



TYPE: Special Called Board Meeting

DATE: 7/19/2022 **TIME:** 6:00 PM

CODE: Simulcast via Zoom Teleconferencing

LOCATION: Assembly Hall 1935 Bohemian Highway, Occidental, CA 95465

All documents relating to the following special agenda items are available for public review in the Administrative Office of the Harmony Union School District during office hours at least 24 hours prior to the scheduled Board meeting. The Harmony District Board of Education meetings are open to the public, except for certain subjects that are addressed in closed session in accordance with the Ralph M. Brown Act. If anyone wishes to attend and requires special accommodations due to a handicapping condition, as outlined in the Americans with Disabilities Act, please contact the superintendent at least two working days prior to the meeting.

1.0 Call to Order

2.0 Approval of the Agenda

3.0 Pledge of Allegiance

4.0 Action Items



- 4.1 Consideration of Board Resolution 2022/23-1 adopting amendments to the Guaranteed Maximum Price and Agreement for the Harmony Field and Cistern Project to include the 2-5 Year Old Play Area (Tk-Kinder) Action

5.0 Next Board Meeting

6.0 Adjournment

Agendas have been posted at the Harmony School public bulletin board and the Harmony Union School District Website at www.harmonyusd.org.



Meeting Date:	7/19/2022 - 6:00 PM
Category:	Action Items
Type:	Action
Subject:	4.1 Consideration of Board Resolution 2022/23-1 adopting amendments to the Guaranteed Maximum Price and Agreement for the Harmony Field and Cistern Project to include the 2-5 Year Old Play Area (Tk-Kinder)
Strategic Plans:	
Policy:	
Enclosure	
File Attachment:	 Resolution 2022-23-1.pdf
Description:	
Background Information:	
Fiscal Implications:	
Recommendation:	That the board approve Board Resolution 2022/23-1 adopting amendments to the Guaranteed Maximum Price and Agreement for the Harmony Field and Cistern Project to include the 2-5 (TK-Kinder) Play Area
Approvals:	Recommended By:  Matthew Morgan - Superintendent/Principal

*Resolution 2022/23-1 of the Board of Trustees of the Harmony Union School District
Amending the Guaranteed Maximum Price for the Lease-Leaseback Agreement- Phase III
with FRC, Inc.*

WHEREAS, pursuant to Education Code 17406, the Harmony Union School District ("District") entered into a Lease-Leaseback Agreement with FRC, Inc. ("Contractor"), dated July 23, 2019, to undertake the development and construction of the Phase III of the Harmony Improvements Project (the "Work"); and

WHEREAS, on April 21, 2022, the District Board of Trustees approved the Guaranteed Maximum Price for the Lease-Leaseback Agreement - Phase III with FRC, Inc. and amended the Lease-Leaseback Agreement to reflect the Guaranteed Maximum Price; and

WHEREAS, the Harmony Play Area Ages 2-5 (Allowance #1) is being added to the Work ("Amended Work") and all preconstruction services for the Amended Work has been completed by the Contractor and all subcontractors have been selected by Contractor in accordance with Education Code 17406(a)(4) and the Request for Sealed Proposals; and

WHEREAS, the District has obtained approval of the plans and specifications for the Amended Work by the Department of General Service' Division of the State Architect, if required; and

WHEREAS, pursuant to Education Code 17406 and the Lease-Leaseback Agreement, Contractor shall provide the District with written rationale detailing the "base construction cost" for the Amended Work, consisting of (a) all subcontracts to be awarded by Contractor for the Amended Work and (b) any separately awarded contracts for materials and supplies for the Amended Work; and

WHEREAS, the sum of the base construction cost, multiplied by the percentage that was offered by the Contractor in its response to the Request for Sealed Proposals, shall be set forth in Contractor's written rationale to the District and added to the base construction cost to determine the Guaranteed Maximum Price; and

WHEREAS, Contractor has provided the District with objectively verifiable information of its costs to perform the Amended Work and a written rationale for the Amended Work's Guaranteed Maximum Price, including documentation sufficient to support the calculation, which is attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED that the Harmony Union School District:

1. Approves the Amended Work's Guaranteed Maximum Price for Phase III based on the written rationale provided by the Contractor, as set forth in Exhibit A; and
2. Amends the Lease-Leaseback Agreement, attached hereto as Exhibit B.

PASSED AND ADOPTED by vote of the members of the Governing Board
of the Harmony Union School District on July 19, 2022.

AYES:

NOES:

ABSENT:

ABSTAINED:

HARMONY UNION SCHOOL DISTRICT

Attest:

[Name], President

[Name], Clerk to the Board

EXHIBIT A

AMENDED WORK TOTAL BASE RENT/ WRITTEN RATIONALE

Harmony School LLB
CCD 001 Play Area Ages 2-5

SPEC	DESCRIPTION	Amount	Subs
	Survey	\$ 3,000.00	
	UG Locating	\$ 3,180.00	
	Temp fencing & tree protection	\$ 3,000.00	FRC
	SWPP Initial Setup & Removal	\$ 4,000.00	FRC
	Concrete flatwork & Curbs	\$ 186,190.00	Devincenzi
	Concrete Expansion Joint Sealants	\$ 2,700.00	FRC
	VonI Wells	\$ 22,300.00	Wellonder
	Install vent wells	\$ 2,100.00	FRC
	GSM Flashing @ building foundation	\$ 1,800.00	FRC
	Earthwork & Grading	\$ 87,828.00	WR Ford
	Permeable Rubberized Surfacing	\$ 82,496.00	
	Replace or relocate (E) play equipment	\$ 65,261.00	
	Planting & Irrigation	\$ 33,500.00	Neary
	Boulders	\$ 18,000.00	Neary
	UG Utility Repair & Relocation	\$ 18,500.00	
	SUBTOTAL	\$ 533,888.00	
	BUILDERS RISK INSURANCE		
1.00%	(percentage of total bid) GL INSURANCE	\$ 6,129.92	
2.00%	(percentage of total bid) BOND PREMIUM	\$ 12,259.83	
	(includes bond and insurance) SUBTOTAL	\$ 552,244.75	
11.00%	MARGIN	\$ 60,746.92	
	TOTAL BID	\$ 612,991.67	
0.00%	Contingency	\$	
	Base Bid + Contingency	\$ 612,991.67	

EXHIBIT B

Second Addendum to Lease-Leaseback Agreement

Harmony Union School District ("Owner") and FRC, Inc. ("Contractor") entered into a Lease-Leaseback Agreement, dated July 23, 2019, for Harmony Improvement Project, and amended the Lease-Leaseback Agreement on April 21, 2022.

By this Second Addendum, Owner and Contractor mutually agree to modify the terms of the Lease-Leaseback Agreement as follows:

- Facilities Lease Agreement- Attachment A: Phase III Schedule of Payments, attached hereto, shall be incorporated into and become a part of the Lease-Leaseback Agreement.

In all other respects, the provisions of the Lease-Leaseback Agreement not amended, not deleted, or not otherwise mentioned herein remain in full force and effect during the term of the Lease-Leaseback Agreement, unless otherwise amended in writing signed by both parties.

IN WITNESS WHEREOF, the Owner and Contractor have executed this Addendum as of July 19, 2022.

Harmony Union School District

FRC, Inc.



Title:

Title: FY-o..lr\ K. P... jj i r .a..d.o,p .,u.,u1J...-,J::

**Facilities Lease Agreement
Attachment A
Phase III Schedule of Payments**

The District shall make payments to Lessor for Phase III of the Project totaling the amount of: **\$6,161,698.71** ("Guaranteed Maximum Price" or "GMP").

In addition to the above, a District-controlled contingency of **\$277,435.35** has been approved by the District for unforeseen conditions, design oversights, owner added work and jurisdictional requests. Lessor shall use the Modification of Contract process provided in the General Conditions to request contingency payments.

The Total Base Rent for all construction costs for Phase III of the Project is based on the DSA approved plans, specifications, drawings, and design packages prepared by TLCD dated September 21, 2021 and July 13, 2022.

Upon approval of the GMP, ninety-five percent (95%) of the GMP shall be paid based on the level of completion as shown in monthly Application for Payments. Commencing on the month immediately following Final Completion of the construction work, as defined in the General Conditions, the monthly rental payments shall equally divide the remaining amount of the Total Base Rent, in the amount of across a total of twelve (12) months plus 3.35% annual interest. Payments will be made to Contractor contingent upon timely receipt of all documents required as a condition precedent to payment of monthly lease amounts.

The District shall have the option to purchase not less than all of the Project in its "as-is, where-is" condition and terminate the Facilities Lease and Site Lease by paying the balance of the Total Base Rent, which is exclusive of interest that would have otherwise been owed, as of the date the option is exercised ("Option Price"). Said payment shall be made on or before the date on which the District's lease payment would otherwise be due for that month ("Option Date").

The District shall provide to Contractor a written notice no less than ten (10) days prior to the Option Date. The notice will include that the District is exercising its option to purchase the Project as set forth above on the Option Date. If the District exercises this option, the District shall pay directly to Contractor the Option Price on or prior to the Option Date and Contractor shall at that time deliver to the District an executed Termination Agreement and Quitclaim Deed in recordable form to terminate the Facilities Lease and the Site Lease.

Under no circumstances can the first Option Date be on or before ninety (90) days after Final Completion of the construction work, as defined in the General Conditions.

During the post-construction time period, the District shall have exclusive occupancy of the premises. However, the Lessor is entitled to reasonable access to the premises to resolve warranty and repair issues. The District's insurance of the premises shall be primary during this time period.

The District shall be responsible for the cost of all utilities incurred during its use of the premises. The District shall be liable for damages to the premises caused by its willful or reckless misconduct during the construction period and all damages to the premises, other than warranty repairs, during the post-construction period.