Master Plan, including the need to undertake construction and modernization (the “Project”) of the District’s Vernon Greer Elementary HVAC Upgrades and Roof Replacement Project (the “Site”);

WHEREAS, Section 17406 of the Education Code provides for the construction and modernization of school buildings on property owned by a school district and the lease to a school district of the site and such improvements pursuant to an agreement calling for such construction;

WHEREAS, by way of previous Resolution No. 12, adopted February 28, 2018, the Board has authorized the use of the lease-leaseback construction delivery method on certain projects deemed appropriate for such process;

WHEREAS, the Board is authorized under Section 17406 of the Education Code to lease the Site for the development, construction and installation of the Project on the Site and to have the Site and the improvements leased back to the Board;

WHEREAS, consistent with the requirements of Education Code Sections 17400 *et seq.*, the Board seeks to enter into the necessary building agreements and lease agreements with an outside entity that will provide for the development, construction and installation of facilities improvements on the Site;

WHEREAS, consistent with the Board’s desire to provide for the development, construction, installation and lease of the Project in accordance with the provisions of Education Code Sections 17400 *et seq.*, District staff previously evaluated firms capable of providing services to the Board for the Project, using a competitive solicitation process, including procedures and guidelines previously adopted by the Board and utilizing a best-value method;

WHEREAS, after taking into consideration the demonstrated competence and professional qualifications, with the best-value to the District, it was determined that S+B James Construction California Inc. (“S+B”) was qualified to undertake the Project on the Site and to lease the completed Project to the Board consistent with the requirements of Education Code Sections 17400 *et seq.*;

WHEREAS, the Site is owned by the Board in accordance with the provisions of Education Code Sections 17400 *et seq.*;

WHEREAS, a proposed Site Lease, Sublease, and Construction Services Agreement between the Board and S+B James (collectively referred to herein as the “Documents”) and attached hereto as Exhibit A and incorporated herein, have been prepared, and it is the intent of the Board to approve such documents in substantially final form and to authorize the execution of such documents by the Board’s Superintendent, or her designee, in the manner provided for herein.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Galt Joint Union Elementary School District as follows:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Consistency of Process and Compliance with Law. The Board hereby finds that the process undertaken by the District to date to solicit proposals for the Project, and to draft the Documents have all been undertaken and performed in a manner consistent with the requirements of Education Code Sections 17400 *et seq.* and that the Board is now authorized to proceed with the commencement of the Project in the manner set forth in the Documents.

Section 3. Approval of the Documents. The Board hereby approves the Documents in substantially final form with such additional changes or revisions as may be necessary to be implemented by the Superintendent, or her designee, to complete such agreements consistent with the terms and conditions of this Resolution and the provisions of Education Code Sections 17400 *et seq.*

Section 4. Approval of Guaranteed Maximum Price. The Board hereby approves the Guaranteed Maximum Price of the Project consistent with the terms and conditions of the Documents.

Section 5. Additional Authorization. The Superintendent or the Designated Officer is hereby further authorized and directed to prepare, on behalf of the Board, any other documentation necessary to carry out the terms for the Project, as set forth in the Documents, consistent with the terms and conditions of this Resolution. Any action heretofore taken by the Superintendent, the Designated Officer, or the Director of Business Services/CBO, on behalf of the Board, that is in conformity with the purposes and intent of this Resolution and with the provisions of Education Code Sections 17400 *et seq.* with respect to the Project is hereby approved and confirmed.

Section 6. Effective Date. This Resolution shall take effect immediately upon its adoption.

**APPROVED, PASSED, AND ADOPTED** on April 28, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Thomas Silva  
President of the Board of Trustees  
Galt Joint Union Elementary School District

**ATTEST:**

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Karen Schauer  
Secretary of the Board of Trustees  
Galt Joint Union Elementary School District

**EXHIBIT A**

Site Lease, Sublease, and Construction Services Agreement  
between the Board and S+B James Construction California Inc.

**VERNON GREER ELEMENTARY SCHOOL  
HVAC UPGRADES AND ROOF REPLACEMENT**

**SITE LEASE**

**Dated as of April 28, 2021**

**Between**

**Galt Joint Union Elementary School District**

**and**

**S+B James Construction California Inc.**



**VERNON GREER ELEMENTARY SCHOOL  
HVAC UPGRADES AND ROOF REPLACEMENT**

**SITE LEASE**

This site lease (“Site Lease”) is dated as of April 28, 2021 by and between the Galt Joint Union Elementary School District, a school district duly organized and existing under the laws of the State of California (“District”) as lessor, and S+B James Construction California Inc., a [corporation] organized and operating under the laws of the State of California and holding in good standing California State Contractors Licensing Board License #1048064 (“Lessee”).

**RECITALS**

**WHEREAS**, the District owns the Vernon Greer Elementary School site, located at 248 West A Street, Galt, California, 95632 (the “School”);

**WHEREAS**, the District desires to construct certain improvements at the School. Scope of work is described as HVAC upgrades & roof replacement for existing buildings A, B, C, & D and fire alarm at Vernon Greer Elementary School. Existing floor plans remain unchanged. HVAC upgrade work includes replacing all equipment, some revisions to ducting distribution, all new registers and new controls. Roof replacement work includes new class 'A' single ply roofing system with some composition shingle replacement as well. Includes all new flashing, gutters, and downspouts (together, the “Project”);

**WHEREAS**, the plans and specifications for the construction portion of the Project were approved by the Division of the State Architect (“DSA”) on June 13, 2019 as DSA Application No. 02-117322 and have been approved by the District;

**WHEREAS**, the Board of Trustees of the District (the “Board”) has determined that it is in the best interest of the District and for the common benefit of the citizens it serves to construct the Project using the lease-leaseback project delivery method pursuant to California Education Code section 17406 (“Section 17406”), which permits the Board, after completion of a competitive solicitation process, to lease to the proposer providing the best value to the District, taking into consideration the proposer’s demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required, and in accordance with the guidelines adopted and published by the District, real property owned by the District if the instrument by which property is leased requires the lessee to construct on that property, or provide for the construction thereon of, a facility for the use of the District during the term of the lease, providing that title to that facility shall vest in the District at the expiration of that lease;

**WHEREAS**, pursuant to Education Code section 17406, the District may enter into (i) a construction services agreement for the construction of a project by the selected proposer; (ii) a site lease under which the District leases to the selected proposer the construction site and contracts with the selected proposer to perform preconstruction services before written approval is obtained

from the DSA; and (iii) a sublease agreement under which the District is required to make payments to the selected proposer for the use and occupancy of the Project Site;

**WHEREAS**, the District has provided for a competitive solicitation process with respect to the Project, in accordance with Section 17406 and District's written procedures and guidelines;

**WHEREAS**, the District prepared a request for sealed proposals ("RFP") seeking qualified proposers who have been determined by the District to be prequalified, consistent with Public Contract Code section 20111.6 and District's written procedures and guidelines, to provide construction services for the Project;

**WHEREAS**, the District gave notice of the RFP in the manner required by Public Contract Code section 20112;

**WHEREAS**, after evaluating the submitted proposals, the District selected Lessee as the successful proposer, determining that it is in the best interest of the District to do so, and represents the best value to the District, taking into consideration Lessee's demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required;

**WHEREAS**, the District and Lessee have entered into a preconstruction services agreement, attached hereto as Exhibit "A" ("Agreement for Preliminary Services for the Construction of Improvements") and by this reference incorporated herein, for Lessee to provide certain consulting services in preparation for the development of the Project, including establishing a guaranteed maximum price ("GMP") for the Project;

**WHEREAS**, the Project is scheduled for completion on or before August 1, 2021, and the District has awarded Lessee the Project based upon the negotiated GMP consistent with Lessee's estimated GMP;

**WHEREAS**, pursuant to Section 17406, the District desires to lease to Lessee the site at which the Project is to be constructed for the Project, as more specifically described in Exhibit "B," ("Site"), and subleasing from Lessee the Site and the Project under a sublease agreement, attached hereto as Exhibit "C" ("Sublease"), and both incorporated herein by this reference;

**WHEREAS**, Lessee desires to lease the Site from the District pursuant to this Site Lease and to sublease the Site and the Project from the District pursuant to the Sublease;

**WHEREAS**, Lessee is registered with the Department of Industrial Relations, as required by Labor Code section 1725.5;

**WHEREAS**, the District and Lessee have entered into a construction services agreement, attached hereto as Exhibit "D" ("Construction Services Agreement") and by this reference incorporated herein, to ensure that the Project will meet District's expectations;

**WHEREAS**, the Board further determines that it has entered into this Site Lease, Sublease and Construction Services Agreement as the best available and most expeditious means for the District to satisfy its substantial need for the facilities to be provided by the Project and to accommodate and educate the District students;

**WHEREAS**, the Board has duly authorized the execution of this Site Lease; and

**WHEREAS**, Lessee is authorized to lease the Site and to construct the Project on such Site, and has duly authorized the execution and delivery of this Site Lease.

### **WITNESSETH**

**NOW THEREFORE**, in consideration of the covenants hereinafter set forth, the District and Lessee agree as follows:

#### **SECTION 1. DEFINITIONS.**

Unless the context otherwise requires, the terms defined in this section shall, for all purposes of this Site Lease, have the meanings as herein specified.

**A. “Construction Budget”** means the budget amount established by the District, representing the maximum authorized cost for construction of the Project. The Construction Budget does not include fees for professional architectural and engineering services, District inspection, or testing and inspection services.

**B. “Construction Documents”** means the approved final working drawings and specifications, and the conditions under the Construction Services Agreement for construction of improvements on the Site, including general, special (if any), and supplementary, that set forth in detail all of the requirements for construction of the Project.

**C. “Construction Services Agreement”** means the construction services agreement for construction of the Project by and between the District and Lessee dated as of April 28, 2021.

**D. “Contract Documents”** means the Construction Services Agreement, this Site Lease, and the Sublease.

**E. “Deliverable”** means any tangible item provided or to be provided under the Site Lease or the Construction Services Agreement. A Deliverable does not include services.

**F. “District”** means the Galt Joint Union Elementary School District, a school district duly organized and existing under the laws of the State of California.

**G. “Effective Date”** means the day on which the District issues a Notice to Proceed for the Project in accordance with Section 5 of the Construction Services Agreement.

H. **“Lessee”** shall mean S+B James Construction California Inc. and its successors and assigns.

I. **“Project”** means the construction of improvements and equipment to be constructed and installed by Lessee, as more particularly described in Exhibit “A” of the Sublease.

J. **“Site”** means that certain parcel of real property and improvements thereon comprising the Project as more particularly described in Exhibit “B” attached hereto.

K. **“Site Lease”** means this Site Lease together with any duly authorized and executed amendment hereto, under which the District leases the Site to Lessee for purposes of constructing the Project.

L. **“Sublease”** means the Sublease Agreement dated as of April 28, 2021 by and between the District and Lessee together with any duly authorized and executed amendment thereto.

M. **“Sublease Payment”** means any payment required to be made by the District pursuant to Section 7 and Exhibit “C” of the Sublease.

N. **“Tenant Improvement Payments”** means the payments required to be made by the District pursuant to the Construction Services Agreement and Exhibit “C” of the Sublease.

O. **“Term of this Site Lease” or “Term”** means the time during which this Site Lease is in effect, as provided for in Section 3 of this Site Lease.

## **SECTION 2. SITE LEASE.**

District leases to Lessee, and Lessee leases from the District, on the terms and conditions set forth herein, the Site situated in the City of Galt, County of Sacramento, State of California, more specifically described in Exhibit “B” attached hereto, including any real property improvements now or hereafter affixed thereto.

## **SECTION 3. TERM.**

The Term of this Site Lease commences on the Effective Date. The Term of this Site Lease shall terminate as of the last day of the Sublease, provided the District has paid to Lessee, or its assignee, all payments that may be due under the Construction Services Agreement and Sublease, and provided that this Site Lease has not been terminated pursuant to the termination provisions of the Sublease. Without limiting any other term or provision of the Construction Services Agreement or Sublease between the parties, at the termination of this Site Lease, natural or otherwise, title to the Site and any improvements constructed thereon by Lessee shall vest in the District, in accordance with Section 17406.

## **SECTION 4. REPRESENTATIONS, COVENANTS, AND WARRANTIES OF THE DISTRICT.**

The District represents, covenants, and warrants to Lessee that:

A. The District has good and merchantable fee title to the Site and has authority to enter into and perform its obligations under this Site Lease.

B. There are no liens on the Site other than Permitted Encumbrances, as defined below.

C. All taxes, assessments, or impositions of any kind with respect to the Site, if applicable, except current taxes, have been paid in full.

D. The Site is properly zoned for the intended purposes and utilization of the Site or the District intends to render zoning inapplicable pursuant to Government Code section 53094.

E. The District is in compliance with all laws, regulations, ordinances, and orders of public authorities applicable to the Site.

F. There is no litigation of any kind currently pending or, to the best knowledge of the District, threatened regarding the Site or the District's use of the Site for the purposes contemplated by this Site Lease.

G. To the best of the District's knowledge, after actual inquiry:

1. No dangerous, toxic, or hazardous pollutants, contaminants, chemicals, waste, materials, or substances, as defined in or governed by the provisions of any state or federal law relating thereto (hereinafter collectively called "Environmental Regulations"), and also including, but not limited to, urea-formaldehyde, polychlorinated biphenyls, asbestos, asbestos-containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant, or containment that would subject the owner of the Site, Lessee, or Lessee's subcontractors to any damages, penalties, or liabilities under any applicable Environmental Regulation (collectively called "Hazardous Substances"), are now or have been stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, or disposed of in, upon, under, over, or from the Site.

2. No threat exists of a discharge, release, or emission of a Hazardous Substance upon or from the Site into the environment.

3. The Site has not been used as or for a mine, a landfill, a dump, or other disposal facility, industrial or manufacturing facility, or a gasoline service station.

4. No underground storage tank is now located in the Site or has previously been located therein.

5. No violation of any Environmental Regulations now exists relating to the Site, no notice of any violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now any investigation or report involving the Site by any governmental entity or agency that in any way relates to Hazardous Substances.

6. No person, party, or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost, or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment, or natural resources, resulting or allegedly resulting from any activity or event described in Subsection G.1., above.

7. There are not now any actions, suits, proceedings, or damage settlements relating in any way to Hazardous Substances in, upon, under, over, or from the Site.

8. The Site is not listed in the United States Environmental Protection Agency's National Priorities List of Hazardous Waste Sites or any other list of Hazardous Substances sites maintained by any federal, state, or local governmental agency or entity.

9. The Site is not subject to any lien, claim for lien, or threat of lien in favor of any governmental agency or entity as a result of any release or threatened release of any Hazardous Substances.

H. To the extent permitted by law, the District shall not abandon use of the Site for the use currently intended by the District and shall not seek to substitute or acquire property to be used as a substitute for the use intended pursuant to this Site Lease.

I. The term "Permitted Encumbrances," as used herein shall mean, as of any particular time:

1. Liens for general ad valorem taxes and assessments, if any, not then delinquent.

2. This Site Lease; the Sublease; any right or claim of any mechanic, laborer, materialman, supplier, or vendor, if applicable, not filed or perfected in the manner prescribed by law; easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions that exist of record as of the date of this Site Lease and that will not materially impair the use of the Site.

3. Easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions established following the date of this Site Lease and to which the District and Lessee consent in writing that will not impair or impede the operation of the Site.

## **SECTION 5. REPRESENTATIONS, COVENANTS, AND WARRANTIES OF LESSEE.**

Lessee represents, covenants, and warrants to the District that:

A. Lessee is duly organized, validly existing, and in good standing under the laws of the State of California, with full corporate power and authority to lease and own real and personal property.

B. Lessee has full power, authority, and legal right to enter into and perform its obligations under this Site Lease, and the execution, delivery, and performance of this Site Lease has been duly authorized by all necessary corporate actions on the part of Lessee and does not require any further approvals or consents.

C. Execution, delivery, and performance of this Site Lease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement, or instrument to which Lessee is a party or by which Lessee or its property is bound.

D. There is no pending or, to the best knowledge of Lessee, threatened action or proceeding before any court or administrative agency that could materially or adversely affect the ability of Lessee to perform its obligations under this Site Lease.

**SECTION 6. SITE RENTAL.**

In consideration for the lease of the Site by the District to Lessee and for other good and valuable consideration, Lessee shall pay to the District one dollar (\$1.00) per year, or any portion of a year that this Site Lease is in effect, within thirty (30) days of the end of the Term of this Site Lease. Lessee shall have no obligation to make rental payments hereunder in the event of the District's inability to issue the necessary Notice to Proceed for the Project pursuant to the provisions of Section 5 of the Construction Services Agreement.

**SECTION 7. USE OF SITE.**

Lessee shall use the Site solely for the purpose of constructing the Project thereon and for subleasing the Site and the Project to the District, provided that, upon the occurrence of an Event of Default by the District as defined under the Sublease, Lessee may exercise the remedies provided for in the Construction Services Agreement or the Sublease.

**SECTION 8. TERMINATION.**

A. Lessee agrees, upon termination of the Term of this Site Lease:

1. To quit and surrender the Site in the same good order and condition as it was at the time of commencement of the Term of this Site Lease, reasonable wear and tear expected;
2. To release any liens and encumbrances created or caused by Lessee; and
3. To relinquish any permanent improvements and structures existing upon the Site at the time of the termination of this Site Lease, which shall remain thereon, and title thereto shall vest in the District.

B. Notwithstanding the District's foregoing rights in the event of a dispute or termination, Lessee shall retain the right to full compensation for all undisputed services rendered prior to the termination of this Site Lease, including all rights Lessee has under the Construction Services

Agreement and the Sublease, as well as all recourse provided by California law, including common law, for the value of the work performed on the Site and/or the Project.

C. In the event the Construction Services Agreement is terminated pursuant to the provisions therein, this Site Lease shall immediately terminate.

D. If the District exercises its option to purchase the Project pursuant to the Sublease, this Site Lease shall terminate concurrently with the District's buy out and termination of the Sublease.

**SECTION 9. QUIET ENJOYMENT.**

Subject to the terms of the Sublease, the District covenants and agrees that it will not take any action to prevent Lessee's quiet enjoyment of the Site during the Term of this Site Lease and that, in the event the District's fee title to the Site is ever challenged so as to interfere with Lessee's right to occupy, use, and enjoy the Site, the District will use all governmental powers at its disposal, including the power of eminent domain, to obtain unencumbered fee title to the Site and to defend Lessee's right to occupy, use, and enjoy the Site. The District, however, retains the right, throughout the Term of this Site Lease, to use the Site for District purposes, pursuant to the terms of the Sublease.

**SECTION 10. NO LIENS.**

The District shall not mortgage, sell, assign, transfer, or convey the Site or any part thereof to any person during the Term of this Site Lease without the written consent of Lessee. Nothing in this Site Lease shall preclude the District from granting utility easements across the Site to facilitate the use and operation of the Project.

**SECTION 11. RIGHT OF ENTRY.**

The District reserves the right for any of its duly authorized representatives to enter upon the Site at any reasonable time to inspect the same or to make any repairs, improvements, or changes necessary for the preservation thereof, but, in doing so, shall not interfere with Lessee's operations regarding the Project.

**SECTION 12. ASSIGNMENT AND SUBLEASING.**

Lessee will not assign or otherwise dispose of or encumber the Site or this Site Lease without the prior written consent of the District.

**SECTION 13. NO WASTE OR ILLEGAL ACTIVITY.**

Lessee agrees that at all times it is in possession of the Site, Lessee will not commit, suffer, or permit any waste on the Site, and Lessee will not willfully or knowingly use or permit the use of the Site for any illegal act or purpose.



**SECTION 14. DEFAULT.**

In the event Lessee shall be in default in the performance of any of its obligations under the terms of the Construction Services Agreement or this Site Lease, which default continues for thirty (30) days following notice and demand for correction thereof to Lessee, the District may exercise any and all remedies granted by law or equity.

**SECTION 15. TITLE.**

During the Term of this Site Lease, the District shall hold title to the Site and obtain title to the that portion of the Project constructed as part of from the Lessee, including any and all additions that comprise improvements, fixtures, repairs, replacements, or modifications, as payments are made under the terms of the Construction Services Agreement and Sublease, provided, however, that full title shall not vest in the District until the end of the Term of the Sublease and Site Lease.

**SECTION 16. EMINENT DOMAIN.**

In the event the whole or any part of the Site or the improvements thereon, including, but not limited to, the Project, is taken by eminent domain, the financial interest of Lessee shall be recognized and is hereby determined to be the amount of all Sublease Payments and Tenant Improvement Payments less any unearned interest as of the date Lessee receives payment in full. The balance of the award in such eminent domain action, if any, shall be paid to the District.

**SECTION 17. TAXES.**

The terms of this Site Lease may result in the creation of a possessory interest. If such a possessory interest is vested in a private party to this document, the private party may be subjected to the payment of personal property taxes levied on such interest. In the event a possessory tax is levied against the Lessee, it shall be the District's responsibility to pay or otherwise satisfy such a tax assessment.

**SECTION 18. INDEMNIFICATION.**

**A. By the District.**

The District covenants and agrees to indemnify and defend Lessee, and to hold Lessee harmless, from and against any and all losses, claims, suits, damages, and expenses (including reasonable attorneys' fees) arising out of the condition of the Site, including, but not limited to, all costs required to be incurred by Lessee as a result of any condition described in Section 4.G. of this Site Lease, unless the condition is caused or created by Lessee, whether or not known to the District on the date of execution of this Site Lease, or unless such cost is contemplated to be paid by Lessee pursuant to the provisions of the Construction Services Agreement.

**B. By Lessee.**

1. Lessee covenants and agrees to indemnify and defend the District, and to hold the District and its Board, administrators, employees, and agents (“Indemnitees”) harmless from any and all losses, claims, suits, damages, and expenses (including reasonable attorneys’ fees, and collectively referred to as “Claim”) arising from or in connection with any negligent or intentional acts or omissions of Lessee, its agents, employees, and consultants relating to Lessee’s performance of its obligations under this Site Lease, unless it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of any Indemnitee.

2. Lessee shall indemnify and defend the District, and hold the District harmless, from any claim for employment benefits, workers’ compensation, or other benefits by any agent or employee of Lessee, or any consultant or sub consultant.

3. The District may retain, to the extent it deems necessary, the money due to Lessee under and by virtue of the Contract Documents until disposition has been made of any Claim specified above.

C. All other indemnification issues related to this Site Lease, the Site, or the progress and prosecution of the Project shall be governed by the Construction Services Agreement and Sublease.

**SECTION 19. NOTICES.**

Any notices or filings required to be given or made under this Site Lease shall be given or made in writing, by personal delivery or registered mail, to the respective addresses given below or at such other address as such party may provide in accordance with the provisions of this Section. Any change in address shall not be binding upon the other party unless preceded by written notice of no less than thirty (30) days. Any such notice shall be deemed to have been received by the addressee if delivered to the person for whom it is intended or if sent by registered mail, return receipt requested, or fax followed by regular mail, addressed as follows:

If to Lessee: S+B James Construction California Inc.  
1450 Halyard Drive, Suite #11A  
West Sacramento, CA 95691  
Attn: Silas Nigam

If to District: Galt Joint Union Elementary School District  
1018 C Street, Suite 210  
Galt, CA 95632  
Attn: Lois Yount, Director of Business Services/CBO

With a Copy to: Parker & Covert LLP  
2520 Venture Oaks Way, Suite 190  
Sacramento, CA 95833  
Attn: Addison Covert

**SECTION 20. NO THIRD PARTY RIGHTS.**

Nothing contained in this Site Lease shall create a contractual relationship with, or cause of action in favor of, any third party against either the District or Lessee.

**SECTION 21. BINDING EFFECT.**

This Site Lease shall inure to the benefit of and shall be binding upon the District, Lessee, and their respective successors in interest and assigns.

**SECTION 22. SEVERABILITY.**

In the event any provision of this Site Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, unless elimination of such invalid provision materially alters the rights and obligations embodied in this Site Lease, the Sublease, or the Construction Services Agreement.

**SECTION 23. AMENDMENTS AND MODIFICATIONS.**

This Site Lease shall not be effectively amended, changed, modified, altered, or terminated without the written agreement of the District and Lessee.

**SECTION 24. EXECUTION IN COUNTERPARTS.**

This Site Lease may be executed in several counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument.

**SECTION 25. LAWS, VENUE, AND ATTORNEYS' FEES.**

The terms and provisions of this Site Lease shall be construed in accordance with the laws of the State of California. If any action is brought in a court of law to enforce any term of this Site Lease, such action shall be brought in a state court situated in the County of Sacramento, State of California, unless a court finds jurisdiction or venue is only proper in a federal court, or a court outside this county. If either party brings an action or proceeding involving the Site, to enforce the terms of this Site Lease, or to declare rights hereunder, each party shall bear the cost of its own attorneys' fees.

**SECTION 26. INTEGRATION.**

This Site Lease represents the entire understanding of the District and Lessee as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promise, or representation with respect to those matters covered herein.

**SECTION 27. HEADINGS AND RECITALS.**

The captions or headings in this Site Lease are for convenience only and in no way define, limit, or describe the scope or intent of any provision or section of this Site Lease. The recitals set forth at the beginning of this Site Lease are hereby incorporated herein by this reference.

**SECTION 28. TIME.**

Time is of the essence with respect to this Site Lease and each and all of its provisions.

**IN WITNESS WHEREOF**, the parties hereto have executed this Site Lease by their authorized officers as of the day and year first written above.

**LESSEE:**

S+B James Construction  
California Inc.

By: \_\_\_\_\_

Shailesh Nigam  
Its: Vice President

**DISTRICT:**

Galt Joint Union  
Elementary School District

By: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
  ) ss.  
COUNTY OF SACRAMENTO)

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_                      **(Seal)**

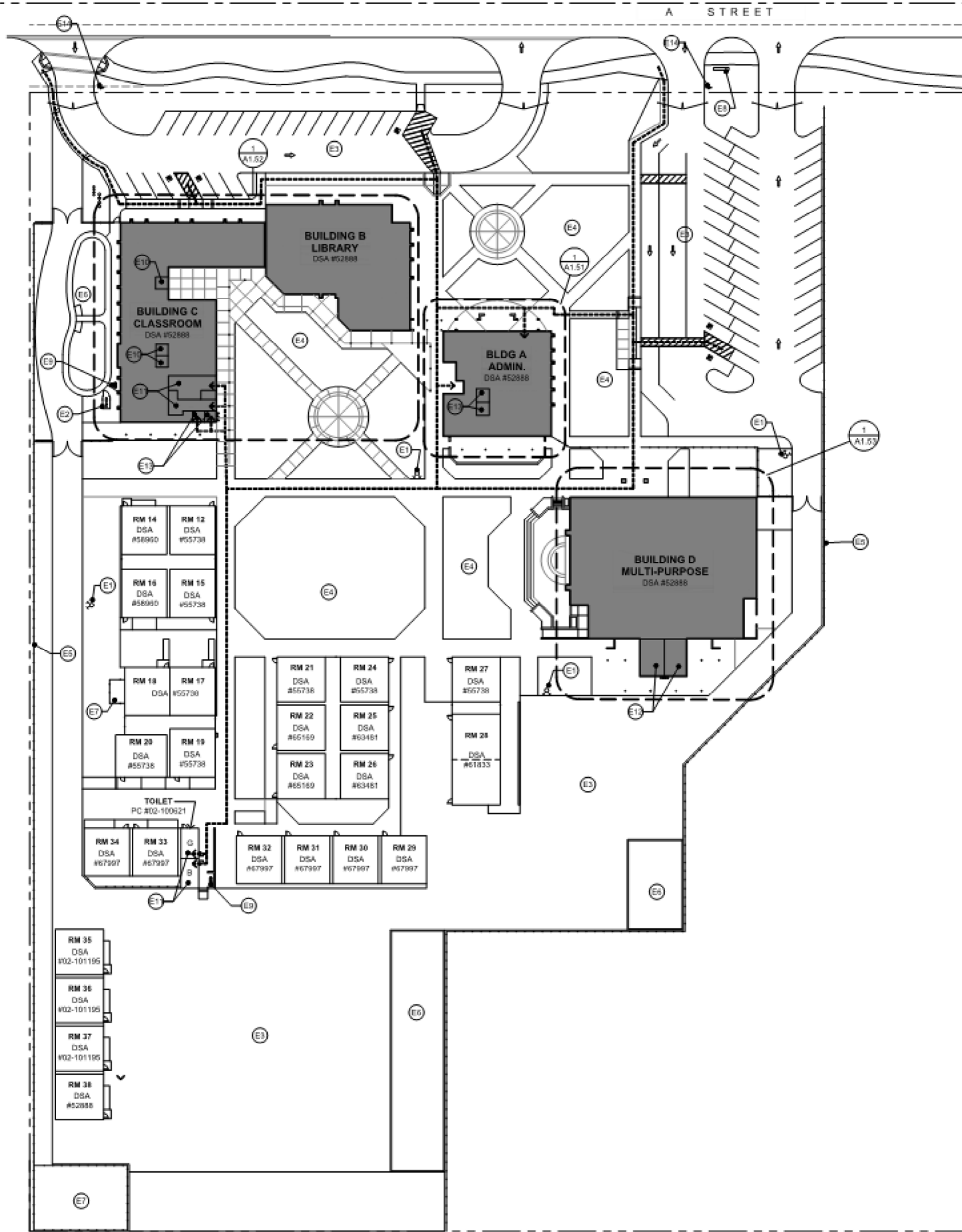
EXHIBIT "A"

Agreement for Preliminary Services for the Construction of Improvements

Board Approved February 24, 2021

EXHIBIT "B"

Description of the Site  
See Drawings and Plans



1 SITE PLAN  
SCALE: 1" = 40'-0"



EXHIBIT "C"

Sublease

EXHIBIT "D"

Construction Services Agreement

**VERNON GREER ELEMENTARY SCHOOL HVAC UPGRADES  
AND ROOF REPLACEMENT**

**SUBLEASE AGREEMENT**

**Dated as of April 28, 2021**

**Between**

**Galt Joint Union Elementary School District**

**And**

**S+B James Construction California Inc.**

# **VERNON GREER ELEMENTARY SCHOOL HVAC UPGRADES AND ROOF REPLACEMENT**

## **SUBLEASE AGREEMENT**

This Sublease Agreement (“Sublease”) is dated as of April 28, 2021, and is by and between the Galt Joint Union Elementary School District, a school district duly organized and existing under the laws of the State of California (“District”), and S+B James Construction California Inc. (“Lessor”).

### **RECITALS**

**WHEREAS**, pursuant to Section 17400 et seq. of the Education Code, District may enter into leases and agreements relating to real property and buildings to be used by District;

**WHEREAS**, District deems it essential for its own governmental purpose, to finance the construction and installation of certain improvements at Vernon Greer Elementary School. Scope of work is described as HVAC upgrades & roof replacement for existing buildings A, B, C, & D, and fire alarm replacement at Vernon Greer Elementary School. Existing floor plans remain unchanged. HVAC upgrade work includes replacing all equipment, some revisions to ducting distribution, all new registers and new controls. Roof replacement work includes new class 'A' single ply roofing system with some composition shingle replacement as well. Includes all new flashing, gutters, and downspouts as shown on drawings described in Exhibit “A” (together, the “Project”) attached hereto and incorporated herein by reference and situated at District’s Vernon Greer School site, as shown on Exhibit “B” (“Site”), attached hereto and incorporated herein by reference;

**WHEREAS**, pursuant to Section 17406 of the Education Code, District is leasing the Site to Lessor under a lease agreement dated as of April 28, 2021 (“Site Lease”) attached hereto as Exhibit “C” and incorporated herein by reference, in consideration of Lessor leasing and subleasing the Project and the Site to District pursuant to the terms of this Sublease;

**WHEREAS**, District owns the Site and pursuant to that certain Construction Services Agreement entered into by and between District and Lessor dated as of April 28, 2021 (“Construction Services Agreement”), District has adopted plans and specifications approved by the Division of the State Architect (“DSA”) for the completion of the Project;

**WHEREAS**, the Board of Education of the District (the “Board”) has determined that it is in the best interests of the District and for the common benefit of the citizens in the District to construct the Project by leasing the Site to Lessor and by simultaneously entering into this Sublease under which the District will lease back the Site and the Project from Lessor and if necessary, make Sublease Payments as indicated in Section 7 and Exhibit “C”, attached hereto and incorporated herein by reference;

**WHEREAS**, the District further acknowledges and agrees that it has entered into the Site Lease and Sublease pursuant to Education Code Section 17406 as the best available and most expeditious means for the District to satisfy its substantial need for the facilities to be provided by the Project and to accommodate and educate District students; and

**WHEREAS**, District and Lessor agree to mutually cooperate now or hereafter, to the extent possible, in order to sustain the intent of this Sublease and the bargain of both parties hereto, and to provide Sublease Payments to be made on the dates and in the amount set forth herein.

**WITNESSETH**

**NOW THEREFORE**, in consideration of the mutual covenants hereinafter set forth, District and Lessor agree as follows:

**SECTION 1. DEFINITIONS.**

Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Sublease, have the meanings as herein specified.

A. **“Certificate of Acceptance and Notice of Completion”** mean those certificates signed by a District Representative to the effect that the Project has been substantially completed.

B. **“Construction Costs”** means any and all reasonable and necessary costs incurred by Lessor with respect to the construction and equipping, as the case may be, of the Project, including, without limitation, costs for the Site preparation, the construction of the Project and related facilities and improvements, and all other work in connection therewith; all costs of financing, including, without limitation, the cost of consultant, accounting and legal services, other expenses necessary or incident to determining the feasibility of the Project, contractors’ and developers’ overhead and supervisors’ fees, and costs directly allocable to the Project; and all costs and expenses including any taxes or insurance premiums paid by Lessor with respect to the Property, administrative and other expenses necessary or incident to the Project and the financing thereof (including reimbursement to any municipality, District, or other entity for expenditures made, with the prior approval of District, for the Project).

C. **“Construction Services Agreement”** means the Construction Services Agreement for construction of site work improvements involving ground improvements, construction of dense aggregate columns, excavation and re-compaction of soils and installation of Site utilities as part of the Project related to the construction of certain improvement at the Vernon Greer Elementary School site, by and between District and Lessor, dated as of April 28, 2021.

D. **“Contract Documents”** means the Construction Services Agreement, this Sublease, and the Site Lease.

E. **“District”** means the Galt Joint Union Elementary School District, a school district duly organized and existing under the laws of the State of California.

F. **“Effective Date”** shall mean the day on which District issues a Notice to Proceed for the Project in accordance with Section 5 of the Construction Services Agreement.

G. **“Event of Default”** means one or more events of default as defined in Section 20 of this Sublease.

H. **“Guaranteed Maximum Price” or “GMP”** means the Guaranteed Maximum Price established pursuant to Section 4 of the Construction Services Agreement, consisting of the combined “Tenant Improvement Payments” and “Sublease Payments” as such terms are defined in Exhibit “C” of this Sublease.

I. **“Lessor”** shall mean S+B James Construction California Inc. and its successors and assigns.

J. **“Site”** means that certain parcel of real property and improvements thereon (if any) more particularly described in Exhibit “B” attached hereto.

K. **“Project”** means the construction of improvements and equipment to be constructed and installed by Lessor at the Site, as more particularly described in Exhibit “A” attached hereto.

L. **“Site Lease”** means the Site Lease dated as of April 28, 2021, by and between District and Lessor, together with any duly authorized and executed amendment thereto under which District leases the Site to Lessor.

M. **“Sublease”** means this Sublease together with any duly authorized and executed amendment hereto.

N. **“Sublease Payment”** means any payment required to be made by District pursuant to Section 7 and Exhibit “C” of this Sublease.

O. **“Tenant Improvement Payments”** means any payment required to be made by District pursuant to the Construction Services Agreement and Exhibit “C” of this Sublease.

P. **“Term of this Sublease” or “Term”** means the time during which this Sublease is in effect, as provided for in Section 3 of this Sublease.

## **SECTION 2. SUBLEASE.**

Lessor hereby leases and subleases to District, and District hereby leases and subleases from Lessor the Project and the Site, including any real property improvements now or hereafter affixed thereto in accordance with the provisions herein for the full term of this Sublease. The leasing by Lessor to District of the Site shall not effect or result in a merger of District’s leasehold estate pursuant to this Sublease and its fee estate as Lessor under the Site Lease, and Lessor shall continue to have and hold a leasehold estate in said Site pursuant to the Site Lease throughout the term thereof and the term of this Sublease.

**SECTION 3. TERM OF THE SUBLEASE.**

A. The terms and conditions of this Sublease shall become effective upon the Effective Date. The term of this Sublease for the purposes of District's obligation to make Sublease Payments shall commence on the earlier of the following two (2) events ("Commencement Date") and shall terminate **three (3) months** after the Commencement Date (the "Term"):

1. The date the District takes beneficial occupancy of the Project; or
2. The date of Project Completion, as defined in Section 12 of this Sublease.

B. On the Commencement Date, the parties shall execute the Memorandum of Commencement attached hereto as Exhibit "D" to memorialize the commencement and expiration dates of the Term. Notwithstanding this Term, the parties hereby acknowledge that each has obligations, duties, and rights under this Sublease that exist upon the Effective Date and prior to the beginning of the Term.

C. **Adjustment of Term.** The Term may be extended or shortened upon the occurrence of any of the following events:

1. An Event of Default, as specified below, and non-defaulting party's election to terminate this Sublease;
2. A third-party taking of the Project under Eminent Domain, only if the Term is ended as indicated in Section 15 of the Site Lease; or
3. The exercise of District's Purchase Option under Section 7, below.

**SECTION 4. REPRESENTATIONS, COVENANTS, AND WARRANTIES OF DISTRICT.**

District represents, covenants, and warrants to Lessor that:

A. District is a political subdivision duly organized and existing under the Constitution and laws of the State of California with authority to enter into this Sublease and to perform all of its obligations hereunder;

B. District's governing body has duly authorized the execution and delivery of this Sublease and further represents and warrants that all requirements have been met and procedures followed to ensure its enforceability;

C. The execution, delivery, and performance of this Sublease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement, or instrument to which District is a party by which it or its property is bound;

D. There is no pending or, to the knowledge of District, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of District to perform its obligations under this Sublease;

E. The Project and the Site are essential to District in the performance of its governmental functions and their estimated useful life to District exceeds the term of this Sublease;

F. District shall take such action as may be necessary to include all Sublease Payments in its annual budget and annually to appropriate an amount necessary to make such Sublease Payments;

G. District shall not abandon the Site for the use for which it is currently required by District and, to the extent permitted by law, District shall not seek to substitute or acquire property to be used as a substitute for the uses for which the Site is maintained under the Sublease; and

H. District shall not allow any Hazardous Substances (as such term is defined in the Site Lease and limited by that which shall be disclosed by District prior to the commencement date for the Project in the Notice to Proceed) to be used or stored on, under, or about the Site.

**SECTION 5. REPRESENTATIONS, COVENANTS, AND WARRANTIES OF LESSOR.**

Lessor represents, covenants, and warrants to District that:

A. Lessor is duly organized, validly existing, and in good standing as a corporation under the laws of the State of California, with full power and authority to lease and own real and personal property in California;

B. Lessor has full power, authority, and legal right to enter into and perform its obligations under this Sublease, and the execution, delivery, and performance of this Sublease has been duly authorized by all necessary company actions on the part of Lessor and does not require any further approvals or consents;

C. The execution, delivery, and performance of this Sublease does not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement, or instrument to which Lessor is a party by which it or its property is bound;

D. There is no pending or, to the knowledge of Lessor, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of Lessor to perform its obligations under this Sublease;

E. Lessor will not mortgage or encumber the Site or sublease or assign this Sublease or its rights to receive Sublease Payments hereunder, except as permitted herein; and

F. Lessor shall not allow any Hazardous Substances (as such term is defined in the Site Lease) to be used or stored on, under, or about the Site.



**SECTION 6. CONSTRUCTION/ACQUISITION.**

A. District has entered into a Construction Services Agreement and a Site Lease with Lessor in order to acquire and construct the Project. The cost of the construction and installation of the Project is determined by the GMP as set forth in Section 4 of the Construction Services Agreement.

B. In order to ensure that moneys sufficient to pay all costs will be available for this purpose when required, District shall maintain funds on deposit in its general fund and shall annually appropriate funds sufficient to make all Sublease Payments which become due to Lessor under this Sublease Agreement.

**SECTION 7. SUBLEASE PAYMENTS.**

A. District shall pay Lessor sublease payments (“Sublease Payments”) in accordance with the provisions in Exhibit “C” of this Sublease. The District shall have no obligation to make Sublease Payments hereunder in the event the Effective Date of this Sublease does not occur as a result of District’s inability to issue a Notice to Proceed for the Project pursuant to the provisions of Section 5 of the Construction Services Agreement.

B. Should District fail to pay any part of the Sublease Payments not otherwise excused pursuant to this Section or Section 9, below, within fifteen (15) business days from the due date thereof, District shall, upon Lessor’s written request, pay interest on such delinquent payment from the date said payment was due until paid at the rate of twelve percent (12%) per annum or the maximum legal rate, whichever is less.

C. **Purchase Option.** If District is not in default hereunder, District shall be granted the option to purchase not less than the entire Project in its “as-is” condition and terminate the Sublease. Under no circumstances can the purchase option occur on or before one-half of the Sublease Payments, in accordance with the terms of Exhibit “C,” have been made by the District. If the District exercises this option, the District shall pay directly to Lessor all remaining Sublease Payments and Tenant Improvement Payments, not previously paid.

**D. Each Payment Constitutes a Current Expense of District.**

1. The District and Contractor understand and intent that the obligation of the District to pay Sublease Payments and other payments hereunder constitutes a current expense of the District and shall not in any way be construed to be a debt of the District in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the District.

2. Sublease Payments due hereunder shall be payable only from current funds which are budgeted and appropriated or otherwise made legally available for this purpose. This Sublease shall not create an immediate indebtedness for any aggregate payments that may become due hereunder.

3. The District covenants to take all necessary actions to include the estimated Sublease Payments in each of its final approved annual budgets.

4. The District further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the District for the actual amount of Sublease Payments that come due and payable during the period covered by each such budget. Contractor acknowledges that the District has not pledged the full faith and credit of the District, State of California or any state agency or state department to the payment of Sublease Payments or any other payments due hereunder. The covenants on the part of District contained in this Sublease constitute duties imposed by law and it shall be the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in this Sublease agreed to be carried out and performed by the District.

5. The Contractor cannot, under any circumstances, accelerate the District's payments under the Sublease.

#### **SECTION 8. FAIR RENTAL VALUE.**

"Sublease Payments" as defined in Exhibit "C" of this Sublease shall be paid by District in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Project and the Site during the Term. Title to the tenant improvements shall vest progressively as Tenant Improvement Payments are made under the Construction Services Agreement and Sublease Payments are made under the Sublease, but title shall not fully vest until the end of the Term of this Sublease and payment of any amounts owed under this Sublease. The parties hereto have agreed and determined that such total rental is not in excess of the fair rental value for the Project and the Site. In making such determination, consideration has been given to the fair market value for the Project and the Site; other obligations of the parties under this Sublease (including, but not limited to, costs of maintenance, taxes, and insurance); the uses and purposes which may be served by the Project and the Site, and the benefits therefrom which will accrue to District and the general public; and the ability of District to make additions, modifications, and improvements to the Project and the Site which are not inconsistent with the Construction Services Agreement and which do not interfere with Lessor's work on the Project and the Site.

#### **SECTION 9. SUBLEASE PAYMENT ABATEMENT.**

In addition to delay of Sublease Payments provided in Section 7, above, Sublease Payments due hereunder with respect to the Project and the Site shall be subject to abatement prior to the commencement of the use of the Project and the Site by District or during any period in which, by reason of material damage to or destruction of the Project or the Site, there is substantial interference with the use and right of possession by District of the Project and the Site or any substantial portion thereof. For each potential incident of substantial interference, decisions to be made on i) whether or not abatement shall apply; ii) the date upon which abatement shall commence; iii) the applicable portion of Sublease Payments to be abated; and iv) the concluding date of the particular abatement

shall all be subject to determinations by District. The amount of Sublease abatement shall be such that the Sublease Payments paid by District during the period of the Project and Site restoration do not exceed the fair rental value of the usable portions of the Project and Site. In the event of any damage or destruction to the Project or the Site, this Sublease shall continue in full force and effect. If, after the parties have executed the Memorandum of Commencement Date attached as Exhibit “D”, the Project is destroyed or damaged beyond repair, the District may determine to abate its use of the Project, and upon written notice to Lessor, the Term shall cease. Thereafter, the District shall have no obligation to make, nor shall Lessor have the right to demand, any future Sublease Payments as indicated in the GMP provisions of Exhibit “C” to this Sublease.

**SECTION 10. USE OF SITE AND PROJECT.**

Lessor acknowledges that portions of the School Site shall, at all times, be occupied by the District as an operating school. During the term of this Sublease, Lessor shall provide District with quiet use and enjoyment of such occupied portions of the Site without suit, or hindrance from Lessor or its assigns, provided District is in compliance with its duties under this Sublease. District will not use, operate, or maintain the Site or Project improperly, carelessly, in violation of any applicable law, or in a manner contrary to that contemplated by this Sublease. District shall provide all permits and licenses, if any, necessary for the operation of the Project and Site. In addition, District agrees to comply in all respects (including, without limitation, with respect to the time, maintenance, and operation of the Project and Site) with laws of all jurisdictions in which its operations involving the Project and Site may extend and any legislative, executive, administrative, or judicial body exercising any power or jurisdiction over the Site or Project; provided, however, that District may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to the Site or Project or its interest or rights under this Sublease. Upon substantial completion of the Project or severable portions hereof, Lessor shall provide District with quiet use and enjoyment of the Site and Project without suit or hindrance from Lessor or its assigns, subject to reasonable interference from ongoing construction operations on any remaining portion of the Site under construction by Lessor.

**SECTION 11. LESSOR’S INSPECTION/ACCESS TO THE SITE.**

District agrees that, with prior written approval of District, Lessor and any of Lessor’s representatives shall have the right at reasonable times to enter upon the Site or any portion thereof to construct and improve the Project, to examine and inspect the Site and Project, and to exercise its remedies pursuant to the section in this Sublease entitled “Remedies on Default.”

**SECTION 12. PROJECT COMPLETION AND ACCEPTANCE.**

District shall acknowledge final inspection and completion of the Project by executing a Certificate of Acceptance approved by the governing board (“Project Completion”), and recording a Notice of Completion.

**SECTION 13. CONSTRUCTION SERVICES AGREEMENT AND SITE LEASE.**

All of the terms and conditions of the Site Lease and Construction Services Agreement apply to this Sublease as if they were contained in this Sublease.

**SECTION 14. ALTERATIONS AND ATTACHMENTS.**

All permanent additions and improvements that are made to the Project shall belong to and become the property of Lessor, subject to the provisions of the Site Lease. Separately identifiable attachments added to the Project by District shall remain the property of District.

**SECTION 15. MAINTENANCE.**

Once the Project is substantially complete and occupied by the District, the District shall have responsibility for maintenance and repair of the entire Project and the Site, except for warranty or other obligations of Lessor relating to the improvements as set forth in the Construction Services Agreement.

**SECTION 16. UTILITIES.**

Unless otherwise so specified in the Construction Services Agreement, District shall, in its own name, contract for and pay the expenses of all utility services required for the Project once constructed. Such utilities include but are not limited to, all air conditioning, heating, electrical, gas, refuse collection, water, and sewer units. District shall be liable for payment as well as maintenance of all utility services received.

**SECTION 17. PHYSICAL DAMAGE; PUBLIC LIABILITY INSURANCE.**

Lessor and District shall maintain such damage and public liability insurance policies with respect to the Project and Site as required by the Construction Services Agreement.

**SECTION 18. TAXES.**

District shall keep the Project and the Site free and clear of all levies, liens, and encumbrances and shall pay all license fees, registration fees, assessments, charges, and taxes (municipal, state, and federal) if applicable, which may now or hereafter be imposed upon the ownership, leasing, renting, sale, possession, or use of the Project and the Site, excluding, however, all taxes on or measured by Lessor's income.

**SECTION 19. INDEMNITY.**

In addition to the indemnification set forth in Section 35 of the Construction Services Agreement and Section 18 of the Site Lease, to the extent permitted by law, the parties shall, with respect to the Project and the Site, indemnify each other against and hold each other harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorneys' fees, arising out of, connected with, or resulting from any acts of omission or commission by the indemnifying party's employees and Sublease aspects of the Project and third parties on the

Site, including, without limitation, the construction, possession, use or operation of the Project including any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities brought by third parties under the supervision, direction, or control of the indemnifying party.

**SECTION 20. EVENTS OF DEFAULT.**

The term “Event of Default,” as used in this Sublease means the occurrence of any one or more of the following events:

A. District fails to make any unexcused Sublease Payment (or any other payment) within fifteen (15) days after the due date thereof or District fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure to either make the payment or perform the covenant, condition, or agreement is not cured within ten (10) days after written notice thereof by Lessor.

B. Lessor discovers that any statement, representation, or warranty made by District in this Sublease, or in any document ever delivered by District pursuant hereto or in connection herewith is misleading or erroneous in any material respect.

C. District becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator, or liquidator of District or of all or a substantial part of its assets, or a petition for relief is filed by District under federal bankruptcy, insolvency, or similar laws.

D. Lessor fails to perform or observe any covenant, condition, or agreement to be performed or observed by it hereunder and such failure to perform the covenant, condition, or agreement is not cured within ten (10) days after written notice thereof by District.

E. District discovers that any statement, representation, or warranty made by Lessor in this Sublease, or in any document ever delivered by Lessor pursuant hereto or in connection herewith is misleading or erroneous in any material respect.

F. Lessor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator, or liquidator of Lessor or of all or a substantial part of its assets, or a petition for relief is filed by Lessor under federal bankruptcy, insolvency, or similar laws.

**SECTION 21. REMEDIES ON DEFAULT.**

Upon the happening of any Event of Default, the non-defaulting party may exercise remedies set forth below; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Sublease Payments or otherwise declare any Sublease Payments not then in default to be immediately due and payable.

A. In the event that the non-defaulting party does not elect to terminate this Sublease pursuant to subsection B., below, the parties shall remain responsible for the performance of all conditions herein.

B. In the event of termination of this Sublease by Lessor at its option and in the manner hereinafter provided on account of default by District, District shall pay Lessor undisputed Sublease Payments then owing for past Sublease Payments due and not paid and undisputed compensation on the basis of time and materials for all labor, materials, and services provided up to the date of Lessor's termination of the Sublease. In the event of termination of this Sublease by District at its option and in the manner hereinafter provided on account of default by Lessor, District shall not be responsible to pay Lessor future Sublease Payments or compensate Lessor for time and materials for labor, materials, and services provided after the date of District's termination of the Sublease.

No right or remedy herein conferred upon or reserved to the parties is exclusive of any other right or remedy herein, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time; provided, however, that notwithstanding any provisions to the contrary herein, Lessor shall not under any circumstances have the right to accelerate the Sublease Payments that fall due in future Sublease periods or otherwise declare any Sublease Payments not then in default to be immediately due and payable.

**SECTION 22. NON-WAIVER.**

No covenant or condition to be performed by District or Lessor under this Sublease can be waived except by the written consent of both parties. Forbearance or indulgence by District or Lessor in any regard whatsoever shall not constitute a waiver of the covenant or condition in question. Until complete performance by District or Lessor of said covenant or condition, the other party shall be entitled to invoke any remedy available to it under this Sublease or by law or in equity despite said forbearance or indulgence.

**SECTION 23. ASSIGNMENT.**

Without the prior written consent of the other party, which consent shall not be unreasonably withheld, neither District nor Lessor shall (a) assign, transfer, pledge, or hypothecate this Sublease, the Project and the Site, or any part thereof, or any interest therein, or (b) sublet or lend the use of the Site or any part thereof, except as authorized by the provisions of the California Civic Center Act, Education Code section 38130 et seq. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by District or any other person. Lessor shall not assign its obligations under this Sublease with the exception of its obligation to issue default notices and to convey or reconvey its interest in the Project and the Site to District upon full satisfaction of District's obligations hereunder. This Sublease inures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors, and assigns of the parties hereto. Notwithstanding anything to the contrary contained in this Sublease, no consent from the District shall be required in connection with any assignment by Lessor to a lender for purposes of financing the Project as long as there are not additional costs to the District.

**SECTION 24. OWNERSHIP.**

The District will obtain title to the Project from Lessor, and any and all additions, repairs, replacements, or modifications thereof, as construction progresses and Sublease Payments and Tenant Improvement Payments are made to Lessor, provided that full title will not vest in the District until all Sublease Payments have been paid in accordance with the terms of this Sublease. Title shall be transferred to and vested in District hereunder without the necessity for any further instrument of transfer. At the termination of this Sublease, any improvements constructed thereon shall vest in District.

**SECTION 25. RELEASE OF LIENS.**

At the conclusion of the term of this Sublease, Lessor shall authorize, execute, and deliver to District all documents reasonably requested by District to evidence (i) the release of any and all liens created pursuant to the provisions of this Sublease and the Site Lease as they relate to the Project, the Sublease, and the Site Lease, and (ii) any other documents required to terminate the Site Lease and this Sublease.

**SECTION 26. TERMINATION OF CONSTRUCTION SERVICES AGREEMENT.**

In the event the Construction Services Agreement is terminated pursuant to the provisions contained therein, this Sublease shall immediately terminate.

**SECTION 27. SEVERABILITY.**

If any provision of this Sublease shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Sublease, unless elimination of such provision materially alters the rights and obligations embodied in this Sublease.

**SECTION 28. INTEGRATION/MODIFICATION.**

This Sublease constitutes the entire agreement between Lessor and District as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered herein, and it shall not be amended, altered, or changed except by a written agreement signed by the parties hereto.

**SECTION 29. NOTICES.**

Service of all notices under this Sublease shall be sufficient if given personally or mailed to the party involved at its respective address hereinafter set forth or at such address as such party may provide in writing from time to time. Any change in the addresses noted shall not be binding upon the other party unless preceded by no less than thirty (30) days prior written notice. Any such notices shall be deemed to have been received by the addressee if delivered to the person for whom they are intended or if sent by registered mail, return receipt requested, or fax followed by regular mail, addressed as follows:

If to Lessor: S+B James Construction California Inc.  
1450 Halyard Drive, Suite #11A  
West Sacramento, CA 95691  
Attn: Silas Nigam

If to District: Galt Joint Union Elementary School District  
1018 C Street, Suite 210  
Galt, CA 95632  
Attn: Lois Yount, Director of Business Services/CBO

With a copy to: Parker & Covert LLP  
2520 Venture Oaks Way, Suite 190  
Sacramento, CA 95833  
Attn: Addison Covert

**SECTION 30. TITLES/RECITALS.**

The titles to the sections of this Sublease are solely for the convenience of the parties and are not an aid in the interpretation thereof. The Recitals set forth at the beginning of this Sublease are hereby incorporated herein by this reference.

**SECTION 31. TIME.**

Time is of the essence in this Sublease and each and all of its provisions.

**SECTION 32. LAWS AND VENUE.**

The terms and provisions of this Sublease shall be construed in accordance with the laws of the State of California. If any action is brought in a court of law to enforce any term of this Sublease, the action shall be brought in a state court situated in the County of Sacramento, State of California, unless a court finds jurisdiction or venue is only proper in a federal court, or a court outside this county.

**SECTION 33. EXECUTION IN COUNTERPARTS.**

This Sublease may be simultaneously executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

**SECTION 34. TERMS NOT DEFINED.**

Capitalized terms used in this Sublease that are not defined shall have the same meaning as in the Construction Services Agreement.



**IN WITNESS WHEREOF**, the parties hereto have executed this Sublease by their authorized officers as of the day and year first written above.

**LESSOR:**

S+B James Construction California Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

**DISTRICT:**

Galt Joint Union Elementary  
School District

By: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

) ss.

COUNTY OF SACRAMENTO)

On \_\_\_\_\_, 2021, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

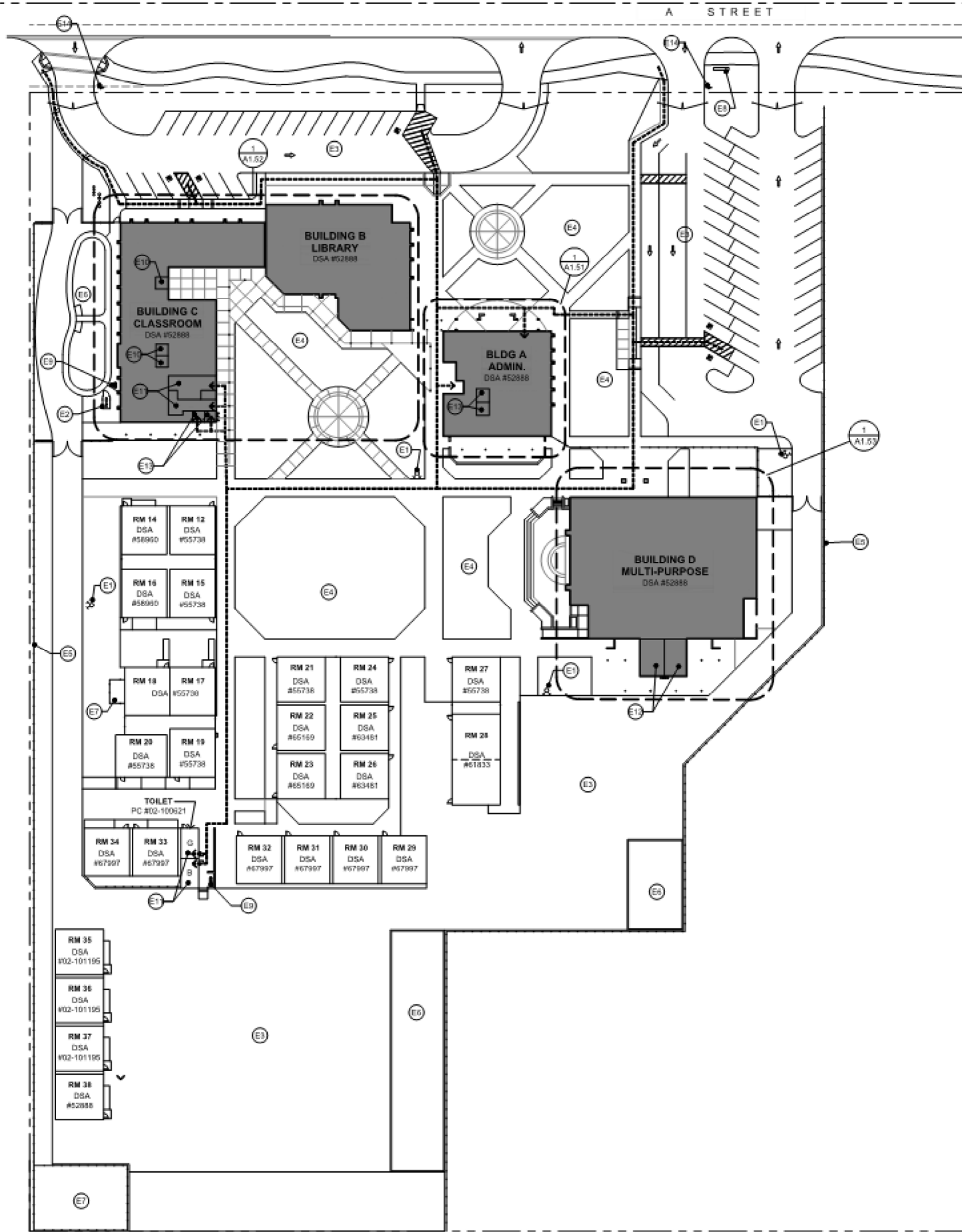
## EXHIBIT "A"

### **Description of Project**

The Scope of Work for the Project is depicted in the DSA/District approved plans and specifications which are on file at District's office and are incorporated herein as if set out in full. Scope of work is described as HVAC upgrades & roof replacement for existing buildings A, B, C, & D, and fire alarm replacement at Vernon Greer Elementary School. Existing floor plans remain unchanged. HVAC upgrade work includes replacing all equipment, some revisions to ducting distribution, all new registers and new controls. Roof replacement work includes new class 'A' single ply roofing system with some composition shingle replacement as well. Includes all new flashing, gutters, and downspouts as shown on drawings.

EXHIBIT "B"

Map of Site



1 SITE PLAN  
SCALE: 1" = 40'-0"

## EXHIBIT "C"

### GUARANTEED MAXIMUM PRICE AND OTHER PROJECT COST, FUNDING, PAYMENT AND INSURANCE PROVISIONS

**1. Site Lease Payments.** As indicated in the Site Lease, Contractor shall pay One Dollar (\$1.00) to the District as consideration for the Sublease.

**2. Guaranteed Maximum Price.** Pursuant to the Sublease, Contractor will cause the Project to be constructed for \$2,606,976 ("Guaranteed Maximum Price" or "GMP"). Except as indicated herein for modifications to the Project set forth herein or in Section 4 of the Construction Services Agreement, Contractor will not seek additional compensation from District in excess of the GMP. District shall pay the GMP to Contractor in the form of Tenant Improvement Payments which comprise 95% of the GMP and Sublease Payments which comprise 5% of the GMP as indicated herein. The GMP includes the following components and as further detailed herein:

**(a) Cost to Perform Work.**

**(1) Subcontractor Costs.** Payments made by the Contractor to Subcontractors, which payments shall be made in accordance with the requirements of the Contract Documents.

**(2) Contractor-Performed Work.** Costs incurred by the Contractor for self-performed work.

**2. General Conditions.** The fixed amount to be paid for all costs of labor, equipment and materials for the items identified therein which are necessary for the proper management of the Project, and shall include all costs paid or incurred by the Contractor for insurance (except for general liability insurance), permits, taxes, and all contributions, assessments and benefits, holidays, vacations, retirement benefits, and incentives, whether required by law or collective bargaining agreements or otherwise paid or provided by Contractor to its employees. The District reserves the right to request changes to the personnel, equipment, or facilities provided as General Conditions as may be necessary or appropriate for the proper management of the Project, in which case, the cost of General Conditions shall be increased or reduced accordingly.

**2.3 Fees.** All fees, assessments and charges that are required to be paid to other agencies or entities to permit, authorize or entitle construction, reconstruction or completion of the Project.

**2.4 Bonds and Insurance.** [Reserved]

**2.5 Overhead and Profit.** [Reserved]

**3.0 Payment of Guaranteed Maximum Price.** District shall pay the GMP to Contractor in the form of Tenant Improvement Payments and Sublease Payments as indicated herein.

**4.1 Tenant Improvement Payments.** Prior to the District’s taking delivery or occupancy of the Project, the District shall pay to Contractor two million, four hundred seventy-six thousand, six hundred twenty-eight dollars (\$2,476,628) (“Tenant Improvement Payment(s)”), pursuant to Section 21 of the Construction Services Agreement.

**4.2 Sublease Payments.** After the parties execute the Memorandum of Commencement (“MOC”) Date, attached as Exhibit “D” of this Sublease, the District shall pay to Contractor one hundred thirty thousand, three hundred forty-eight dollars and 0 Cents (\$130,348) (“Sublease Payment(s)”), as indicated below.

(a) The Sublease Payments shall be consideration for the District’s rental, use, and occupancy of the Project and Site and shall be made in equal monthly installments for the duration of the Term.

(b) The District represents that the total annual Sublease Payment obligation does not surpass the District’s annual budget and will not require the District to increase or impose additional taxes or obligations on the public that did not exist prior to the execution of the Sublease.

(c) **Fair Rental Value.** District and Contractor have agreed and determined that the total Sublease Payments constitute adequate consideration for the Construction Services Agreement and Sublease and are reasonably equivalent to the fair rental value of the Project. In making such determination, consideration has been given to the obligations of the Parties under the Construction Services Agreement, Site Lease and Sublease, the uses and purposes which may be served by the Project and the benefits therefrom which will accrue to the District and the general public.

(d) The Sublease Payment Amount shall be paid pursuant to the following structure and the annual interest rate shall be at **Two and One Half percent (2.5%)**:

Sublease Payment No.	Date	Amount	Notes
1	9/1/2021	43,449	
2	10/1/2021	43,449	
3	11/1/2021	43,450	
4			
5			
6			
7			
8			
9			
10			
11			

The owner has the option to pay the S+B James Construction California Inc. the balance of the lease payments on September 1, 20. If the District selects to proceed with this option, a discount of 4% of the remaining balance will be deducted from the remaining lease payments. The

remaining lease payments would be in the amount of \$130,348 and the discount would be in the amount of \$5,214 for a total of \$125,134 to be paid on September 30, 2021.

\*The Prepayment Price shall be the Beginning Balance as of the date the Purchase Option is exercised pursuant to Section 7 of the Sublease Agreement.

(e) **Financed Portion of Sublease Payments.** The District requires the Contractor to finance a portion of the Sublease Payments and that financing is reflected in the table above.

**5. Insurance and Bond Reimbursement.** At Project Completion of, Contractor shall require reimbursement from its insurance brokers and/or insurers and its bond brokers and/or sureties, all portions of Contractor's bond premiums, either paid or to be paid, that are not at-risk due to a reduction in the GMP. All amounts of premium reimbursement that Contractor receives from the Contractor's insurance brokers and/or insurers and its bond brokers and or sureties, shall be withheld by District from Contractor's Sublease Payment(s). The District shall estimate this amount until Contractor indicates the total amount of this reimbursement.

**6. District Insurance.** In addition to the Contractor's insurance requirements set forth in the Construction Services Agreement, the District shall carry and maintain in force the following insurance at all times from and after District's acceptance of the Project:

(a) **Rental Interruption Insurance.** District shall carry and maintain in force for the benefit of District and Contractor, as their interests may appear, rental interruption insurance to cover loss, total or partial, of the use of the Project due to damage or destruction, in an amount at least equal to the maximum estimated Sublease Payments payable under this Sublease and for the entire term of the Sublease. This insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, and such insurance may be maintained in whole or in part in the form of participation by the District in a joint powers agency or other program providing pooled insurance. This insurance may not be maintained in the form of self-insurance. The proceeds of this insurance shall be paid to the Contractor in lieu of the Sublease Payments that would otherwise be due and owing during this period.

(b) **Property Insurance.** District shall carry and maintain a policy of property insurance for 100% of the insurable replacement value with no coinsurance penalty, on the Site and the Project, together with all improvements thereon, under a standard "all risk" contract insuring against loss or damage. Contractor shall be named as additional insureds or co-insureds thereon by way of endorsement. District shall not be relieved from the obligation of supplying any additional funds for replacement of the Project and the improvements thereon in the event of destruction or damage where insurance does not cover replacement costs. District shall have the right to procure the required insurance through a joint powers agency or to self-insure against such losses or portion thereof as is deemed prudent by District. Notwithstanding any provision to the contrary in this Sublease or the Construction Services Agreement, the District shall, concurrent with any occupancy, use or possession of any portion of the Project, furnish property and loss liability insurance to cover any such portion of the Project or the Site it occupies, uses or possesses. At such time the District commences occupancy, use or possession, District's insurance



shall be primary and any coverage by Lessor be non-contributing excess over any other applicable insurance. District shall provide certificates of insurance and additional insured endorsements naming Lessor, which shall include wording that the District's coverage is primary and coverage provided by Lessor, if any, is non-contributing.

**(c) Commercial General Liability Insurance.** District shall carry and maintain a policy of commercial general liability insurance policy of \$1,000,000. Contractor shall be named as an additional insured or co-insured thereof by way of endorsement. District shall have the right to procure the required insurance through a joint powers agency or to self-insure against such losses or portion thereof as is deemed prudent by District.

EXHIBIT "D"

SUBLEASE

MEMORANDUM OF COMMENCEMENT DATE  
VERNON GREER ELEMENTARY SCHOOL  
HVAC UPGRADES AND ROOF REPLACEMENT

**[TO BE ENTERED INTO AFTER CONSTRUCTION IS SUBSTANTIALLY COMPLETE TO COMMENCE THE SUBLEASE TERM – DO THIS AFTER NOC]**

This MEMORANDUM OF COMMENCEMENT DATE is dated April 28, 2021, and is made by and between S+B James Construction California Inc. ("Contractor"), as Lessor, and the Galt Joint Union Elementary School District ("District"), as Lessee.

1. Contractor and District have previously entered into a Sublease dated as of April 28, 2021 (the "Sublease") for the leasing by Contractor to District of the Site and Project in Galt, California, referenced in the Sublease.

2. District hereby confirms the following:

A. That all construction of the Project required to be performed pursuant to the Construction Services Agreement has been completed by Contractor in all respects;

B. The District has accepted and entered into possession of the Project and now occupies same; and

C. That the term of the Sublease commenced on April 28, 2021, and will expire at 11:59 p.m. on November 1, 2021.

**THIS MEMORANDUM OF COMMENCEMENT DATE IS ACCEPTED AND AGREED**  
on the date indicated below:

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Galt Joint Union Elementary School District**

**S+B James Construction California Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

Print Title: \_\_\_\_\_

**CONSTRUCTION SERVICES AGREEMENT**

**FOR**

**VERNON GREER ELEMENTARY SCHOOL HVAC  
UPGRADES AND ROOF REPLACEMENT**

**Dated as of April 28, 2021**

**Between**

**Galt Joint Union Elementary School District**

**And**

**S + B James Construction California Inc.**

**VERNON GREER ELEMENTARY SCHOOL HVAC UPGRADES AND ROOF  
REPLACEMENT**

**CONSTRUCTION SERVICES AGREEMENT**

This Construction Services Agreement (“Construction Services Agreement”) is dated as of April 28, 2021, by and between the Galt Joint Union Elementary School District, a school district duly organized and existing under the laws of the State of California (“District”), and S+B James Construction California Inc. (“Contractor”).

**RECITALS**

**WHEREAS**, District owns and operates the Vernon Greer Elementary School site, located at 248 West A Street, Galt, California, 95632 (the “School”);

**WHEREAS**, District desires to construct certain improvements to the Vernon Greer Elementary School site. Scope of work is described as HVAC upgrades & roof replacement for existing buildings A, B, C, & D at Vernon Greer Elementary School and fire alarm replacement. Existing floor plans remain unchanged. HVAC upgrade work includes replacing all equipment, some revisions to ducting distribution, all new registers and new controls. Roof replacement work includes new class 'A' single ply roofing system with some composition shingle replacement as well. Includes all new flashing, gutters, and downspouts as shown on drawings (the “Project”);

**WHEREAS**, District has determined that it is necessary to retain the services of a construction firm to construct the Project;

**WHEREAS**, District has entered into an agreement with Derivi Castellanos Architects (DCA) as its architect (“Architect”) to prepare the plans and specifications for the Project (“Plans and Specifications”), with the Plans and Specifications having been approved by the Division of the State Architect (“DSA”) on June 13, 2019 DSA No 02-117322;

**WHEREAS**, California Education Code section 17406 permits the governing board of a school district, following the completion of a competitive solicitation process, to lease to any person, firm, or corporation any real property owned by District if the instrument by which such property is leased requires the lessee to construct on the leased premises, or provide for the construction thereon, of a building for the use of the school district, during the term of the lease, and provides that title to that building shall vest in the school district at the expiration of the lease;

**WHEREAS**, having received the highest best value score, Contractor was awarded the Project, including the Construction Services Agreement for the Project;

**WHEREAS**, in connection with the approval of this Construction Services Agreement, District will enter into a site lease agreement with Contractor (“Site Lease”), under which it will lease to Contractor the Project site, and improvements thereon, as described in Exhibit “A” of the Site Lease (“Site”) in order for Contractor to construct improvements to the School Site;

**WHEREAS**, Contractor will lease the Site and the Project back to District pursuant to a sublease agreement (“Sublease”), under which District will be required to make sublease payments and tenant improvement payments to Contractor for the use and occupancy of the Site and the Project;

**WHEREAS**, at the expiration of the Site Lease and Sublease terms, title to the Project shall vest in District;

**WHEREAS**, District and Contractor desire to enter into this Construction Services Agreement to ensure that the Project will meet District’s expectations;

**WHEREAS**, Contractor is experienced in construction of the type of improvements included in the Project that are desired by District, is duly licensed as a contractor in the State of California, and is willing to perform construction work for District, all as more fully set forth herein;

**WHEREAS**, Contractor has thoroughly investigated the Site conditions and reviewed the Construction Documents, as defined in Section 2.D., below, to establish that there are no known problems with respect to the Site conditions or the Construction Documents and that Contractor can and will construct the Project for the Guaranteed Maximum Price as set forth and defined in Section 4 of this Construction Services Agreement, and Contractor will not seek any additional compensation whatsoever, including, without limitation, any requests based upon known Site conditions or any requests; and

**WHEREAS**, the District acknowledges and agrees that it has entered into the Site Lease, Sublease and this Construction Services Agreement pursuant to Education Code Section 17406 as the best available and most expeditious means for the District to satisfy its substantial need for the facilities to be provided by the Project and to accommodate and educate District students and to utilize its facilities proceeds expeditiously.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the covenants hereinafter set forth, District and Contractor agree as follows:

### **SECTION 1. CONTRACTOR’S DUTIES AND STATUS**

Contractor accepts the contractual relationship established between it and District by this Construction Services Agreement, and Contractor covenants with District to furnish its best skill and judgment in constructing the Project as set forth in the Construction Documents. Contractor agrees to furnish at all times efficient business administration and superintendence, an adequate supply of professionals, workers, and materials and to perform the work appropriately, expeditiously, economically, and consistent with this Construction Services Agreement and Construction Documents.

### **SECTION 2. DEFINITIONS**

**“Construction Services Agreement”** means this Construction Services Agreement, together with any duly authorized and executed amendments hereto.

**“Construction” or “Construction Services”** means all labor and services necessary for the construction of the Project, and all materials, equipment, tools, supplies, and incidentals incorporated or to be incorporated in such construction as fully described in the Construction Scope of Work set forth in Section 8, below, and Exhibit “A.” Unless otherwise expressly stipulated, Contractor shall perform all work and provide and pay for all materials, labor, tools, equipment, and utilities necessary for the proper execution and completion of the Project.

**“Construction Costs”** means any and all costs incurred by Contractor with respect to the construction and equipping, as the case may be, of the Project, whether paid or incurred prior to or after the date hereof, including, without limitation, costs for the: (i) Contractor’s and developers’ overhead, profit and supervisors’ fees and costs directly allocable to the Project; and (ii) all costs and expenses, including any taxes or insurance premiums paid by Contractor with respect to the property, and administrative and other expenses necessary or incident to the Project. The term “Construction Costs” includes all Contractor’s costs associated with preparing or generating additional copies of any Construction Documents related to or required for the Project, including preparation or generation of additional plans and specifications for Contractor’s subcontractors. In no event shall Construction Costs exceed the Guaranteed Maximum Price.

**“Construction Documents”** means the final drawings, profiles, cross sections, design development drawings, construction drawings, and supplemental drawings based on the plans and specifications developed for the Project, including any reference specifications or reproductions prepared by Architect and specifications approved by District, which show or describe the location, character, dimensions, or details of the Project and specifications for construction thereof.

**“Contract Documents”** means those documents which form the entire contract by and between District and Contractor. The Contract Documents consist of this Construction Services Agreement, including all exhibits and attachments thereto, the Construction Documents, the Site Lease, and the Sublease.

**“Guaranteed Maximum Price” or “GMP”** means the Guaranteed Maximum Price established pursuant to Section 4, below, to be paid to Contractor for Contractor’s construction of the Project hereunder, subject to any adjustments for Extra Work/Modifications as provided in Section 9, below.

**“Project”** means the construction of improvements and equipment to be constructed and installed by Contractor on the Site, as more particularly shown and/or referenced in Exhibit “A” attached hereto.

**“Site”** means that certain parcel of real property and improvements thereon (if any) more particularly described in Exhibit “B” of the Site Lease.

**“Site Lease”** means the Site Lease dated as of April 28, 2021, by and between District and Contractor together with any duly authorized and executed amendment thereto under which District leases the Site to Contractor.

**“Skilled and Trained Workforce”** means a workforce that meets all of the conditions specified

in Public Contract Code section 2601(d), including, without limitation the requirements that: (i) all the workers on the Projects in an apprentice able occupation in the building and construction trades are either skilled journeypersons or apprentices registered in an apprenticeship program approved by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations (the “Chief”), and (ii) for work performed on or after January 1, 2020, at least 60 percent of the skilled journeypersons employed to perform work on the Project by Contractor and each of its subcontractors at every tier are graduates of an apprenticeship program for the applicable occupation. As specified in Public Contract code section 2601(d), this requirement shall not apply to the following occupations: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.

**“Special Conditions”** means, to the extent applicable to the Project, that work which is peculiar to the Project, and does not fall under the general conditions or supplemental conditions. Special conditions are used when the work contemplated is of such a character that the general conditions, which are consistent project to project, cannot adequately cover necessary and additional contractual matters. Special conditions shall be read in conjunction with the general conditions, supplemental conditions, specifications of work, drawings, and any other document forming part of the Contract Documents. Special conditions shall not weaken the character or intent of the general conditions, provided, however, that when the terms of the general conditions and the terms of the special conditions cannot be reconciled, the special conditions shall govern, unless a different intention appears.

**“Subcontractor”** means any person or entity, including trade contractors, who have a contract with Contractor to perform any work on the improvements to the Site.

**“Sublease”** means the Sublease dated as of April 28, 2021, by and between District and Contractor together with any duly authorized and executed amendment hereto under which District subleases the Site and the Project from Contractor.

**“Sublease Payment”** means any payment required to be made by District pursuant to Section 7 of the Sublease.

**“Tenant Improvement Payments”** means the payments required to be made by the District pursuant to Section 21 of the Construction Services Agreement and Exhibit “C” of the Sublease.

### **SECTION 3. ADDITIONAL SERVICES; DISTRICT CONTINGENCY**

If District requests Contractor to perform additional services (“Additional Services”) not described in this Construction Services Agreement, Contractor shall provide a cost estimate and a written description of the Additional Services required to perform such work. The District shall set aside a contingency amount of five percent (5%) of the GMP for the Project (“District Contingency”), which District Contingency shall be used for such Additional Services. Compensation for such Additional Services shall be negotiated and agreed upon in writing, in advance of Contractor’s performing or contracting for such Additional Services and paid to Contractor in addition to the GMP

established pursuant to Section 4, below. In the absence of such written agreement, District will not compensate Contractor for such work, and Contractor will not be required to perform it. Nothing in this Construction Services Agreement shall be construed as limiting the valuation and amount to be paid to Contractor for such Additional Services or its implementation should a written agreement for such services be executed. Contractor shall not be entitled to compensation for Additional Services required as a result of Contractor's acts, errors, or omissions.

The District is in no way limited by the manner in which it decides to utilize the District Contingency. Any funds remaining in the District Contingency at the completion of the Project shall remain unspent and remain allocated to District.

#### **SECTION 4. ESTABLISHMENT OF GUARANTEED MAXIMUM PRICE ("GMP")**

The GMP for the Project shall be two million, six hundred and six thousand, nine hundred seventy-six (\$2,606,976), as further described in Exhibit "C" of the Sublease. The GMP is based upon the approved plans and specifications existing and reviewed by Contractor at the time this Construction Services Agreement is entered into as more fully described and referenced in the Scope of Work set forth in Exhibit "A." Contractor's detailed line item costing of the Project, or Master Budget, totaling the GMP is attached hereto as Exhibit "B." Furthermore, District represents and warrants that the GMP consists of the Tenant Improvement Payments comprising ninety-five percent (95%) of the GMP, plus the Sublease Payments comprising ten percent (5%) of the GMP to be paid as a portion of the rental of the Project and Site under the terms of the Sublease. District represents and warrants that (1) the total amount of Sublease Payments includes the total rental for the Project, which total does not exceed the fair market value for the Project; (2) said rental amount has been incorporated into the GMP in consideration and inducement of this Construction Services Agreement, the Site Lease, the Sublease, the uses and purposes which may be served by the Project, and the benefits therefrom which will accrue to District and the general public; and (3) said rental amount shall be paid by District as a part of the GMP, with District non-local match contribution local funds. The GMP and Tenant Improvement Payments are subject to adjustments for Extra Work/Modifications in accordance with the provisions of Section 9, below, and adjustments for reductions in the Scope of Work pursuant to the provisions of Section 4, below. The GMP includes the cost of all labor, materials, equipment, general conditions, overhead, profit, and Contractor Contingency (as defined directly below), but shall specifically exclude the amount of the District Contingency.

1. Contractor Contingency. Within the GMP shall be a line item amount representing two and one-half percent (2.50%) of the GMP to cover the Contractor Contingency ("Contractor Contingency"). The Contractor Contingency is for the exclusive use of Contractor, as approved by District, to pay for miscellaneous work items, which are required to complete the Project. Contractor shall not use the Contractor Contingency to pay for costs related to the following: (a) errors or omissions in the construction documents; (b) discrepancies with the plans and specifications as they pertain to applicable building code requirements; (c) and/or enhancements or additions to the Scope of Work desired by the District; or (d) unforeseen conditions. Costs related to (a) through (d) above will be paid for pursuant to the provisions of Section 9, below, the allowance set forth in this Section, or the District Contingency.



2. Errors and Omissions Allowance. Within the GMP shall be a line item amount representing two and one-half percent (2.50%) of the GMP to cover errors and omissions in the Plans and Specifications (“Errors and Omissions Allowance”). In the event errors or omissions are discovered in the plans and specifications which make strict compliance with the specifications impractical, Contractor shall notify District of the need for such work by placing the matter on the agenda of regularly scheduled construction meetings with District for discussion as soon as practicable after the need for such work is determined. Additionally, Contractor shall submit to District for its consideration and approval or disapproval, a written request for the work before such work is performed. If District approves such request in writing, the costs of the work, shall be added to or deducted from the Errors and Omissions Allowance within the GMP. Any funds remaining in this Errors and Omissions Allowance at the completion of the Project shall remain unspent and allocated to District, except for any portion of savings added to the Errors and Omissions Allowance, which savings shall be returned to District at completion of the Project as provided in Section 6 below.

District, at all times, shall have the right to reduce the scope of the Project. If District reduces the scope of the Project, the GMP shall be reduced to contemplate the reduced Scope of Work pursuant to the provisions of Section 9, below. To the extent possible, it is the mutual goal of District and Contractor to maximize the Scope of Work as allowed by the GMP.

#### **SECTION 5. NOTICE TO PROCEED**

After execution of this Construction Services Agreement and the Site Lease and Sublease between the parties, the District shall issue a notice to Contractor to proceed with the Project (“Notice to Proceed”) conditioned upon the following:

The District’s adopted Plans and Specifications for the Project comply with the Field Act and have been approved by DSA, thereby allowing the District to issue a Notice to Proceed for construction.

No challenge has been made to the validity of the Site Lease, Sublease, Construction Services or other agreement related to this transaction. In the event that a third party files a challenge or proceeding to the validity of the documents or transaction the District will not to issue a Notice to Proceed and, in the event a Notice to Proceed has already been issued, either party may rescind the notice to proceed and may opt to terminate this Construction Services Agreement and in which event the District will pay the Contractor pursuant to the provisions of Section 11 herein.

The Notice to Proceed shall include the date upon which the Project shall commence.

#### **SECTION 6. SAVINGS**

The purpose of savings is to minimize the expenditure of funds for the construction of the Project on items that exceed the minimum criteria required without a corresponding benefit to District. District and Contractor shall work cooperatively with each other, in good faith, to identify appropriate opportunities to reduce the Project costs and promote savings.

If Contractor realizes a savings on any aspect of the Project, such savings shall be added to the District Contingency, and shall be expended in a manner consistent with the District Contingency.

Contractor shall document all savings on an ongoing Project budget tracking summary and present it to District at regularly scheduled construction meetings with District. Any savings, including unspent Contractor Contingency, realized on the Project will be returned to District at completion of the Project.

## **SECTION 7. SELECTION OF SUBCONTRACTORS**

**Subcontractors.** In the interest of minimizing the expenditure of funds for the construction of the Project, Contractor agrees to select appropriately State of California licensed subcontractors for each trade component of the Project consistent with Education Code Section 17406(a)(4) in a manner that fosters competition and complies with the requirements of paragraph B. of this Section 7. Contractor agrees that it will provide public notice of availability of work to be subcontracted in accordance with the publication requirements of Public Contract Code Section 20112, establish reasonable qualification criteria and standards, and award subcontracts either on a best value basis or to the lowest responsible bidder. To be qualified to bid, all such subcontractors must currently be registered and qualified to perform public work pursuant to Section 1725.5 of the Labor Code. Regardless of the method Contractor employs, Contractor shall make a good faith effort to contact and utilize Disabled Veteran Business Enterprise (“DVBE”) contractors and suppliers in securing bids for performance of the Project in accordance with the provisions set forth below. District reserves the right to oversee the bidding process. Contractor shall inform all bidders that District will not be a party to any contract for construction services executed by Contractor and selected bidders. Contractor shall submit a listing of proposed subcontractors to District for District’s review. In no case will Contractor award any subcontract until District has concurred to the scope and price of the subcontracted services. In addition, Contractor shall provide District with full documentation regarding the bids or competitive quotes received by Contractor. In no event shall such documentation be redacted or obliterated. In the event Contractor does not comply with this provision, District may terminate this Construction Services Agreement in accordance with the provisions of Section 11, below.

**Skilled and Trained Workforce.** Contractor covenants and agrees that a “Skilled and Trained Workforce” will be used to perform the Project which is either skilled journeypersons or apprentices registered in an apprenticeship program. On a monthly basis while the Project is being performed, Contractor shall provide a report to the District using the form attached as Exhibit “I” (“Monthly Skilled and Trained Workforce Report”) demonstrating that Contractor and its subcontractors at every tier are complying with the requirements of Public Contract Code section 2600 et seq. and Education Code section 17407.5. If Contractor fails to provide District the monthly report, or provides a report that is incomplete, District shall withhold further payments to Contractor until a complete report is provided. If a monthly report does not demonstrate compliance with Public Contract Code section 2600 et seq. and Education Code section 17407.5, District shall withhold further payments until Contractor provides a plan to achieve substantial compliance with respect to the relevant apprentice able occupation, prior to completion of the Project. The monthly report provided to the District pursuant to this paragraph B. shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with section 6250) of Division 7 of Title 1 of the Government Code), and shall be open to public inspection.

## **Prequalification Requirements.**

Contractor and the electrical, mechanical, and plumbing subcontractors, if any, shall be subject to the same prequalification requirements for prospective bidders described in Public Contract Code section 20111.6 including the requirement for the completion and submission of a standardized prequalification questionnaire and financial statement which is certified under oath and not a public record.

### **D. DVBE Requirements.**

Compliance with DVBE contracting goals is required under this Construction Services Agreement. In accordance with Education Code section 17076.11 District has a DVBE participation goal of 3% per year of the overall dollar amount of state funds allocated to District pursuant to the Leroy F. Greene School Facilities Act of 1998 and Kindergarten – University Public Education Facilities Bond Acts of 2002, 2004, and 2006 and the Kindergarten Through Community College Public Education Facilities Bond Act of 2016 for construction and modernization projects, and expended each year by District. District is seeking DVBE participation under this Construction Services Agreement.

Contractor must make a good faith effort to contact and utilize DVBE contractors and suppliers in securing bids for performance of the Project. Information regarding certified DVBE firms can be obtained from the Office of Small Business and DVBE Services (“OSBDVBES”) at (800) 559-5529 or (916) 375-4940 as well as its website at [www.pd.dgs.ca.gov/smbus/default.htm](http://www.pd.dgs.ca.gov/smbus/default.htm). Verification of DVBE status must be obtained from the OSBDVBES by receiving an approved certification letter and reference number from that office. Contractor is required, as a material condition of this Construction Services Agreement, to submit documentation of its good faith efforts to the District prior to commencement of the construction of the Project. Good faith efforts are demonstrated by evidence of the following: (a) Contact was made with District regarding the identification of DVBEs; (b) Contact was made with other state agencies and with local DVBE organizations to identify DVBEs; (c) Advertising was published in trade papers and papers focusing on DVBEs; (d) Invitations to bid were submitted to potential DVBE contractors; and (e) Available DVBEs were considered.

Contractor shall provide to District no later than two (2) calendar days prior to the scheduled award of the Project, the appropriate documentation using DVBE Compliance Forms, including, but not limited to, proof of publication if satisfying the good faith effort requirement (unless goal is met), and identifying the amount to be paid to DVBE’s in conjunction with this Construction Services Agreement, so that District can assess its success in meeting the three percent (3%) goal.

If the DVBE compliance forms specify that Contractor will meet the DVBE participation goal for the Project, prior to, and as a condition precedent for final payment under the agreement for the Project, Contractor shall certify to District, using the certification form included with the DVBE compliance forms, (1) the total amount Contractor received under the contract, (2) the name and address of the DVBE that participated in the performance of the contract, (3) the amount each DVBE received from Contractor, and (4) that all payments under the contract have been made to the DVBE.

## **SECTION 8. DSA OVERSIGHT PROCESS**

The Contractor must comply with the applicable requirements of the Division of State Architect (“DSA”) Construction Oversight Process (“DSA Oversight Process”), including but not limited to (a) notifying the Inspector of Record (“IOR”) upon commencement and completion of each aspect of the Work as required under DSA Form 156; (b) coordinating the work with the IOR’s inspection duties and requirements; (c) submitting verified reports under DSA Form 6-C; and (d) coordinating with the Owner’s Architect, any Construction Manager, any Laboratories, and the IOR to meet the DSA Oversight Process requirements without delay or added costs to the Project.

Contractor shall be responsible for any additional DSA fees related to review of proposed changes to the DSA-approved construction documents, to the extent the proposed changes were caused by Contractor’s wrongful actions or omissions. If inspected Work is found to be in non-compliance with the DSA-approved construction documents or the DSA-approved testing and inspection program, then it must be removed and corrected. Any construction that covers unapproved or uninspected Work is subjects to removal and correction, at Contractor’s expense, in order to permit inspection and approval of the covered Work in accordance with the DSA oversight Process.

## **SECTION 9. CONSTRUCTION SCOPE OF WORK**

**Critical Path Method Master Schedule.** Prior to commencing Construction, Contractor shall submit to District a reasonably detailed Critical Path Method (“CPM”) Master Schedule for the Construction, as set forth in Section 11, below.

**Pre-Construction Orientation/Construction Meetings.** Contractor, in conjunction with Architect, shall conduct pre-construction orientation conferences for the benefit of Subcontractors to orient Subcontractors to the various reporting procedures and Site rules prior to the commencement of actual Construction. Contractor shall also conduct Construction and progress meetings with District Representatives and other interested parties, as requested by District, to discuss such matters as procedures, progress problems, and scheduling. Contractor shall prepare and promptly distribute official minutes of such meetings to all parties in attendance including Architect, District, and District Inspector (“Inspector”).

**Budget/Cash Flow Reports.** Contractor shall incorporate approved changes as they occur and develop cash flow reports and forecasts for submittal to District on a monthly basis. Contractor shall provide regular monitoring of the approved estimates of Construction Costs, showing actual costs for activities in progress, and estimates for uncompleted tasks. Contractor shall identify variances between actual and budgeted or estimated costs, and advise District and Architect whenever the Project costs exceed budgets or estimates. Contractor shall maintain cost accounting records on authorized additional services or work performed under unit costs, additional work performed on the basis of actual costs of labor and materials, or other work requiring accounting records.

**Progress Reports.** Contractor shall record the progress of the Project and shall submit monthly written progress reports to District and Architect including information on the entire Project, showing percentages of completion and the number and amounts of proposed Extra Work/Modifications, as

defined below, and their effect on the Construction Costs as of the date of the report. Contractor shall also keep a daily log containing a record of weather, contractors, work on the Site, number of workers, work accomplished, problems encountered, and other similar relevant data as District may require. Contractor shall make the log available to District and Architect. District shall be promptly informed of all anticipated delays. In the event that Contractor determines that a schedule modification is necessary, Contractor shall promptly submit a revised schedule for approval by District.

**Shop Drawings.** Contractor shall check and verify all field measurements and shall submit with such promptness as to cause no delay in the work or in that of any other contractor, subcontractor, Architect, other independent contractor, or worker on the Project, three (3) copies of all shop or setting drawings, schedules, and materials list, and all other submittals in accordance with other provisions of the Contract Documents required for the work of various trades. Contractor shall sign all submittals affirming that the submittals have been reviewed and approved by Contractor prior to submission to Architect. Each signed submittal shall affirm that the submittal meets all the requirements of the Contract Documents except as specifically and clearly noted and listed on the cover sheet of the submittal.

Contractor shall advise District immediately, if Architect has not checked and approved with reasonable promptness, such schedules and drawings for conformance with the design concept of the Project and in compliance with all information included in the Contract Documents. Contractor shall make any corrections required by Architect, file with Architect three (3) corrected copies, and furnish such other copies as may be needed for Construction. Architect's approval of such drawings or schedules shall not relieve Contractor from responsibility for deviations in the drawings and/or specifications unless Contractor has called Architect's attention to such deviations in writing at the time of submission and has secured Architect's written approval. Architect's approval of such drawings and schedules shall not relieve Contractor from responsibility for errors in the shop drawings or schedules. For purposes of this Section "reasonable promptness" shall mean such reasonable promptness as to cause no delay in the work or in the activities of District, Contractor, or other contractors, while allowing sufficient time in Architect's professional judgment to permit adequate review.

**Submittals.** Contractor shall promptly furnish for approval, within fourteen (14) days following the Project commencement date stated in the Notice to Proceed, or within any other time frame agreed to by the parties, a log of all samples, material lists and certifications, mix designs, schedules, and other submittals, as required in the specifications for the Project. Such log shall indicate whether samples will be provided as specified and in accordance with other provisions of this Construction Services Agreement. Contractor shall provide samples and submittals, together with catalogs and supporting data required by Architect with reasonable promptness so as not to cause delays on the Project. This provision shall not authorize any extension of time for performance of this Construction Services Agreement. Architect will check and approve such samples, only for conformance with the design concept of the work and for compliance with the information provided in the Contract Documents. Work shall be in accordance with approved samples. Architect's action will be taken within fourteen (14) calendar days after receiving such samples and submittals. If in Architect's professional judgment fourteen (14) days is an insufficient amount of time to permit adequate review, Architect shall, within the initial fourteen (14) day period, notify Contractor, with a copy to Inspector and

District, of the amount of time that will be required to respond. If Architect's response results in a change in the Project, then such change shall be affected by a written change order.

**Scheduling.** Contractor shall complete the Construction pursuant to the CPM Construction Documents, reduction in scope, shall perform all work set forth in the Scope of Work in Exhibit "A", and shall make reasonable efforts in scheduling to prevent disruption to classes.

**District Permit and Other Obligations.** District shall pay for the Inspector, soils testing, special testing, etc. If additional review or permits become necessary for reasons not due to Contractor's fault after the date the GMP is established and not reasonably anticipated at the time the GMP is established, Contractor may seek additional compensation for the cost of that review as an additional cost.

**Contractor Permit and Other Obligations.** District shall pay for all general building permits and ancillary permits and licenses not paid by District prior to the commencement of this Construction Services Agreement. District shall also be responsible for arranging and overseeing, all necessary inspections and tests, including, permits, and occupancy permits. All inspection fees and other municipal charges for permanent utilities including, but not limited to, sewer, electrical, phone, gas, water, and irrigation shall be paid by District. Contractor shall be responsible for arranging the payment of such fees, but the inspection fees and other municipal fees relating to permanent utilities shall be paid by District. Contractor may either request reimbursement from District for such fees, or obtain the funds from District prior to paying such fees. Contractor shall be responsible for arranging and overseeing safety procedures and requirements and Construction employee training programs which cover, among other items, hazardous chemicals and materials.

**Protection.** Contractor shall establish procedures for the protection of all existing structures, equipment, utilities, and other existing improvements, both on-site and off-site.

**Nuisance Abatement.** Contractor shall develop a mutually-agreed-upon program with District to abate and minimize noise, dust, and disruption to normal activities at the existing facilities on the Site, including procedures to control on-site noise, dust, and pollution during Construction.

**Site Mitigation and Remediation.** Except as provided below, District shall perform any required Site mitigation or remediation at its sole cost, unless such Site mitigation or remediation is necessitated by any of the conditions described in Section 33, below, in which event the provisions of that section shall govern.

**Utilities.** District will provide for utilities located at Portable 28, to be used by the Contractor for a field office.

**Sanitary Facilities.** Contractor shall provide a sanitary temporary toilet building as directed by Inspector for the use of all workers. The building shall be maintained in a sanitary condition at all times and shall be left at the Site until Inspector directs removal. Use of toilet facilities in the work under Construction shall not be permitted except by approval of Inspector.

**Layout and Field Engineering.** All field engineering required for laying out this work and establishing grades for earthwork operations shall be furnished by Contractor at its expense. Such

work shall be accomplished by a qualified civil engineer or land surveyor licensed in California and approved by Architect. Any required “as built” drawings of Site development shall be prepared by a qualified civil engineer or land surveyor licensed in California and approved by Architect.

**Cutting and Patching.** Contractor shall do all cutting, fitting, or patching of work as required to make its several parts come together properly and fit it to receive or be received by work of other contractors showing upon, or reasonably implied by, the drawings and specifications for the completed structure. Contractor shall make good any such work as Architect may direct. All cost caused by defective or ill-timed work shall be borne by the party responsible therefore. Contractor shall not endanger any work by cutting, excavating, or otherwise altering work and shall not cut or alter work of any other contractor save with the consent or at the direction of Architect.

**Close Out.** Contractor shall be responsible for the timely delivery of the technical manuals, warranties, and guarantees as required in the technical specifications at the completion of the Project. Contractor shall coordinate the closeout procedures for the Project with the Inspector, as may be required, and promptly provide any requested documents that may be required for closeout of the Project.

## **SECTION 10. EXTRA WORK/MODIFICATIONS**

District may prescribe extra work or modification or reduction of requirements or of methods of performing the Construction which differ from the work or requirements set forth in the Construction Documents (“Extra Work/Modifications”); and for such purposes, District may, at any time during the life of this Construction Services Agreement, by written order, make such changes as it shall find necessary in the design, line, grade, form, location, dimensions, plan, or material of any part of the work or equipment specified herein or in the Construction Documents, or in the quantity or character of the work or equipment to be furnished. In the event conditions develop which make strict compliance with the specifications impractical, Contractor shall notify District of the need for such Extra Work/Modification by placing the matter on the agenda of regularly scheduled Construction meetings with District for discussion as soon as practicable after the need for such Extra Work/Modification is determined. Additionally, Contractor shall submit to District for its consideration and approval or disapproval, a written request for Extra Work/Modifications before such work is performed. If District approves such request in writing, the costs of the Extra Work/Modifications, as established pursuant to this Section 10, shall be added to or deducted from the GMP and paid as Tenant Improvement Payments, as applicable.

Value of any such Extra Work/Modification, change, or deduction shall be determined at the discretion of District, in consultation with Architect, in one or more of the following ways:

By acceptable lump sum proposal from Contractor with itemization as required by District and/or Architect.

By unit prices contained in Contractor’s cost estimates and incorporated in the Contract Documents or fixed by subsequent agreement between District and Contractor.

By the cost of material and labor. The following form shall be followed as applicable for additions and deductions to the Construction Services Agreement:

	EXTRA/(CREDIT)
Material (attach itemized quantity and unit cost plus sales tax)	_____
Subcontractor's labor and profit/ overhead (profit/overhead not to exceed 10%) (attach itemized hours and base rates from identified prevailing wage rate schedules)	_____
Commercial General Liability and Property Damage Insurance, Workers' Compensation Insurance, Social Security and Unemployment taxes at actual and verified cost.	_____
Subtotal _____	
Contractor's profit/overhead not to exceed 7% of Item (d) if applicable.	_____
Subtotal _____	
Bond Premium, not to exceed 1% of Item (f)	_____
Total _____	

Regardless of whether the cost of the Extra Work/Modification is determined pursuant to the above, in addition to the cost of the material and labor for deleted items, Contractor shall credit back an appropriate and reasonable amount for the bonding mark-up for deleted items at the time of the request for the Extra Work/Modification.

Should Contractor claim that any instruction, request, drawing, specification, action, condition, omission, default, or other situation (i) obligates District to pay additional compensation to Contractor; or (ii) obligates District to grant an extension of time for the completion of the Construction Services Agreement; or (iii) constitutes a waiver of any provision in this Construction Services Agreement, CONTRACTOR SHALL NOTIFY DISTRICT, IN WRITING, OF SUCH CLAIM AS SOON AS POSSIBLE, BUT IN NO EVENT WITHIN MORE THAN TEN (10) BUSINESS DAYS FROM THE DATE CONTRACTOR HAS ACTUAL OR CONSTRUCTIVE NOTICE OF THE CLAIM. CONTRACTOR SHALL ALSO PROVIDE DISTRICT WITH SUFFICIENT WRITTEN DOCUMENTATION SUPPORTING THE FACTUAL BASIS OF THE CLAIM including the documentation for items described in this Section. Contractor shall be required to certify under penalty of perjury the validity and accuracy of any claim submitted. Contractor's failure to notify District within such ten (10) business day period shall be deemed a waiver and relinquishment of the claim against District. If such notice is given within the specified time, the procedure for its consideration shall be as stated above in this Section.



In the event a mutual agreement cannot be reached on the cost of an Extra Work/Modification item, Contractor and District agree that an industry estimating guide, such as an estimating guide published by Means, shall be used to determine the cost of a disputed Extra Work/Modification item.

All costs associated with the Extra Work/Modification may be in terms of time, money, or both.

Expenses of reconstruction and/or costs to replace and/or repair damaged materials and supplies, provided that Contractor is not fully compensated for such expenses and/or costs by insurance or otherwise, may be added to the GMP, if said expenses are the result of the sole established negligent acts or omissions, or willful misconduct of District, or its subcontractors, principals, agents, or employees.

The term "profit/overhead" for any Subcontractor shall be considered to include insurance other than mentioned in Section 10, above, field and office supervisors and assistants, watchmen, use of small tools, consumables, and general field and home office expenses, and no separate allowance will be made therefor.

**SECTION 11. TIME OF COMPLETION**

ONCE DISTRICT HAS ISSUED A NOTICE TO PROCEED, CONTRACTOR SHALL PROCEED WITH THE CONSTRUCTION OF THE PROJECT WITH REASONABLE DILIGENCE. CONTRACTOR AGREES THAT THE PROJECT WILL BE SUBSTANTIALLY COMPLETED BY AUGUST 1, 2021 AS SAID DATE MAY BE EXTENDED FOR SUCH PERIODS OF TIME AS CONTRACTOR IS PREVENTED FROM PROCEEDING WITH OR COMPLETING THE PROJECT FOR ANY CAUSE DESCRIBED IN THIS SECTION 11, OR AS OTHERWISE AGREED TO IN WRITING BY DISTRICT AND CONTRACTOR. IF THE WORK IS NOT COMPLETED IN ACCORDANCE WITH THE FOREGOING, IT IS UNDERSTOOD THAT DISTRICT WILL SUFFER DAMAGE. IT BEING IMPRACTICAL AND INFEASIBLE TO DETERMINE THE AMOUNT OF ACTUAL DAMAGE, IT IS AGREED THAT CONTRACTOR SHALL PAY TO DISTRICT AS FIXED AND LIQUIDATED DAMAGES, AND NOT AS A PENALTY, THE SUM OF ONE THOUSAND DOLLARS (\$1,000) PER DAY FOR EACH CALENDAR DAY OF DELAY UNTIL WORK IS SUBSTANTIALLY COMPLETED AND ACCEPTED. CONTRACTOR AND ITS SURETY SHALL BE LIABLE FOR THE AMOUNT THEREOF. ANY MONEY DUE OR TO BECOME DUE CONTRACTOR MAY BE RETAINED BY DISTRICT TO COVER SAID LIQUIDATED DAMAGES. SHOULD SUCH MONEY NOT BE SUFFICIENT TO COVER SAID LIQUIDATED DAMAGES, DISTRICT SHALL HAVE THE RIGHT TO RECOVER THE BALANCE FROM CONTRACTOR OR ITS SURETIES, WHO WILL PAY SAID BALANCE FORTHWITH.

This Section 11 and the liquidated damages referred to directly above are expressly understood and agreed to by the parties hereto:

\_\_\_\_\_ Contractor's Initials

\_\_\_\_\_ District's Initials

In the event that the performance and/or completion of the Project is delayed at any time by any act or omission of District or of any employee, agent, or tenant of District, by any separate contractor employed by District, by changes or alterations in the Project not caused by any fault or omission by Contractor, by strikes, lockouts, fire, embargoes, windstorm, flood, earthquake, acts of war or God, the results of viral pandemics such as shelter-in-place orders, quarantines, government shutdowns, substantial interruption to air travel, substantial interruptions in supply chains, equipment, materials and/or personnel shortages, and other economic by-products caused by the response to an epidemic or pandemic, by changes in public laws, regulations or ordinances enacted after the date of execution of this Construction Services Agreement, by acts of public officials not caused by any fault or omission of Contractor, by an inability to obtain materials or equipment not caused by any act or omission of Contractor, or by any other cause beyond the reasonable control of Contractor, the aforesaid date for substantial completion of the Project shall be extended for a period commensurate with the delay. Contractor shall not be charged liquidated damages because of such delays in completion of work or delays otherwise due to unforeseeable causes beyond the control and without the fault or negligence of Contractor.

Contractor will only be allowed a time extension for unusually severe weather if it results in precipitation or other conditions which in the amount, frequency, or duration is in excess of the norm at the location and time of year in question as established by NOAA weather data. A ten (10) year average of the normal seasonal rainfall for the Stanislaus County area, as determined by the National Weather Service, and any resulting "dry-out" time shall not be considered unusually severe weather and therefore will not constitute a reason for a time extension.

No less than 22 calendar days will be allotted for in Contractor's schedule for each winter weather period which is defined as the months, in aggregate of October, November, December, January, February and March. The weather days shall be shown on the Time Schedule and if not used will become float for the Projects' use. Contractor will not be allowed a day-for-day weather delay when the Contract is bid for construction during a period that normally includes inclement weather. A day-for-day extension will only be allowed for those Days in excess of the norm. Contractor is expected to work seven (7) Days per week (if necessary, irrespective of inclement weather), to maintain access, and to protect the Work under construction from the effects of inclement weather.

If the weather is unusually severe in excess of the NOAA data norm and prevents Contractor from beginning work at the usual daily starting time, or prevents Contractor from proceeding with seventy-five percent (75%) of the normal labor and equipment force towards completion of the Day's current controlling item on the accepted schedule for a period of at least five hours, and the crew is dismissed as a result thereof, Architect/Construction Manager will designate such time as unavoidable delay and grant one (1) calendar-day extension.

Contractor shall within ten (10) calendar days of beginning of any such delay notify District in writing of causes of delay. If Contractor submits a request for an extension of time, Contractor shall also submit an analysis of the Time Schedule, which demonstrates the cause for the delay, the length of the delay, and an explanation of why Contractor believes it is entitled to the time extension. Contractor shall also submit documentation, data and a delay analysis showing that the delay could not be avoided or mitigated by revising the Time Schedule. Thereupon District shall ascertain the facts and extent of delay and grant extension of time for completing work when, in its judgment, the findings of fact justify such an extension. District's findings of fact thereon shall be final and conclusive on the parties

hereto. Failure to submit such analysis will result in Contractor waiving his/her right to obtain any extension of time. Extension of time shall apply only to that portion of work affected by the delay, and shall not apply to other portions of work not so affected. Contractor agrees that the extension of time granted under this Article shall be its sole and exclusive remedy for the consequences of any delay described above.

The term “substantially completed” or “substantial completion” as used herein shall mean completed in such fashion as to enable District, upon performance of any separate work to be done by District under separate contract or by day labor, beneficially to occupy the Project and to commence operation therein, provided such occupancy and use does not substantially interfere with Contractor’s performance of the remainder of the work, as agreed upon between Contractor and District, which may be accomplished prior to the completion of the work.

The term “Fully Completed and Accepted,” as used herein, shall mean that all remaining work has been completed in accordance with the Construction Documents and that successful testing, startup, and satisfactory operation of the Project as a total unit has been accomplished in substantial conformance with the Construction Documents.

Within five (5) business days after District’s delivery of a Notice to Proceed for the Project, Contractor shall furnish District with a reasonably detailed CPM Master Schedule, setting forth the expected dates for commencement and completion of each of the various stages of Construction to be performed by Contractor pursuant to this Construction Services Agreement (“Time Schedule”). Contractor shall submit the Time Schedule to District for acceptance and update the Time Schedule as appropriate on at least a monthly basis. Contractor shall incorporate the activities of contractors on the Project and delivery of products requiring long lead time procurement. Contractor shall also include District’s occupancy requirements showing portions of the Project having occupancy priority. Contractor shall be responsible for providing District with a Schedule of Values within ten (10) working days of District’s issuance of a Notice to Proceed, which will be updated as needed. It is specifically understood that District will utilize said Time Schedule as it is revised from time to time to determine completion dates of various aspects of the Project. Tenant Improvement Payments shall be conditioned upon completion of various aspects of the Project as determined by the Inspector pursuant to the Time Schedule and the Schedule of Values.

Contractor shall not be assessed liquidated damages for this Construction Services Agreement and shall not be subject to any damages for delay in completion of the Project, when such delay was caused by the failure of District or the owner of the utility to provide for removal or relocation of the existing main or trunk line utility facilities; however, when Contractor is aware that removal or relocation of an existing utility has not been provided for, Contractor shall promptly notify District and the utility in writing, so that provision for such removal or relocation may be made to avoid and minimize any delay which might be caused by the failure to remove or relocate the main or trunk line utility facilities, or to provide for its removal or relocation. In accordance with Section 4215 of the Government Code, if Contractor, while performing the work on of the Project, discovers any existing main or trunk line utility facilities not identified by the District in the contract plans or specifications, Contractor shall immediately notify the public agency and utility in writing. The public utility, where it is the owner, shall have the sole discretion to perform repairs or relocation work or permit Contractor to do such repairs or relocation work at a reasonable price. Contractor shall

be compensated for the costs of locating, repairing damage not due to the failure of Contractor to exercise reasonable care, and removing or relocating such utility facilities not indicated in the plans and specifications with reasonable accuracy, and for equipment on the Project necessarily idled during such work. Such compensation shall be in accordance with the extra work provisions set out in Section 9, above.

## **SECTION 12. TERMINATION OF AGREEMENT**

### **Termination for Breach.**

Except as otherwise expressly provided in this Construction Services Agreement, this Construction Services Agreement shall not terminate, nor shall District have any right to terminate this Construction Services Agreement or be entitled to the abatement of any or all necessary payments pursuant to the GMP provisions indicated in Exhibit "C" of the Sublease or any reduction thereof. The obligations hereunder of District shall not be otherwise affected by reason of any damage to or destruction of all or any part of the Project; the taking of the Project or any portion thereof by condemnation or otherwise; the prohibition, limitation or restriction of District's use of the Project; the interference with such use by any private person or Contractor; the District's acquisition of the ownership of the Project (other than pursuant to an express provision of the Construction Services Agreement or Sublease); any present or future law to the contrary notwithstanding. It is the intention of the parties that all necessary payments pursuant to the GMP indicated in Exhibit "C" of the Sublease shall continue to be payable in all events, and the obligations of the District hereunder shall continue unaffected unless the requirement to pay or perform the same shall be terminated or modified pursuant to an express provision of this Construction Services Agreement.

Nothing contained herein shall be deemed a waiver by the District of any rights that it may have to bring a separate action with respect to any Event of Default by Contractor hereunder or under any other agreement to recover the costs and expenses associated with that action. The District covenants and agrees that it will remain obligated under the Construction Services Agreement and Sublease in accordance with their terms.

Following the Project Completion, that the District will not take any action to terminate, rescind or avoid this Construction Services Agreement or Sublease, notwithstanding the bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution, winding-up or other proceeding, and notwithstanding any action with respect to this Construction Services Agreement or Sublease which may be taken by any trustee or receiver of Contractor or of any assignee of Contractor in any such proceeding or by any court in any such proceeding. Following the Project Completion, except as otherwise expressly provided in this Construction Services Agreement or Sublease, District waives all rights now or hereafter conferred by law to quit, terminate or surrender this Construction Services Agreement or Sublease or the Project or any part thereof.

District acknowledges that Contractor may assign an interest in some or all of the necessary payments pursuant to the GMP provisions indicated in Exhibit "C" of the Sublease to a lender in order to obtain financing for the cost of constructing the Project and that the lender may rely on the foregoing covenants and provisions in connection with such financing.

If Contractor refuses or fails to prosecute the construction of the Project or any separable part thereof with such diligence as will insure its completion within the time specified by this Construction Services Agreement or any extension thereof, or fails to complete the Project within such time, or if Contractor should be adjudged bankrupt, or if it should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of its insolvency, or Contractor or any of its Subcontractors should violate any of the provisions of this Construction Services Agreement, District may serve written notice upon Contractor and its Surety of District's intention to terminate this Construction Services Agreement. This notice of intent to terminate shall contain the reasons for such intention to terminate this Construction Services Agreement and a statement to the effect that Contractor's right to perform work on the Project shall cease and terminate upon the expiration of ten (10) days from receipt of the notice unless such violations have ceased and arrangements satisfactory to District have been made for correction of said violations.

In the event that District serves such written notice of termination upon Contractor and the Surety, the Surety shall have the right to take over and perform this Construction Services Agreement. If the Surety does not: (1) give District written notice of Surety's intention to take over and commence performance of this Construction Services Agreement within fifteen (15) days of District's service of said notice of intent to terminate upon Surety; and (2) actually commence performance of this Construction Services Agreement within thirty (30) days of District's service of said notice upon Surety; then District may take over the Project and prosecute the same to completion by separate contract or by any other method it may deem advisable for the account and at the expense of Contractor.

In the event that District elects to obtain an alternative performance of the Construction Services Agreement as specified above: (1) District may, without liability for so doing, take possession of and utilize in completion of the Project such materials, appliances, plants, and other property belonging to Contractor that are on the Site and reasonably necessary for such completion; and (2) Surety shall be liable to District for any cost or other damage to District necessitated by District securing an alternate performance pursuant to this Section 11.

### **Termination for Convenience.**

District may terminate performance of the Project called for by the Contract Documents, in whole or in part, if District determines that a termination is in District's interest.

Contractor shall terminate all or any part of the Project upon delivery to Contractor of a "Notice of Termination" specifying that the termination is for the convenience of District, the extent of termination, and the effective date of such termination.

After receipt of Notice of Termination, and except as directed by District's Representative, Contractor shall, regardless of any delay in determining or adjusting any amount due under this Termination for Convenience clause, immediately proceed with the following obligations:

Stop work as specified in the Notice of Termination.

Complete any work specified in the Notice of Termination in a least cost/shortest time manner while still maintaining the quality called for under the Contract Documents.

Leave the Property upon which Contractor was working and upon which the facility (or facilities) forming the basis of the Contract Documents is situated in a safe and sanitary manner such that it does not pose any threat to the public health or safety.

Terminate all subcontracts to the extent that they relate to the portions of the work terminated.

Place no further subcontracts or orders, except as necessary to complete the continued portion of the Construction Services Agreement.

Submit to District's Representative, within thirty (30) days from the effective date of the Notice of Termination, all of the usual documentation called for by the Contract Documents to substantiate all costs incurred by Contractor for labor, materials, and equipment through the effective date of the Notice of Termination. Any documentation substantiating costs incurred by Contractor solely as a result of District's exercise of its right to terminate this Construction Services Agreement pursuant to this clause, which costs Contractor is authorized under the Construction Services Agreement to incur, shall: (i) be submitted to and received by District no later than thirty (30) days after the effective date of the Notice of Termination; (ii) describe the costs incurred with particularity; and (iii) be conspicuously identified as "Termination Costs Occasioned by District's Termination for Convenience."

Termination of the Construction Services Agreement shall not relieve the Surety of its obligation for any just claim arising out of or relating to the work performed on the Project.

In the event that District exercises its right to terminate this Construction Services Agreement pursuant to this clause, District shall pay Contractor, upon Contractor's submission of the documentation required by this provision, and other applicable provisions of the Construction Services Agreement, the following amounts:

All actual costs incurred according to the provisions of this Construction Services Agreement, including, but not limited to, insurance costs incurred in connection with the Project.

A reasonable allowance for profit on the cost of the work on the Project performed, provided Contractor establishes to the satisfaction of District, that it is reasonably probable that Contractor would have made a profit had the Construction Services Agreement been completed, and provided further, that the overhead and profit allowed shall in no event exceed 10%. In no event shall the total amount exceed the GMP, exclusive of Sublease Payment finance charges.

A reasonable allowance for Contractor's administrative costs in determining the amount payable due to termination of the Construction Services Agreement under this Section 11.

### **Termination of Agreement by Contractor.**

Contractor may terminate the Construction Services Agreement upon ten (10) days written notice to District, whenever: (1) the entire Project has been suspended for ninety (90) consecutive days through no fault or negligence of Contractor and notice to resume the Construction Services

Agreement or to terminate the Construction Services Agreement has not been received from District within this time period; or (2) District should fail to pay Contractor any substantial sum due it in accordance with the terms of the Construction Services Agreement and within the time limits prescribed; or (3) District shall elect not to appropriate funds and/or elect not to make two (2) successive Tenant Improvement Payments following the receipt by District of a request from Contractor. In the event of such termination, Contractor shall have no claims against District except for work performed on the Project as of the date of termination. Further, in the event that District fails to make any undisputed Tenant Improvement Payment within seven (7) days of its due date, Contractor shall be entitled to stop work upon seven (7) days written notice to the District, until such amounts are paid. Upon payment, Contractor shall resume work and the Contract Time shall be extended for the period of Contractor's cessation of work.

### **SECTION 13. PERSONNEL ASSIGNMENT**

Contractor shall assign Hayden Meyers as the Project Manager, and George Whitfield as the Project Superintendent for the Project. So long as the Project Manager/Superintendent remain in the employ of Contractor, such persons shall not be changed or substituted from the Project, or cease to be fully committed to the Project except as provided in this Section. In the event Contractor deems it necessary, Contractor shall replace the Project Manager/Superintendent for the Project with a replacement with like qualifications and experience, subject to the prior written consent of District, which consent shall not be unreasonably withheld. Any violation of the terms and provisions of this Section 13 shall entitle District to terminate this Construction Services Agreement for breach, pursuant to the provisions of Section 12, above.

Notwithstanding the foregoing provisions of Section 13, above, if the Project Manager/Superintendent proves not to be satisfactory to District, upon written notice from District to Contractor such person shall be promptly replaced by a person who is acceptable to District in accordance with the following procedures:

Within five (5) business days after receipt of a notice from District requesting the replacement of the Project Manager/Superintendent or promptly following the discovery by Contractor that the Project Manager/Superintendent is leaving the employ of Contractor, as the case maybe, Contractor shall provide District with the name of an acceptable replacement/substitution (together with such person's resume and other information regarding such person's experience and qualifications). The replacement/substitution shall commence work on the Project no later than five (5) business days following District's approval of such replacement, which approval shall not be unreasonably withheld. In the event that District and Contractor cannot agree as to the substitution or replacement of the Project Manager/Superintendent, as applicable, District shall be entitled to terminate this Construction Services Agreement for breach, pursuant to the provisions of Section 12, above.

### **SECTION 14. MAINTENANCE OF RECORDS; AUDIT**

Contractor, and Subcontractors, shall keep or cause to be kept true and complete books, records, and accounts of all financial transactions in the course of its activities and operations related to the Project. These documents may include sales slips, invoices, payrolls, personnel records, requests for Subcontractor payment, and other data relating to all matters covered by the Contract Documents. At

all times during the Construction of the Project, and for four (4) years following the termination of the term of the last document, Contractor and Subcontractors shall retain such data and records. During Construction of the Project, Contractor shall make available all requested data and records at reasonable locations within the County of Sacramento at any time during normal business hours, and as often as District deems necessary. If records are not made available within the County of Sacramento during the Construction of the Project, Contractor shall pay District's travel costs to the location where the records are maintained. Failure to make requested records available for audit by the date requested will result in immediate termination of this Construction Services Agreement.

At its own cost, District shall have the right to review and audit, upon reasonable notice, the books and records of Contractor concerning any monies associated with the Project. Any such audit shall be performed by an independent auditor, having no direct or indirect relationship with the functions or activities being audited or with the business conducted by Contractor or District. In the event the independent auditor determines that savings realized during the prosecution and progress of the Project were not added to the Contractor Contingency portion of the GMP, as provided for in Section 6 of this Construction Services Agreement, District shall be entitled to deduct the amount of such savings from the next requested Tenant Improvement Payment. If Contractor disputes the findings of the independent auditor, such dispute shall be handled in accordance with the provisions of Section 35 of this Construction Services Agreement.

Ownership of Drawings. Notwithstanding any provision of this Construction Services Agreement, all drawings, specifications, and copies thereof furnished by District are its property. Such drawings and specifications are not to be used on other work and, with exception of signed contract sets, are to be returned to District on request at completion of work.

## **SECTION 15. LABOR COMPLIANCE PROGRAM**

Contractor acknowledges that the Project shall be subject to compliance monitoring and enforcement by DIR in accordance with the provisions of Sections 1725.5, 1771.1, 1771.3, 1771.4, 1771.5, and 1771.7 of the Labor Code. Contractor agrees to comply with any such laws and regulations at no additional cost to District. No contractor or subcontractor shall be qualified to bid, listed on a bid proposal or awarded a contract for public work on a public works contract unless currently registered with the Department of Industrial Relations ("DIR") pursuant to Labor Code section 1725.5.

The labor compliance requirements include, but are not limited to, provisions requiring compliance with the prevailing rates of wages as set forth in Section 16 of this Construction Services Agreement, employment of apprentices as set forth in Section 18 of this Construction Services Agreement, compliance with legal hours of work as set forth in Section 19 of this Construction Services Agreement, and maintenance and inspection of payroll records as set forth in Section 19 of this Construction Services Agreement. In addition, the labor compliance requirements require on-site interviews of workers to ensure that prevailing wages are being paid. Failure to comply with these provisions shall result in the withholding of contract payments by District. Contractor expressly acknowledges these provisions and agrees to comply with these provisions and any provisions implemented by District, and any subsequent legislation related thereto.



Contractor shall include provisions of this Section in all subcontracts and require Subcontractors to comply with these provisions at no additional cost to District.

#### **SECTION 16. PREVAILING RATES OF WAGES**

Contractor is aware of the requirements of California Labor Code sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, section 16000 et seq. (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. Since this Construction Services Agreement involves an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Contractor shall obtain a copy of the prevailing rates of per diem wages applicable to the work to be performed by Subcontractors from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at [www.dir.ca.gov/dlsr/](http://www.dir.ca.gov/dlsr/). Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification, or type of worker needed to perform work on the Project available to interested parties upon request, and shall post copies at Contractor’s principal place of business and at the Site. Contractor shall defend, indemnify, and hold District, its elected officials, officers, employees, and agents free and harmless from any claims, liabilities, costs, penalties, or interest arising out of any failure, or alleged failure, to comply with the Prevailing Wage Laws and regulations. When determining the GMP, Contractor shall include, to the extent possible, anticipated general prevailing wage rates for the time when work on the Project will actually be performed.

Contractor and each Subcontractor shall forfeit as a penalty to District not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the stipulated prevailing rate for any work done by him, or by any subcontract under him, in violation of the provisions of the California Labor Code. The difference between such stipulated prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by Contractor.

As a further material part of this Construction Services Agreement, Contractor agrees to hold harmless and indemnify District, its Board, and each member of the Board, its officers, employees, and agents from any and all claims, liability, loss, costs, damages, expenses, fines, and penalties, of whatever kind or nature, including all costs of defense and attorneys’ fees, arising from any alleged failure of Contractor or its Subcontractors to comply with the Prevailing Wage Laws of the State of California. If District or any of the indemnified parties are named as a party in any dispute arising from the failure of Contractor or its Subcontractors to pay prevailing wages, Contractor agrees that District and the other indemnified parties may appoint their own independent counsel, and Contractor agrees to pay all attorneys’ fees and defense costs of District and the other indemnified parties as billed, in addition to all other damages, fines, penalties, and losses incurred by District and the other indemnified parties as a result of the action.

#### **SECTION 17. DEBARMENT OF CONTRACTOR AND SUBCONTRACTORS**

Contractor, or any Subcontractor working under Contractor, may not perform work on a public works project with a subcontractor who is ineligible to perform work on a public project pursuant to

Section 1777.1 or Section 1777.7 of the California Labor Code. Any contract on a public works project entered into between Contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract. Any public money that is paid, or may have been paid to a debarred subcontractor by Contractor on the project shall be returned to District. Contractor shall be responsible for the payment of wages to workers of a debarred subcontractor who has been allowed to work on the project.

## **SECTION 18. EMPLOYMENT OF APPRENTICES**

In addition to the requirement that Contractor provide a Skilled and Trained Workforce as provided for in Section 7.B. above, Contractor's attention is directed to the provisions of Sections 1777.5, 1777.6, and 1777.7 of the California Labor Code concerning employment of apprentices by Contractor or any Subcontractor under him. In addition, Contractor shall obtain a certificate of apprenticeship before employing any apprentice pursuant to Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, or from the Division of Apprenticeship Standards and its branch offices.

Knowing violations of Section 1777.5 will result in forfeiture not to exceed \$100 for each calendar day of non-compliance pursuant to Section 1777.7.

## **SECTION 19. HOURS OF WORK**

Eight (8) hours of work shall constitute a legal day's work. Contractor and each Subcontractor shall forfeit, as penalty to District, twenty-five dollars (\$25) for each worker employed in the execution of work on the Project by Contractor or any Subcontractor under him for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any calendar week in violation of the provisions of the Labor Code, and in particular, Section 1810 to Section 1815, thereof, inclusive, except that work performed by employees of Contractor and his Subcontractors in excess of eight hours per day at not less than one and one-half times the basic rate of pay, as provided in Labor Code section 1815.

Generally, Construction work on the Project shall be accomplished on a regularly scheduled eight (8) hour per day work shift basis, Monday through Friday, between the hours of 7:00 a.m. and 5:00 p.m., however nothing herein shall prevent Contractor from working weekends and after school hours in order to complete the Project so long as not otherwise prohibited by law or local ordinances or regulations.

Any work necessary to be performed after regular working hours, or on Sundays or other holidays shall be performed and included within the GMP, unless otherwise agreed to in writing before the work in question is commenced pursuant to Section 10, above, Extra Work/Modifications.

## **SECTION 20. PAYROLL RECORDS**

Pursuant to Labor Code section 1776, as amended from time to time, Contractor and each Subcontractor shall keep records showing the name, address, social security number, work classification, straight time and overtime hours paid each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by it in connection with the work.

The payroll records enumerated herein, shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor on the following basis:

A certified copy of the employee's payroll records shall be made available for inspection or furnished to such employee or his or her authorized representative on request.

A certified copy of all payroll records enumerated herein, shall be made available for inspection or furnished upon request, or as required, by District or the Division of Labor Standards Enforcement.

A certified copy of all payroll records enumerated herein, shall be made available upon request to the public for inspection or for copies thereof; provided, however, that requests by the public shall be made through either District, or the Division of Labor Standards Enforcement, and provided further that if the requested payroll records have not been provided pursuant to paragraph 2., above, the requesting party shall, prior to being provided the records, reimburse the cost of preparation by Contractor, Subcontractors, and the entity through which the request was made. The public shall not be given access to such records at the principal office of Contractor.

Unless required to be furnished to the Labor Commissioner in accordance with Labor Code section 1771.4(a)(3), the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the Division.

Each Contractor shall file a certified copy of the records enumerated herein, with the entity that requested such records within ten (10) days after receipt of a written request.

Except as provided in Labor Code section 1776(f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by District, or the Division of Labor Standards Enforcement, shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of Contractor or any Subcontractor performing work on the Project shall not be marked or obliterated.

Contractor shall inform District of the location of the records enumerated herein, including the street address, city and county, and shall, within five (5) business days, provide a notice of a change of location and address.

Contractor shall have ten (10) days in which to comply subsequent to receipt of a written notice requesting the records specified in Labor Code section 1776(a). Should Contractor fail to comply within the ten (10) day period, Contractor shall, as a penalty to District, forfeit One Hundred Dollars (\$100.00) for each calendar day, or portion thereof, for each worker until strict compliance is

effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalties shall be withheld from any Tenant Improvement Payment then due.

## **SECTION 21. BONDING REQUIREMENTS**

Contractor shall provide the following bonds:

A “Payment Bond” (material and labor bond) from a California admitted surety and in the form attached hereto as Exhibit “C,” shall be provided by Contractor for the Project prior to execution of this Construction Services Agreement. The Payment Bond shall be for One Hundred Percent (100%) of the GMP of the Project, to satisfy claims of materials suppliers and of mechanics and laborers employed on the Project. The Payment Bond shall be maintained by Contractor in full force and effect for the Project until the Project is fully completed and accepted and until all claims for materials and labor are paid, and shall otherwise comply with California law. The Payment Bond, once obtained, shall be attached to this Construction Services Agreement as Exhibit “C.” In the event the GMP is increased in accordance with the provisions set forth in Section 10, above, Contractor must increase the Payment Bond to equal the revised GMP. The Payment Bond must be executed by an admitted Surety approved to conduct business in the State of California, pursuant to California Code of Civil Procedure section 995.120. In addition, to the extent required by law, the Payment Bond must be accompanied by a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California, a certificate from the Clerk of the County of Sacramento that the certificate of authority of the insurer has not been surrendered, revoked, cancelled, annulled, or suspended, or if it has, that it has been renewed, and four copies of the insurer’s most recent annual statement and quarterly statement filed with the Department of Insurance of the State of California.

A “Faithful Performance Bond” from a California admitted surety and in the form attached hereto as Exhibit “D” shall be provided by Contractor for the Project prior to execution of this Construction Services Agreement. The Faithful Performance Bond shall be for One Hundred Percent (100%) of the GMP for the Project to guarantee faithful performance of all work, within the time prescribed, in a manner satisfactory to District, and that all materials and workmanship shall be free from original or developed defects. The Faithful Performance Bond shall be maintained by Contractor in full force and effect until the Project is fully completed and accepted and until all claims for materials and labor are paid, and shall otherwise comply with California law. The Faithful Performance Bond shall name District as the entity to which the Principal and Surety, as defined in the Faithful Performance Bond, are bound. The Faithful Performance Bond, once obtained, shall be attached to this Construction Services Agreement as Exhibit “D.” In the event the GMP is increased in accordance with the provisions set forth in Section 10, above, Contractor must increase the Faithful Performance Bonds to equal the revised GMP. The Faithful Performance Bond must be executed by an admitted Surety approved to conduct business in the State of California, pursuant to California Code of Civil Procedure section 995.120. In addition, to the extent required by law, the Faithful Performance Bond must be accompanied by a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California, a certificate from the Clerk of the County of Sacramento that the certificate of authority of the insurer has not been surrendered, revoked, cancelled, annulled, or suspended, or if it has, that it has been renewed, and four copies of the insurer’s most recent annual statement and quarterly statement have been filed with the Department of Insurance of the State of California.

The bonds required by this Section shall meet the following criteria:

Each bond shall be signed by both Contractor and a notary and the signature of the authorized agent of the surety shall be notarized.

Should any bond become insufficient, Contractor shall renew or amend the bond within ten (10) days after receiving notice from District.

Should any surety at any time not be a California admitted surety, notice shall be given to District to that effect. No further payments shall be deemed due or shall be made under this Construction Services Agreement until a new surety shall qualify and be accepted by District.

Changes in the work, or extensions of time, made pursuant to the Construction Services Agreement shall in no way release Contractor or the surety from its obligations. Notice of such changes or extensions shall be waived by the surety.

Contractor is hereby authorized to obtain a Performance and Payment Bond from Subcontractors selected by Contractor at its discretion. Any bond required by this subsection shall comply with the requirements set forth above in Section 20.A. - C.

## **SECTION 22. TENANT IMPROVEMENT PAYMENTS**

The District shall pay the Contractor monthly Tenant Improvement Payments in a sum equal to ninety percent (90 %) on the scheduled value of the Tenant Improvements performed up to the last day of the previous month. If all the necessary information is submitted and accurate (including the schedule of values), District shall approve the Tenant Improvement Payments within fifteen (15) days after District's receipt of the periodic estimate for partial payment and District shall pay such payments within thirty (30) days after District's approval of the periodic estimate for the partial payment. Sublease Payments pursuant to the Sublease, including finance charges, are an independent payment obligation of the District from Tenant Improvement Payments. Tenant Improvement Payments shall be made on the basis of monthly estimates which shall be prepared by Contractor on a form approved by District and certified by Architect and Project Inspector, or any other approved representative of District, and filed before the fifth day of the month during which payment is to be made. Work completed as estimated shall be an estimate only and no inaccuracy or error in said estimate shall release Contractor or any bondsman from such work or from enforcing each and every provision of this Construction Services Agreement and District shall have the right subsequently to correct any error made in any estimate for payment. Contractor shall not be entitled to have any payment estimates processed or be entitled to have any payment made for work performed so long as any lawful or proper direction concerning non-complying work or any portion thereof given by District lacks correction by Contractor. District shall withhold from the Tenant Improvement Payments one hundred fifty percent (150%) of the estimated value of non-complying work unless satisfactorily corrected or remedied.

In no event shall the cumulative total of the Sublease Payments (excluding finance charges), and Tenant Improvement Payments (including the balance of any anticipated retention), ever exceed the

GMP as defined herein, unless modified pursuant to Section 10 of this Construction Services Agreement.

Title to new materials and/or equipment shall vest in District on a continuous basis as payment for the work is made; provided, however, full title shall not vest in the District until full payment under the terms of the Sublease. Responsibility for such new materials and/or equipment shall remain with Contractor until incorporated into the Project and accepted by District. No part of said materials and/or equipment shall be removed from its place of storage except for immediate installation in the work of this Construction Services Agreement. Contractor shall keep an accurate inventory of all said materials and/or equipment in a manner satisfactory to District or its authorized representatives.

District will pay Contractor Tenant Improvement Payments pursuant to the terms and conditions of this Section 21, which terms and conditions include five percent (5%) retention of each Tenant Improvement Payment ("Retention"). District shall retain and release such Retention pursuant to Public Contract Code sections 7107 and 9203, as those sections may be amended from time to time.

### **SECTION 23. CORRECTION OF WORK: WARRANTY**

Neither final payment nor any provision in the Contract Documents shall relieve Contractor of responsibility for faulty materials or workmanship incorporated in the Project. Contractor warrants that all work under this Construction Services Agreement will be free of faulty materials or workmanship and hereby agrees, within ten (10) days of receiving notification from District, to remedy, repair, or replace, without cost to District, all defects which may appear as a result of faulty materials or workmanship in the Project, at any time, or from time to time, during a period beginning with commencement of the Project and ending one (1) year after the date of substantial completion of the Project, as defined in Section 11, above. The foregoing warranty of Contractor also applies to the remedy, repair, or replacement of defects which may appear as a result of faulty designs prepared by Contractor and/or any party retained by, through or under Contractor in connection with the Project, but the foregoing warranty of Contractor does not guarantee against damage to the Project sustained by use, wear, intentional acts, accidents, or lack of normal maintenance or as a result of changes or additions to the Project made or done by parties not directly responsible to Contractor, except where such changes or additions to the Project are made in accordance with Contractor's directions. No guarantee furnished by a party other than Contractor with respect to equipment manufactured or supplied by such party shall relieve Contractor from the foregoing warranty obligation of Contractor. The warranty period set forth herein above shall not apply to latent defects appearing in the Project, and with respect to such defects, the applicable statute of limitations shall apply. Contractor agrees to provide District with all equipment and materials warranties provided by manufacturers to District, but have no obligation to assist in processing such warranty claims after said one (1) year warranty period.

### **SECTION 24. ASSIGNMENT OF ANTI TRUST CLAIMS**

Contractor offers and agrees to assign to District all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 USC Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchase of goods, services, or materials pursuant to the Construction Services

Agreement. This assignment shall become effective at the time District tenders the final Sublease Payment to Contractor, without further acknowledgment by the parties.

## **SECTION 25. PROTECTION OF PERSONS AND PROPERTY**

By execution of this Construction Services Agreement, Contractor acknowledges that Contractor, its employees and Subcontractors are required to comply with the fingerprinting requirements set forth in Education Code section 45125.1.

In the event District determines, based on the totality of the circumstances, that Contractor, Contractor's employees, and Subcontractors will have only limited contact with pupils, Contractor shall, at its own expense be subject to the following preventative measures: (1) Contractor, Contractor's employees, and Subcontractors shall check in with the school office each day immediately upon arriving at the Site; (2) Contractor, Contractor's employees, and Subcontractors shall inform school office staff of their proposed activities and location at the Site; (3) Once at such location, Contractor and/or Contractor's employees, and Subcontractors shall not change locations without contacting the school office; (4) Contractor, Contractor's employees, and Subcontractors shall not use student restroom facilities; and (5) If Contractor, Contractor's employees, and Subcontractors find themselves alone with a student, Contractor, Contractor's employees, and Subcontractors shall immediately contact the school office and request that a member of the school staff be assigned to the work location.

Prior to, and as a condition to commencement of Contractor's performance under this Construction Services Agreement, Contractor shall complete the Fingerprint Certification attached hereto as Exhibit "E," and by this reference incorporated herein, and the Drug-Free Workplace Certification attached hereto as Exhibit "F," and by this reference incorporated herein.

Contractor shall, at all times, enforce orderly and disciplined conduct among those performing work on the Project and shall not employ on the work any unfit person not skilled in the task assigned to him, except as provided in Section 18, above.

Contractor, in performing the work, shall comply with all applicable laws, ordinances, rules, regulations, and lawful orders of any public authority having jurisdiction for the safety of persons or property or for their protection from damage, injury, or loss. Contractor shall erect and maintain, as required by existing conditions and progress of the Project, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, and shall promulgate safety regulations and notify owners and users of adjacent utilities. Contractor shall designate a responsible member of Contractor's organization employed at the Site of the Project whose duty shall be the prevention of accidents. Such person shall be Contractor's Senior Project Manager/Project Manager/Superintendent unless otherwise designated in writing by Contractor to District.

In any emergency affecting the safety of persons or property, Contractor shall act at its discretion to prevent threatened damage, injury, or loss. Any additional compensation or extension of time claimed by Contractor on account of such emergency shall be determined by mutual agreement between District and Contractor.

## **SECTION 26. INSPECTION OF WORK**

**Inspection of Work/Inspector.** District shall hire its own Inspector as required by law. District, District's Representatives, and the Inspector shall at all times have access to the work, whether it is in preparation or progress, and Contractor shall provide proper facilities for such access and for inspection.

If the specifications, District's timely instructions, any public authority shall require the Site or the Project to be specially tested or approved, Contractor shall give District forty-eight (48) hour notice of its readiness for inspection and, if the inspection is to be performed by a party other than District, of the date fixed for such inspection. Inspections by District shall be promptly made, and, where practicable, shall be at the source of supply. If any work required to be inspected by the specifications, District's timely instruction, or by a public authority should be covered up without the approval or consent of District, it must be uncovered for examination at Contractor's expense.

Re-examination of questioned work may be ordered by District and if so ordered, such work shall be uncovered by Contractor. If such work is found to be in accordance with the Contract Documents, District shall pay the cost of re-examination and replacement. If such work is not in accordance with the Contract Documents, Contractor shall pay such costs, unless Contractor can demonstrate to the reasonable satisfaction of District that the defects in such work were caused by persons or entities other than Contractor or any of its Subcontractors or employees.

**Inspector's Field Office.** Contractor shall provide for the use of Inspector a separate trailer or temporary private office of not less than seventy-five (75) square feet of floor area to be located as directed by Inspector and to be maintained until removal is authorized by District.

### **Architect.**

**Architect's Status.** In general and where appropriate and applicable, Architect shall observe the progress and quality of the work on behalf of District. Architect shall have the authority to act on behalf of District only to the extent expressly provided in this Construction Services Agreement. After consultation with Inspector and after using his/her best efforts to consult with District, Architect shall have authority to stop work whenever such stoppage may be necessary in his/her reasonable opinion to insure the proper execution of the Construction Services Agreement. Contractor further acknowledges that Architect shall be, in the first instance, the judge of the performance of this Construction Services Agreement.

**Architect's Decisions.** Contractor shall promptly notify District in writing if Architect fails within a reasonable time, to make decisions on all claims of District or Contractor and on all other matters relating to the execution and progress of the Project.



## **SECTION 27. SUPERVISION**

Contractor shall maintain on-site a competent Senior Project Manager/Superintendent and necessary assistants during the performance of the work. The Senior Project Manager/Superintendent shall represent Contractor and all directions given to the Senior Project Manager/Superintendent shall be deemed to have been given to Contractor. Important directions shall be confirmed in writing to Contractor, and other direction shall be so confirmed to Contractor upon the written request of Contractor, below and the address listed therein. Replacement of the Senior Project Manager/Superintendent shall be subject to the provisions of Section 13, above.

Contractor shall give efficient supervision to the work, using its best skill and attention and shall cause working drawings and specifications to be prepared and submitted to District. Following agreement by Contractor and District with respect to said working drawings and specifications, it shall be Contractor's responsibility to perform the work described in said working drawings and specifications in substantial compliance with the Construction Documents. Notwithstanding the foregoing, Contractor may from time to time make minor and insignificant changes in said working drawings and specifications and perform the Construction in accordance with such changed drawings and specifications without the consent of District, provided that any such work performed by Contractor in accordance with such changed drawings and specifications shall be consistent with that specifically required to be performed by Contractor under the Construction Documents. For purposes of this Section, the term "minor and insignificant" shall mean changes which result in no change in quality, aesthetics, or integrity of the original specifications of the Project. All changes, including minor and insignificant changes should be placed on the agenda for regularly scheduled construction meetings between Contractor and District to ensure that District is aware of such changes. District agrees to promptly respond to Contractor's requests for information and approvals; and if it fails to do so, the completion dates in this Construction Services Agreement may be extended.

## **SECTION 28. SEPARATE CONTRACTS**

District reserves the right to let other contracts in connection with the construction of portions of the Project which are not being performed by Contractor hereunder. Any such contracts entered into by District, and the work they provide, shall in no event interfere with the activities of Contractor on the Project, but if they do, District shall be liable to Contractor for its damages in connection with such interference. Contractor shall afford other contractors reasonable opportunity for the introduction and storage of their materials and the execution of their work and shall properly connect and coordinate the Project with the work of such contractors. Such contractors shall comply with all applicable State safety laws and regulations.

If the proper execution of any part of Contractor's work on the Project depends upon the work of any such contractors, Contractor shall inspect and promptly report to District any patent defects or other problems it identifies in such work that render it unsuitable for such proper execution and results. Contractor is only required to inspect the work of such other contractors prior to commencing its own further work in connection with or in relation to that other work. Further, Contractor is only expected to identify patent defects or other problems, and is not required to do any destructive testing or to monitor the progress of such work by other contractors prior to its completion.

## **SECTION 29. USE OF PREMISES**

Contractor shall confine operations at the Site to areas permitted by law, ordinances, permits, and the Construction Documents and shall not unreasonably encumber the Site or existing facilities on the Site with any material or equipment. Contractor shall not load or permit any part of the work to be loaded with a weight so as to endanger the safety of persons or property at the Site. Contractor shall maintain emergency first aid treatment for its employees which complies with the Federal Occupational Safety and Health Act of 1970 (29 USC, section 651 et seq.).

## **SECTION 30. CLEANING UP**

Contractor shall, at all times, keep the Site of the Construction free from accumulations of waste material or rubbish caused by the performance of the Construction by Contractor, and at the completion of the Construction, Contractor shall remove from the Site of the Construction all such waste material and rubbish and all tools, scaffolding, and surplus materials belonging to Contractor and/or Contractor's Subcontractors, laborers, or materialmen, it being specifically understood that at the close of Construction and prior to turning over the premises to District for beneficial use and occupancy, Contractor shall leave the Site "broom clean," or its equivalent, unless more exactly specified.

## **SECTION 31. SITE REPRESENTATIONS**

District warrants and represents that District has, and will continue to retain at all times during the course of Construction, legal title to the Site and that said land is properly subdivided and zoned so as to permit the Construction and use of said Site. District further warrants and represents that title to said land is free of any easements, conditions, limitation, special permits, variances, agreements, or restrictions which would prevent, limit, or otherwise restrict the Construction or use of said facility. Reference is made to the fact that District has provided information on the Site to Contractor. Such information shall not relieve Contractor of its responsibility; and the interpretation of such data regarding the Site, as disclosed by any borings or other preliminary investigations, is not warranted or guaranteed, either expressly or impliedly, by District. Contractor shall be responsible for having ascertained pertinent local conditions such as location, accessibility, and general character of the Site and for having satisfied itself as to the conditions under which the work is to be performed. No claim for any allowance because of Contractor's error or negligence in acquainting himself with the conditions at the Site will be recognized.

## **SECTION 32. TRENCH SHORING**

Contractor shall submit to District, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches five (5) feet or more in depth. Contractor shall also submit a copy of its annual trench/excavation permit approved by CAL-OSHA. The plan shall be prepared by a registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with CAL-OSHA Construction Safety Orders, or stating that the registered civil or structural engineer

certifies that the plan is not less effective than the shoring, bracing, sloping, or other provisions of the CAL-OSHA Construction Safety Orders.

All shoring submittal shall include surcharge loads from adjacent embankments, construction loads, and spoil bank. Submittal shall indicate minimum horizontal distance from top of trench to edge of all surcharge loads for all cases of shoring and side slopes.

Nothing in this Section shall relieve Contractor of the full responsibility for providing shoring, bracing sloping, or other provisions adequate for worker protection. If such plan varies from the shoring system standards established by the CAL-OSHA Construction Safety Orders, the plan shall be prepared by a registered civil or structural engineer and shall be approved by CAL-OSHA. No excavation of such trench or trenches shall be commenced until said plan has been accepted by District or the person to whom authority to accept has been delegated by District.

### **SECTION 33. HAZARDOUS WASTE AND UNKNOWN PHYSICAL CONDITIONS**

Except as provided in Section 9 of this Construction Services Agreement, Contractor shall promptly, and before the following conditions are disturbed, notify District, in writing, of any:

Material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.

Subsurface or latent physical conditions at the Site differing from those indicated, including geological, soils, and/or water table issues which impede Construction or increase Construction Costs.

Unknown physical conditions at the Site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Construction Services Agreement.

District shall promptly investigate the conditions, and if it finds that the conditions materially so differ, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work may approve use of funds from District's Contingency pursuant to the procedures described in this Construction Services Agreement. If asbestos-related work or hazardous substance removal is discovered which is not disclosed in the Construction Documents, such work shall be performed pursuant to a contract separate from any other work to be performed as required by Section 25914.2 of the Health and Safety Code, as may from time to time be amended.

In the event that a dispute arises between District and Contractor whether the conditions set forth above materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by this Construction Services Agreement, but shall proceed with all work to be performed under this Construction Services Agreement. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

The Provisions of Section 32, above, shall also apply to this Construction Services Agreement if this Construction Services Agreement involves digging trenches or other excavations that extend deeper than four feet below the surface.

## **SECTION 34. INSURANCE**

### **Contractor's Insurance Requirements**

Contractor shall purchase and maintain, during the performance of all work under this Construction Services Agreement, insurance in amounts as specified below.

### **Commercial General Liability**

Coverage for Commercial General Liability Insurance shall be at least as broad as the following:

Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)

Commercial General Liability Insurance must include coverage for the following:

- |                   |  |
|-------------------|--|
| (1)               | Bodily Injury and Property Damage  |
| (2)               | Personal Injury/Advertising Injury   |
| (3)               | Premises/Operations Liability  |
| (4)               | Products/Completed Operations Liability                                    |
| (5)               | Aggregate Limits that Apply per Project                                    |
| (6)               | Explosion, Collapse, and Underground (UCX)                                 |
| exclusion deleted |  |
| (7)               | Contractual Liability with respect to this Construction Services Agreement |
| (8)               | Broad Form Property Damage   |
| (9)               | Independent Contractor's Coverage  |

All such policies shall name District, the Board, and each member of the Board, its officers, employees, agents, and authorized volunteers as Additional Insureds under the policies.

The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by District.

### **Automobile Liability**

At all times during the performance of the work under this Construction Services Agreement, Contractor shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned, and hired vehicles, in a form and with insurance companies acceptable to District, in the amount specified below.

Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 6/92) covering automobile liability, Code 1 (any auto).

The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by District.

All such policies shall name District, the Board, and each member of the Board, its officers, employees, agents, and volunteers as Additional Insureds under the policies.

### **Workers' Compensation/Employer's Liability**

At all times during the performance of the work under this Construction Services Agreement, Contractor shall maintain Workers' Compensation Insurance in compliance with applicable statutory requirements and Employer's Liability Coverage in amounts not less than the limits specified below for all its employees engaged in work under this Construction Services Agreement, on or at the Site of the Project, and, in case the work is sublet, Contractor shall require the Subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees. Any class of employee or employees not covered by a Subcontractor's insurance shall be covered by Contractor's insurance. In case any class of employees engaged in work under this Construction Services Agreement, on or at the Site of the Project, is not protected under the Workers' Compensation Statutes, Contractor shall provide or shall cause a Subcontractor to provide, adequate insurance coverage for the protection of such employees not otherwise protected. Contractor shall file with District certificates of its insurance protecting workers.

Company or companies providing insurance coverage shall be acceptable to District, and in the following form and coverage: Statutory Workers' Compensation and Employer's Liability Coverage: Contractor shall maintain insurance to afford protection for all claims under California Workers' Compensation Act and other employee benefit acts, and, in addition, shall maintain Employer's Liability Insurance for a minimum limit of \$1,000,000. The Workers' Compensation Policy shall include the following endorsements, copies of which shall be provided to District:

The Voluntary Compensation Endorsement; and  
Broad Form All States Endorsement; and  
The Longshoremen's and Harbor Workers endorsement, where applicable to the work under this Construction Services Agreement; and  
Waiver of Subrogation Endorsement.

If insurance is maintained, the workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by District.

Before beginning work, Contractor shall furnish to District satisfactory proof that it has taken out, for the period covered by the work under this Construction Services Agreement, full compensation insurance for all persons employed directly by it or through Subcontractors in carrying out the work contemplated under this Construction Services Agreement all in accordance with the "Workers'

Compensation and Insurance Act,” Division 4 of the Labor Code of the State of California and any acts amendatory thereof.

Contractor shall sign a Certificate Regarding Workers’ Compensation Insurance which is attached to this Construction Services Agreement as Exhibit “G” incorporated herein by this reference.

**Builder’s Risk “All Risk” Insurance**

In addition to the requirement that the District carry property insurance for any portion of the Project occupied by the District as set forth in the Sublease, at all times during the performance of the work, Contractor shall maintain builder’s risk insurance on an “all risk” completed value basis (including flood) upon the entire project which is the subject of this Construction Services Agreement. Coverage shall include completed work as well as work in progress. Such insurance shall include District as Loss Payee.

Such insurance may have a deductible clause but not to exceed the smaller of: five percent (5%) of the total amount of the contract; or \$10,000.00 for all risks, except flood. The deductible for flood shall not exceed five percent (5%) of the total amount of this Construction Services Agreement.

Such policies shall name District as Additional Insured.

The making of Sublease Payments or Tenant Improvement Payments to Contractor shall not be construed as creating an insurable risk interest by or for District or be construed as relieving Contractor or his Subcontractors of responsibility for loss from any direct physical loss, damage, or destruction occurring prior to final acceptance of the work by District.

The insurer shall waive all rights of subrogation against District and shall provide District with a Certificate of Insurance for Builder’s Risk insurance coverage and evidence of waiver of rights of subrogation against District.

**Minimum Policy Limits Required**

The following insurance limits are required for the Construction Services Agreement:

**Combined Single Limit**

Commercial General Liability \$1,000,000 per occurrence/\$3,000,000 aggregate for bodily injury, personal injury and property damage

Automobile Liability \$1,000,000 per occurrence for bodily injury and property damage

Employer’s Liability \$1,000,000 per occurrence

Builder’s Risk Completed value or replacement cost

### **Evidence Required**

Prior to execution of this Construction Services Agreement, Contractor shall file with District evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (ed. 11/85) (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (ACORD Form 25 S or equivalent). All evidence of insurance shall be certified by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

### **Policy Provisions Required**

All policies of Contractor shall contain a provision for 30 days' advance written notice by the insurer(s) to District of any cancellation. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents, or representatives," will not be acceptable on certificates.

All policies shall contain a provision stating that Contractor's policies are primary insurance and that the insurance of District or any named insureds shall not be called upon to contribute to any loss.

### **Qualifying Insurers**

All policies required shall be issued by acceptable insurance companies, as determined by District, which satisfy the following minimum requirements:

Insurance carriers shall be qualified to do business in California and maintain an agent for service of process within the state. Such insurance carrier shall have not less than an "A" policyholder's rating and a financial rating of not less than "Class X" according to the latest Best Key Rating Guide.

### **Additional Insurance Provisions**

The foregoing requirements as to the types and limits of insurance coverage to be maintained by Contractor and any approval of said insurance by District is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Contractor pursuant to this Construction Services Agreement, including but not limited to, the provisions concerning indemnification.

If at any time during the life of the Construction Services Agreement Contractor fails to maintain in full force any insurance required by the Construction Services Agreement, including required limits, District may acquire the necessary insurance for Contractor and deduct the cost thereof from the Tenant Improvement Payments made by District.

Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. Contractor shall make certain that any and all Subcontractors hired by Contractor are insured in accordance with this Construction Services

Agreement. If any Subcontractor's coverage does not comply with the foregoing provisions, Contractor shall indemnify and hold District harmless from any damage, loss, cost, or expense, including attorneys' fees, incurred by District as a result thereof.

If coverage is written on a "claims made" basis, the Certificate of Insurance shall clearly so state. In addition to the coverage requirements specified above, such policy shall provide that:

a. The policy retroactive date coincides with or precedes Contractor's commencement of work under this Construction Services Agreement (including subsequent policies purchased as renewals or replacements).

Contractor will make every effort to maintain similar insurance during the required extended period of coverage following expiration of this Construction Services Agreement, including the requirement of adding all additional insureds.

If insurance is terminated for any reason, Contractor shall purchase an extended reporting provision of at least two years to report claims arising in connection with the Construction Services Agreement.

The policy allows for reporting of circumstances or incidents that might give rise to future claims.

District may require Contractor to provide complete copies of all insurance policies in effect for the duration of the Project.

Neither District nor the Board, nor any member of the Board, nor any of the directors, officers, employees, agents, or volunteers shall be personally responsible for any liability arising under or by virtue of the Construction Services Agreement.

### **SECTION 35. HOLD HARMLESS**

District, its Board, and each member of the Board, its officers, employees, and agents shall not be liable for, and Contractor shall defend, indemnify, and hold harmless District, its Board, and each member of the Board, its officers, employees, and agents from and against any and all claims, demands, liability, judgments, awards, fines, mechanics' liens or other liens, labor disputes, losses, damages, injuries to property or persons (including death), expenses, charges or costs of any kind or character, including attorneys' fees and court costs (herein collectively referred to as "Claims"), which arise out of or are in any way connected to the work covered by this Construction Services Agreement arising either directly or indirectly from any act, error, omission, or negligence of Contractor or its contractors, consultants, architects, engineers, licensees, agents, servants, or employees, including, without limitation, Claims caused by the concurrent act, error, omission, or negligence of District or its agents or employees. However, Contractor shall have no obligation to defend or indemnify District from a Claim to the extent that such Claim was caused by the active or sole negligence or willful misconduct of District or its agents or employees.



## **SECTION 36. RESOLUTION OF AGREEMENT CLAIMS**

All public works claims, as defined below, that arise out of or relate to this Construction Services Agreement, or a breach thereof, shall include a statement as to whether Contractor elects to proceed pursuant to Claim Resolution Process 1 or Claim Resolution Process 2, as identified below. Contractor must follow the requirements of its selected Claim Resolution Process throughout its entire claim.

### **Claim Resolution Process 1**

Claim Resolution Process 1 is set forth in Public Contract Code Section 9204, as that section may be amended from time to time, and applies to any claim between Contractor and District, without regard to the claim's dollar amount.

For purposes of Claim Resolution Process 1, the term "claim" has the meaning set forth in Public Contract Code Section 9204(c)(1), as that section may be amended from time to time. Section 9204(c)(1) currently defines "claim" to mean a separate demand by Contractor sent by registered mail or certified mail with return receipt requested for one or more of the following: (a) A time extension, including, without limitation, for relief from damages or penalties for delay assessed by District under this Construction Services Agreement; (b) Payment by District of money or damages arising from work done by, or on behalf of, Contractor pursuant to this Construction Services Agreement and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled; and/or (c) Payment of an amount that is disputed by District.

### **C. Claim Resolution Process 2**

1. Claim Resolution Process 2 is set forth in Public Contract Code Section 20104 et seq., as those sections may be amended from time to time, and applies only to claims between Contractor and District valued at Three Hundred Seventy-Five Thousand Dollars (\$375,000) or less.

2. For purposes of Claim Resolution Process 2, the term "claim" has the meaning set forth in Public Contract Code Section 20104(b)(2), as that section may be amended from time to time. Section 20104(b)(2) currently defines "claim" to mean a separate demand by Contractor for (a) a time extension, (b) payment of money or damages arising from work done by, or on behalf of, Contractor pursuant to the Construction Services Agreement and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or (c) an amount the payment of which is disputed by District.

## **SECTION 37. SUBSTITUTION OF SECURITY**

In accordance with Public Contract Code Section 22300, District will permit the substitution of securities for any moneys withheld by District to ensure performance under the Construction Services Agreement. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with District, or with a state or federally chartered bank as the escrow agent. Upon satisfactory completion of the Construction Services Agreement the securities shall be returned to Contractor.

### **SECTION 38. TITLE TO WORK**

Title to all work completed and in the course of Construction paid for by District and title to all materials on account of which payment has been made by District to Contractor shall vest in District pursuant to the applicable provisions of the Site Lease and Sublease.

### **SECTION 39. CONTRACT DOCUMENTS AND INTERPRETATIONS**

The Contract Documents shall be executed, and/or initialed as appropriate, in duplicate by District and Contractor. The Contract Documents are complementary, and what is required by any one shall be as binding as if required by all. The intention of the Contract Documents is to include all labor, services, and materials reasonably necessary for the proper execution of the work.

It is not intended that work and/or services not covered under any heading, section, branch, class, or trade of the specifications shall be supplied, unless it is required elsewhere in the Contract Documents or is reasonably inferable therefrom as being necessary to produce the intended results, in which case such work and/or services shall be supplied by Contractor. Words which have well-known technical or trade meanings are used herein in accordance with such recognized meanings. Mutual agreement shall be reached with respect to words which do not have a well-known technical or trade meaning and the definition of which come into question.

Drawings and specifications are intended to be fully cooperative and to agree. All drawing and specification changes shall be dated and sequentially recorded. All modifications to drawings and specifications shall be interpreted in conformity with the Contract Documents, which shall govern, unless otherwise specified.

Documents on the Project Site. Contractor shall keep one copy of all Contract Documents, including addenda, change orders, Division 1, Title 21 of the California Code of Regulations, Parts 1-5 and 12 of Title 24, and Title 22 of the California Code of Regulations, and the prevailing wage documents shall be kept in good order and shall be available to District's Representative, Architect and its representatives. Contractor shall be acquainted with and comply with the provisions of said Titles 21, 22 and 24 as they relate to this Project. (See particularly Duties of Contractor, Title 24 California Code of Regulations, section 4-343.) Contractor shall also be acquainted with and comply with all California Code of Regulations provisions relating to this Project, particularly Titles 17, 19, 21, 22 and 24.) Contractor shall also make available all books, records, accounts, contracts, bids, etc. upon request by District.

Record "As Built" Drawings. Contractor shall maintain a clean, undamaged set of contract drawings and shop drawings. In addition to maintaining one complete set of record drawings (herein referred to as "as-builts"), Contractor shall require each trade contractor/subcontractor to do its own as-builts. The trade contractor/subcontractor as-builts shall contain information showing clean and clear drawings with horizontal and vertical controls suitable for conversion to electronic media. Graphic quality must be equal to clean and clear original drawings; adequacy of the drawings shall be determined by District or Architect. Contractor shall mark the set to show the actual installation where the installation varies from the work as originally shown. Contractor shall mark whichever drawings are most capable of showing conditions fully and accurately where shop drawings are used, and shall record a cross-

reference at the corresponding location on the contract drawings. Contractor shall give particular attention to concealed elements that would be difficult to measure and record at a later date. Contractor shall use colors to distinguish variations in separate categories of the work. Contractor shall organize record drawings sheets into manageable sets, bound with durable paper cover sheets and shall print suitable title, dates, and other identification on the cover of each set. At the end of the Project, Contractor shall provide District with a complete set of as-built drawings. The complete set shall contain information showing clean and clear drawings with horizontal and vertical controls suitable for conversion to electronic media. Graphic quality must be equal to clean and clear original drawings; adequacy of the drawings shall be determined by District or Architect. The as-builts must show the entire site for each major trade, including but not limited to water, sewer, electrical, data, telephone, cable, fire, alarm, gas, and plumbing.

#### **SECTION 40. REQUEST FOR SUBSTITUTIONS**

For purposes of this provision, the term “substitution” shall mean the substitution of any material, process, or article that is substantially equal or better in every respect to that indicated or specified in the Construction Documents.

Pursuant to Public Contract Code section 3400(b), District may make a finding designating certain products, things, or services by specific brand or trade name for the statutorily enumerated purposes. These findings if made, as well as the products and their specific brand or trade names that must be used for the Project may be found in Exhibit “A” of this Construction Services Agreements.

Unless specifically designated in Exhibit “A” of this Construction Services Agreement, whenever in specifications any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such specifications shall be deemed to be used for the purpose of facilitating the description of the material, process, or article desired and shall be deemed to be followed by the words “or equal.” Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified. However, District has adopted certain uniform standards for certain materials, processes and articles. Except as otherwise provided in paragraph D. below, if any material, process or article offered for substitution by Contractor is not, in the opinion of District and Architect, substantially equal or better in every respect to that specified, Contractor shall furnish the material, process, or article specified. The burden of proof as to the equality of any material, process or article shall rest with Contractor.

Contractor shall submit requests together with substantiating data for substitution of any “or equal” material, process or article no later than 35 days after the Project commencement date in the Notice to Proceed for the Project. Provisions authorizing submission of “or equal” substitution justification data shall not in any way authorize an extension of time for performance of this Construction Services Agreement. Furthermore, if a proposed “or equal” substitution request is rejected, Contractor shall be responsible for including the specified material, process or article for the Project. District shall not be responsible for any costs of Contractor associated with “or equal” substitution requests. District has the complete and sole discretion to determine if a material, process or article is an “or equal” material, process, or article that may be substituted.

For purposes of the above, data required to substantiate requests for substitution of an “or equal” material, process, or article shall include a signed affidavit from Contractor stating that the substituted “or equal” material, process, or article is equivalent to that specified in the specification in every way except as listed on the affidavit. Substantiating data shall also include any and all illustrations, specifications, and other relevant data including catalogue information which describes the requested substituted “or equal” material, process, or article and substantiates that it is an “or equal” to the material, process, or article specified. In addition, the submittal documentation must also include a statement of the cost implications of the substitution being requested stating whether and why the substitution of the “or equal” material, process, or article will reduce or increase the GMP. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted “or equal” material, process or article. Failure to submit all the needed substantiating data, including the signed affidavit, to Architect in a timely fashion so that the substitution can be adequately reviewed may result in the rejection of the proposed substitution. District is not obligated to review multiple substitution submittals for the same product or item due to Contractor’s failure to submit a complete package initially.

Time limitations in this Section must be complied with strictly and in no case will an extension of time for completion be granted because of Contractor’s failure to request the substitution of an alternative item at the times and manner set forth in the above paragraph. Further, Contractor shall bear the costs of all engineering work associated with the review of submittals for substitution of equals.

In the event Contractor furnishes a material, process, or article which is more expensive than that specified, the difference in cost of such material, process, or article so furnished shall be borne by Contractor.

Contractor agrees to include the provisions of this Section in all subcontractor bid documents.

#### **SECTION 41. COMPLIANCE WITH STATE STORM WATER PERMIT FOR CONSTRUCTION**

The Project is subject to the State Water Resources Control Board (State Water Board) National Pollutant Discharge Elimination System General Permit for Waste Discharge Requirements for Discharges of Storm Water Runoff Associated with Construction Activity (“Permit”). Such requirements include the preparation and implementation of a Storm Water Pollution Prevention Plan (“SWPPP”) and/or implementation of local storm water requirements, which prohibit the discharge of pollutants from the construction site into the receiving waters of the United States (collectively herein, the “Storm Water Requirements”). The District shall be responsible for the (1) preparation of the SWPPP, (2) filing of the Notice of Intent, (3) obtaining the Permit, and (4) periodic oversight of the SWPPP.

Contractor shall be responsible for implementing and complying with the provisions of the Permit and the SWPPP, removing SWPPP controls that are not needed, and complying with the standard provisions, monitoring and reporting requirements as required by the Permit. Contractor shall provide copies of all reports and monitoring information to the District, Architect and the District’s third party SWPPP consultant.

Contractor shall comply with the lawful requirements of any applicable municipality, the County, drainage district, and other local agencies regarding discharges of storm water to separate storm drain system or other watercourses under their jurisdiction, including applicable requirements in municipal storm water management programs.

Failure to comply with the Permit is in violation of federal and state law. Contractor hereby agrees to indemnify and hold harmless the District, its Board members, officers, agents, employees and authorized volunteers from and against any and all claims, demands, losses or liabilities of any kind or nature which the District, its Board members, officers, agents, employees and authorized volunteers may sustain or incur for noncompliance with the Permit arising out of or in connection with the Project, except for liability resulting from the sole negligence, willful misconduct or active negligence of the District, its Board members, officers, agents, employees or authorized volunteers. The District may seek damages from Contractor for delay in completing the Project caused by Contractor's failure to comply with the Permit.

#### **SECTION 42. EQUAL OPPORTUNITY CLAUSE**

Contractor herein agrees not to discriminate in its recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, physical handicap, or other protected class in the performance of this Construction Services Agreement and to comply with the provisions of the following laws:

California Fair Employment and Housing Act (Government Code section 12900 et seq.), and any amendments thereto, prohibiting discrimination or harassment of an employee or applicant because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, age, sex, gender, gender identity, gender expression, sexual orientation, or military or veteran status;

Federal Civil Rights Act of 1964 (42 USC 2000e et seq.), and any amendments thereto, prohibiting discrimination in employment on the basis of race, color, national origin, religion, or sex; Title I of the Americans With Disabilities Act of 1990 (42 USC 12101 et seq.) prohibiting discrimination against qualified individuals with a disability in hiring and employment practices;

The Age Discrimination in Employment Act (29 USC 621 et seq.), and any amendments thereto, prohibiting age discrimination in employment against individuals who are at least forty years of age;

California Labor Code prohibiting discrimination in any aspect of employment or opportunity for employment based on actual or perceived sexual orientation; and

Any other laws or regulations prohibiting discrimination as may be applicable to Contractor.

#### **SECTION 43. COMPLIANCE WITH DTSC GUIDELINES – IMPORTED SOIL/SOILS INSPECTION**

If the Project requires the use of imported soils, Contractor shall be responsible to use and shall certify that the imported material it uses is free of any hazardous and/or toxic substance or material of any

nature or type as defined in California Law and the California Health and Safety Code. District reserves the right to reject any imported material that has come from agricultural or commercial land uses. Contractor must notify District of the source of material and comply with all applicable Regional Water Quality Control Board rules, regulations, and resolutions and when applicable, with the guidelines of the Department of Toxic Substances Control (“DTSC”).

Unless otherwise provided, when a soils investigation report obtained from test holes at the site is available, such report shall not be a part of this Construction Services Agreement. Nevertheless, with respect to any such soils investigation and/or geotechnical report regarding the Site, it shall be the responsibility of Contractor to review and be familiar with such report. Any information obtained from such report or any information given on drawings as to subsurface soil condition or to elevations of existing grades or elevations of underlying rock is approximate only, is not guaranteed, and does not form a part of this Construction Services Agreement, unless otherwise specifically provided. Contractor is required to make a visual examination of the Site and must make whatever tests it deems appropriate to determine the underground condition of the soil. Limited soil tests and subsurface investigations, if any, are available for review and consideration by Contractor and were conducted for the purpose solely as a matter of convenience and general information for Contractor and Contractor is expected to review and be familiar with such information. No representation is made by District or Architect that the information provided is completely representative of all conditions and materials which may be encountered. If such a report is referenced in the Contract Documents for performance of the Project, such reference shall be to establish minimum requirements only. Further, no representation is made by District or Architect that information provided is solely adequate for the purposes of construction. District disclaims responsibility for interpretations by Contractor of soil and subsurface investigation, such as in protecting soil-bearing values, rock profiles, presence and scope of boulders and cobbles, soil stability and the presence, level, and extent of underground water. Contractor shall determine means, methods, techniques, and sequences necessary to achieve the required characteristics of completed work. Conditions found after execution of the Construction Services Agreement to be materially different from those reported and which are not customarily encountered in the geographic area of the Project shall be governed by the provisions of this Construction Services Agreement for unforeseen conditions.

#### **SECTION 44. PATENTS; ROYALTIES, AND INDEMNITIES**

Contractor shall hold and save District and its officers, agents, and employees harmless from liability of any nature or kind, including cost and expense, for or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of this Construction Services Agreement, including its use by District, unless otherwise specifically stipulated in this Construction Services Agreement.

#### **SECTION 45. EXCISE TAX**

If under federal excise tax law any transaction hereunder constitutes a sale on which a federal excise tax is imposed and the sale is exempt from such excise tax because it is a sale to a state or local government for its exclusive use, District, upon request, will execute a certificate of exemption which will certify (a) that District is a political subdivision of the state for the purposes of such

exemption and (b) that the sale is for the exclusive use of District. No excise tax for such materials shall be included in the GMP.

#### **SECTION 46. PROHIBITED INTERESTS**

No official of District and no District representative who is authorized in such capacity and on behalf of District to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction, or material supply contract or any subcontract in connection with the construction of the Project, shall be or become directly or indirectly interested financially in this Construction Services Agreement or any part thereof. No officer, employee, architect, attorney, engineer, or inspector of or for District who is authorized in such capacity and on behalf of District to exercise any executive, supervisory, or other similar functions in connection with construction of the Project, shall become directly or indirectly interested financially in this Construction Services Agreement or in any part thereof.

#### **SECTION 47. DRUG-FREE WORK PLACE, NO ASBESTOS AND HAZARDOUS MATERIALS CERTIFICATION**

##### Drug-Free Workplace Certification

Contractor shall, for all contracts involving state funds, submit a “Drug-Free Workplace Certification.” This form is attached hereto as Exhibit “F” and must be signed under penalty of perjury and dated prior to commencing work on the Project.

##### Asbestos and Other Hazardous Materials Certification

Contractor shall execute and submit an “Asbestos and Other Hazardous Materials Certification.” This form is attached hereto as Exhibit “H” and must be signed under penalty of perjury and dated prior to commencing work on the Project.

Contractor, further, is aware that should asbestos-containing materials be installed by Contractor in violation of this certification, or if removal of asbestos-containing-materials is part of the Project, decontamination and removal will be performed in accordance with the requirements of all applicable laws and will meet the following criteria:

Decontamination and removal of work found to contain asbestos or work installed with asbestos-containing equipment shall be done only under the supervision of a qualified consultant, knowledgeable in the field of asbestos abatement and accredited by the Environmental Protection Agency (“EPA”).

The asbestos removal contractor shall be an EPA accredited contractor qualified in the removal of asbestos and shall be chosen and approved by the asbestos consultant who shall have sole discretion and final determination in this matter.

The asbestos consultant shall be chosen and approved by District which shall have sole discretion and final determination in this matter.

The work will not be accepted until asbestos contamination is reduced to levels deemed acceptable by the asbestos consultant.

If removal of asbestos-containing materials is part of the Project, the cost of all asbestos removal, including, but not necessarily limited to, the cost of the asbestos removal contractor, the cost of the asbestos consultant, analytical and laboratory fees, time delays, and additional costs that may be incurred by District shall be borne entirely by Contractor.

Hold Harmless: Interface of work for the Project with work containing asbestos shall be executed by Contractor at its risk and at its discretion with full knowledge of the currently accepted standards, hazards, risks, and liabilities associated with asbestos work and asbestos-containing products. By execution of the Construction Services Agreement, Contractor acknowledges the above and agrees to the fullest extent permitted by law to hold harmless District, its Board, and each member of the Board, its officers, employees, agents, representatives, including its Architect and assigns, for all asbestos liability which may be associated with this work. Contractor further agrees to instruct its employees with respect to the above-mentioned standards, hazards, risk, and liabilities.

#### **SECTION 48. LAWS AND REGULATIONS**

Contractor shall give all notices and comply with all laws, ordinances, rules, and regulations bearing on the conduct of work as indicated and specified. If Contractor observes that drawings and specifications are at variance therewith, it shall promptly notify Architect in writing and any necessary changes shall be adjusted as provided in this Construction Services Agreement for changes in work. If Contractor performs any work knowing it to be contrary to such laws, ordinances, rules, and regulations, and without such notice to District's Architect, it shall bear all costs arising therefrom.

Contractor shall be responsible for familiarity with the Americans with Disabilities Act ("ADA") (42 USC Section 12101 et seq.). Installations of equipment and other devices shall be in compliance with ADA regulations.

#### **SECTION 49. EXECUTION OF OTHER DOCUMENTS**

The Parties to this Agreement shall cooperate fully in the execution of any and all other documents in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of the Contract.

#### **SECTION 50. EXECUTION IN COUNTERPARTS**

This Agreement must be executed in counterparts such that the signatures may appear on separate signature pages. A copy, or an original, with all signatures appended together, shall be deemed a fully executed Agreement.



**SECTION 51. AGREEMENT MODIFICATIONS**

No waiver, alteration, or modification of any of the provisions of this Construction Services Agreement shall be binding upon either District or Contractor unless the same shall be in writing and signed by both District and Contractor.

**SECTION 52. NOTICES**

All communications in writing between District and Contractor, including, without limitation, applications for payment, shall be deemed to have been received by the addressee if delivered to the person for whom they are intended or if sent by registered mail, return receipt requested, or by fax followed by regular mail, addressed as follows:

If to Contractor:

S+B James Construction California Inc.  
1450 Halyard Drive, Suite 11A  
West Sacramento, CA 95691

If to District:

Galt Joint Union Elementary School District  
1018 C Street, Suite 210  
Galt, CA 95632  
Attn: Lois Yount, Director of Business Services/CBO

With a Copy to:

Parker & Covert LLP  
2520 Venture Oaks Way, Suite 190  
Sacramento, CA 95833  
Attn: Addison Covert

For the purpose of directions, the representative from Contractor shall be Hayden Meyers, Project Manager, or George Whitfield, Superintendent, and District's representative shall be Lois Yount, unless otherwise specified in writing.

**SECTION 53. THIRD-PARTY CLAIMS**

Pursuant to Public Contract Code Section 9201, District shall provide Contractor with timely notification of the receipt of any third-party claim, relating to the Construction Services Agreement. District is entitled to recover its reasonable costs incurred in providing such notification.

**SECTION 54. ASSIGNMENT**

Neither party to this Construction Services Agreement shall assign this Construction Services Agreement or sublet it as a whole without the written consent of the other, nor shall Contractor assign any monies due or to become due to it hereunder without the prior written consent of District.

**SECTION 55. HEADINGS/RECITALS**

The headings herein contained are inserted only as a matter of convenience and reference and are not meant to define, limit, or describe the scope or intent of the Contract Documents or in any way to affect the terms and provisions set forth herein. The Recitals set forth at the beginning of this Construction Services Agreement are hereby incorporated herein by this reference.

**SECTION 56. INTEGRATION/MODIFICATION**

This Construction Services Agreement represents the entire understanding of District and Contractor as to those matters contained herein; it supersedes and cancels any prior oral or written understanding, promises, or representations with respect to those matters covered herein; and it shall not be amended, altered, or changed except by a written agreement signed by the parties hereto. The Contract is intended as the complete and exclusive statement of the Parties' agreement pursuant to California Code of Civil Procedure section 1856.

**SECTION 57. APPLICABLE LAW/PROVISIONS REQUIRED BY LAW DEEMED INSERTED; SEVERABILITY**

The terms and provisions of this Construction Services Agreement shall be construed in accordance with the laws of the State of California. If any action is brought in a court of law to enforce any term of this Construction Services Agreement, the action shall be brought in a state court situated in the County of Sacramento, State of California, unless a court finds jurisdiction or venue is only proper in a federal court or a court outside this county.

Each and every provision of law and clause required by law to be inserted in this Construction Services Agreement shall be deemed to be inserted herein and the Construction Services Agreement shall be read and enforced as though it were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon application of either party, the Construction Services Agreement shall forthwith be physically amended to make such insertion or correction.

If a court of competent jurisdiction shall hold any provision of the Contract invalid or unenforceable, then such holding is not invalidate or render unenforceable any other provision hereof.

**SECTION 58. SUCCESSION OF RIGHTS AND OBLIGATIONS**

Contractor, by execution of this Agreement, acknowledges that Contractor has read this Agreement and the other Contract Documents, understands them, and agrees to be bound by their terms and

conditions. All rights and obligations under this Construction Services Agreement shall inure to and be binding upon the successors and assigns of the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have, by their duly authorized representatives, executed this Construction Services Agreement, in duplicate, as of the day and year first above written.

**CONTRACTOR:**

**DISTRICT:**

S+B James Construction California Inc.

Galt Joint Union Elementary School District

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

## **EXHIBIT “A”**

### **Scope of Work**

The Scope of Work depicted in the approved Plans and Specifications for the Project, which are on file at District’s office, are incorporated herein as if set out in full.

Project is described as HVAC upgrades & roof replacement for existing buildings A , B, C, & D, fire alarm replacement at Vernon Greer Elementary School. Existing floor plans remain unchanged. HVAC upgrade work includes replacing all equipment, some revisions to ducting distribution, all new registers and new controls. Roof replacement work includes new class 'A' single ply roofing system with some composition shingle replacement as well. Includes all new flashing, gutters, and downspouts.

**EXHIBIT “B”**

**Master Budget**

**See Attached**

### ROM GMP BUDGET Basis of Estimate

The Basis of Estimate is a written explanation clarifying the assumptions and exclusions used in establishing the Budget for the Greer HVAC Upgrade & Roof Replacement. The estimate is based on the following documents:

1. Greer HVAC Replacement Plan - SBJ Bid Set 3/16/21
2. Greer HVAC Replacement Specs - SBJ Bid Set 3/16/21
3. Greer Constructability Review - 4/19/21

### CONTINGENCIES

SB James recommends that team members understand and establish a definition for contingencies. We have included the following contingencies and present our definitions for these funds.

1. Construction Contingency is included as a percentage of overall cost of work. The Construction Contingency can be committed by SB James without authorization from the Owner in order to cover cost anticipated but not committed on the current construction documents. These costs may include "scope busts" (i.e. coordination issues between trades), missed scope during the subcontractor bidding process and inefficiencies created by such items as weather, mishaps, etc. Construction Contingency does not account for design revisions or design development. We have included a Construction Contingency of 2.5% within the base estimate  
We have also included a Design Contingency of 2.5% percent within the base estimate.

### CLARIFICATIONS

Please note the following clarifications:

General Clarifications:

1. SBJ to utilize Classroom #3 for temporary construction office. SBJ will continue to coordinate site logistics to maintain a safe and functioning site per meeting on 4/12/21.
2. Team to reuse existing roof drains. SBJ will replace drain rings and bolts as necessary to provide a water tight roof envelope.
3. New Duct Smoke Detectors to be added to units AC-A1, AC-B2, AC-C3, and AC-D2 only as these units exceed 2,000 CFM.
4. Per coordination and collaboration with MEOR, SBJ will utilize lighter Carrier units instead of the Trane units specified in the original documents. This eliminated the added structural blocking below units and new roof curbs.
5. Because the team is reusing the existing curbs no new ductwork or modification of plenums have been included. New lined ductwork has only been included at Unit AC-D2 as this ducting is exposed. Team will install new duct from the unit to the penetration at the existing wall.
6. Team will utilize all existing gas lines at the AC units. Point of Demolition and Point of Connection to be from the unit shutoff valve to the new unit.
7. Per walk and visual inspection with Jason and Stan units AC-A1, A2, C2, C3, C6, D1, and D5 have been replaced since the original contract documents. No cost for replacement of the unit or gas, condensate, duct modifications have been included in the budget. Note that AC-A1 and AC-C3 do have scope included for duct smoke detectors include as this is needed for Life Safety.
8. No gutters or downspouts have been included in the estimate as these were incorrectly labeled on the elevation plans.
9. Painting of plaster reveals on Building A, B, C, and D have been included in the budget.
10. Existing coping to be reused. SBJ will prep and paint the reused coping. Add alternate for coping is approximately \$50,000.
11. Abatement of the roof penetration mastic has been included per the Ostlund environmental report.

**Galt Joint Unified Elementary School District**

Greer HVAC Upgrade & Roof Replacement

Galt, CA

4/19/2021

12. SBJ to install overlay fleece back Fibertite 50 mil XT roofing over existing built up roofing (BUR). Team will utilize the existing roof sloping. Based on previous experiences no separation sheet will be required for warranty as the fleece provide the new membrane the proper protection. Add alternate has been provided for installation of 1/4" Dens Deck separator board.
13. Drawings show 21 rooftop relief vents to be replaced. These relief vents have no mechanical component that could fail. Current estimate does not include replacing these RV's.
14. Base bid includes stand alone thermostats as shown on documents. Add alternate has been provided for Pelican wireless controls.
15. For Carbon Monoxide system in Building B and C team will utilize wire-mold at locations where existing ceilings are drywall or glue on ACT. At rooms with accessibly ACT the CO system will be ran above ceiling.
16. There are two HVAC units on Building D above the kitchen that are not shown on the Mechanical plans as existing or new. There is no scope included at these units.
17. For add alternates at the Portables there is no scope figured at Class Room #19 and #20. These portables will need to be replaced in its entirety.
18. Base estimate includes cleaning within eye sight of the duct upon replacement. Add alternate has been provided for full duct cleaning per the specifications. Per discussion with team duct cleaning scope to be removed from this project. SBJ to coordinate with district vendor if duct cleaning is performed by District.
19. Per discussion with team the decorative fencing at the front of the campus will not be painted.
20. Per discussion with team 1/4" dens deck under roofing will be omitted. SBJ will utilize a fleeceback Fibertite roof material.
21. For add alternates at the Portables there is no scope figured at Class Room #19 and #20. These portables will need to be replaced in its entirety.
22. Furnish and install Pelican Controls at Building A, B, C, D, and Portables. Per discussion with MEOR it is assumed that the Pearl Economizer will not be needed for portables. Economizers to be manually controlled. Installation per 3/M5.01.
23. Team has carried an Allowance for Fire Alarm. Final cost to be reconciled upon completion of design. Team will need to finalize and discuss the schedule, overtime, proceeding with conduit/wire pulling, fire watch, etc. Pricing to be updated upon issuance of drawings.
24. Portable Rough Carpentry Repair (Assumed approx. 10,125 SF, 30% of portable SF). Painting cost for repaired areas carried below. This pricing assumes a "like kind replacement (full sheets)"
25. Painting of all Modular Buildings (25 Buildings). Includes caulking of trims and z-metal as needed.
26. Paint (e) inside/outside of doors has been included with new painted stencil door signs. Per discussion with team painting of window frames, mullions, trim, etc. has not been included.

**EXCLUSIONS**

Please note the following exclusions:

1. Duct leakage testing on (e) system.
3. Structural upgrades if (e) structure is to be found out of code compliance.
4. Inspection costs or fees, permits, and plan check costs & fees.
5. Any special testing and inspections including, but not limited to, structural.
6. Site improvements or structural upgrades to existing nonconforming structures including seismic upgrades, bracing of utilities, etc. unless noted on plans.
7. Un-foreseeable subsurface concealed conditions or any other conditions not shown on the plans

**END OF BASIS OF ESTIMATE**



**ROM GMP BUDGET**

Project: Greer HVAC Upgrade & Roof Replacement  
 Client: Galt Joint Unified Elementary School District  
 Architect: Derivi Castellanos Architects  
 Estimator: Hayden Meyers

4/19/2021

AREA SUMMARY:		<b>Greer HVAC Upgrade &amp; Roof Replacement</b>	
		<i>Area: 40,115 sf</i>	
DESCRIPTION		Subtotal	\$/sf
00 PROCUREMENT AND CONTRACTING REQUIREMENTS		\$134,120	\$3.34
01 GENERAL REQUIREMENTS		\$110,417	\$2.75
02 EXISTING CONDITIONS		\$56,284	\$1.40
05 METALS		\$7,685	\$0.19
06 WOOD & PLASTICS		\$356,760	\$8.89
07 THERMAL & MOISTURE PROTECTION		\$532,880	\$13.28
09 FINISHES		\$237,604	\$5.92
23 HVAC		\$467,015	\$11.64
26 ELECTRICAL		\$431,315	\$10.75
		<b>\$2,334,080</b>	<b>\$58.18</b>
Construction Contingency	2.50%	\$39,101	\$0.97
Design Contingency	2.50%	\$39,101	\$0.97
General Liability Insurance	1.35%	\$32,566	\$0.81
Builders Risk Insurance	0.30%	\$7,335	\$0.18
Performance Bonds	1.25%	\$30,652	\$0.76
Fee	5.00%	\$124,142	\$3.09
		<b>\$272,896</b>	<b>\$6.80</b>
<b>TOTAL CONSTRUCTION BUDGET</b>		<b>\$2,606,976</b>	<b>\$64.99</b>





## Estimate Detail Report Greer HVAC Upgrade & Roof Replacement

4/19/2021

CSI	CSI Codes	Description	Takeoff Quantity	Total Cost/Unit	Total Amount	Notes
<b>Vernon E. Greer Elementary School</b>						
00		<b>PROCUREMENT AND CONTRACTING REQUIREMENTS</b>				
	007200	<i>General Conditions</i>				
		General Conditions	14.00 wks	\$9,580.00 /wks	\$134,120	
		<i>General Conditions</i>	<u>40,115 sf</u>	<u>\$3.34 /sf</u>	<u>\$134,120</u>	
		<b>00 PROCUREMENT AND CONTRACTING REQUIREMENTS</b>	<b>40,115.00 sf</b>	<b>\$3.34 /sf</b>	<b>\$134,120</b>	
01		<b>GENERAL REQUIREMENTS</b>				
	01 00 00	<i>General Requirements</i>				
		General Requirements	14.00 wks	\$2,603.93 /wks	\$36,455	
		<i>General Requirements</i>	<u>40,115 sf</u>	<u>\$0.91 /sf</u>	<u>\$36,455</u>	
	01 35 33	<i>Infection Control Procedures</i>				
		Infection Control / Dust barrier - Interior Work	1.00 ls	\$16,800.00 /ls	\$16,800	Duct Cleaning, CO Detection, Duct Smoke Detectors, etc.
		<i>Infection Control Procedures</i>	<u>40,115 sf</u>	<u>\$0.42 /sf</u>	<u>\$16,800</u>	
	01 54 23	<i>Temporary Scaffolding and Platforms</i>				
		Stair Tower at Building A, C & D.	1.00 ls	\$23,452.00 /ls	\$23,452	Skyline Scaffolding
		<i>Temporary Scaffolding and Platforms</i>	<u>40,115 sf</u>	<u>\$0.58 /sf</u>	<u>\$23,452</u>	
	01 56 16	<i>Temporary Barriers</i>				
		Temporary Protection of existing exterior finishes.	40,115.00 sf	\$0.25 /sf	\$10,029	Concrete Protection for Crane, landscape protection, etc.
		<i>Temporary Barriers</i>	<u>40,115 sf</u>	<u>\$0.25 /sf</u>	<u>\$10,029</u>	
	01 56 23	<i>Temporary Barricades</i>				
		Roof Fall Protection at Low Parapet	597.00 lf	\$23.00 /lf	\$13,731	
		<i>Temporary Barricades</i>	<u>40,115 sf</u>	<u>\$0.34 /sf</u>	<u>\$13,731</u>	
	01 74 13	<i>Progress Cleaning</i>				
		Final Cleaning	5.00 day	\$1,990.00 /day	\$9,950	Classroom interiors, pressure washing exterior, etc.
		<i>Progress Cleaning</i>	<u>40,115 sf</u>	<u>\$0.25 /sf</u>	<u>\$9,950</u>	
		<b>01 GENERAL REQUIREMENTS</b>	<b>40,115.00 sf</b>	<b>\$2.75 /sf</b>	<b>\$110,417</b>	
02		<b>EXISTING CONDITIONS</b>				
	02 41 19	<i>Demolition</i>				
		Demolition and Abatement of Roof Penetrations (per Ostlund Environmental Report)	1.00 ls	\$56,284.00 /ls	\$56,284	Bayview Demolition
		<i>Demolition</i>	<u>40,115 sf</u>	<u>\$1.40 /sf</u>	<u>\$56,284</u>	
		<b>02 EXISTING CONDITIONS</b>	<b>40,115.00 sf</b>	<b>\$1.40 /sf</b>	<b>\$56,284</b>	



## Estimate Detail Report Greer HVAC Upgrade & Roof Replacement

4/19/2021

CSI	CSI Codes	Description	Takeoff Quantity	Total Cost/Unit	Total Amount	Notes
<b>Vernon E. Greer Elementary School</b>						
05	<b>METALS</b>					
	05 50 00	<i>Metal Fabrications</i>				
		New Ladder between Building B and C	1.00 ls	\$7,685.00 /ls	\$7,685	
		<i>Metal Fabrications</i>	40,115 sf	\$0.19 /sf	\$7,685	
		<b>05 METALS</b>	<b>40,115.00 sf</b>	<b>\$0.19 /sf</b>	<b>\$7,685</b>	
06	<b>WOOD, PLASTICS &amp; COMPOSITES</b>					
	06 19 53	<i>Miscellaneous Rough Carpentry</i>				
		Framing at New Roof Hatches	4.00 ea	\$1,220.00 /ea	\$4,880	
		Structural Supports and Curbs - Unit AC-D2	1.00 ls	\$4,080.00 /ls	\$4,080	Structural Blocking for unit, new duct supports, and gas line.
		Structural Supports and Curbs - Split System	1.00 ls	\$2,140.00 /ls	\$2,140	New Indoor and Outdoor Unit Mounting
		Structural Supports and Curbs - MAU	1.00 ls	\$3,980.00 /ls	\$3,980	New Curb and structural blocking.
		Structural Supports and Curbs - EF's	6.00 ea	\$3,060.00 /ea	\$18,360	Included for AC-D2, AC-D2 Ductwork, MAU, Split System, and gas line for D2.
		Rough Carpentry Repair at Dry rot Trims where coping and drip flashings are removed.	1.00 ls	\$8,900.00 /ls	\$8,900	Allowance
		Roof Sheeting Repair at locations where roof is sagging	2.00 ea	\$3,300.00 /ea	\$6,600	Pointed out by Stan and maintenance team.
		Portable Rough Carpentry Repair	1.00 ls	\$307,820.00 /ea	\$307,820	
		<i>Miscellaneous Rough Carpentry</i>	40,115 sf	\$8.89 /sf	\$356,760	
		<b>06 WOOD &amp; PLASTICS</b>	<b>40,115.00 sf</b>	<b>\$8.89 /sf</b>	<b>\$356,760</b>	
07	<b>THERMAL &amp; MOISTURE PROTECTION</b>					
	07 54 23	<i>Thermoplastic Membrane Roofing</i>				
		Overlay Roofing	1.00 ls	\$526,880.00 /ls	\$526,880	Statewide Roofing
		<i>Thermoplastic Membrane Roofing</i>	40,115 sf	\$13.13 /sf	\$526,880	
	07 55 51	<i>Composite Shingle</i>				
		Class A Comp Shingle	0.00 sf	\$0.00 /sf	\$0	Included above
		<i>Composite Shingle</i>	40,115 sf	\$0.00 /sf	\$0	
	07 90 00	<i>Joint Protection</i>				
		Misc. Caulking and Sealants	1.00 ls	\$6,000.00 /ls	\$6,000	Wood Trims, Plaster Trims, Penetrations, Saddles, etc.
		<i>Joint Protection</i>	40,115 sf	\$0.15 /sf	\$6,000	
		<b>07 THERMAL &amp; MOISTURE PROTECTION</b>	<b>40,115.00 sf</b>	<b>\$13.28 /sf</b>	<b>\$532,880</b>	



## Estimate Detail Report Greer HVAC Upgrade & Roof Replacement

4/19/2021

CSI	CSI Codes	Description	Takeoff Quantity	Total Cost/Unit	Total Amount	Notes
<b>Vernon E. Greer Elementary School</b>						
09	<b>FINISHES</b>					
	09 24 00	Portland Cement Plastering				
		Exterior Stucco Patching at Cracks - Eisen wall	1.00 ls	\$7,500.00 /ls	\$7,500	Allowance
		<i>Portland Cement Plastering</i>	<i>40,115 sf</i>	<i>\$0.19 /sf</i>	<i>\$7,500</i>	
	09 29 00	Gypsum Board				
		Misc. Patch and Repair of Drywall (access to AC-D2, Split System, Duct Smokes, MAU)	1.00 ls	\$18,360.00 /ls	\$18,360	Pacific Performance Drywall
		<i>Gypsum Board</i>	<i>40,115 sf</i>	<i>\$0.46 /sf</i>	<i>\$18,360</i>	
	09 51 23	Acoustical Tile Ceilings				
		Remove, Replace, Patch & Repair ACT (CO2 Detection System, Duct Smokes)	1.00 ls	\$7,500.00 /ls	\$7,500	For HVAC blocking and plenum modifications
		<i>Acoustical Tile Ceilings</i>	<i>40,115 sf</i>	<i>\$0.19 /sf</i>	<i>\$7,500</i>	
	09 90 00	Painting and Coating				
		Paint	1.00 ls	\$119,054.00 /ls	\$119,054	James L Harris Painting
		Painting of Portables	1.00 ls	\$76,430.00 /ls	\$76,430	
		Painting of Doors (inside and outside) with stencil signs	1.00 ls	\$8,760.00 /ls	\$8,760	
		<i>Painting and Coating</i>	<i>40,115 sf</i>	<i>\$5.09 /sf</i>	<i>\$204,244</i>	
		<b>09 FINISHES</b>	<b>40,115.00 sf</b>	<b>\$5.92 /sf</b>	<b>\$237,604</b>	
22	<b>PLUMBING</b>					
	22 10 00	Plumbing				
		Plumbing (Included below in Division 23)	1.00 ls	\$0.00 /ls	\$0	Airco Mechanical
		<i>Plumbing</i>	<i>40,115 sf</i>	<i>\$0.00 /sf</i>	<i>\$0</i>	
		<b>22 PLUMBING</b>	<b>40,115.00 sf</b>	<b>\$0.00 /sf</b>	<b>\$0</b>	
23	<b>HVAC</b>					
	23 10 00	Heating, Ventilating, and Air-Conditioning (HVAC)				
		New AC Units (AC-A3, B1, B2, B3, B4, C1, C4, C5, C7, C8, D2, D3, D6 & D7,)	1.00 ls	\$389,994.00 /ls	\$389,994	Airco Mechanical
		Upgrade to MERV 13 filters	14.00 ea	\$0.00 /ea	\$0	Included Above
		New Exhaust Fans ( REF-C2, C3, C4, D1, D2, KEF-D1) includes Interlocks	6.00 ea	\$0.00 /ea	\$0	Included Above
		Make Up Air Units	1.00 ea	\$0.00 /ea	\$0	Included Above
		Split System (IDU/ODU-1)	1.00 ea	\$0.00 /ea	\$0	Included Above
		Pelican Controls at Buildings A, B, C, D	1.00 ls	\$42,213.00 /ls	\$42,213	Airco Mechanical
		Pelican Controls at Portables	1.00 ls	\$34,808.00 /ls	\$34,808	Airco Mechanical



**Estimate Detail Report  
Greer HVAC Upgrade & Roof Replacement**

4/19/2021

CSI	CSI Codes	Description	Takeoff Quantity	Total Cost/Unit	Total Amount	Notes
<b>Vernon E. Greer Elementary School</b>						
		<i>Heating, Ventilating, and Air-Conditioning (HVAC)</i>	<i>40,115 sf</i>	<i>\$11.64 /sf</i>	<i>\$467,015</i>	
	<b>23 HVAC</b>		<b>40,115.00 sf</b>	<b>\$11.64 /sf</b>	<b>\$467,015</b>	
<b>26</b>	<b>ELECTRICAL</b>					
	<i>26 00 00 Electrical</i>					
		Fire Alarm Investigation	1.00 ls	\$12,000.00 /ls	\$12,000	Allowance
		Fire Alarm Replacement	1.00 ls	\$300,000.00 /ls	\$300,000	Allowance
		Electrical	1.00 ls	\$119,315.00 /ls	\$119,315	Bockman & Woody
		Duct Smoke Detectors	4.00 ea	\$0.00 /ea	\$0	Included above
		CO Dection System	1.00 ls	\$0.00 /ls	\$0	Included above
		<i>Electrical</i>	<i>40,115 sf</i>	<i>\$10.75 sf</i>	<i>\$431,315</i>	
	<b>26 ELECTRICAL</b>		<b>40,115.00 sf</b>	<b>\$10.75 /sf</b>	<b>\$431,315</b>	
	<b>Cost of Work</b>		<b>40,115.00 sf</b>	<b>\$58.18 /sf</b>	<b>\$2,334,080</b>	

## EXHIBIT "C"

### Payment Bond

KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the Galt Joint Union Elementary School District ("District"), by Board action on April 28, 2021, has awarded to S+B James Construction California Inc., designated as the "Principal," a contract for the work described as follows:

Construction Services for the Vernon Greer Elementary School HVAC Upgrades and Roof Replacement;

WHEREAS, said Principal is required by Division 4, Part 6, Title 3, Chapter 5 (commencing at section 9550) of the California Civil Code to furnish a bond in connection with said contract;

NOW THEREFORE, we the Principal and \_\_\_\_\_ as Surety, an admitted Surety insurer pursuant to Code of Civil Procedure, section 995.120, are held and firmly bound unto the Galt Joint Union Elementary School District in the penal sum of two million, six hundred and six thousand, nine hundred seventy six dollars (\$2,606,976) (this amount being not less than one hundred percent (100%) of the total bid price of the contract awarded by the District to the Principal), lawful money of the United States of America for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal or its heirs, executors, administrators, successors, assigns, or subcontractors shall fail to pay any person or persons named in Civil Code section 9100 or fail to pay for any materials, provisions, or other supplies, used in, upon, for, or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Code, with respect to work or labor thereon of any kind, or shall fail to deduct, withhold, and pay over to the Employment Development Department, any amounts required to be deducted, withheld, and paid over by section 13020 of the Unemployment Insurance Code with respect to work and labor thereon of any kind, or for amounts due as withholding tax pursuant to Section 18663 of the Revenue and Taxation Code, then said Surety will pay for the same, in or to an amount not exceeding the amount hereinabove set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees as shall be fixed by the court, awarded and taxed as provided in Division 4, Part 6, Title 3, Chapter 5 (commencing at section 9550) of the California Civil Code.

This bond shall inure to the benefit of any of the persons, companies, and corporations named in section 9100 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety of this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance,

addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement hereinabove described or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement hereinabove described, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the District and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in sections 8400 and 8402 of the California Civil Code, and has not been paid the full amount of his or its claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned.

Surety companies executing bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in California Insurance Code section 105, and if the work or project is financed, in whole or in part, with federal, grant or loan funds, Surety's name must also appear on the Treasury Department's most current list (Circular 570 as amended).

Any claims under this bond may be addressed to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Name and Address of Surety)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Name and Address of agent or representative  
for service of process in California,  
if different from above)

\_\_\_\_\_  
\_\_\_\_\_ (Telephone Number of Surety and agent or  
representative for service of process in  
California)

IN WITNESS WHEREOF the parties have executed this instrument under their several seals this \_\_\_\_ day of \_\_\_\_\_, 2021, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal of  
Principal, if Corporation)

\_\_\_\_\_  
Principal (Proper Name of Corporation)

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

(Corporate Seal of Surety)

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

Attorney-in-Fact

(Attach Attorney-in-Fact  
Certificate and Required  
Acknowledgments

**EXHIBIT "D"**

**Performance Bond**

KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the Galt Joint Union Elementary School District (hereinafter referred to as "District"), by Board action on April 28, 2021 has awarded to S+B James Construction California Inc. as Principal, hereinafter designated as "Principal," a contract for the work described as follows:

Construction Services for the Vernon Greer Elementary School HVAC Upgrades and Roof Replacement.

AND WHEREAS, said Principal is required under the terms of said contract to furnish a bond for the faithful performance and guaranty of said contract.

NOW, THEREFORE, we the Principal and the undersigned Surety, an admitted Surety insurer pursuant to Code of Civil Procedure section 995.120 are held and firmly bound to the District, in the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (this amount being not less than one hundred percent (100%) of the total bid price of the contract awarded by the District to the Principal), lawful money of the United States of America, for payment of which sum well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT if the hereby bounded Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by and will and truly keep and perform all the undertakings, terms, covenants, conditions and agreements in the said contract and any alteration thereof made as therein provided, including, but not limited to the provisions regarding contract duration and liquidated damages, all within the time and in the manner therein designated in all respects according to their true intent and meaning; and shall faithfully fulfill guarantees of all materials and workmanship; and indemnify, defend and save harmless the District, its officers and agents, as stipulated in said contract, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the contract, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by District, during which time if Principal shall fail to make full, complete, and satisfactory repair and replacements and totally protect the District from loss or damage made evident during the period of one (1) year from the date of acceptance of the work, and resulting from or caused by defective materials or faulty workmanship, the above obligation in penal sum thereof shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of Surety hereunder shall continue so long as any obligation of Principal remains.

Whenever Principal shall be, and is declared by the District to be, in default under the contract, the District having performed the District's obligations thereunder unless excused by



Principal's breach or default, the Surety shall promptly either remedy the default, or shall promptly:

1. Complete the contract in accordance with its terms and conditions; or
2. Obtain a bid or bids for completing the contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, arrange for a contract between such bidder and the District, and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price, but not exceeding, including other costs and damages for which Surety may be liable hereunder, the amount set forth in the first executory paragraph hereof. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Principal by the District under the contract and any modifications thereto, less the amount previously properly paid by the District to the Principal.

Surety expressly agrees that the District may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Principal.

Surety shall not utilize Principal in completing the contract nor shall Surety accept a bid from Principal for completion of the work if the District, when declaring the Principal in default, notifies Surety of the District's objection to Principal's further participation in the completion of the work.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the District named herein or the successors or assigns of the District. Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the contract falls due or is made, whichever occurs later.

FURTHER, the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or modification of the contract documents as defined in the Construction Services Agreement ("Contract Documents"), or of the work to be performed thereunder, or the specifications accompanying the same shall in any way affect its obligations on this bond; and it does hereby waive notice of any change, extension of time, alteration or modification of the Contract Documents, or of work to be performed thereunder, or of the specifications.

Principal and Surety agree that if the District is required to engage the services of an attorney in connection with enforcement of the bond, Principal and Surety shall pay District's reasonable attorney's fees incurred, with or without suit, in addition to the above sum.

FURTHER, the said Surety hereby agrees that in the event suit is brought upon this bond by the District and judgment is recovered, the Surety shall pay all costs incurred by the District in such suit, including a reasonable attorney's fees to be fixed by the court.

Surety companies executing bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in California Insurance Code section 105, and if the work or project is financed, in whole or in part, with federal, grant or loan funds, Surety's name must also appear on the Treasury Department's most current list (Circular 570 as amended).

Any claims under this bond may be addressed to:

\_\_\_\_\_ (Name and Address of Surety)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ (Name and Address of agent or representative  
for service of process in California,  
if different from above)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ (Telephone Number of Surety and agent or  
representative for service of process in  
California)

\_\_\_\_\_

\_\_\_\_\_

[Signatures follow on next page]

IN WITNESS WHEREOF the parties have executed this instrument under their several seals this \_\_\_\_ day of \_\_\_\_\_, 2021, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal of  
Principal, if Corporation)

\_\_\_\_\_  
Principal (Proper Name of Corporation)

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

(Corporate Seal of Surety)

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

Attorney-in-Fact

(Attach Attorney-in-Fact  
Certificate and Required  
Acknowledgments)

**EXHIBIT “E”**

**Fingerprint Certification**

**CONTRACTOR CERTIFICATION**

With respect to the Construction Services Agreement dated \_\_\_\_\_, 2021 by and between Galt Joint Union Elementary School District (“District”) and \_\_\_\_\_ (“Contractor”) for the provision of construction services, Contractor hereby certifies to the District’s governing board that it has completed the criminal background check requirements of Education Code section 45125.1 and that none of its employees that may come in contact with District pupils have been convicted of a violent felony listed in Penal Code section 667.5(c) or a serious felony listed in Penal Code section 1192.7(c).

\_\_\_\_\_  
Contractor’s Representative

\_\_\_\_\_  
Date

---

**CONTRACTOR EXEMPTION**

Pursuant to Education Code section 45125.1, the Galt Joint Union Elementary School District (“District”) has determined that \_\_\_\_\_ (“Contractor”) is exempt from the criminal background check certification requirements for the Construction Services Agreement dated \_\_\_\_\_, 2021 by and between the District and Contractor (“Contract”) because:

- The Contractor’s employees will have limited contact with District students during the course of the Contract; or
- Emergency or exceptional circumstances exist.

\_\_\_\_\_  
District Official

\_\_\_\_\_  
Date

**SUBCONTRACTOR’S CERTIFICATION**

The Galt Joint Union Elementary School District (“District”) entered into a contract for construction services with \_\_\_\_\_ Company (“Contractor”) on or about \_\_\_\_\_, 2021 (“Contract”). This certification is submitted by \_\_\_\_\_, a subcontractor or consultant to the Contractor for purposes of that Contract (“Subcontractor”). Subcontractor hereby certifies to the District’s governing board that it has completed the criminal background check requirements of Education Code section 45125.1 and that none of its employees that may come in contact with District pupils have been convicted of a violent felony listed in Penal Code section 667.5(c) or a serious felony listed in Penal Code section 1192.7(c).

\_\_\_\_\_  
Subcontractor’s Representative

\_\_\_\_\_  
Date

---

**SUBCONTRACTOR’S EXEMPTION**

The Galt Joint Union Elementary School District (“District”) entered into a contract for construction services with \_\_\_\_\_ Company (“Contractor”) on or about \_\_\_\_\_, 2021 (“Contract”). Pursuant to Education Code section 45125.1, the District has determined that \_\_\_\_\_, a subcontractor or consultant to the Contractor for purposes of that Contract (“Subcontractor”), is exempt from the criminal background check certification requirements for the Contract because:

- The Subcontractor’s employees will have limited contact with District students during the course of the Contract; or
- Emergency or exceptional circumstances exist.

\_\_\_\_\_  
District Official

\_\_\_\_\_  
Date

## EXHIBIT “F”

### Drug-Free Workplace Certification

This Drug-Free Workplace Certification form is part of the Construction Services Agreement made by and between the Galt Joint Union Elementary School District (“District”) and \_\_\_\_\_ (“Contractor”) for the Vernon Greer Elementary School HVAC Upgrades and Roof Replacement (“Project”) pursuant to the requirements mandated by Government Code section 8350 et seq., the Drug-Free Workplace Act of 1990. The Drug-Free Workplace Act of 1990 requires that every person or organization awarded a contract or grant for the procurement of any property or service from any State agency must certify that it will provide a drug-free workplace by doing certain specified acts. In addition, the Act provides that each contract or grant awarded by a State agency may be subject to suspension of payments or termination of the contract or grant, and the contractor or grantee may be subject to debarment from future contracting, if the contracting agency determines that specified acts have occurred.

Pursuant to Government Code section 8355, every person or organization awarded a contract or grant from a State agency shall certify that it will provide a drug-free workplace by doing all of the following:

- a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the person’s or organization’s workplace and specifying actions which will be taken against employees for violations of the prohibition;
- b) Establishing a drug-free awareness program to inform employees about all of the following:
  - 1) The dangers of drug abuse in the workplace;
  - 2) The person’s or organization’s policy of maintaining a drug-free workplace;
  - 3) The availability of drug counseling, rehabilitation and employee-assistance programs;
  - 4) The penalties that may be imposed upon employees for drug abuse violations;
- c) Requiring that each employee engaged in the performance of the contract or grant be given a copy of the statement required by subdivision (a) and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

I, the undersigned, agree to fulfill the terms and requirements of Government Code section 8355 listed above and will (a) publish a statement notifying employees concerning the prohibition of controlled substance at the workplace, (b) establish a drug-free awareness program, and (c) require that each employee engaged in the performance of the Contract be given a copy of the statement

required by section 8355(a) and requiring that the employee agree to abide by the terms of that statement.

I also understand that if the District determines that I have either (a) made a false certification herein, or (b) violated this certification by failing to carry out the requirements of section 8355, that the contract awarded herein is subject to termination, suspension of payments, or both. I further understand that, should I violate the terms of the Drug-Free Workplace Act of 1990, I may be subject to debarment in accordance with the requirements of section 8350 et seq.

I acknowledge that I am aware of the provisions of Government Code section 8350 et seq. and hereby certify that I will adhere to the requirements of the Drug-Free Workplace Act of 1990.

CONTRACTOR

\_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

## **EXHIBIT "G"**

### **Contractor's Certificate Regarding Workers' Compensation**

Labor Code section 3700 states that

"Every employer except the state shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this state.

(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

(c) For any county, city, city and county, municipal corporation, public district, public agency, or any political subdivision of the state, including each member of a pooling arrangement under a joint exercise of powers agreement (but not the state itself), by securing from the Director of Industrial Relations a certificate of consent to self-insure against workers' compensation claims, which certificate may be given upon furnishing proof satisfactory to the director of ability to administer workers' compensation claims properly, and to pay workers' compensation claims that may become due to its employees. On or before March 31, 1979, a political subdivision of the state which, on December 31, 1978, was uninsured for its liability to pay compensation, shall file a properly completed and executed application for a certificate of consent to self-insure against workers' compensation claims. The certificate shall be issued and be subject to the provisions of section 3702."

I am aware of the provisions of section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the code, and I will comply with such provisions before commencing the performance of the work of this contract.

If contractor is a corporation, this Certification shall be executed by either the chairman of the board, president, or vice president, and if a different individual, also by the secretary, chief financial officer, or assistant treasurer.

[Signatures follow on next page]



\_\_\_\_\_  
(Proper Name of Contractor)

By: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Authorized Signor)

\_\_\_\_\_  
(Title of Signor)

By:  
\_\_\_\_\_

\_\_\_\_\_  
(Signature of Authorized Signor)

\_\_\_\_\_  
(Title of Signor)

(In accordance with Article 5 (commencing at section 1860), Chapter 1, Part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under this contract.)

**EXHIBIT "H"**

**ASBESTOS AND OTHER HAZARDOUS MATERIALS CERTIFICATION**

This Asbestos and Other Hazardous Materials Certification form is part of the Construction Services Agreement made by and between the Galt Joint Union Elementary School District (hereinafter referred to as the "District") and \_\_\_\_\_ (the "Contractor") for the Vernon Greer HVAC Upgrades and Roof Replacement (hereinafter referred to as the "Project").

To the best of my knowledge, information, and belief, in completing the Contractor's work for the Project, no material furnished, installed, or incorporated into the Project will contain, or in itself be composed of, any asbestos, polychlorinated biphenyl (PCB), any material listed by the federal or state EPA or federal or state health agencies as a hazardous material, or any other material defined as being hazardous under federal or state laws, rules, or regulations.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this \_\_\_\_ day of \_\_\_\_\_, 2021 at \_\_\_\_\_

\_\_\_\_\_  
Name of Contractor (Print or Type)

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Subscribed and sworn before me  
this \_\_\_\_ day of \_\_\_\_\_, 202\_\_

\_\_\_\_\_  
Notary Public in and for  
the State of California

My Commission Expires: \_\_\_\_\_

## **EXHIBIT “I”**

### **Monthly Skilled and Trained Workforce Report**

#### **Public Contract Code section 2600 et seq. and Education Code § 17407.5**

Unless the Lease-Leaseback Entity is exempt, the following report must be provided to the District **monthly** while the Project is being performed. Receipt of this complete report is a condition of Tenant Improvement Payments under the Construction Services Agreement, and, as mandated by Public Contract Code section 2602(b) and (c), the District must withhold further payments until a complete report is provided. Further, if a monthly report does not demonstrate compliance with Public Contract Code section 2601(d), District shall withhold further payments until Contractor provides a plan to achieve substantial compliance with respect to the relevant apprenticeable occupation prior to completion of the Project.

#### **Please note the following when completing the chart:**

- Skilled Journeypersons are workers who have either graduated from an apprenticeship program or have sufficient “on-the-job experience.”
- 60% of Skilled Journeypersons must be graduates of an apprenticeship program.
- 30% of Skilled Journeypersons in the following trade categories must be graduates of an apprenticeship program:
  - o acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher.
- Skilled Journeyperson requirements do not apply to Teamsters.
- If workers were in an occupation prior to 1995 when DSA did not offer an apprenticeship program, those workers can count for up to ½ of the required percentage of Skilled Journeypersons that have graduated from an apprenticeship program.

Trade	Number of Workers	Number of Registered Apprentices	Number of Skilled Journeypersons	Required Percentage of Graduate Apprentices	Number of Graduates from an Apprentice Program	Percentage of Graduates from an Apprentice Program	Number of Workers with on the Job Experience

I certify that only a skilled and trained workforce has been present on the project and that the information shown above is accurate and complete to the best of my knowledge and belief. Further, I am duly authorized to certify the report on behalf of the company identified below and acknowledge that submission of this report is an express condition of payment.

Dated: \_\_\_\_\_

Name \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

*This report is a public record under the California Public Records Act, Government Code sections 6250 et seq., and is open to public inspection.*

EXHIBIT "J"

**NON-COLLUSION DECLARATION**

*(Public Contract Code § 7106)*

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Owner: GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

Project: HVAC Upgrades and Roof Replacement  
Vernon Greer Elementary School  
Galt, Sacramento County, CA

The undersigned declares:

I am the \_\_\_\_\_ [TITLE] of \_\_\_\_\_, the party making a bid proposal ("bid") on the above referenced Project. The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on \_\_\_\_\_, 2021, at \_\_\_\_\_ [CITY], California.

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[Name]

Exhibit "K"

**IRAN CONTRACTING ACT OF 2010 CERTIFICATION**

(Public Contract Code sections 2202-2208)

As required by California Public Contract Code ("PCC") section 2204 for contracts of \$1,000,000 or more, please insert your bidder or proposer name and Federal ID Number and complete **one** of the options below. Please note that California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts. (PCC §2205.)

**OPTION #1 - CERTIFICATION**

I, the official named below, certify I am duly authorized to execute this certification on behalf of the bidder or proposer identified below, and the bidder or proposer identified below is **not** on the current list of persons engaged in investment activities in Iran created by California Department of General Services ("DGS") and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person/vendor, for 45 days or more, if that other person/vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS. (PCC §2204(a).)

<i>Bidder or Proposer Name (Printed):</i> _____		<i>Federal ID Number :</i>  _____
<i>By (Authorized Signature)</i>  _____		
<i>Printed Name and Title of Person Signing</i>  _____		
<i>Date Executed:</i> _____, 2021	<i>Executed in</i> _____	

**OPTION #2 – EXEMPTION**

Pursuant to Public Contract Code sections 2203(c) and (d), a public entity may permit a bidder or proposer engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enter into or renew, a contract for goods and services. If you have obtained an exemption from the District from the certification requirement under the Iran Contracting Act of 2010, please fill out the information below, and attach documentation demonstrating the exemption approval.

<i>Bidder or Proposer Name (Printed):</i> _____	<i>Federal ID Number:</i> _____
<i>By (Authorized Signature)</i> _____	_____ <i>Executed in</i>
<i>Printed Name and Title of Person Signing</i> _____	<i>Date Executed: _____, 2021</i>

EXHIBIT "L"

**SUFFICIENT FUNDS DECLARATION  
(Labor Code Section 2810)**

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To: Galt Joint Union Elementary School District

Project: HVAC Upgrades and Roof Replacement  
Vernon Greer Elementary School  
Galt, Sacramento County, CA

I, \_\_\_\_\_[NAME], declare that I am the [TITLE] of \_\_\_\_\_, the entity making a Guaranteed Maximum Price ("GMP") cost proposal for the above-referenced Project, and that the GMP cost proposal submitted by \_\_\_\_\_. includes sufficient funds to permit \_\_\_\_\_. and all approved subcontractors to comply with all local, state or federal labor laws or regulations during the Project, including payment of prevailing wages.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: \_\_\_\_\_, 2021 \_\_\_\_\_

Signature

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_



EXHIBIT "M"

**WITHHOLD LOG**

*Instructions*

When grounds for withholding from a sublease payment arise, enter the date on the next blank line and fill in the third through fifth columns.

When some or all of a previously withheld amount may be released due to the reason for the withholding being fully or partially resolved, enter the date on the next blank line and fill in the sixth through eighth columns. In the seventh column, be sure to refer to the line that describes the initial withholding.

	Date	Amount Withheld	Reason for Withholding	Number of the Sublease Payment from which Funds Were Withheld	Portion of Withhold Amount that Has Been Released	Reason for Release	Number of the Sublease Payment to which Funds Were Added
1		\$			\$		
2		\$			\$		
3		\$			\$		
4		\$			\$		
5		\$			\$		
6		\$			\$		
7		\$			\$		
8		\$			\$		
9		\$			\$		
10		\$			\$		
11		\$			\$		
12		\$			\$		
13		\$			\$		
14		\$			\$		
15		\$			\$		
16		\$			\$		
17		\$			\$		
18		\$			\$		
19		\$			\$		
20		\$			\$		



4. Write "recorded message" in this column, if applicable.			

**PRIME BIDDER GOOD FAITH EFFORT WORKSHEET**

**PART II – ADVERTISEMENTS** *You must make at least two (2) advertisements, one (1) in a paper that focuses on DVBE and one (1) in a trade paper. Advertisements should be published at least 14 days prior to bid/proposal opening; if you cannot advertise 14 days prior, advertise as soon as possible and provide an explanation. (Advertisements must be published in time to allow for a reasonable response). Advertisements must include that your firm is seeking DVBE participation, the project name and location, your firm’s name, your firm’s contact person, and phone number.*

*Attach copies of advertisements to this form.*

FOCUS/TRADE PAPER NAME	CHECK ONE		DATE OF ADVERTISEMENT
	TRADE	FOCUS	

**PART III – DVBE SOLICITATIONS** *List DVBE subcontractors/suppliers that were invited to bid. Use the following instructions to complete the remainder of this section (read the three columns as a sentence from left to right). If you need additional space to list DVBE solicitations, please use a separate page and attach to this form.*

IF THE DVBE.....	THEN.....	AND.....				
Was selected to participate	Check "yes" in the "SELECTED" column, include applicable dollar amount in Part III of the Prime Bidder Certification	Include a copy of their DVBE letter from OSBCR.				
Was <b>not</b> selected to participate	Check "no" in the "SELECTED" column	State why in the "REASON NOT SELECTED" column.				
Did not respond to your solicitation	Check the "NO RESPONSE" column					
<b>DISABLED VETERANS BUSINESS ENTERPRISES CONTACTED</b>	<table border="1"> <tr> <th>SELECTED</th> <th>REASON NOT SELECTED</th> </tr> <tr> <td>NO</td> <td><i>This section must be completed</i></td> </tr> </table>	SELECTED	REASON NOT SELECTED	NO	<i>This section must be completed</i>	NO RESPONSE
SELECTED	REASON NOT SELECTED					
NO	<i>This section must be completed</i>					

	YES		

**IMPORTANT NOTE:**

Please be aware that certification of the "Good Faith Effort" may only be made if you fully complete Parts I, II, and III on both sides of this form. A copy of this form must be retained by you and may be subject to a future audit.

**CERTIFICATION**

I, \_\_\_\_\_ certify that I am the bidder's Chief Executive Officer and that I have made a diligent effort to ascertain the facts with regard to the representations made herein. In making this certification, I am aware of Section 12650 et seq. of the Government Code providing for the imposition of treble damages for making false claims.

SIGNATURE OF CHIEF EXECUTIVE OFFICER	DATE
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**PRIME BIDDER CERTIFICATION OF DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION**

*To be completed by the Prime Bidder*

<b>PART I – IDENTIFICATION INFORMATION</b>		
BIDDER'S NAME	BUSINESS ADDRESS	TELEPHONE NUMBER
SCHOOL DISTRICT	COUNTY	APPLICATION NO.

**PART II – METHOD OF COMPLIANCE WITH DVBE PARTICIPATION GOALS** – Include this form and any other applicable documents listed in this table with your bid/proposal. Read the three columns in the table below as sentences from left to right. Check the appropriate box to indicate your method of committing the contract dollar amount.

**NOTE:** *Architectural, engineering, environmental, land surveying or construction management firms must indicate their method of compliance by marking the appropriate box A, B, C, or D after selection by the District and before the contract is signed.*

<b>YOUR BUSINESS ENTERPRISE</b>	<b>AND YOU</b>	<b>AND YOU</b>
<b>A.</b> <input type="checkbox"/> <i>is Disabled Veteran owned and your forces, will perform at least 3 percent of this contract</i>	<i>will include a copy of your DVBE letter from the Office of Small Business and DVBE Services (OSDS).</i>	
<b>B.</b> <input type="checkbox"/> <i>is Disabled Veteran owned <b>but is unable</b> to perform the 3 percent of this contract with your forces</i>	<i>will use DVBE subcontractors/ suppliers to bring the contract participation to at least 3 percent</i>	<i>will include a copy of each DVBE's letter from OSDS (including yours, if applicable).</i>
<b>C.</b> <input type="checkbox"/> <i>is <b>not</b> Disabled Veteran owned</i>	<i>will use DVBE subcontractors/ suppliers for at least 3 percent of this contract</i>	

<b>D.</b> <input type="checkbox"/> <i>is unable to meet the required participation goals</i>	<i>will complete a Good Faith Effort to obtain DVBE participation</i>	<i>will include the Prime Bidder's Good Faith Effort Worksheet.</i>
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**Note:** An Office of Small Business and DVBE Services (OSDS) letter must be attached for each DVBE participating in the contract. The DVBE letter is obtained by application through the OSDS and must be provided at the time of bid opening. If the letter is not provided, the bid may be deemed nonresponsive and may be ineligible for award of the contract.

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**PRIME BIDDER CERTIFICATION OF DISABLED VETERAN  
BUSINESS ENTERPRISE PARTICIPATION**

**PART III – DVBE DOLLAR PARTICIPATION OF BID/PROPOSAL** – *Architectural, engineering, land surveying or construction management firms complete this part **after** selection by the district and before the contract is signed.*

*Show deductive alternate(s) in parenthesis. For more alternates/base bids, use a separate page to show items.*

- A. If your business enterprise is a DVBE, list in the appropriate column the total dollar amount of your bid to be performed by your own participation.
- B. List all your DVBE subcontractors/suppliers. Enter in the appropriate column the dollar amount for each of your subcontractor/suppliers.
- C. Enter the total of Lines A and B for each column.
- D. Enter the dollar amount of the bid/proposal to be performed by **non**-DVBE firms. Note: The line is the sum of the prime and subcontractor(s) **non**-DVBE dollar participation.
- E. Enter the sum of the column totals from Line C and Line D. Note: Please be aware that the final determination of DVBE compliance is made based on the contract amount resulting from the district’s acceptance or rejection of alternates.

	<b>BASE BID/PROPOSAL</b>	<b>ALTERNATE # 1</b>	<b>ALTERNATE # 2</b>	<b>ALTERNATE # 3 OR BASE BID B</b>	<b>ALTERNATE # 4 OR BASE BID C</b>	<b>ALTERNATE # 5 (Modernization or Reconstruction Only)</b>
A. Prime Bidder, <i>if DVBE (own participation)</i>	\$	\$	\$	\$	\$	\$
B. DVBE Subcontractor or Supplier						
1.						
2.						
3.						
4.						
C. Subtotal (A & B)						
D. Non-DVBE						
E. Total Bid						



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.195</b> Board Consideration of Approval of Agreement Between The Sacramento Metropolitan Air Quality Management District (SMAQMD) and the GJUESD To Purchase An Electric Bus And Be Fully Reimbursed For The Costs
<b>Presenter:</b> Lois Yount	<b>Action Item:</b> XX <b>Information Item:</b>

The Sacramento Metropolitan Air Quality Management District (SMAQMD) is a local agency with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies, clean fuel programs, and motor vehicle use reduction measures under Health and Safety Code Section 40961.

The agreement between SMAQMD and GJUESD, allows the District to purchase an electric bus and be fully reimbursed for the costs.

Attached is the agreement and quote to purchase a 2021 Lion Electric Bus for a total cost of \$447,626. The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and SMUD will pay directly to the vendor \$227,000. The District's upfront costs will be \$220,626, but will be reimbursed under this agreement with SMAQMD.

Board approval is recommended.



# Memo

**To:** Alberto Ayala, Ph.D., M.S.E, Executive Director/Air Pollution Control Officer (APCO)  
**cc:** Jaime Lemus, Division Manager – Transportation & Climate Change (TCC) Division *4/12/2021*  
 Raef Porter, Program Manager – TCC Division  
 Michael Neuenburg, Program Supervisor – Mobile Source Section, TCC Division Ok by MN on 4/6/2021  
**From:** Heather E. Taylor, Staff – Mobile Source Section, TCC Division  
**Date:** April 5, 2021  
**Re:** Request for APCO Signature on Incentive Program Participant Agreement

Attached are two (2) identical incentive contract documents between the Sacramento Metropolitan Air Quality Management District (Sac Metro Air District) and Galt Joint Union Elementary School District (Participant) that require APCO signatures.

Staff has verified that the Participant meets the requirements of the incentive program. Participant has signed the agreements. Sac Metro Air District Counsel has reviewed and signed the agreements. Documentation covering this transaction is on file in the Accounting Office of the Sac Metro Air District. Once the agreements are executed, the Sac Metro Air District will provide incentive reimbursement under the terms and conditions in Agreement No. VET-19-0088.

The project summary is shown below:

Participant Name	Galt Joint Union Elementary School District
Agreement Number	VET-19-0088
Incentive Program Name	<b>Community Air Protection</b>
Total Incentive Amount	Up to \$230,000.00
Total Number of Equipment	1
Term of Agreement	Years

Equipment Type:

- On-Road Fleet Modernization
- Off-Road Equipment Replacement
- On-road Engine Repower
- Off-road Engine Repower
- On-road New Low Emission Vehicle Purchase
- Off-road New Low Emission Vehicle/Equipment Purchase
- Stationary Agricultural Pump
- Low Emission Fuel and/or Infrastructure
- Locomotive
- Other: \_\_\_\_\_

**Project Promotion**

The Communications Office in conjunction with TCC Division Manager is recommending the following promotion tactics for this project. All promotion will be completed after the inspection of the grant-funded equipment. The tactics will be finalized prior to promotion.

**No**, This project is not recommended for promotion.

**Yes**, this project has been identified to be promoted with following tactics identified (tentatively):

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Advertising          | <input type="checkbox"/> Community Event                 | <input type="checkbox"/> E-blast/Newsletter  |
| <input type="checkbox"/> Media Advisory       | <input type="checkbox"/> Media Availability              | <input type="checkbox"/> News Release        |
| <input type="checkbox"/> Op-Ed Piece          | <input type="checkbox"/> Press Conference                | <input type="checkbox"/> Social Media        |
| <input type="checkbox"/> Speaking Opportunity | <input type="checkbox"/> Special Note/Statement to Board | <input type="checkbox"/> Statement from APCO |
| <input type="checkbox"/> Testimonial Videos   | <input checked="" type="checkbox"/> Thank You Letter     | <input type="checkbox"/> Other:              |

**Attachment:**

Incentive contract (select one only):

- Standard contract template approved by Sac Metro Air District Counsel
- Non-standard contract approved by Sac Metro Air District Counsel

**SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT  
LOWER EMISSION VEHICLE INCENTIVE PROGRAM AGREEMENT**

This Agreement (Agreement) is between the Sacramento Metropolitan Air Quality Management District (SMAQMD), a California local public agency and **Galt Joint Union Elementary School District** (Participant).

**1.0 Recitals**

- 1.1 SMAQMD is the local agency within the boundaries of Sacramento County with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies, clean fuel programs, and motor vehicle use reduction measures under Health and Safety Code Section 40961.
- 1.2 SMAQMD is authorized by Health and Safety Code Sections 41062(a) and 41082 to implement programs to reduce transportation emissions, including programs to encourage the use of alternative fuels and low-emission vehicles.
- 1.3 The mission of the SMAQMD is to achieve state and federal clean air goals. These goals include attainment and maintenance of ozone standards as part of the Sacramento Federal Nonattainment Area (SFNA) which is described in Exhibit A of this Agreement. The SMAQMD is also responsible for reducing exposure to other air pollutants and toxic air contaminants on a community level. The majority of these emissions are generated by mobile sources, including heavy-duty vehicles, off-road engines, and other equipment.
- 1.4 The California Air Resources Board (CARB) has developed Carl Moyer Program Guidelines, and SMAQMD has developed Guidelines that incorporate and implement these CARB guidelines. These documents are collectively referred to as the Moyer Guidelines. These Guidelines, and any subsequent amendments, will be automatically specifically incorporated into the Agreement as though fully set forth herein.
- 1.5 On April 28, 2016, SMAQMD approved Resolution No. 2016-019, establishing the Lower Emission Vehicle Incentive Program (LEVIP), which provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, agricultural water pumps, infrastructure, and other engines.
- 1.6 This agreement may be funded using incentive funds received from sources other than the Carl Moyer Program. These funds may have requirements similar to those in Moyer Guidelines and other guidelines as adopted into the LEVIP as directed by the applicable funding source. These sources may include, but are not limited to, the Greenhouse Gas Reduction Fund and the Air Quality Improvement Fund.
- 1.7 Participant has reviewed and is familiar with the Moyer Guidelines or other guidelines applicable to the funding source used to fund New Equipment under this agreement.
- 1.8 Participant understands that the purpose of the Program, and this Agreement, is to help SMAQMD achieve clean air standards as required by state and federal law and to reduce exposure in communities most impacted by air pollution.
- 1.9 Participant wishes to participate in the Program by purchasing and operating the New Equipment (as defined in Paragraph 2.1.8).
- 1.10 The parties specifically recognize that the CARB is a third-party beneficiary to this Agreement and has the right to audit compliance with the Agreement, including conducting inspections, and has the right to enforce Participant's compliance with the terms of the Agreement.

## 2.0 Special Terms and Conditions

The parties agree to the terms and conditions listed below.

- 2.1. **Definitions:** As used in this Agreement, the following terms have the following meanings:
- 2.1.1 **"Agricultural water pump"** means a stationary or portable device designed to move water used for agricultural purposes.
  - 2.1.2 **"Applicable emission standards"** means the emission standards for NOx, particulate matter (PM), hydrocarbons, carbon monoxide, and carbon dioxide established by the California Air Resources Board (CARB) or the United States Environmental Protection Agency (USEPA) for the model year of the vehicle or engine.
  - 2.1.3 **"Certified"** means a motor vehicle or engine that is certified by CARB or the USEPA to an emission standard or standards.
  - 2.1.4 **"Dealership"** means a business that has entered into an agreement with SMAQMD to assist in the implementation of the Program and that specializes in the sale of New Equipment.
  - 2.1.5 **"Destroyed"** means that the vehicle or equipment is rendered permanently incapable of passing a California Highway Patrol inspection or is otherwise deemed permanently illegal to operate on public roads.
  - 2.1.6 **"Electronic Monitoring Unit (EMU)" or "Data Management System (DMS)"** means an SMAQMD-approved device that is installed on a motor vehicle and that: (i) monitors the locations in which the vehicle is operated within a specified geographic boundary, and (ii) passively transmits usage data reports to SMAQMD or its designee.
  - 2.1.7 **"Experimental Permit"** means an Executive Order issued by CARB for the experimental use of a non-certified or non-verified engine, fuel, or engine retrofit in California.
  - 2.1.8 **"New Equipment"** means the agricultural water pumps, on-road motor vehicles, off-road equipment, devices, emission control systems, replacement engines, and infrastructure that provides fuel or power to equipment listed in this paragraph funded under this Agreement and identified in Exhibit B.
  - 2.1.9 **"Off-road equipment"** means a self-propelled device not intended for operation on a highway that is powered by an engine certified to off-road or nonroad emission standards.
  - 2.1.10 **"Old, Existing or Baseline Vehicle, Engine or Equipment"** means the vehicle, engine or other equipment listed in Exhibit B, Existing or Baseline Vehicle Information and Existing or Baseline Engine Information sections.
  - 2.1.11 **"On-road motor vehicle"** means a self-propelled device by which any person or property may be propelled, moved, or drawn upon a highway, but does not include a device moved exclusively by human power or used exclusively upon stationary rails or tracks.
  - 2.1.12 **"Participant Agreement"** means the LEVIP Agreement between SMAQMD and a Program Participant, under which SMAQMD agrees to pay the Program Participant a specific amount to help offset the cost of purchasing New Equipment from Dealership.
  - 2.1.13 **"Project Completion"** means the project post-inspection has confirmed that the new equipment is operational. Project Completion cannot occur before the date of execution of the Participant Agreement.
  - 2.1.14 **"Project Implementation"** means the period following Project Completion, during which period the participant must meet the performance obligation in Exhibit C.

- 2.1.15 **“Program”** means the SMAQMD's LEVIP, the CARB Carl Moyer Program, their respective guidelines and other applicable funding source guidelines adopted into the LEVIP (as mentioned in Section 1.6), all of which are incorporated into this Agreement as if fully set forth. Any subsequent amendments to the Program Guidelines, are specifically incorporated into the Agreement as though fully set forth herein.
- 2.1.16 **“Program Participant”** means the individual, agency, or business entity that is receiving funds to aid in the purchase, or retrofit, of the New Equipment.
- 2.1.17 **“Reimbursement Formula”** is the following calculation for determining the level of funds to be returned to SMAQMD if Participant fails to meet the operational requirements of the Agreement:

- (i) **For Projects with Annual Operational Requirement** (miles, hours or gallons)

$$A = I * [(O*L) - C] / (O*L)$$

A = Amount Owed to SMAQMD

I = Total Incentive Award

O = Annual Operational Requirement (miles, hours or gallons)

L = Length of the Agreement in Years

C = Actual Operation (miles, hours, or gallons consistent with the form of measure used in "O")

- (ii) **For Projects That Do Not Have Minimum Annual Operational Requirement**

$$A = I - [I * (T / L)]$$

A = Amount Owed to SMAQMD

I = Total Incentive Award

L = Length of the Agreement in Months

T = Elapsed New Equipment Project Life in Months

- 2.1.18 **“Repower”** means the process in which an old engine is replaced with a new engine.
- 2.1.19 **“Retrofit”** means the installation of one or more devices designed to reduce emissions from a heavy-duty diesel engine.
- 2.1.20 **“Verified”** means a device, fuel, or system that is verified by CARB or the USEPA to reduce emissions from a mobile source by a verified amount.

## 2.2 **Payment:**

- 2.2.1 **Payment:** SMAQMD will pay up to **\$230,000** to Participant to aid in the purchase of the New Equipment. No payment is required until: (i) the Participant commences operation, as required under Paragraph 2.3.1 (Time), (ii) the Participant submits a Payee Data Record form, as required under Paragraph 2.2.2, (iii) Participant satisfies the requirements in Paragraph 2.5 (Inspections and Audits) and 2.6 (Invoice Requirements), and (iv) Exhibit Z has been signed by all parties. **If Participant purchases the New Equipment before this Agreement is signed by all parties, then Participant will NOT receive any grant funds.**
- 2.2.2 **Taxation:** Payments made under this Agreement may be subject to taxation. Participants are encouraged to consult with a tax professional regarding the taxability of payments from this program. Participant is not entitled to payment until it submits a completed Payee Data Record form to SMAQMD prior to payment. SMAQMD will report the payment to both the State of California and the United States Treasury and will issue an IRS Form 1099 to the Participant.
- 2.2.3. **Prevailing Wages:** If applicable, the Participant and any subcontractors agree to be bound by all provisions of State Labor Code Section 1771 regarding prevailing wages. If applicable, any

subcontractors must be registered with the Department of Industrial Relations (DIR) pursuant to State Labor Code Section 1725.5 and comply with prevailing wages requirements as published by DIR. Refer to <https://www.dir.ca.gov/Public-Works/PublicWorks.html> for more information. Participant must ensure that any and all subcontractors are registered, pay prevailing wages and submit records as applicable.

**2.3 Participant Obligations:** Participant must:

**2.3.1 Time:** Order the New Equipment described in Exhibit B within 45 days of the date this Agreement is executed by the last signatory, and then complete the purchase and begin operating the New Equipment described in Exhibit B within the timeframe indicated in Exhibit B. Participant may submit a written request to extend this time frame if it is unable to comply with the deadline due to circumstances outside Participant's reasonable control. No extension will be granted, regardless of the circumstances, if the new deadline would conflict with deadlines under the Program. Participant must notify SMAQMD if it fails to meet the project completion milestones.

**2.3.2 Operation:** Meet the operational requirements of Exhibit C for each item of New Equipment described in Exhibit B, and (i) operate the New Equipment in a manner that is consistent with the Program eligibility requirements, the goals and objectives of the Program, the terms of this Agreement, and all local, state, and federal rules, laws, and regulations, (ii) ensure that at least 75% of the total operation of the New Equipment occurs within California, and (iii) if the New Equipment is an agricultural pump, ensure that it is only operated in the SFNA.

**2.3.3 Equipment Warranties:** Secure New Equipment Warranties and operate the New Equipment within the manufacturer's specifications, including all maintenance and fueling requirements.

**2.3.4 Engine or Powertrain Calibration:** Ensure that the new Equipment is only operated when it is calibrated to the lowest emission standard certified by CARB or the U.S. Environmental Protection Agency (EPA), whichever is lower, if the New Equipment directly emits pollution.

**2.3.5 Additional Devices Requirements:**

**2.3.5.1 Electronic Monitoring Unit:** If requested by SMAQMD, install an EMU and provide proof of installation within 90 days of the request.

**2.3.5.2 Usage Meter:** Install an operational odometer, hour meter, electric meter, or other SMAQMD-approved or required usage measuring device on the New Equipment.

**2.3.5.3 Particulate Controls:** Install a SMAQMD-approved and CARB verified particulate matter control device. Installation may be waived if Participant obtains a certification from a SMAQMD-approved Engine Dealership stating that no such device has been approved or certified for use with the New Equipment. This paragraph does not apply to electric agricultural pumps or infrastructure.

**2.3.5.4 Notice and Repair:** Notify SMAQMD immediately if the EMU (or other approved device) or particulate device fails or becomes inoperable, and repair the devices as soon as practicable. Prepare a written record of any usage not recorded by the EMU or other approved device while repairs are pending.

**2.3.6 Old Vehicle Surrender:**

(i) Surrender the Old or Existing Vehicle, Engine or Equipment to a SMAQMD-approved auto salvage dealer or ensure that the dealership from which Participant purchases the New Equipment delivers the Old or Existing Vehicle, Engine or Equipment to an approved salvage dealer.

(ii) Ensure that the Old or Existing Vehicle, Engine or Equipment is in good operating condition when it is delivered to the SMAQMD-approved dealership or salvage yard.

- (iii) SMAQMD may opt to sell the destroyed and salvaged Existing Vehicle, Engine or Equipment, and Participant retains no right to any proceeds from the destruction, salvage, and sale of the Vehicle, Engine, or Equipment by SMAQMD, or the salvage operation. SMAQMD reserves the right to require the Participant to surrender the Existing Vehicle, Engine, or Equipment to a specific salvage operation. If SMAQMD opts to specify the salvage operation, they must provide written notice to the Participant before the Participant delivers the Existing Vehicle, Engine, or Equipment to a salvage operation.
- (iv) Obtain SMAQMD's approval of an alternative to surrender for salvage. SMAQMD may approve an alternative if there are special circumstances that justify the alternative approach and the alternative will not have a detrimental impact on air quality.
- (iv) Paragraph 2.3.6 does not apply if there is no Old or Existing Vehicle, Engine or Equipment identified in Exhibit B.

2.3.7 **Decals:** Display two decals approved by SMAQMD on the New Equipment. SMAQMD must approve the location of the decals.

2.3.8 **Program Guidelines:** Comply with all other requirements detailed in this Agreement and the Program.

2.3.9 **Disclosures:** Complete Exhibit F and, if this Agreement requires approval by the Board of Directors, Exhibit G.

2.4 **Participant's Warranties:** The Participant warrants that:

- (i) It has completed a LEVIP Application Form and all of the information presented in the Form is complete and accurate. Participant's Application for the LEVIP is incorporated by reference in this Agreement.
- (ii) Both the Old or Existing Vehicle, Engine or Equipment and the New Equipment meet all of the criteria established in the Program Guidelines in effect at the time this Agreement is signed, as well as the goals and objectives of the Program.
- (iii) The purchase of the New Equipment described in Exhibit B is not required by any law or regulation with the exception of certain agricultural projects described in Health and Safety Code §41081(d)(2)(ii). If the Participant is a public agency, Participant further warrants that its board policies do not require the purchase.
- (iv) It will not make any modifications to, or tamper with the New Equipment, engine/motor, emission control system or any recording devices on the New Equipment, and will not modify engine/motor performance (including changes in horsepower), emission characteristics, engine emission components (not including repairs with substantially similar original equipment manufacturer replacement parts), or the engine's emission control function in any manner.
- (v) It has read and agrees to all requirements of the Program application and guidelines, including the applicable Program Guidelines. The Participant also agrees to read and meet all subsequent revisions to and advisories regarding the Program Guidelines.

2.5 **Inspections and Audits:** The New Equipment funded under this Agreement is subject to inspection by SMAQMD, CARB, or their designee at any time with 24-hour notification. Any inspection will be conducted at a reasonable time and with reasonable notice to Participant. Inspections will include the pre-, post-, salvage, and audit inspections identified in Paragraphs 2.5.1 to 2.5.4.

2.5.1 **Pre-inspection:** SMAQMD will conduct a pre-inspection of the Old or Existing Vehicle, Engine or Equipment, if any, to verify that the Old or Existing Vehicle, Engine or Equipment qualifies for funding and that the information supplied in the Participant's application is correct.

- 2.5.2 **Post-inspection:** SMAQMD will conduct an inspection after the New Equipment is purchased and (if necessary) installed to verify that the New Equipment meets the Program requirements. For Electric Vehicle Supply Equipment (EVSE)/Battery Charging Stations, the Participant must provide a print out of the current usage from each smart meter or other SMAQMD-approved usage meter installed on each EVSE charger.
- 2.5.3 **Salvage or Destruction Inspection:** SMAQMD or an SMAQMD-approved Dismantler will conduct salvage inspections to ensure that, at the time of salvage, the Old or Existing Vehicle, Engine or Equipment, if any to be destroyed, is in the same condition it was in at the pre-inspection. If the condition of the Old or Existing Vehicle, Engine or Equipment has changed, SMAQMD may deny or decrease the payment authorized under Section 2.2 (Payment). SMAQMD will also conduct a post-salvage inspection to verify destruction or disposal of the Old or Existing Vehicle, Engine or Equipment, if applicable.
- 2.5.4 **Audit Inspection:** SMAQMD, CARB, or their designees will conduct audit inspections as necessary to verify the New Equipment is operating pursuant to program guidelines and meeting contractual requirements. SMAQMD, CARB, or their designees may perform a fiscal audit of the project at any time during the Project Implementation period.
- 2.6 **Invoice Requirements:** The Participant must submit a final invoice packet to SMAQMD. This requirement may be met by submission of the documents by a Dealership on Participant's behalf. The packet must include the New Equipment's identification number, engine serial number, odometer/hour meter reading and the date the New Equipment was purchased or retrofitted. The invoice must also include copies of:
- 2.6.1 **UCC-1 Form:** A copy of an UCC-1 Form, filed with the California Secretary of State, giving SMAQMD a security interest in the New Equipment for the full amount of the funds to be paid to the Participant under a Participant Agreement.
- 2.6.2 **Purchase Documentation:** A copy of (i) the New Equipment invoice, and (ii) copies of all invoice documents associated with the purchase and installation of New Equipment described in Exhibit B, detailing costs associated with parts, labor, and miscellaneous charges, including a copy of the Program Participant final itemized paid invoice, invoices for work performed to meet Program eligibility requirements, and the finance agreement for any portion of the New Equipment purchase price to be privately financed. The documentation must include the odometer or hour meter reading (whichever is applicable) on the date the New Equipment is financed.
- 2.6.3 **Department of Motor Vehicles (DMV) Registration:** If the New Equipment is an on-road vehicle, a copy of the DMV registration for the New Equipment, listing Participant as the registered owner and SMAQMD as lienholder on the New Equipment, if applicable.
- 2.6.4 **Engine or Powertrain and Battery Pack Warranty:** A copy of an engine warranty or powertrain and battery pack warranty that verifies the New Equipment meets the Program requirements.
- 2.6.5 **Usage Meter Installation:** Copy of an invoice documenting that an odometer, hour meter, electric meter, or other SMAQMD-approved tracking device has been purchased and installed on the New Equipment, and a written confirmation by Dealership that the meter is operational.
- 2.6.6 **Particulate Control Device:** A copy of an invoice verifying that a SMAQMD approved, CARB verified diesel emission control system has been installed on the New Equipment, or a certification by the Dealership that no such device has been approved or certified for use with the New Equipment. If a device is installed, include a written confirmation by the Dealership that the device is operational.
- 2.6.7 **Proof of Insurance:** A copy of proof of insurance demonstrating compliance with Section 3.6 and Exhibit D.
- 2.6.8 **California Highway Patrol (CHP) Certification:** If the New Equipment is a School Bus, a copy of the CHP vehicle inspection form for the New Equipment, certifying the school bus for legal operation on public roads and the transport of school children.



- 2.7 **Title and Finance Requirements:** If this Agreement is for the purchase of a new vehicle, the Participant agrees to the following motor vehicle title and finance requirements:
- (i) The Participant must provide a copy of the vehicle's title to SMAQMD, demonstrating that SMAQMD is named as a lienholder of the vehicle. If SMAQMD is the sole Lienholder, Participant will provide the original title to SMAQMD.
  - (ii) The Participant must be the registered owner of the vehicle throughout the term of this Agreement.
  - (iii) If the vehicle is financed, the Participant must list SMAQMD and the Finance Company as lienholders for the vehicle.
  - (iv) If the vehicle is financed, and the vehicle loan is repaid before the termination of this Agreement, the Participant must ensure that SMAQMD is listed as the sole lienholder on the vehicle for the entire remaining term of this Agreement.
  - (v) If the vehicle is repossessed by the finance company, the Participant must immediately notify SMAQMD and must reimburse SMAQMD in accordance with Section 2.10 (Reimbursements).
  - (vi) Any changes to the vehicle's title must be preapproved in writing by SMAQMD.
- 2.8 **Mandatory Information Release:** Participant authorizes release to SMAQMD of the information specified below, and agrees to hold the releasing parties immune from liability for the release of the information to the SMAQMD.
- 2.8.1 **Release of Financial Information:** If the Participant is using commercial or other loans to purchase the Equipment, Participant authorizes the financing entity to release any and all financial information to SMAQMD regarding the Participant's payment status at any time during the term of this Agreement.
- 2.8.2 **Address Information:** Participant authorizes the release of information within the possession or control of any source, including individuals, private or public companies, or government agencies, regarding the past, current or potential future address of Participant or Participant's business (including phone numbers and email addresses), or information that could lead to such information.
- 2.9 **Termination:**
- 2.9.1 **General:** SMAQMD may immediately suspend or terminate this Agreement, in whole or in part, if it determines that there is: (i) an illegal or improper use of funds; (ii) a failure to comply with any term of this Agreement; or (iii) a failure to submit a correct and complete report. In no event will any payment by SMAQMD constitute a waiver by SMAQMD of any breach of this Agreement or any default that may then exist on the part of Participant. Neither will such payment impair or prejudice any remedy available to SMAQMD with respect to the breach or default. The SMAQMD will have the right to demand the repayment to SMAQMD of any funds disbursed to Participant under this Agreement that it determines were not expended in accordance with the terms of this Agreement. Participant must promptly refund the moneys upon demand. In addition to immediate suspension or termination, SMAQMD may impose any other remedies available by law, in equity, or otherwise specified in this Agreement.
- 2.9.2 **Limitation:** Notwithstanding the provisions of this Paragraph, the Participant is subject to the reimbursement requirements of Section 2.10 (Reimbursements), which are in addition to, and do not offset or displace, any other recovery rights that SMAQMD may have in the event the contract is breached.
- 2.9.3 **Funding:** The parties acknowledge that this Agreement will be funded by incentive fund revenues from other agencies; however, SMAQMD may terminate this Agreement if: (i) it does not receive all or a portion of the revenues, or (ii) funds are not specifically appropriated for this Agreement in SMAQMD's final budget prior to the expiration of the Agreement and any Agreement extensions.

If SMAQMD terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days.

- 2.10 **Reimbursements:** Notwithstanding the provisions in Section 2.9 (Termination), the Participant is subject to the reimbursement requirements of this Paragraph, which are in addition to, and do not offset or displace, any other recovery rights that SMAQMD may have in the event the contract is terminated or breached. If the Participant fails to fulfill the minimum operational requirements by the termination date in Paragraph 2.16 (Term), it must refund a pro rata portion of the **\$230,000** to SMAQMD.
- 2.10.1 **Reimbursement Determination:** SMAQMD will determine whether a reimbursement is required after reviewing the annual reports required under Section 2.11 (Recordkeeping and Reporting Requirements). If the Participant has failed to submit a report for any year, SMAQMD may assume that none of the operational requirements were met for that year.
- 2.10.2 **Reimbursement Amount:** The reimbursement amount is the difference between the required level-of-operation and the actual-level-of-operation during a given contract year, according to the Reimbursement Formula. The termination date of the contract will be automatically extended until payment is complete.
- 2.10.3 **Early-Termination Reimbursements:** If the contract is terminated prior to the termination date in Paragraph 2.16 (Term), SMAQMD may:
- (i) Demand full repayment of the Section 2.2 (Payment) funds, or
  - (ii) Apply the Reimbursement Formula and demand repayment of the prorated amount.
- 2.10.4 **Inoperable New Equipment Reimbursements:** If the New Equipment is stolen or rendered inoperable prior to the end of the Agreement term (as determined by Participant's insurance company), Participant may either: (i) replace the inoperable New Equipment with new equipment certified to equal or lower emission levels than the inoperable New Equipment (if applicable) and complete performance of this Agreement or (ii) terminate the Agreement and a return a prorated portion of the **\$230,000**, based on the Reimbursement Formula.
- 2.10.5 **Full or Partial Waiver:** The APCO of the SMAQMD may, at his or her sole discretion, relieve the obligation to reimburse funds after considering the circumstances leading to the failure to fulfill the minimum performance requirements.
- 2.10.6 **Statute of Limitations:** Because underperforming participants can reduce the pro rata amount owed by performing through the entire contract period, the statute of limitations period will not begin until the last day of the Agreement term.
- 2.11 **Recordkeeping and Reporting Requirements:**
- 2.11.1 **Record Requirements:** Participant must maintain adequate records to document compliance with this Agreement. Records include the documents specified below. Participant must maintain the records for the term of the contract and the four years following the end date listed in Paragraph 2.16 (Term). SMAQMD may inspect or request copies of these records at any time during the term of this Agreement. This paragraph will survive the termination of this Agreement.
- (i) **On-road Vehicles:** Required records include copies of all driver log book entries, miles travelled, vehicle downtime, and type and cost of maintenance performed.
  - (ii) **Agricultural and off-road projects:** Required records include the hours operated, engine downtime, and type and cost of maintenance.
  - (iii) **Infrastructure:** Required records include the fuel or power dispensed by the infrastructure, qualitative description of public and private uses, and summary of any unscheduled downtime.

- 2.11.2 **Report Requirements:** The Participant must submit a report stating the miles travelled or hours operated in the preceding year, the fuel or energy consumed or dispensed, the type and cost of maintenance or repair work performed over the course of the year, and the amount of time the New Equipment was inoperable due to the maintenance and repair activities.
- (i) **Infrastructure:** Reporting requirements include the items in Section 2.11.1(iii) and all other applicable Program reporting requirements. EVSE must have smart meters or other SMAQMD-approved usage meters installed. EVSE must report annual usage per charger (e.g. kilowatt-hour) and the number of plug-in events. Alternative Fueling Stations must report annual usage per dispenser (e.g. kilograms or standard cubic feet).
- 2.11.3 **Report Submission Deadlines:** Participant must submit use reports at least once annually or as requested by SMAQMD, CARB staff, or their representatives. Annual reports are due not later than January 31 of each year. Additional reports are due on the date specified in the request, or within 30 days if no date is specified. SMAQMD, CARB or their representatives may also request additional performance or other documentation at their discretion and Participant must provide the requested information on the date specified in the request, or within 30 days if no date is specified.
- 2.11.4 **Failure to Comply:** If Participant fails to comply with the reporting requirements, SMAQMD may require repayment in accordance with Section 2.10 (Reimbursements), or, at its sole election, institute on-site monitoring and inspection measures.
- 2.11.5 **Report if New Equipment Becomes Non-operational:** Participant must notify SMAQMD within seven days if the New Equipment funded under this Agreement becomes non-operational.
- 2.12 **Sale of New Equipment:** Participant acknowledges and agrees that it may not sell or encumber the New Equipment without the prior written consent of SMAQMD. SMAQMD will not approve the sale, transfer, licensing, or subcontracting, unless either 2.12.1 or 2.12.2 are satisfied:
- 2.12.1 **Performance Completed:** If performance is complete, SMAQMD will approve the sale or encumbrance after confirming that Participant has met the performance obligations.
- 2.12.2 **Performance Incomplete:** If performance is not complete, SMAQMD will approve the sale or encumbrance after both of the following occur:
- (i) The Participant notifies the prospective buyer of the New Equipment, in writing, of the terms of this Agreement and any unperformed requirements.
- (ii) The buyer executes a Program Agreement with SMAQMD.
- 2.13 **Grant of Security Interest:** Participant grants to SMAQMD a security interest in the New Equipment to secure its performance under this Agreement. Participant authorizes SMAQMD to prepare and file applications, financing statements, continuation statements, statements of assignment, termination statements, lawsuits, and the like, as necessary to perfect, protect, preserve, foreclose, or release SMAQMD's interest in the New Equipment.
- 2.14 **Previous Incentive Funding:** If Participant has received incentive funds for the Old or Existing Vehicle, Engine or Equipment described in Exhibit B under a previous incentive agreement, then Participant warrants that it has already completed its contractual obligations associated with the previous incentive agreement.
- 2.15 **Multiple Funding Source & Incentive Funding Limits:** Participant warrants that it fully disclosed all funds received under any other incentive agreement for the New Equipment described in Exhibit B and that the total combined funding amount does not exceed the maximum funding limits identified in any Program. Exhibit E lists the multiple incentive agreements, the entities involved, and the incentive funds provided by each entity, as disclosed in the application, and Participant warrants that the information is accurate and complete.

- 2.16 **Term:** This Agreement will begin upon execution by all parties and terminate on **12/31/2025**, and the parties agree that the statute of limitations period for demanding reimbursement does not begin to run until the Agreement termination date. The Project Completion period is 180 days or the timeframe indicated in Exhibit B, whichever period is longer, beginning with the execution of the Agreement by all parties and ending with the initial operation of the New Equipment as verified by the post-inspection. See Paragraph 2.3.1 (Time) regarding extensions of this period. The Project Implementation period is the period immediately following the Project Completion period. Notwithstanding the expiration or early termination of this Agreement, SMAQMD's security interest in the New Equipment will continue in full force and effect until Participant fully satisfies its obligations under this Agreement.
- 2.17 **Notice of Contact Information Change:** It is the Participant's responsibility to ensure that its contact and address information in Section 3.29 (Communications) is current at all times. If SMAQMD is forced to pursue legal action and is unable to complete personal or substitute service on Participant, it will request court permission to serve notice by publication in the Sacramento Bee and The Daily Recorder, and will seek a default judgment if the Participant fails to timely respond to legal actions filed by SMAQMD.

### 3.0 General Terms and Conditions

- 3.1 **Term:** Not Applicable, see Paragraph 2.16 (Term).
- 3.2 **Inspections:** Not Applicable, see Section 2.5 (Inspections and Audits).
- 3.3 **Prohibition on Emission Reduction Credits:** The receipt of funds under this Agreement prohibits application for any form of emission reduction credit – for any pollutant – for the New Equipment described in Exhibit C. This prohibition includes, but is not limited to: (i) all attainment, nonattainment, criteria and noncriteria pollutants, and (ii) application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.
- 3.4 **Prohibition on Vocation Change:** Not Applicable.
- 3.5 **Voluntary Act:** The Participant's purchase of the New Equipment is a completely voluntary act and SMAQMD has not made representations or guarantees to the Participant regarding the New Equipment.
- 3.6 **Insurance:** The Participant must maintain the insurance coverage described in Exhibit D for the entire term of this Agreement and any extensions to the Agreement. The Participant must name SMAQMD as an additional insured and loss payee. The Participant must obtain and transmit to SMAQMD a yearly Certificate of Insurance from the Insurance Company(ies) listing SMAQMD as additional insureds and loss payees, and obligating the Company(ies) to provide at least 30 days notice to the Participant and SMAQMD in the event of a change in, cancellation of, non-renewal of, reduction in coverage under, or termination of any policy listed on the certificate for any reason whatsoever. If the Participant fails to obtain the required certificate of insurance, or if the required insurance lapses, this Agreement may be terminated by SMAQMD immediately.
- 3.7 **Notice of Significant Events:** Participant will provide to SMAQMD prompt written notice of any of the following events:
- (i) Any pending litigation or governmental action that may have a material adverse effect on Participant's ability to operate its business in the ordinary course, or Participant's ability to perform this Agreement.
  - (ii) Any change in its name, adoption of a fictitious business name, change in the location of its principal place of business, change in its business structure (such as from a sole proprietorship to a corporation), any proposed sale or transfer of substantially all its operating assets, or any proposed sale or transfer of 20.0% of its equity ownership or control.
  - (iii) The filing of any petition in bankruptcy by or against Participant.

- (iv) The occurrence of any catastrophic loss to Participant, Participant's principal place of business, or Participant's operating assets.
- (v) Damage to the New Equipment greater than 10% of its fair market value at the time of damage.
- (vi) Repossession of the New Equipment.

3.8 **Ability to Perform:** If either of the events listed in this paragraph occur, the Participant must notify SMAQMD within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:

- (i) The Participant suffers catastrophic loss.
- (ii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.

3.9 **Amendment:** No amendment, alteration or variation of the terms of this Agreement is valid unless made in writing and signed by all parties.

3.10 **Assignments:** No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of Participant, CARB and SMAQMD. If Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract will apply to the Participant's assignee.

3.11 **Non-Discrimination:** Not Applicable.

3.12 **Subcontracts:** If the Participant submitted the name of a subcontractor in the proposal or application for this Agreement, SMAQMD's approval of the Agreement is also an approval of the use of the named subcontractor. In the event that any part of this Agreement is subcontracted, Participant agrees to document the following affirmative steps for utilizing Minority Business Enterprises (MBE) or Women Owned Business Enterprises (WBE) as required by the Environmental Protection Agency:

- (i) Include MBEs and WBEs on solicitation lists.
- (ii) Assure MBEs and WBEs are solicited once they are identified.
- (iii) Divide total requirements into smaller tasks to permit maximum MBE/WBE participation, where feasible.
- (iv) Establish delivery schedules which will encourage MBE and WBE participation, where feasible.
- (v) Encourage use of the services of the U.S. Department of Commerce's Minority Business Development Agency (MBDA) and the U.S. Small Business Administration to identify MBEs and WBEs.

3.13 **Successors:** This Agreement will bind the successors of SMAQMD and Participant in the same manner as if they were expressly named.

3.14 **Recordkeeping:** Not Applicable. See Section 2.11 (Recordkeeping and Reporting Requirements).

3.15 **Termination Notice Requirements:**

3.15.1 **30-day Notice Termination:** Either SMAQMD or Participant may terminate this Agreement for any reason by giving the other party 30-days written notice.

3.15.2 **5-day Notice Termination:** SMAQMD, through its APCO, may terminate this Agreement with 5 days written notice if Participant fails to perform any of the terms and conditions of this Agreement in the time and manner specified.

- 3.15.3 **Immediate Termination:** SMAQMD, through its APCO, may terminate this Agreement immediately if informed that moneys to fund the contract are not available. If SMAQMD terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days.
- 3.16 **Waiver of Claims:** Participant waives any claims against SMAQMD, CARB, its officers, agents, employees, delegates or volunteers from damage or loss caused by:
- (i) Any suit or proceeding directly or indirectly attacking the validity of this Agreement, or any part of this Agreement.
  - (ii) Any judgment or award declaring this Agreement either void or voidable, or delaying the performance of any part of this Agreement.
- 3.17 **Waiver of Agreement Provisions:** No waiver or modification of this Agreement will be binding upon either party unless made in writing and signed by a duly authorized representative of that party and no failure or delay in enforcing any right will be deemed a waiver. A waiver of a particular breach, or default, will not be deemed to be a waiver of any other subsequent breach or default.
- 3.18 **Time:** Time is of the essence with respect to the timely performance of each provision of this Agreement.
- 3.19 **Severability:** If any provision of this Agreement is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this Agreement, and this Agreement will be construed and enforced as if such provision had not been included.
- 3.20 **Venue and Choice of Law:** This Agreement is executed in Sacramento County, California and will be governed by the laws of the State of California. Any action arising out of this Agreement must be filed in a state court or federal court located in Sacramento, California.
- 3.21 **Compliance with Laws and Regulations:** Participant must observe and comply with all applicable laws and regulations. In addition to all other applicable laws, this Agreement is subject to the provisions and limitations of Health & Safety Code. Notwithstanding the terms of this Agreement, the Parties are not permitted to undertake any actions that contravene the Health & Safety Code or any other law or regulation.
- 3.22 **Payments that Contravene the Law:** SMAQMD and CARB have no liability for payments that are found to contravene the law. Participant will reimburse SMAQMD for any payments made by SMAQMD to Participant and later determined to contravene federal, state or local laws and regulations.
- 3.23 **Status of Participant:** This Agreement is only for the payment of incentive funds to offset the cost of the items identified in Exhibit C. Accordingly, Participant, its employees, consultants and subcontractors do not have any of the entitlements of a CARB or SMAQMD employee. Participant is an independent contractor.
- 3.23.1 **Direction of Third Parties:** If the Participant employs any third persons, these persons will be under the exclusive control of Participant. All terms of employment, including but not limited to hours, wages, working conditions, discipline, hiring, and discharging will be determined by Participant.
  - 3.23.2 **Right to Bind:** Neither the Participant nor its employees, subcontractors or consultants have the right to act on behalf of CARB or SMAQMD in any capacity, or to bind CARB or SMAQMD to any obligation.
  - 3.23.3 **Taxes:** Neither CARB nor SMAQMD will make any deductions or withholdings from the compensation paid to Participant. Participant must issue all forms required by federal and state laws for income and employment tax purposes for all of Participant's assigned personnel.
- 3.24 **Conflict of Interest:** No officer or employee of CARB or SMAQMD has any pecuniary interest, direct or indirect, in this Agreement or the proceeds of the Agreement. No officer or employee of Participant may

serve on CARB or SMAQMD's governing body or hold any CARB or SMAQMD position which by rule, practice, or action nominates, recommends, supervises or authorizes the development or execution of this Agreement, or any payment to Participant.

- 3.25 **Indemnity:** The Participant must indemnify and defend SMAQMD, CARB, their officers, agents, employees, delegates and volunteers, from any and all losses, costs, damages, fines or expenses (including attorneys fees, court costs and expert fees) or liability of any kind or character to any person or property that:
- (i) Arises from, or are alleged to arise from, any breach of the responsibilities required of Participant by this Agreement, or
  - (ii) Are related in any way to the New Equipment described in Exhibit C, including any and all liability for general, special, consequential, or other damages arising from the use of the New Equipment by Participant, for which financial assistance or other incentives are received from SMAQMD by Participant.
- 
- 3.26 **Force Majeure:** If performance by CARB, SMAQMD, or the Participant of any of its obligations or undertakings under this Agreement is interrupted or delayed by any occurrence not occasioned by the conduct of either party to this Agreement, whether that occurrence is an act of God or public enemy, or whether that occurrence is caused by war, riot, storm, earthquake, or other natural forces, or by the acts of anyone not a party to this Agreement, then CARB, SMAQMD or the Participant may be either excused from any further performance or excused from any further performance for whatever period of time after the occurrence is reasonably necessary to remedy the effects of that occurrence at the election of CARB and SMAQMD.
- 3.27 **Two Originals:** This Agreement and any modification to this Agreement will be executed in two originals, one to be kept by SMAQMD and one to be kept by the Participant. Either of the originals is enforceable without the presentation of the other original.
- 3.28 **Entire Agreement:** This Agreement constitutes the entire Agreement between SMAQMD and Participant. All parties revoke all prior or contemporaneous oral or written Agreements between them that are inconsistent with this Agreement. In the event of a dispute between the parties regarding the Agreement, this Agreement will be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any party to this Agreement.

This Agreement consists of the following parts:

- (i) This Agreement
- (ii) Exhibit A – Map of Federal Sacramento Ozone Nonattainment Area
- (iii) Exhibit B – Vehicle/Equipment/Infrastructure Information Form
- (iv) Exhibit C – Performance Requirements
- (v) Exhibit D – Insurance Requirements
- (vi) Exhibit E – Joint Funding Information (if applicable)
- (vii) Exhibit F – Debarment Certification
- (viii) Exhibit G – Levine Act Disclosure Statement
- (ix) **Exhibits H to Y intentionally left blank**
- (x) Exhibit Z– Verified Information of New Equipment & (if applicable) New Termination Date for Agreement

- 3.29 **Communications:** Correspondence between SMAQMD and Participant should be addressed to the following:

<b>To SMAQMD</b>	<b>To Participant</b>
------------------	-----------------------

<p>Heather E. Taylor Sacramento Metropolitan AQMD 777 12th Street, Suite 300 Sacramento, CA 95814-1908 Phone: (916) 531-1511 Fax (916) 874-4899</p>	<p>Kerri Gardner Galt Joint Union Elementary School District 1019 Beaver Park Way Galt, CA 95632 Phone: (209) 745-1059 Fax: (209) 745-0422</p>
---	--

The address and/or contacts may be changed by written notice to the other party. Such written notice may be given by mail, using the U.S. Postal Service, or personal service.



3.30 **Authority to Bind and Acknowledgement of Terms:** The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Agreement and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Agreement; including the following Disclosure Agreement:

**DISCLOSURE AGREEMENT**

The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same New Equipment described in Exhibit B with any other source of funds, including but not limited to other air districts or multidistrict funding under the Carl Moyer Program.

Any owner or owner's designee who is found to have submitted multiple applications or signed multiple contracts for the same New Equipment will, at a minimum, be disqualified from funding for that New Equipment from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Program solicitations. In addition, if noncompliance or nonperformance under this agreement also constitutes a violation of the Health and Safety Code, including but not limited to the Program and its implementing Guidelines, CARB and SMAQMD may levee fines and refer the violations for criminal enforcement.

**If the Participant is a business entity, the Participant's signatory agrees that he or she is individually and personally bound by this Agreement and understands that he or she will be personally responsible for performance of the Agreement terms, including provisions relating to the repayment of funds in the event the Participant fails to meet the performance requirements of the Agreement.**

**Approved by Galt Joint Union Elementary School District**

  
\_\_\_\_\_  
Lois Yount  
Director of Business Services

Date: 3/30/21

**Approved by the Sacramento Metropolitan Air Quality Management District**

  
\_\_\_\_\_  
Alberto Ayala, Ph.D., M.S.E.  
Executive Director/ Air Pollution Control Officer

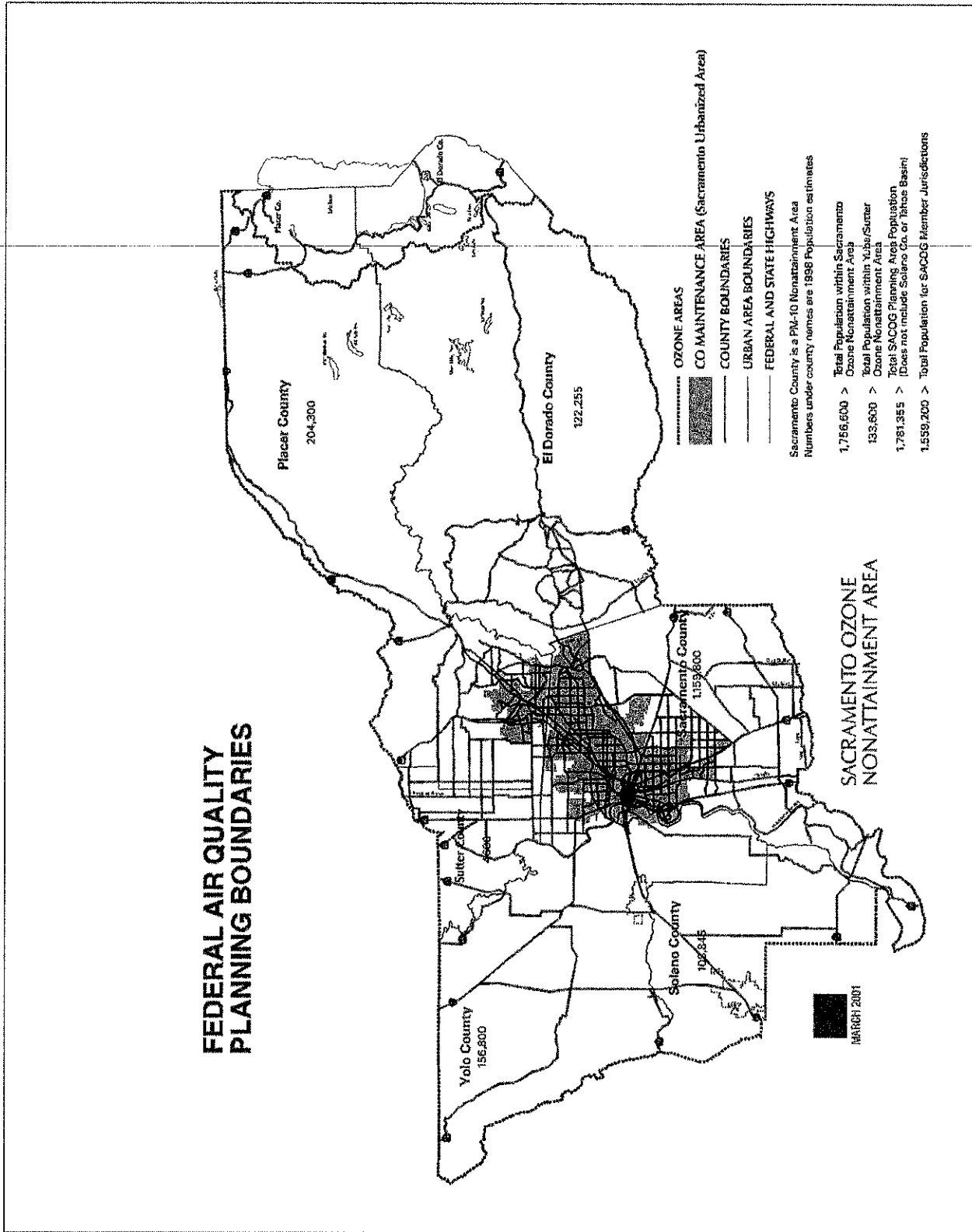
Date: 4-16-21

Reviewed by:

  
\_\_\_\_\_  
Kathrine Pittard  
District Counsel

EXHIBIT A

**SACRAMENTO FEDERAL OZONE NONATTAINMENT AREA (SFNA) MAP**



**EXHIBIT B**

**LOWER EMISSION VEHICLE INCENTIVE PROGRAM  
VEHICLE / EQUIPMENT / INFRASTRUCTURE INFORMATION FORM**

Participant must purchase and begin operation within 180 days upon Agreement execution.

SMAQMD Vehicle ID #: SMQV007907

**Vocation(s)** (Please list all vehicle/equipment uses): SCH

**Equipment:** ON-ROAD

**Project Type:** MODERNIZATION

**Existing or Baseline Vehicle Information**

Make: THOMAS	Model: SAF-T-LINER	Model Year: 1995	GVWR: 37,400
Vehicle Identification Number: 1T75U4B21S1126660	Fleet Identification Number: E-4	License Plate Number (On-road Vehicles Only): 1487322	

**Existing or Baseline Engine Information**

Make: CATERPILLAR	Model: 3116	Model Year: 1994	Serial Number: 9GK07169	HP: 250
Fuel Type: DIESEL	Meter Reading (Miles): 288,622	EPA Engine Family #: RCP403DZDABA	Engine Tier Level:	

**New Equipment Information**

Make: LION	Model:	Model Year: 2021	GVWR: 0
Vehicle Identification Number:	Fleet Identification Number:	License Plate Number (On-road Vehicles Only):	

**New Engine or Motor Information**

Make:	Model:	Model Year:	Serial Number:	HP: 0
Fuel Type: OTHER	Meter Reading (Miles): 0	EPA Engine Family #:	Engine Tier Level:	

**New Retrofit System Information (if applicable):**

Retrofit Make:	Retrofit Model:
Serial Number:	VDECS Family #:

**Other New Equipment Information (if applicable):**

--	--

**EXHIBIT C**

**PERFORMANCE REQUIREMENTS**

The below listed New Equipment must meet the minimum performance requirements shown to avoid reimbursement according to Paragraph 2.10 (Reimbursements) of this Agreement

SMAQMD Vehicle ID #, Vehicle and Engine/Motor Year, Make & Model*	Vehicle and Engine/Motor Serial Numbers*	Minimum Annual Usage (Miles)**	Total Usage (Miles)**	Anticipated Annual NOx Reduction (tons)	Description of Additional Performance Requirements (if applicable)***	Maximum Incentive Amount
SMAQMD Vehicle ID #: SMQV007907 2021LION		10,024	50,120	CMP: 0.80		\$230,000
<b>Total</b>						<b>\$230,000</b>

\* SMAQMD will fill in information upon verification of project completion.

\*\* If the New Equipment is anything other than an agricultural pump, 75% of the operation of the New Equipment must be in California. If the New Equipment is an agricultural pump, all of the operation must be in the SFNA (shown in Exhibit A). Please see Paragraph 2.3.2 (Operation).

\*\*\* For infrastructure projects, the Participant must annually provide the SMAQMD with the following data for the entire term of this Agreement:

- (A) Qualitative description of public and private uses.
- (B) Annual usage per EVSE charger (e.g. kilowatt-hour) and the number of plug-in events. EVSE must have smart meters or other SMAQMD-approved usage meters installed.
- (C) Annual usage per Alternative Fueling Station dispenser (e.g. kilograms or standard cubic feet).
- (D) Any unscheduled downtime, including duration of downtime and causes of downtime.

## EXHIBIT D

### INSURANCE REQUIREMENTS

#### Verification of Coverage

Participant must furnish SMAQMD with certificates evidencing the coverage required below. Certified copies of required endorsements must be attached to provided certificates. **All certificates are to be received and approved by SMAQMD before work commences.** SMAQMD reserves the right to require Participant to provide complete, certified copies of any policy of insurance offered in compliance with these specifications. As an alternative to insurance certificates, Participant's insurer may voluntarily provide complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these specifications. SMAQMD will be named as additional insured and loss payee on all required insurance policies for the New Equipment funded by this Agreement.

#### Minimum Scope of Insurance

During the term of this Agreement, Participant must, at its sole expense, obtain and maintain in full force and effect the type and limits of liability requirements as follows:

Coverage must be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001, most recent edition).
2. Insurance Services Office form CA 0001 (most recent edition) covering Automobile Liability, code 1 (any auto).
3. Worker's Compensation insurance as required by the State of California.
4. Comprehensive and collision coverage sufficient to replace the vehicle(s) and emission control system(s) included in the project.
5. Verification of insurance coverage equal to the replacement costs of the New Equipment included in this project.

#### Minimum Limits of Insurance

Participant must maintain limits no less than:

1. **General Liability:** \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit.
2. **Automobile Liability:** \$1,000,000 per accident for bodily injury and property damage.
3. **Worker's Compensation:** Statutory.
4. **Comprehensive/Collision:** Equal to the full replacement cost.
5. **Property Loss or Damage:** Equal to the full replacement cost.

#### Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. SMAQMD Liability and Property Insurance Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of SMAQMD and the general public are adequately protected.

**EXHIBIT E**

**JOINT FUNDING INFORMATION (IF APPLICABLE)**

**The funding entity names and funding amounts provided by each entity are shown below.**

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EXHIBIT F

**DEBARMENT CERTIFICATION FORM**

The Participant certifies that, neither the Participant nor any owner, partner, director, officer, or principal of the Participant, nor any person in a position with management responsibility or responsibility for the administration of federal funds:

(a) Is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;

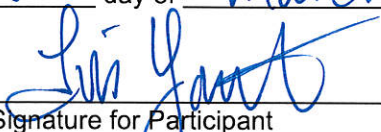
(b) Has within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Is presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or

(d) Has within a three-year period preceding this certification had one or more public transactions or contracts (federal, state, or local) terminated for cause or default.

The Participant further certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency.

Dated this 30 day of March, 20 21

By   
Authorized Signature for Participant

Lois Yount, Director of Business Services

Printed Name and Title

Galt Joint Union Elementary School District

Participant and Type of Entity (*Corp., Partnership, Sole Proprietor*)

1019 Beaver Park Way

Address

Galt, CA 95632

City/State/Zip Code

(209) 745-1059, kgardner@galt.k12.ca.us

Area Code/Telephone Number and E-Mail Address



EXHIBIT G

LEVINE ACT DISCLOSURE STATEMENT

California Government Code § 84308, commonly referred to as the "Levine Act," precludes an Officer of a local government agency from participating in the award of a contract if they received political contributions totaling more than \$250 in the 12 months preceding the contract award, and for three months following the final decision, from the contract recipient. This prohibition applies to contributions to the Officer, or received by the Officer on behalf of any other Officer, or on behalf of any candidate for office or on behalf of any committee. The Levine Act also requires disclosure of such contributions by a party to be awarded a specified contract.

Current members of the SMAQMD Board of Directors are: (as of 1/28/2021; check for current list)

Eric Guerra  
Patrick Kennedy  
Mai Vang  
Kevin Papineau  
Sarah Aquino

Sean Loloee  
Jeff Harris  
Bobbie Singh-Allen  
Sue Frost  
Bret Daniels

Donald Terry  
Don Nottoli  
Rich Desmond  
Phil Serna

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any SMAQMD Director(s) in the 12 months preceding the date of the issuance of this request for proposal or request for qualifications?

YES  NO

If yes, please identify the Director(s): \_\_\_\_\_

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any SMAQMD Director(s) in the three months following the award of the contract?

YES  NO

If yes, please identify the Director(s): \_\_\_\_\_

Answering yes to either of the two questions above does not preclude SMAQMD from awarding a contract to your firm. It does, however, preclude the identified Director(s) from participating in the contract award process for this contract.

3/20/21

DATE

(SIGNATURE OF AUTHORIZED OFFICIAL)

Lois Yount, Director of Business Services

(TYPE OR WRITE APPROPRIATE NAME, TITLE)

Galt Joint Union Elementary School District

(TYPE OR WRITE NAME OF COMPANY)



**EXHIBIT Z  
Section (i)**

**Verified Information of New Equipment & (if applicable) New Termination Date for Agreement**

Exhibit Z will be added to Agreement # **VET-19-0088** after the Agreement is executed and the Post-inspection identified in Paragraph 2.5.2 (Post-inspection) for each New Equipment has been completed. All information in Exhibit Z will supersede the Vehicle/Equipment information in Exhibit B and the performance requirements in Exhibit C.

Exhibit Z will also supersede the funding allocation for each New Equipment in Exhibit C, provided that the total contract amount does not exceed: (a) the original Total Maximum Incentive Amount identified in Exhibit C and Paragraph 2.2.1 (Payment) of the Agreement and (b) the funding for each New Equipment does not exceed the Program Guideline allowances.

If the project implementation timeframe is less than the project credit life due to the date of the last New Equipment Post-inspection, then the new Agreement termination date is: \_\_\_\_\_. The new Agreement termination date in Exhibit Z will supersede the original Agreement termination date identified in Paragraph 2.16 (Term).

**Approved by Galt Joint Union Elementary School District**

*(SAMPLE – DO NOT SIGN)*

\_\_\_\_\_  
Lois Yount  
Director of Business Services

Date: \_\_\_\_\_

**Approved by the Sacramento Metropolitan Air Quality Management District**

*(SAMPLE – DO NOT SIGN)*

\_\_\_\_\_  
Raef Porter  
Program Manager, Transportation & Climate Change Division

Date: \_\_\_\_\_

**EXHIBIT Z  
Section (ii)**

**VEHICLE / EQUIPMENT / INFRASTRUCTURE INFORMATION FORM**

SMAQMD Vehicle ID #: \_\_\_\_\_

**Vocation(s)** (Please list all vehicle/equipment uses):

<b>Equipment:</b>	<b>Project Type:</b>
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**Existing or Baseline Vehicle Information**

Make:	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate Number (On-road Vehicles Only):	

**Existing or Baseline Engine Information**

Make:	Model:	Model Year:	Serial Number:	HP:
Fuel Type:	Meter Reading (Miles):	EPA Engine Family #:	Engine Tier Level:	

**New Equipment Information**

Make:	Model:	Model Year:	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate Number (On-road Vehicles Only):	

**New Engine or Motor Information**

Make:	Model:	Model Year:	Serial Number:	HP:
Fuel Type:	Meter Reading (Miles):	EPA Engine Family #:	Engine Tier Level:	

**New Retrofit System Information (if applicable):**

Retrofit Make:	Retrofit Model:
Serial Number:	VDECS Family #:

**Other New Equipment Information (if applicable):**

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**EXHIBIT Z**  
Section (iii)

**PERFORMANCE REQUIREMENTS**

The below listed New Equipment must meet the minimum performance requirements shown to avoid reimbursement according to Paragraph 2.10 (Reimbursements) of this Agreement

SMAQMD Vehicle ID #, Vehicle and Engine/Motor Year, Make & Model*	Vehicle and Engine/Motor Serial Numbers*	Minimum Annual Usage (Miles)**	Total Usage (Miles)**	Anticipated Annual NOx Reduction (tons)	Description of Additional Performance Requirements (If applicable)***	Maximum Incentive Amount
SMAQMD Vehicle ID #: _____				CMP: _____		
<b>Total</b>						
				CMP: _____		

\* SMAQMD will fill in information upon verification of project completion.

\*\* If the New Equipment is anything other than an agricultural pump, 75% of the operation of the New Equipment must be in California. If the New Equipment is an agricultural pump, all of the operation must be in the SFNA (shown in Exhibit A). Please see Paragraph 2.3.2 (Operation).

\*\*\* For infrastructure projects, the Participant must annually provide the SMAQMD with the following data for the entire term of this Agreement:

- (A) Qualitative description of public and private uses.
- (B) Annual usage per EVSE charger (e.g. kilowatt-hour) and the number of plug-in events. EVSE must have smart meters or other SMAQMD-approved usage meters installed.
- (C) Annual usage per Alternative Fueling Station dispenser (e.g. kilograms or standard cubic feet).
- (D) Any unscheduled downtime, including duration of downtime and causes of downtime.



THE LION ELECTRIC CO.

QUOTE

# LIONC



All-Electric School Bus

 **LION ELECTRIC**



**KERRI GARDNER**  
**GALT JOINT UNION ELEMENTARY SD**

Date : 12/2/20

Dear KERRI GARDNER:

The Lion Electric Co. - USA would like to thank GALT JOINT UNION ELEMENTARY SD for the opportunity to present your school district with a quote for an all-electric school bus.

The Lion Electric Co. is North America's leading electric school bus manufacturer with over 300 electric buses delivered. Since its foundation in 2008, the company's mission has been to develop safe, durable, integrated solutions while providing a healthy breathing environment for children and reducing our overall carbon footprint. Actively seeking new technologies affords Lion the opportunity to provide a number of features that are unique to the industry and specifically designed with the everyday user in mind. Some of these features include:

- *An 8 year battery warranty with best-in-class energy retention*
- **LION C** *is the only all-electric school bus that is fully integrated by an Original Equipment Manufacturer (OEM)*
- *LION buses have been delivering kids to school since 2014 with an unsurpassed level of safety and reliability*
- *LION buses are the only all-electric buses that have over 4,000,000 on-the-road miles with a proven track record of service transporting students*

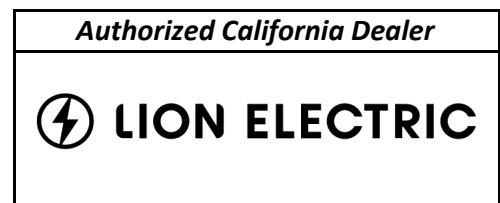
The Lion Electric Co. believes that transitioning to all-electric vehicles will lead to major improvements in our society, environment, and overall quality of life.

We look forward to partnering with GALT JOINT UNION ELEMENTARY SD for the opportunity to deploy additional all-electric school buses in the future.

Sincerely,

---

**Pete Tuckerman**  
**Sales Manager**  
The Lion Electric Co.





CALIFORNIA LION EXPERIENCE CENTER  
 4522 PARKER AVENUE, SUITE 350  
 MCCLELLAN PARK, CA 95632



Quote No. GaltJUESD\_LionC\_125\_42+3\_HVIP  
 \_SMUD\_SMAQMD\_2020.12.02

Date 12/2/2020

CUSTOMER INFORMATION	
Customer Name	KERRI GARDNER
Company	GALT JOINT UNION ELEMENTARY SD
Address	1018 C STREET, STE 20
City	GALT
State	CALIFORNIA
ZIP	95623
Phone	209-745-1059
Email	KGARDNER@GALT.K12.CA.US

SALES MANAGER INFORMATION	
Name	Pete Tuckerman
Company	The Lion Electric Co. USA
Phone	(916) 342-8400
Email	Peter.Tuckerman@thelionelectric.com

Model	Range	Unit Price	Quantity	Total	
<b>2021 LION C</b>	AA18_AC	125 mi.	\$ 396,346.00	1	\$ 396,346.00
Capacity / Pass.		42 + 3 W/C			
<b>SOURCEWELL CONTRACT # 063020-LON</b>					
<b>SOURCEWELL MEMBER ID # 16751</b>					
<b>SOURCEWELL DISCOUNT</b>		Sourcewell discount of 5% already applied to the base price above			
Options - Sub-Total (See Page 2)		\$ 9,313.22	1	\$ 9,313.22	
Tax		8.250% \$ 33,466.89	1	\$ 33,466.89	
<b>Subtotal with tax</b>		\$ 439,126.11	1	\$ 439,126.11	
Shipping		\$ 8,500.00	1	\$ 8,500.00	
<b>Total (Incl. tax and shipping)</b>		\$ 447,626.11	1	\$ 447,626.11	
HVIP - (PAID DIRECTLY TO VENDOR)		\$ (220,000.00)	1	\$ (220,000.00)	
SMUD (PAID DIRECTLY TO VENDOR)		\$ (7,000.00)	1	\$ (7,000.00)	
<b>BALANCE PAYABLE TO LION</b>		<b>\$220,626.11</b>	<b>1</b>	<b>\$220,626.11</b>	

REIMBURSEMENT GRANT FUNDING			
SMAQMD (DISTRICT REIMBURSEMENT)	\$ (230,000.00)	1	\$ (230,000.00)
<b>DISTRICT BALANCE DUE TO VENDOR</b>	<b>\$0.00</b>	<b>1</b>	<b>\$0.00</b>

Approximate Delivery Date 180-240 Days After Receipt of P.O.\*

\*Delivery approximation subject to change due to pandemic restrictions

Customer Signature Indicating Acceptance of Quote: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Date : \_\_\_\_\_

\*Note : Price subject to change upon final P.O. acceptance



This quote is valid for 90 days from quote date. Please refer to Payment Terms page for detailed payment terms.



Quote No. 125\_42+3\_HVIP\_SMUD\_SMA

Date 12/2/2020

### OPTIONS

Option	Quantity	Price
BUMPERS - BLUE	1	INCLUDED
WHEELS - BLUE	1	INCLUDED
CHILD RESTRAINT SEAT	3	\$ 595.00
FOG LIGHTS	1	\$ 200.00
STROBE LIGHT	1	\$ 255.00
DRIVER AIR SEAT	1	\$ 495.00
ROSCO BACKUP CAMERA	1	\$ 1,221.00
GATEKEEPER FIVE CAMERA SYSTEM	1	\$ 3,397.22
PRE-WIRE - 2-WAY TRACE/PULL LINES ONLY	1	\$ 150.00
CHARGING - AC J17 72	1	STANDARD
CHARGING PORT-REAR ONLY	1	\$ 3,000.00
AIR CONDITIONING	1	INCLUDED
PRE-WIRE - CAMERA TRACE/PULL LINES ONLY - AT REQUESTED LOCATION	1	INCLUDED WITH CAMERA PURCHASE
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount
Select Option	Quantity	Amount

<b>Options Total</b>	\$	9,313.22
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### NOTES

CCR seats: 2 left, 1 right  
256" wheelbase

## LIONC - BASE SPECIFICATIONS

GROSS VEHICLE WEIGHT RATING (GVWR)	Up to 33,000 lbs.
SEAT ROWS	Up to 12 rows
PASSENGER CAPACITY	42 + 3 W/C
LENGTH	473.33 in..
BODY WIDTH	102 in.
HEADROOM	78 in.
TIRE AND RIM	11R22.5
CHARGE PORT	FRONT (STANDARD)
SINGLE SPEED ELECTRIC MOTOR	UP TO 240 H.P. - 350 H.P. (230 kW) / 1200 - 1800 FT-LBS TORQUE
REGENERATIVE BRAKING SYSTEM	STANDARD
RANGE	125 mi.
HIGH VOLTAGE BATTERIES	LITHIUM-ION (NMC)
AC CHARGING	ON-BOARD CHARGER - 19.2 kW
SOUND GENERATOR	STANDARD (0-20 MPH)
12 V BATTERIES	2 X 950 CCA
CONDENSER MODEL	CS-3
SIDE EVAPORATOR MODEL	EZ-5
REAR EVAPORATOR MODEL	EZ-91
DASH EVAPORATOR MODEL	ID-23
BRAKE SYSTEM	HYDRAULIC DISC BRAKES
FRONT & REAR TOW HOOKS	STANDARD
POLYETHYLENE STEPWELL	STANDARD
POLYETHYLENE BATTERY BOX, TRAY AND WHEELHOUSES	STANDARD
COMPOSITE REAR EMERGENCY DOOR	STANDARD
COMPOSITE ABS EXTERIOR BOW CAP	STANDARD
INTEGRATED TRASH CAN	STANDARD
ONBOARD TOUCHSCREEN (TELEMATICS, STATS AND DIAGNOSTICS)	STANDARD
SMART CHARGE	STANDARD
PREHEAT SETTING	STANDARD
CHARGING INDICATORS AS CLEARING LIGHTS	STANDARD
CHARGE READY PILOT LIGHT	STANDARD
ON/OFF MASTER DISCONNECT SWITCHES	STANDARD
CUP HOLDER	STANDARD
EXTERIOR LED LIGHTS	STANDARD
INTERIOR LED LIGHTS	STANDARD
ELECTRIC HORN	STANDARD
MIRRORS	REMOTE & HEATED
FLAPS	STANDARD
CERTIFICATE HOLDER	STANDARD
VISOR	ACRYLIC, ADJUSTABLE
STOP ARM	LED STOP ARM - FMVSS
REFLECTIVE MARKINGS	PER FMVSS
FLOOR	PLYWOOD / BLACK FLOORING
HEATING	ELECTRIC HEATING
WINDOWS	TINTED
ROOF	WHITE COMPOSITE
BODY PANELS	YELLOW COMPOSITE
RUB RAILS	BLACK STEEL
BRAKES BRAND & MODEL	MERITOR, WABCO
TIRE BRAND	BF GOODRICH OR EQUIVALENT
DRIVER SEAT	GREY CLOTH - WITH - ARM REST
PASSENGER SEATS	39 in. - GREY - HIGH BACKS w/ 3 PNT BELTS
SEAT BRAND & MODEL	HSM
TRI-KIT	STANDARD
FIRST AID KIT	STANDARD
FIRE EXTINGUISHER	STANDARD
CHILD CHECK MATE	STANDARD
CALIFORNIA TITLE 13 COMPLIANT	STANDARD
CUP HOLDER	STANDARD
DRIVER JACKET HOOK	STANDARD
RADIO & 4 SPEAKERS	STANDARD



# LION USA PAYMENT TERMS

## Jun-19

This document serves as a reference to the Lion USA Payment Terms to be followed by all customers in the United States. The terms of payment apply to all Lion vehicles.

1. Lion contacts customer and coordinates delivery one (1) month prior to actual delivery date.
2. At the time the P.O. is issued, Lion staff will review payment and delivery terms with the customer.
3. Payment terms are reminded to customer 5 days prior to delivery with pictures of buses to be delivered to prove that the bus is ready for delivery
4. School district / operator must pay Lion the incremental cost (including sales taxes) between the total cost of vehicle and the amount awarded by funding agencies 48 hours prior to delivery through wire transfer or check.
5. If incremental cost is not paid 48 hours prior to delivery, Lion will work to re-schedule the delivery and work with the district to expedite payment.
6. In California, payment from a district may be triggered by a successful inspection by the California Highway Patrol. The customer must confirm with Lion that an inspection appointment has been made prior to delivery.
7. If scrapping of vehicle is required, customer must send proof of scrapping within 15 days of delivery
8. Customer must pay remaining balance of vehicle cost within 30 days of delivery or 3 days after funding agency payment, whichever is first.





## Customer Information

Date 12/2/2020  
Quote No. GaltJUESD\_LionC\_125\_42+3\_HVIP\_SMUD\_SMAQMD\_2020.12.02

### NUMERICAL INFORMATION

Tax ID Number (TIN)

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California Number

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Client Bus Number(s)

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### ACCOUNTS PAYABLE CONTACT INFORMATION

Please check box if same as quote contact

Name

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Phone

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Email

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### WARRANTY CONTACT INFORMATION

Please check box if same as quote contact

Name

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Phone

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Email

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### BILING ADDRESS INFORMATION

Please check box if same as quote address

Billing Address

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City, State, Zip

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### SHIPPING ADDRESS INFORMATION

Please check box if same as quote address

Shipping Address

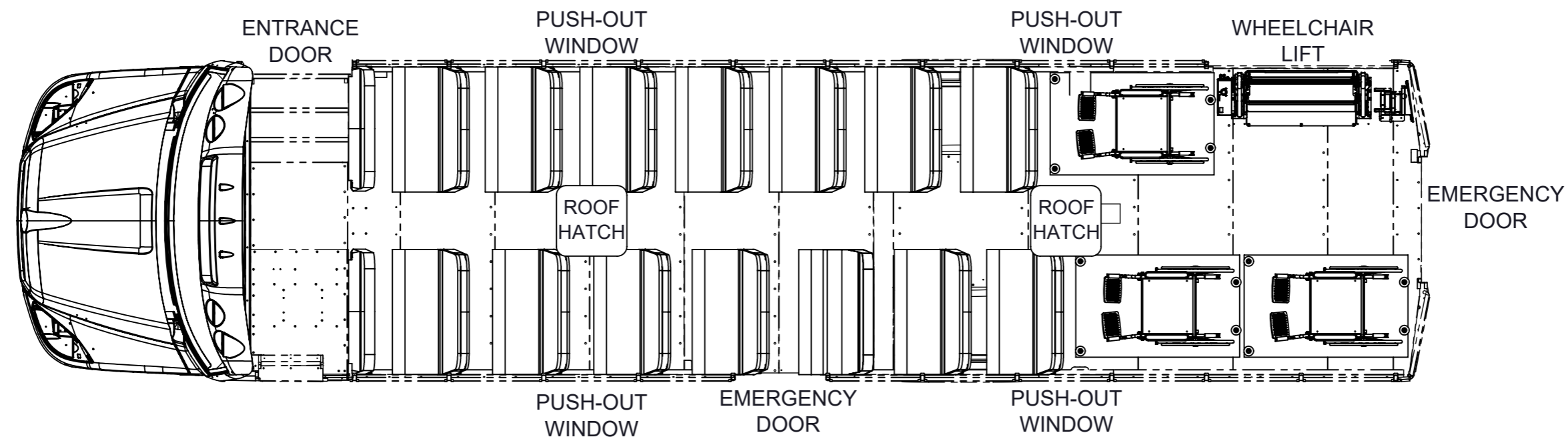
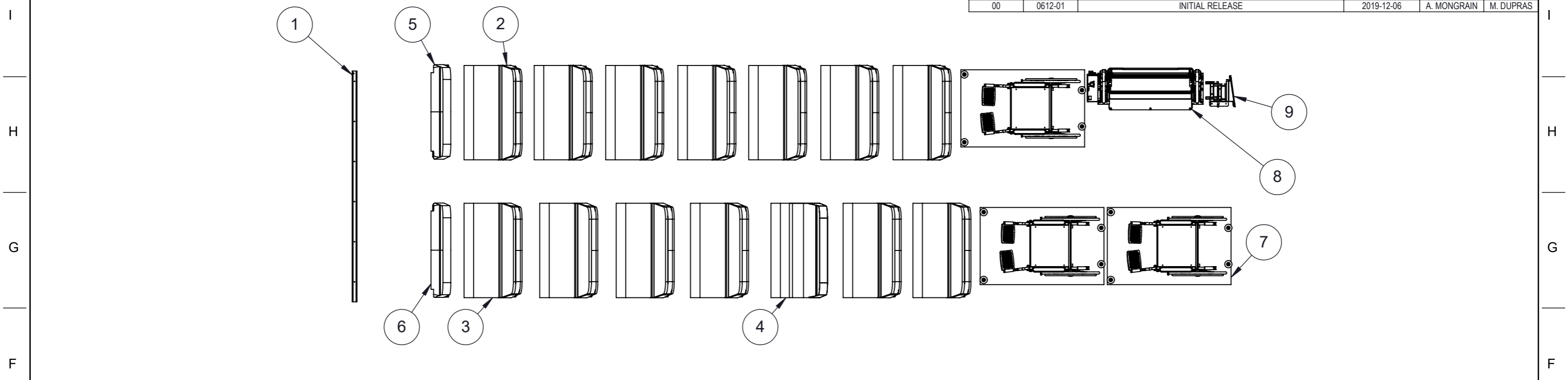
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City, State, Zip

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LAYOUT, 256-11, 7 ROWS, 42 PASS, 25in MINIMUM SPACING

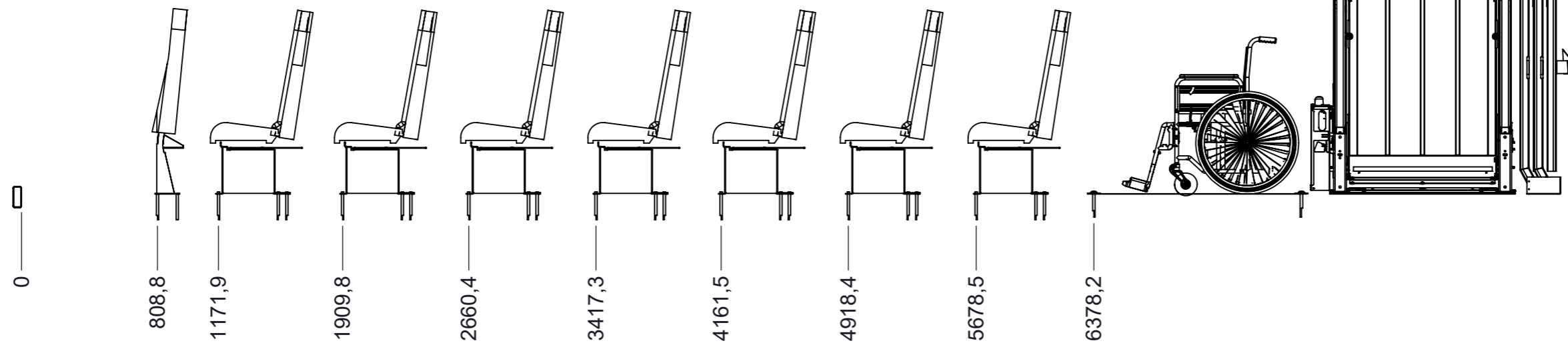
REVISION HISTORY					
REV.	EPN #	DESCRIPTION	DATE	REV. BY	APPR. BY
00	0612-01	INITIAL RELEASE	2019-12-06	A. MONGRAIN	M. DUPRAS



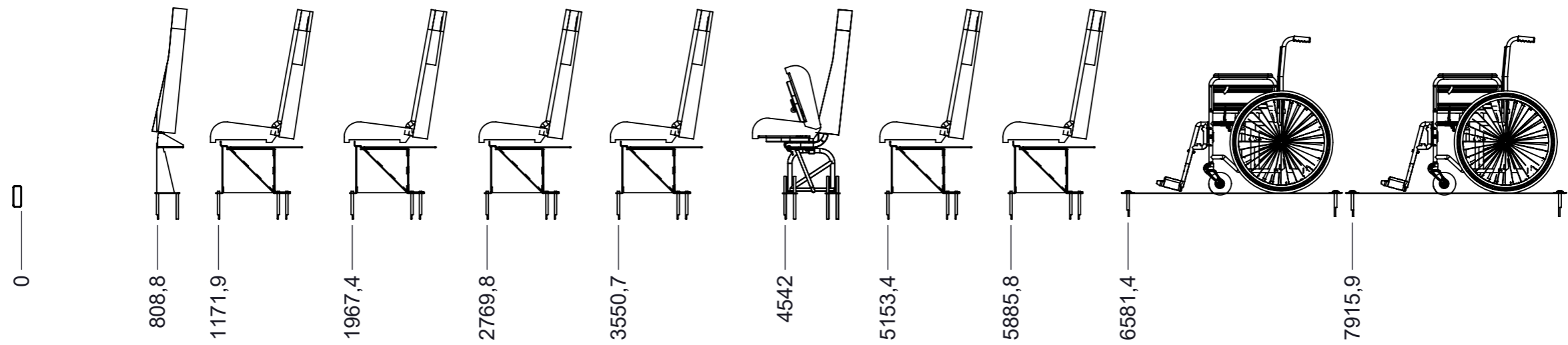
ITEM #	PART NUMBER	REV	DESCRIPTION	QTY.
9	50002110	00	WHEELCHAIR EMERGENCY RAMP	1
8	50002102	01	WHEELCHAIR LIFT, ASSY	1
7	93100150	00	WHEELCHAIR ANCHOR LAYOUT, FMVSS	5
6	12310060	00	BARRIER, LEFT, 39", HIGH BACK, VINYL GREY THOMAS	1
5	12310061	00	BARRIER, RIGHT, 39", HIGH BACK, VINYL GREY THOMAS	1
4	12312020	00	SEAT 39" - PASS - HIGH BACK - VINYL THOMAS GREY - FLIP - LEFT HAND	1
3	12310011	00	SEAT 39" - PASS - HIGH BACK - VINYL THOMAS GREY - LEFT HAND	6
2	12310012	00	SEAT 39" - PASS - HIGH BACK - VINYL THOMAS GREY - RIGHT HAND	7
1	10010398	10	BEAM 2"x5" (DRIVER MONTICUL ASSY)	1

**FOR ADDITIONAL DIMENSIONS, REFER TO 3D FILE**

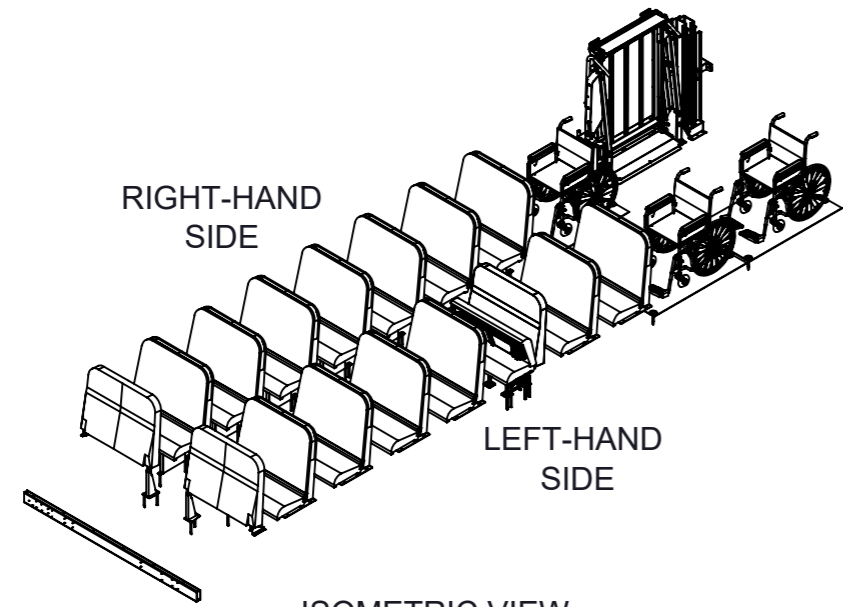
SAUF INDICATION CONTRAIRE TOUTES LES DIMENSIONS UNLESS OTHERWISE SPECIFIED ALL DIMENSIONS TO BE: mm [in]	DIMENSION ANGULAIRE (CÔTÉ LE PLUS COURT) ANGULAR DIMENSION (SHORTER SIDE OF ANGLE) PLUS DE JUSQU'A OVER UP TO TOLERANCE	NOM / NAME	DATE YYYYMMDD	PROJECTION DU TROISIEME ANGLE THIRD ANGLE PROJECTION
TOL. USINAGE - DIM. LINEAIRES MACHINING TOL. - LINEAR DIMS (ISO-2768-m)	0 10 ±1*	MODELE: F. RIEL	2019-07-20	LA COMPAGNIE ÉLECTRIQUE LION THE LION ELECTRIC CO. 921 Chemin de la Rivière du Nord Saint-Jérôme (Québec) J7Y 5G2 T (450) 432-5466 F (450) 592-7566
PLUS DE JUSQU'A OVER UP TO TOLERANCE	10 50 ±0*30*	DESS. PAR: A. MONGRAIN	2019-12-06	
0.5 6 ±0.1	50 120 ±0*20*	VERIFIE PAR: M. DUPRAS	2019-12-06	TITRE / TITLE: LAYOUT, 7 ROW 42P, 3W/C, 1 DOOR
6 30 ±0.2	120 400 ±0*10*	APPRO. ING.: M. DUPRAS	2019-12-06	SOUS-TITRE / SUB-TITLE: 256-11
6 30 ±0.2	400 >400 ±0*10*	EXCLUSIF ET CONFIDENTIEL L'INFORMATION CONTENUE DANS CE DESSIN EST LA PROPRIÉTÉ UNIQUE DE LA COMPAGNIE ÉLECTRIQUE LION. TOUTE REPRODUCTION EN TOUT OU EN PARTIE SANS L'AUTORISATION ÉCRITE DE LA COMPAGNIE ÉLECTRIQUE LION EST INTERDITE.		MATÉRIEL / ASSEMBLY, SEE INDIVIDUAL PARTS
30 120 ±0.3	120 400 ±0.5	PROPRIÉTÉ ET CONFIDENTIEL THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF THE LION ELECTRIC CO. ANY REPRODUCTION IN PART OR AS A WHOLE WITHOUT THE WRITTEN PERMISSION OF THE LION ELECTRIC CO. IS PROHIBITED.		FINITION / FINISH: POIDS / WEIGHT: 2254.04 kg 4969.3 lbs
120 400 ±0.5	400 1000 ±0.8	MODELE 3D / 3D MODEL: Z:\INGENIERIE\CAD\96-TEMP\96-BUSL-Layou\LP\WS110-3RW1D-42		MODELE 3D / 3D CAD: LPS (WS110-3RW1D-42)
400 1000 ±0.8	0.5 3 ±0.8	FICHIER 2D / 2D FILE: Z:\INGENIERIE\CAD\96-TEMP\96-BUSL-Layou\Seat Layout\LP_WS110-3RW1D-42		No PIÈCE LION / LION PART NUMBER <b>93100156</b>
1000 2000 ±1.2	3 6 ±0.5	ECHELLE / SCALE: 1:40		REVISION <b>00</b>
2000 4000 ±2	6 >6 ±1	FORMAT A3		DE OF 2



RIGHT-HAND SIDE



LEFT-HAND SIDE



ISOMETRIC VIEW  
SCALE 1 : 75

SAUF INDICATION CONTRAIRE TOUTES LES DIMENSIONS UNLESS OTHERWISE SPECIFIED ALL DIMENSIONS TO BE:		DIMENSION ANGULAIRE (CÔTÉ LE PLUS COURT) ANGULAR DIMENSION (SHORTER SIDE OF ANGLE)		NOM / NAME		DATE		PROJECTION DU TROISIÈME ANGLE THIRD ANGLE PROJECTION		LA COMPAGNIE ÉLECTRIQUE LION THE LION ELECTRIC CO. 921 Chemin de la Rivière du Nord Saint-Jérôme (Québec) J7Y 5G2 T (450) 432-5466 F (450) 592-7566	
mm [in]		PLUS DE JUSQU'A OVER UP TO		MODELE: F. RIEL		2019-07-20		LION		No PIECE LION / LION PART NUMBER	
TOL. USINAGE - DIM. LINÉAIRES MACHINING TOL. - LINEAR DIMS (ISO-2768-m)		0 10 ±1*		DESS. PAR: A. MONGRAIN		2019-12-06		TITRE / TITLE: LAYOUT, 7 ROW 42P, 3W/C, 1 DOOR		REVISION 00	
PLUS DE JUSQU'A OVER UP TO		10 50 ±0*30*		VERIFIE PAR: M. DUPRAS		2019-12-06		SOUS-TITRE / SUB-TITLE: 256-11		FINITION / FINISH:	
0,5 6 ±0.1		50 120 ±0*20*		APPRO. ING.: M. DUPRAS		2019-12-06		MATERIEL / ASSEMBLY, SEE INDIVIDUAL PARTS		MODELE 3D / 3D CAD: LPS (WS110-3RW1D-42)	
6 30 ±0.2		120 400 ±0*10*		EXCLUSIF ET CONFIDENTIEL L'INFORMATION CONTENUE DANS CE DESSIN EST LA PROPRIÉTÉ UNIQUE DE LA COMPAGNIE ÉLECTRIQUE LION. TOUTE REPRODUCTION EN TOUT OU EN PARTIE SANS L'AUTORISATION ÉCRITE DE LA COMPAGNIE ÉLECTRIQUE LION EST INTERDITE.				MATERIAL: -		No PIECE LION / LION PART NUMBER 93100156	
30 120 ±0.3		400 >400 ±0*10*		PROPRIÉTAIRE AND CONFIDENTIAL THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF THE LION ELECTRIC CO. ANY REPRODUCTION IN PART OR AS A WHOLE WITHOUT THE WRITTEN PERMISSION OF THE LION ELECTRIC CO. IS PROHIBITED.				POIDS / WEIGHT: 2254.04 kg 4969.3 lbs		ECHELLE / SCALE: 1:30	
120 400 ±0.5		PLUS DE JUSQU'A OVER UP TO		0.5 3 ±0.8				FORMAT A3		PAGE / SHEET: 2 DE 2	
400 1000 ±0.8		2000 ±1.2		3 6 ±0.5				FORMAT A3		PAGE / SHEET: 2 DE 2	
1000 2000 ±1.2		2000 4000 ±2		6 >6 ±1				FORMAT A3		PAGE / SHEET: 2 DE 2	
2000 4000 ±2		6 >6 ±1						FORMAT A3		PAGE / SHEET: 2 DE 2	



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> April 28, 2021	<b>Agenda Item: 202.196</b> Board Consideration of Approval of Memorandum Of Understanding 2020-2021 Summer School Extended Year Program (SSEYP) Between the California School Employees Association and its Galt Chapter #362 (CSEA) and the GJUESD
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>

The tentative agreement supports maximizing current school year while extending the school year services with classified school staff at the school or district level.

Instructional assistants will voluntarily work an additional six days between May 19th and May 27, 2021. The additional days are voluntary. The fiscal impact is approximately \$20,000.

The Summer School Extended Year Program (SSEYP) involves classified school employees voluntarily accepting a contract above their current pay for the summer program for an additional \$7.00 per hour. Eleven-month employees will receive an additional \$5.00 per hour with twelve-month employees receiving a one-time \$500 stipend, given daily workload considerations.

The hourly rate for classified staff working the summer program ranges from \$21.00-\$29.83. The estimated fiscal impact for the summer program is not available until the district has determined staffing levels needed for each school. AB 86 COVID funding will be used to cover classified staffing program costs associated with the summer program.

Board approval is recommended and will also need ratification by CSEA.

**MEMORANDUM OF UNDERSTANDING**  
**2020-2021 SSEYP**  
**between the**  
**CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION**  
**and its**  
**GALT CHAPTER #362 (CSEA)**  
**and the**  
**GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT (DISTRICT)**

The following is a Memorandum of Understanding (“MOU”) between the Galt Joint Union Elementary School District (“District”) and the California School Employees Association and its Galt Chapter #362 (“CSEA”). The District and CSEA agree to the following terms and conditions:

The District and CSEA agree as follows:

**1. Extended Calendar Year for Instructional Assistants:**

The parties recognize the 20-21 work calendar for Instructional Assistants includes an off-duty period from May 19<sup>th</sup>, 2021 thru May 27<sup>th</sup>, 2021. In order to facilitate extended learning for students, the parties agree Instructional Assistants will be offered the opportunity to work an additional six (6) days between May 19<sup>th</sup>, 2021 thru May 27<sup>th</sup>, 2021 as per the terms and conditions below:

- Monday’s will be off unless the IA worked on Monday’s during the month of May.
- Tuesday thru Friday work schedule will be consistent with the bargaining unit member’s May work schedule.
- Daily number of hours shall be consistent with the number of hours a bargaining unit member worked in the month of May.
- Bargaining unit members shall be compensated at a ten percent (10%) increase above the bargaining unit member’s regular rate of pay.
- Participation in this program will be voluntary.

**2. Summer School Extended Year Program (“SSEYP”):**

- The parties recognize the COVID – 19 pandemic created a profound impact on operational services throughout the District. In order to minimize education loss amongst the student body, the parties agree to supplant the traditional summer school program with the SSEYP as per the terms and conditions below:
  - The SSEYP will take place from June 9<sup>th</sup>, 2021 thru June 30<sup>th</sup>, 2021 and will replace the summer school program for the 2021 year.
  - Participation in the SSEYP will be voluntary.

- Classified Employees who accept a contract for the SSEYP will receive an additional seven dollars per hour (\$7/hour) above their current pay for the position.
  - Classified Employees will need to apply for SSEYP positions.
  - Classified Employees in the same classification as the posted SSEYP position shall receive priority in order of seniority by site.
  - If not enough bargaining unit members from the site apply, Classified Employees in the same classification District wide shall have preference.
- The parties recognize the SSEYP will impact other Classified Employees throughout the District. To recognize the commitment of all Classified Employees in this program, the parties agree to the following:
  - 11-month employees whose work calendar coincides with the SSEYP and do not volunteer for or accept an SSEYP contract, shall receive an additional five dollars an hour (\$5/hour) above their current pay for all hours worked between June 9<sup>th</sup>, 2021 and June 30<sup>th</sup>, 2021.
  - 12-month employees shall receive a one time five hundred dollar (\$500) stipend.

3. This agreement is subject to ratification by both parties.

\_\_\_\_\_  
Lori Jones, Chapter President  
CSEA Chapter #362

\_\_\_\_\_  
Date

\_\_\_\_\_  
Karen Schauer, Superintendent  
Galt Joint Union Elementary School District

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mauricio Vides, Labor Relations Representative  
CSEA

\_\_\_\_\_  
Date