

**REQUEST FOR PROPOSALS
for
Lease-Leaseback Services**

Lammersville Unified School District

The Board of Education (“Board”) of the Lammersville Unified School District (“District”) is seeking qualified providers of lease-leaseback construction services (“LLB Entity”) to provide construction related services for the modernization, new construction and associated site work for the Hansen Elementary School (K-8) located in Mountain House, CA County of San Joaquin, State of California pursuant to California Education Code Section 17406 (the “Project”). The District is seeking qualified providers of lease-leaseback services (“LLB Entity”) for the Project. A single entity will be selected for delivery and financing for the Project.

I. Critical Dates

Proposal Due Date:

Five (5) hard copies and an electronic copy of the Proposal in a three-ring binder, and a separate sealed envelope with five (5) hard copies and one electronic copy of the Cost Proposal (**Exhibit B**) shall be delivered **no later than 3:00 P.M., April 28, 2017** to:

Lammersville Unified School District
111 South De Anza Blvd.
Mountain House, CA 95391
Attn: Dr. Kirk Nicholas, District Superintendent

Proposals not received by the deadline will be returned unopened.

RFP Milestone Dates:

The following are the anticipated dates in connection with the award of the lease-leaseback instrument, but are subject to change:

- 04/07/17 – RFP Uploaded to District’s web site www.lammersvilleschooldistrict.net
- 04/14/17 – Deadline to submit prequalification application
- 04/21/17, 3:00 p.m. – Deadline to submit questions via email/fax
- **04/28/17, 3:00 p.m. – Proposals due**
- 05/04/17 – District selection of Respondents to interview
- 05/08/17 – Anticipated interview date
- 05/10/17 – District selection of successful LLB Entity
- 05/17/17 – Board award of LLB instrument

II. Project

Description / Anticipated Schedule – Peter Hansen Elementary School

Construction of Peter Hansen Elementary School (K-8): Administration/Library & Multi-Use/Cafeteria Building (approximately 24,400 square feet, including overhangs, Two-Story Classroom Building #1 approximately 28,000 square feet including overhangs, Two-Story Classroom Building #2 approximately 29,300 square feet including overhangs, Site Work – 16 acres. Other ancillary work: building pads and utility stubs for future preschool center. The Project is more fully described in the Contract Drawings and Plans approved by the Division of the State Architect (“DSA”), included as **Exhibit A** hereto.

The estimated total cost of the Project is \$40,000,000.00. The successful LLB Entity will be expected to finance the difference between its cost proposal and \$3X,000,000 (but no less than \$2,000,000) over a post-construction period of 24 months.

The Lease-Leaseback instrument will not include preconstruction services.

The Total Base Rent ("TBR") shall be stated in the cost proposal. The Project includes a construction and post-construction phase, and will commence upon Notice to Proceed by the District. The construction phase is anticipated to be 19 months, followed by a post-construction occupancy phase of 24 months.

The LLB Entity is required to hold a California Contractor's License, Class B, which is current, valid and in good standing with the California Contractor's State License Board, and is required to be registered with the Department of Industrial Relations ("DIR") pursuant to Labor Code section 1725.5.

The LLB Entity shall work under the direction of the District and its agents. District agent shall be the Architect. For this Project, the District has retained **Nichols, Melburg & Rossetto** as its Architect (Designer of Record) to prepare the design and engineered plans and specification for the Project. The LLB Entity shall work with the District, and the Architect, as necessary to its services, and incorporate modifications to the plans into the TBR for the Project, at the direction of the District and its agents.

The Architect Contact is:

Wesley King, Associate Principal Architect
Nichols, Melburg & Rossetto
300 Knollcrest Drive
Redding, CA 96002
Phone: (530) 222-3300
E-mail: king@nmrdesign.com

The Architect will use Revit 2014 for all project scope; including modernization and new construction. However, Building Information Modeling ("BIM") will only be developed for the new buildings at a level 300. BIM will include all architectural, structural, mechanical, plumbing, electrical conduits over 2" in diameter and fire sprinkler piping. This model will be turned over to the LLB Entity, free of charge, with a signed release of liability and used to begin subcontractor coordination at the start of construction.

III. Contract Parameters

Public Contract Code section 20111.6

Prequalification in compliance with Public Contract Code section 20111.6 is required for this Project. Therefore, the LLB Entity and its mechanical, electrical and plumbing ("MEP") subcontractors (as defined by Public Contract Code section 20111.6(k)) must be prequalified prior to the Entity submitting its Proposal.

MEP subcontractors subject to these requirements are those with any of the following license classifications: C-4, C-7, C-10, C-16, C-20, C-34, C-36, C-38, C-42, C-43 and C-46. Respondents and MEP subcontractors must have submitted their prequalification applications **no later than ten (10) business days before the due date for Proposals** or have been prequalified for at least five (5) business days before the due date for Proposals. LLB Entities and MEP subcontractors that previously were pre-qualified for this Project remain prequalified. Proposals will not be accepted from any Respondent to this RFP who has not complied with these requirements.

The District's prequalification application is available on the Internet at www.lammersvilleschooldistrict.net or by requesting from the architect.

Public Works Registration Requirement

Notice is hereby given that this project is a public works project within the requirements of Division 2, Part 7, Chapter 1 of the California Labor Code, and that the LLB Entity and its subcontractors are required to be registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 at the time of bidding. **The LLB Entity and its subcontractors, truckers and any suppliers and/or vendors subject to California's prevailing wage laws must be registered with the Department of Industrial Relations prior to the due date for Proposals on this RFP.** Failure of a Respondent or any listed subcontractor or supplier to be registered by the Proposal due date will render the Proposal non-responsive.

Education Code section 17407.5; Public Contract Code sections 2600 et seq.

Compliance with Education Code section 17407.5 and Public Contract Code sections 2600 *et seq.* is required for this Project. In accordance with those statutes, the District will not enter into any Site Lease or Facilities Lease with the LLB Entity under Education Code section 17406 unless and until the LLB Entity provides to District, in a form acceptable to District's Board, an enforceable commitment that a) the LLB Entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the Project that falls within an apprenticeable occupation in the building and construction trades, and b) the LLB Entity will provide the District with a monthly report of its compliance with the skilled and trained workforce requirements. The LLB Entity must commit to ensure that the apprenticeship program graduate percentage will be met in every year in which work will be performed. The required commitment to the District's Board shall be one of the following: a) the LLB Entity's certification and agreement in accordance with the California False Claims Act, Government Code sections 12650 through 12656, that the LLB Entity and its subcontractors at every tier will comply with the requirements of Education Code section 17407.5 and Public Contract Code sections 2600 *et seq.* and that the LLB Entity will provide the District's Board, on a monthly basis while the Project is being performed, a report demonstrating that the LLB Entity and its subcontractors are in compliance with these requirements; or b) evidence that the LLB Entity has entered into a project labor agreement that includes the requirements of Education Code section 17407.5 and Public Contract Code sections 2600 *et seq.* and that will bind the LLB Entity and all its subcontractors at every tier performing on the Project.

Financing

Financing will be required from the LLB Entity in that the total of the lease payments under the Facilities Lease for the Project will be spread over a Lease Term that includes a post-construction phase of 24 months after final completion of the construction. The portion of the selected LLB Entity's proposed TBR exceeding \$3X,000,000, but in no event less than \$2,000,000, shall be financed and paid over the post-construction period. Any fees for financing shall be stated in the cost proposal, and will be taken into account in determining the lowest priced proposal. The District will not pay any additional fees for financing during the construction period.

Construction Budgets / Costs

The District will require an open book policy with the LLB Entity and its construction team. The District, through itself or its authorized agents and consultants, expects to have access to all Project information, including without limitation subcontractor/supplier bids, contracts, and change orders; value engineering back-up; contingency breakdown and tracking; general conditions breakdown and tracking; actual costs for bonds and insurance; and LLB Entity fees.

The following components will be included in TBR:

1. General conditions
2. Work self-performed by the LLB Entity, if applicable
3. Cost of all subcontract scopes of work, including trade work, materials, trucking, and other costs of construction of the Project

4. LLB Entity fee (includes overhead and profit and all other costs not specifically allowable in general conditions)
5. Payment and performance bonds for the LLB Entity to cover the final TBR (inclusive of Owner's contingency and allowances).
6. All insurance costs (Refer to Exhibit E to the Facilities Lease (**Exhibit C** hereto) for additional information).
7. A Construction Contingency of \$600,000; a Contractor's Contingency of \$600,000; and an Owner's Contingency for the District's sole use of \$1,000,000. Any unused contingency amount will be returned to the District.
8. Financing costs.

The TBR shall be the lump sum price for the Lease-Leaseback instrument to be awarded.

IV. Scope of Work

The Scope of Work is anticipated to include the following: Construction, modernization, new building additions, off/on site work as necessary to support the buildings and associated improvements. Services generally required are execution of subcontracts, provide on-site support and logistics including but not limited to temporary construction office trailers and equipment, supervise and direct the work, ensure a safe project/site, participate in project meetings, manage the construction costs (ensure costs allocated to construction contingency have entitlement and meet the contract requirements prior to submission to the District Representative), coordinate the work with the different subcontractors in an efficient manner, update the monthly construction schedule, coordinate equipment start-up and acceptance testing, training, prepare record construction documents and close-out of the project. See *also* Exhibit C. **The site will be unoccupied through July 2018, and will be occupied through the balance of the construction phase.**

The LLB Entity will be required to use Alliance2Build for all contract administration responsibilities. District will be responsible for providing a single user license. LLB Entity will be responsible for the Internet connectivity on site.

V. Proposal Format and Content

The Respondent's Proposal should be clear, concise, complete, well organized and demonstrate both Respondent's qualifications and its ability to follow instructions.

Provide five hard copies and a separate electronic pdf file of the Proposal **without the cost proposal** in a three-ring binder, not to exceed 30 single-sided pages total length (Binder cover pages, Table of Contents, Tabs, Addenda (if any), OSHA forms, and financial information forms in Section 12 below, are excluded from page count). If an addendum is issued, please include it right after the cover letter. In the event of any discrepancy between the hard copy and the pdf copy of the Proposal, the hard copy will control. In a separate, sealed envelope provide five hard copies and one electronic copy of the cost proposal. The entire proposal package (binders and cost proposal) shall be separately sealed in a box or envelope labeled with a copy of the "Submittal Cover" specified below.

All Respondents shall follow the order and format specified below. Please tab each section of the submittal to correspond to the numbers shown below.

Submittal Cover

Include the RFP's title and submittal due date, the name, address, fax number, and the telephone number of responding firm (or firms if there is a joint venture or association).

Table of Contents

Include complete and clear listings of heading and pages to allow easy reference to key information.

Body of Submittal

The following sections should be included in the order listed:

<p>1. A cover letter signed by an officer of the firm submitting the Proposal, or signed by another person with authority to act on behalf of and bind the firm. Indicate contact person(s) for the project. If an addendum is issued, please also acknowledge it on the cover letter.</p> <p>The cover letter shall include a certification in substantially the following form: “[Respondent] certifies under penalty of perjury, under the laws of the State of California, that all information provided in its Proposal, including without limitation in exhibits thereto and its Cost Proposal, is true and correct.” Failure to include such a certification shall make the Proposal non-responsive and unavailable for award.</p>	<p>Pass/Fail</p>
<p>2. All issued addenda. It is the responsibility of Respondents to check the District’s website to ensure that they have received all addenda.</p>	<p>Pass/Fail</p>
<p>3. Respondents must hold a California Contractors License, Class B, which is current, valid and in good standing with the California Contractor’s State License Board. Provide the following information for the license:</p> <ul style="list-style-type: none">a. Name of license holder exactly as on fileb. License Classificationc. License Numberd. Date Issuede. Expiration Date	<p>Pass/Fail</p>
<p>4. General information about your firm, including number of employees, years in business, name(s) of owner(s), home office location, local office location (if different), DIR registration number, whether you are a small business or disabled veteran business enterprise (DVBE), and market areas. Also include any signatory requirements to Union participation.</p>	<p>5 Points</p>

<p>5. Describe the history of any disputes and performance problems. At a minimum, discuss any of the following that have occurred:</p> <ul style="list-style-type: none"> a. Suspension or revocation of any license of the Respondent, or of any parent, subsidiary, predecessor company, or affiliated company, within the last ten years. An affiliated company is one with at least 10% common ownership, or with the same qualifying individual, or that has two or more board members or officers in common. b. Any EPA, Air Quality Management District, or Regional Water Quality Control Board finding against the Respondent or the owner of a project on which the Respondent was the prime contractor in the past five years. c. In the past five years, any violation by the Respondent of any provision of California apprenticeship laws or regulations, or the laws pertaining to use of apprentices on public works, or the laws requiring use of a "skilled and trained workforce" on certain public works projects. d. Payment by the Respondent of liquidated damages of \$50,000 or more on any contract in the last five years. e. Termination of the Respondent for default within the last ten years. f. In the past five years, cancellation of any insurance policy or refusal of any insurance company to renew an insurance policy due to non-payment of premiums or losses claimed. g. Any finding by any public entity in the past five years that the Respondent was not a "responsible" bidder or proposer. h. Any finding by a court or arbitrator in the past ten years that the Respondent was liable for making any false or fraudulent claim or material misrepresentation to a public agency or entity. i. Withdrawal of a bid for mistake. j. Withdrawal after a contract award to the Respondent. k. Any judgments against the Respondent in the past five years in actions in court or arbitration involving disputes with the owner of a construction project. This includes matters in which the Respondent was either plaintiff or defendant, and includes matters settled after judgment was announced. l. Any claims in excess of \$100,000 made in the past five years which were either a) asserted by the Respondent against a project owner in arbitration or litigation and compromised for 45% or less than the amount asserted or b) asserted against the Respondent by a project owner in arbitration or litigation and compromised for 55% or more than the amount asserted. 	<p>25 Points</p>
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<p>6. Describe the Respondent’s safety record and safety program, including at least</p> <ul style="list-style-type: none"> a. The Respondent’s worker safety program and how construction safety would be managed for the project. b. Any CAL OSHA or Federal OSHA finding against the Respondent for any “serious,” “willful” or “repeat” violations of its safety or health regulations in the past five years. c. For each of the last three complete years - Provide the Average Lost Workday Incident Rate (LWIR), the Average Recordable Incident Rate (RIR) and the Experience Modification Rate (EMR) provided by your worker’s compensation insurance carrier. 	<p>10 points</p>
<p>7. Identify the key personnel proposed to work on the Project, providing the names and levels of responsibility of the day-to-day project manager and superintendent and other key personnel. Emphasize specific experience as it relates to this project. Attach résumés for all identified key staff. Projects referenced on résumés should include contract value, start and finish dates, and delivery method (e.g., design-build, lease-leaseback, construction manager at risk, or design-bid-build). No substitution of personnel identified will be allowed without the District’s approval.</p>	<p>25 Points</p>
<p>8. Specific firm and/or proposed team experience with similar K-12 public school projects (Design-Bid-Build, “D-B-B”) in the Sacramento Valley in the last 10 years. Please include brief project description, constructed values, dates (start and completion), names of District contacts and architect/engineer contacts. The Respondent can also list Construction Manager At Risk or LLB projects where a competitive bid process was used to select the Contractor. The District may contact selected project contacts to assess similarity of work and quality of performance.</p>	<p>10 Points</p>
<p>9. Specific Respondent experience with similar K-12 public school projects conducted under Education Code section 17406 <i>et seq</i> (Lease Lease-back). Please include brief project description, constructed values, dates (start and completion), names of District contacts and architect/engineer contacts. The District may contact selected project contacts to assess similarity of work and quality of performance. Greater points will be awarded for demonstrated experience with the proposed project team.</p> <p>Clearly identify any and all LLB projects where you exceeded the originally established TBR or Guaranteed Maximum Price in the past 10 years (identify the initial contract value, the amount and the reasons for exceeding the TBR). Provide District contact information for each such project.</p>	<p>15 Points</p>

<p>10. Describe in detail your approach and methods for carrying out the Construction Services, including without limitation:</p> <ul style="list-style-type: none"> a. Any creative methodology or technology that your firm uses or unique resources that your firm can offer. b. Discuss past experience with innovative project delivery techniques likely to promote the goals of the District as stated in the RFP. c. Describe how Respondent will manage the Project during construction. d. Address how the Respondent's team will work in a deeply collaborative manner as part of our team, and specifically how this will change the individuals' roles from those typically required in public school construction. e. Describe capabilities for project scheduling, including typical software programs utilized and experience of personnel in these programs. Discuss briefly the plan for scheduling of this Project, including tracking and schedule updates. f. Describe how the Respondent will comply with "skilled and trained workforce requirements," including stating whether the Respondent operates its own State-approved apprenticeship program. 	<p>25 Points</p>
<p>11. Financial Information – Provide the following financial information:</p> <ul style="list-style-type: none"> a. A current "Comprehensive Insight Plus Report" from a commercial credit rating service, such as Dunn and Bradstreet. b. A letter from a financial institution stating a current line of credit. c. A letter from a California admitted surety or insurance company stating bonding limit that can be applied to this Project(s). d. A letter from insurance company indicating ability to provide insurance. e. Indicate current value of all work the Respondent has under contract. 	<p>5 Points</p>
<p>12. The selected LLB Entity will be required to finance a portion of the cost of the Project during the construction phase and the post-construction/occupancy phase. The post-construction / occupancy phase will be 24 months after final completion of construction. Identify the cost of financing the post-construction phase payments, stated as an annual percentage.</p>	<p>5 points</p>
<p>13. An enforceable commitment that, if selected to submit a proposal in response to the RFP and if selected as the Design-Builder, the DBE and its subcontractors at every tier will use a "skilled and trained workforce," as defined in Public Contract Code section 2601(d), to perform all work on the project that falls within an apprenticeable occupation in the building and construction trades.</p>	<p>Pass/Fail</p>

Maximum Technical Points: 125 Points

Cost Proposal

Submit the completed Cost Proposal (Exhibit B) in separate, sealed envelope, clearly labeled as the Cost Proposal.

The Cost Proposal **includes** the subcontractor listing required pursuant to Public Contract Code sections 4100 to 4114. With its Cost Proposal, every Respondent shall set forth: the name, portion of work, place

of business, contractor license number, and DIR registration number (as required by Labor Code section 1725.5) of each Subcontractor that will perform any portion of the Work in excess of one-half of one percent of the Total Base Rent. If a Respondent fails to list a Subcontractor for any portion of the work in excess of the stated limit, then the Respondent agrees that it is fully qualified to perform that portion itself, and will perform that portion itself.

Following selection, the Lease-Leaseback Entity will be required to submit in a confidential, sealed envelope the amount of the Total Base Rent allocated to the following: construction cost, Lease-Leaseback Entity fee, bonds, insurance, and financing costs (which must match the financing costs stated in the Cost Proposal).

VI. Selection Process

1. The purpose of this Request for Proposals is to enable the Lammersville Unified School District to select the firm offering the best value to the District for award of a lease-leaseback instrument under the provisions of Education Code section 17406.
2. The District will use the qualifications-based selection process outlined below.
3. A review and selection committee composed of key District officials and consultants will review and evaluate all Proposals based on the scoring criteria identified in Section V above. The evaluation team first will evaluate the submitted Proposals to determine whether they meet the format and content requirements and the standards specified in the RFP. All compliant Proposals will be scored using the criteria identified above. The evaluation team will not open the contents of the sealed cost proposal during this part of the evaluation.
4. After the evaluation team scores all Proposals, each Proposal shall be assigned a technical score for each scored factor that is the average of the individual evaluators' scores for the factor. A Proposal which fails to receive an average evaluators' score of at least 60% of the possible points for any individual factor will not be scored further. For Proposals meeting this standard, the scores of the individual factors will be combined to determine a total technical score.
5. After the Proposals are scored, the District will rank the Proposals qualified to continue by technical score. The District will then schedule interviews with the top three scoring Respondents. Each interview will be approximately 60 minutes, during which the Respondent will be asked to answer a fixed set of questions. Respondents may receive up to 100 additional points based on responses to those questions. Respondents will be expected to bring all key personnel proposed to work on the Project to the interview. The interview score will be added to the Proposal's technical score.
6. Following the interviews, the cost proposal will be opened for all Respondents that participated in the interviews. The cost proposal shall be worth up to 100 points, scored as follows:

Lowest cost proposal	100 points
Cost up to 1% higher	96 points
Cost between 1.1% and 2% higher	92 points
Cost between 2.1% and 4% higher	84 points
Cost between 4.1% and 6% higher	77 points

Cost between 6.1% and 8% higher	70 points
Cost between 8.1% and 10% higher	65 points
Cost between 10.1% and 15% higher	55 points
Cost between 15.1% and 20% higher	45 points
Cost more than 20% higher	25 points

7. The District shall add the cost proposal scores to the interview scores and technical scores to obtain a total Proposal score for each interviewed Respondent. The District shall then rank the Respondents from highest score (best value) to lowest score.
8. If the District elects to proceed with award, then, in a Notice of Intent to Award, the District shall publicly announce the rankings and scores, identify the intended awardee offering the best value, identify the intended awardee's price, and state the date of the Board meeting at which the award will be recommended.
9. Proposals will be opened privately to assure confidentiality and avoid disclosure of the contents to competing Respondents prior to and during the review, evaluation, and negotiation processes. However, to the extent that the submittals are public records under California law, they may be released to members of the public if specifically requested under the California Public Records Act.
10. The District reserves the right to request additional information at any time, which, in its sole opinion, is necessary to assure that a Respondent's competence, number of qualified employees, business organization and financial resources are adequate to perform the required lease-leaseback services for the District.
11. If the Respondent to which the LLB instrument is awarded fails to execute the Site Lease and Facilities Lease within a reasonable time following award by the Board, then the Board may award the LLB Instrument to the next-highest scored Respondent if the Board finds the award to be in the best interest of the District

VII. General Information

1. Amendments. The District reserves the right to cancel or revise in part or in its entirety this RFP. If the District cancels or revises this RFP, then it will do so by addenda posted to the District's website and provided to Respondents. The District also reserves the right to extend the date responses are due.
2. Inquires. Any questions regarding this RFP or selection process may be directed to Dr. Kirk Nicholas, District Superintendent via email to nbalzarini@sjcoe.net (Note "Hansen RFP" in subject line) or fax (209) 836-7402. Applicants are requested not to contact other District staff or Board members in connection with this selection process. Any applicants who violate this request may be disqualified from further consideration.

Respondents are encouraged to submit questions regarding any ambiguity, uncertainty, or other perceived flaw in this RFP, or any proposed changes to the Site Lease or Facilities Lease, as soon as the issue is identified. Any such issue which is not raised prior to the deadline to submit Proposals shall be waived, and the District will not consider any challenge based on the contents, structure, or terms of this RFP after the Proposal deadline.

The District shall not be obligated to respond to any question unless it is submitted in writing to the District designated representative identified above. The District shall be bound only by written responses to questions contained in an addendum to the RFP. Oral responses, or email responses, shall not be binding on the District.

The District will reply regarding substantive issues by addenda which will be uploaded to the District's website. It is the responsibility of the Responder to check the District's website for updated information prior to the Proposal due date. Questions received after the deadline noted in the RFP may not be answered.

VIII. Special Conditions

1. Non-Discrimination. The District does not discriminate on the basis of race, color, national origin, religion, age, ancestry, medical condition, disability or gender in consideration for an award of contract.
2. Drug-Free Policy and Fingerprinting. The selected LLB Entity shall be required to complete any and all fingerprinting requirements and criminal background checks required by State law and shall also be required to complete a Drug-Free workplace certificate.
3. Costs. Costs of preparing a Proposal in response to this RFP are solely the responsibility of the Respondent.
4. Prevailing Wages. Respondents are advised that this Project is a public work for purposes of the California Labor Code, which requires payment of prevailing wages. These rates are set forth in a schedule that may be found on the California Department of Industrial Relations home page (www.dir.ca.gov). Any LLB Entity to which a contract is awarded must pay the prevailing wage rates, post copies thereof at the job site, and otherwise comply with applicable provisions of State law.
5. Bonding. The successful LLB Entity will be required to furnish Performance and Payment (Material and Labor) Bonds in the amount of one hundred percent of the TBR prior to commencing work.
6. Limitations. This RFP does not commit the District to award a contract, to defray any costs incurred in the preparation of a Proposal pursuant to this RFP, or to procure or contract for work.

IX. Cost Proposal – See attached Exhibit B (To be included in a sealed envelope in RFP Response)

X. Facilities Lease – See attached Exhibit C

XI. Site Lease – See attached Exhibit D