

Eureka City Schools Board of Education

2100 J Street, Eureka, CA 95501 (Room 116)

5:00 PM

June 14, 2022

SPECIAL MEETING

AGENDA

A. CALL TO ORDER OF OPEN SESSION

B. PUBLIC COMMENT ON SPECIAL MEETING ITEMS

The Board of Trustees reserves the right to change the order in which agenda items are discussed and/or acted upon at this meeting. Subject to further action by the Board, this meeting will proceed as provided in this agenda. Items may be added to this agenda for discussion or action only as permitted by law.

C. DISCUSSION/ACTION

- (1) Resolution #21-22-033: Approving the Total Base Rent for the Lease-Leaseback Agreement with Dinsmore Construction Company for the EHS Science Building

Referred to the Board by:

Paul Ziegler, Assistant Superintendent of Business Services

D. ADJOURNMENT

Notice: Documents and materials relating to an open session agenda that are provided to the Board less than 72 hours prior to a regular meeting will be available for public inspection and copying at the Eureka City Schools District Office, Superintendent's Office (Room 108), 2100 J Street, Eureka, CA 95501.

Notice: Eureka City Schools adheres to the Americans with Disabilities Act. Should you require special accommodations or auxiliary aids and services in order to participate in the Board meeting, please contact the Superintendent's Office (Room 108) in writing three days prior to the meeting at 2100 J Street, Eureka, CA 95501.

Notice: The Governing Board reserves the right to take action on any item listed on this agenda.

AGENDA ITEM

Agenda Title: Resolution #21-22-033: Approving the Total Base Rent for the Lease-Leaseback Agreement with Dinsmore Construction Company for the EHS Science Building

Meeting Date: June 14, 2022

Item: Discussion/Action

WHAT *(the board is asked to discuss, receive, approve, or adopt)*

The Governing Board is asked to approve Resolution #21-22-033: Approving the Total Base Rent for the Lease-Leaseback Agreement with Dinsmore Construction Company.

WHY *(briefly explain why the action or discussion is important; and if applicable, how it is connected to site, district, or strategic plans)*

The Total Base Rent is part of the lease leaseback procedures.

STRATEGIC PLAN/PRIORITY AREA:

Priority Area 12: NEW AND MODERNIZED FACILITIES

HISTORY *(list previous staff or board action(s) with dates if possible)*

The Governing Board approved the updated lease leaseback with Dinsmore Construction at the March 31, 2022 Board meeting.

HOW MUCH *(list the revenue amount \$ and/or the expense amount \$)*

Total Base Rent: \$9,989,907.

WHO *(list the name of the contact person(s), job title, and site location)*

Paul Ziegler, Assistant Superintendent of Business Services

ATTACHMENTS:

Description

- ▢ Resolution No. 21-22-033

EUREKA CITY SCHOOLS
RESOLUTION NO. 21-22-033

*Resolution of the Governing Board of the Eureka City Schools Approving the Total Base Rent for
the Lease-Leaseback Agreement with Dinsmore Construction Company*

WHEREAS, pursuant to Education Code 17406, the Eureka City Schools ("District") entered into a Lease-Leaseback Agreement with Dinsmore Construction Company ("Contractor"), dated March 31, 2022, to undertake the development and construction of the Eureka High School Science Building Lease-Leaseback Project (the "Work"); and

WHEREAS, all preconstruction services for the Work have 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 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 Work, consisting of (a) all subcontracts to be awarded by Contractor for the Work and (b) any separately awarded contracts for materials and supplies for the 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 Total Base Rent; and

WHEREAS, Contractor has provided the District with objectively verifiable information of its costs to perform the Work and a written rationale for the Lease-Leaseback Total Base Rent, including documentation sufficient to support the calculation, which is attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED that the Governing Board of the Eureka City Schools:

1. Approves the Lease-Leaseback Total Base Rent based on the written rationale provided by the Contractor, as set forth in Exhibit A; and
2. Amends the Lease-Leaseback Agreement to include the Schedule of Payments, attached hereto as Exhibit B; and
3. Directs the District Superintendent or designee to issue the Contractor a Notice to Proceed for the Work.

PASSED AND ADOPTED by vote of the members of the Governing Board of the Eureka City Schools on June 14, 2022.

AYES:

NOES:

ABSENT:

ABSTAINED:

EUREKA CITY SCHOOLS

Attest:

Lisa Ollivier, President

Mario Fernandez, Clerk to the Board

EXHIBIT A

Dinsmore Construction Co.

50 Main Street | Fortuna, CA 95540
Ph: 707.725.4900 | Fx: 707.499.4905



June 9, 2022

Eureka City School District
Building C Alterations (Science Wing)

Scope Clarifications & Cost Alternates for Dinsmore Construction Proposal

1. Many of our manufacturers and suppliers have advised that until further notice they reserve the right to amend the price, the delivery date, the scope or the quantity of supply and/or other terms and conditions set out in their offers or quotations. Be advised that we consider any current Covid-19 related changes imposed by manufacturers or suppliers as outside our reasonable control subject to any Force Majeure provisions. The pricing presented in the accompanying spreadsheet is based on today's prices only; any final agreed-upon pricing will need to include a method to take into account current and future price increases.
2. All utility inspections and fees are to be paid by the owner. We have not investigated or accounted for use fees, connection fees, City of Eureka construction costs or assessment fees in this proposal.
3. No encroachment permit has been included for work adjacent to J Street.
4. Owner to supply all plan and specification sets for construction, we have not included any reproduction costs in this quote.
5. This proposal does not include temporary construction offices for the contractor or inspector. We do not believe they are necessary nor is there room on site for them.
6. The requirement for a cost loaded schedule is specifically excluded.
7. Alternate No. A – Unit price to clean out and repair cracks in concrete slabs is not provided in this quote. A lump sum for the project was submitted by North Coast Flooring in the amount of \$60,783; we suggest using this figure as an allowance for floor repair work. Not included in bid spreadsheet.
8. Alternate No. B – Unit price to clean out and repair existing expansion joints in concrete slabs is not included, we suggest using the allowance mentioned in Line 8 above for performing the work.
9. Alternate No. C – Cost to lower existing floor sewer clean outs to allow for grinding not provided due to unknown amount of work to perform. The plumbing subcontractor specified \$450 per cleanout if and only if the actual work is relatively simple; this figure does not include the concrete demo and replacement which is also very dependent on what piping will need to be replaced. We suggest using an allowance if this work becomes necessary.
10. Alternate No. D – Cost to lower all observed existing electrical floor boxes submitted by Colburn Electric in the amount of \$70,866. Not included in bid spreadsheet.
11. Alternate No. E – Cost to clean and patch spalls in concrete flatwork not provided, we suggest using the allowance mentioned in Line 8 above for performing the work.
12. Alternate No. F – Deleted by Addendum 5. Cost to install glass mat gypsum board over CMU in classrooms not provided.
13. Alternate No. F1 – Deleted by Addendum 5. Cost to remove and reinstall surface mounted conduits at CMU walls is not provided.
14. Alternate No. G – Cost to remove and replace existing electrical panels submitted by Colburn Electric in the amount of \$71,980. This amount is not included in the "Sub-total of Construction Costs" on the attached bid spreadsheet. Alternate G mentions replacement of Panel E. Note: we could not locate Panel E on the drawings or the one line electrical diagram.

15. Alternate No. H – Alternate pricing for complete vs partial cabinet pricing not provided in this quote. This proposal includes an allowance for all new wood educational grade cabinets throughout to be provided by specified provider Laboratory by Design in lieu of Kewaunee specialty laboratory grade cabinets. We were unable to obtain a quote on the Kewaunee cabinets due to time constraints in conjunction with the multiple revisions made to the bid documents. No new plastic laminate cabinets are included in the allowance.
16. Laboratory countertops and sink accessories are included as an allowance in Items #52 & 53 of the attached spreadsheet. These items and quantities were estimated based on the elevation drawings.
17. Modifications to and refinishing of existing cabinet work is not included in this allowance, see Line 15 above.
18. We received no bids for plastic laminate work on the project. We have included an allowance of \$10,000 in Item #20 of the attached spreadsheet for the new shelf in the Life Science rooms per Addendum 03.
19. The windows provided in the proposal are Marvin wood windows per specifications section 08520. There was discussion of changing to aluminum or vinyl windows for cost & maintenance reductions but no direction was provided. An allowance of \$208,719 delivered to the jobsite may be used if alternates to the Marvin windows are considered.
20. The Marvin wood windows quoted are single ganged-together units at each window location noted on the plans. The plan details lead to the discovery that each indicated window is actually three separate windows separated by wood framing but this would be more expensive and subject to water intrusion.
21. The roofing subcontractor indicated the roof deck insulation would not be available until early 2023.
22. This proposal includes all the demolition, installation of blocking and gypsum wallboard replacement necessary to install the new cabinetry represented by the cabinet allowance.
23. We have not included removal and reinstall of the existing boiler so that a new sewer line can be installed through the boiler room as shown on Addendum 1 Sheet DA.1. It is unknown whether a replacement sewer line will be necessary, and even if it is there may be alternate routes that are much less expensive.
24. Similar to Line 23 above, this proposal does not include the new 4" sewer line through the patio area or repairs of the sewer line leading out to the street. The scope of such work is too nebulous and should be performed on a T&M basis if and only if it is found to be necessary. Note 8/P.4A on Addendum No. 2 is not included as stated. The plumber will camera the sewer lines after the toilet rooms are removed. If the blockage cannot be corrected as part of the new toilet room sewer piping any additional required repairs will be reviewed by the engineer and accounted for with a change order.
25. An Intrusion alarm system per spec section 267600 is not included per request of the District. Add \$52,000 to Item #62 of the bid spreadsheet if this requirement is reinstated.
26. Replacement of the under slab sewer line to the janitor sink in the boiler room is not included because the room is not configured as indicated on the drawings; replacement would be very difficult due to insufficient space.

End of Clarifications

SPREADSHEET OF JOB COSTS

#20xx EHS Building C Alterations (Science Wing)				\$10,489,402	
Item#	Spec#	Description	Subcontractor	Low Bid	2nd Low Bid
1	02070	Hazardous Material Abatement	Infinity Abatement	325,000	0
2	02072	Temporary Protections	Dinsmore Construction	9,672	0
3	02072	Demolition - Building (soft demo)	Dinsmore Construction	230,558	0
4	02072	Demolition - Concrete	Included in line 3	0	0
5		Demo Patio (concrete & subgrade)	Dinsmore Construction	39,357	0
6	02218	Lawn & Landscape Repair	Dinsmore Construction	8,514	0
7	02825	Ornamental Fencing	Not in Contract	0	0
8	02846	HC Parking Signage	Dinsmore Construction	2,294	0
9	02513	Pavement Striping	Foster Striping	6,830	11,500
10	02513	Concrete Wheel Stops	Included in line 9	0	952
11	02514	Concrete @ HC Parking (incl demo)	Dinsmore Construction	16,952	0
12	02514	PC Concrete - Patio	Dinsmore Construction	64,260	0
13	03300	Structural Concrete	Dinsmore Construction	98,941	0
14		spare line		0	0
15	05110	Fabricated Structural Steel	O&M Industries	33,729	0
16	05520	Metal Handrails & Railings	Included in line 15	0	0
17	06100	Rough Carpentry	Dinsmore Construction	294,549	0
18		spare line		0	0
19	06200	Finish Carpentry	Dinsmore Construction	14,750	0
20	06415	Plastic Laminated Cabinets - Allowan	Allowance - Life Sciences Shelf	10,000	0
21	07213	Building Insulation - Batts	Insulation Pros	5,600	0
22	07260	Vapor Retarders	Dinsmore Construction	4,608	0
23	07514	Built-up Asphalt Roofing	McMurray & Sons Roofing	889,680	0
24	07214	Roof Deck Insulation	Included in line 23 above	0	0
25	07620	Sheet Metal/Gutter/Downspouts	California Heating	76,510	0
26	07620	Sheet Metal Window Wraps	Dinsmore (labor only) Mat in line 25	29,712	0
27	07631	PVC Downspouts & Roof Drains	Dinsmore Construction	5,898	0
28	07724	Roof Hatches	Dinsmore/Collier Warehouse	4,821	0
29	07840	Fire Stopping	Dinsmore Construction	2,718	0
30	07900	Joint Sealants	Dinsmore Construction	6,246	0
31	08110	Doors/Frames/Hardware	Dinsmore/Bell Hardware	192,600	0
32	08310	Access Doors	Dinsmore Construction	2,335	0
33	08520	Wood Windows - Marvin	Schmidbauer/Dinsmore	249,645	0
34	08800	Glazing	Dinsmore - plug	12,000	0
35	09260	Gypsum Wallboard	JH Kruger Plaster & Drywall	214,700	0
36	09312	Ceramic Tile	Eric Ross Tile/Dinsmore	56,558	61,500
37	09511	Suspended Acoustical Ceilings	Ceiling Experts	125,000	177,500
38	09512	Adhesive Applied Acoustical Ceilings	Included in line 37	0	0
39	03352	Polished Concrete	North Coast Flooring/Dinsmore	327,846	476,276
40	09650	Rubber Base	Included in line 39	0	0
41	09900	Painting	Hamanaka Painting	695,404	0
42		Refinish Existing Cabinets	See Summary Allowance	0	0
43		spare line		0	0
44	10100	White Boards	Dinsmore/ABC School Equipment	23,583	0
45	10155	Toilet Partitions	Dinsmore/Hilltop Commercial	8,003	0
46	10800	Toilet Accessories	Dinsmore/Hilltop Commercial	17,984	0
47	10140	Signage - Interior	Dinsmore/Signs of Success	21,586	0
48	10505	Metal ADA Lockers	EVCO Systems	9,000	0
49	10522	Fire Extinguishers & Cabinets	Dinsmore Construction	3,404	0
50	10655	Accordian Partition	Partition Specialties	22,191	0
51	11005	Knox Box	Dinsmore Construction	963	0
52	12345	Science Equipment & Casework (New)	Labs by Design - Allowance	528,594	0
53	12349	Science Countertops	Labs by Design - Allowance	466,406	0
54		spare line		0	0
55		spare line		0	0

SPREADSHEET OF JOB COSTS

#20xx EHS Building C Alterations (Science Wing)				\$10,489,402	
Item#	Spec#	Description	Subcontractor	Low Bid	2nd Low Bid
56	220000	Plumbing	Maples Plumbing	766,175	924,000
57	230000	HVAC	California Heating	1,298,396	1,706,145
58	230000	Hydronic Piping	Included in line 56	0	0
59	230000	Duct Cleaning	Included in line 57	0	0
60	230000	Duct Sealing/Pressure Testing	Included in line 57	0	0
61	260000	Electrical	Colburn Electric	1,471,620	0
62	267600	Intrusion Alarm	Omit per District request	0	52,000
63	267720	Assisted Listening System	Included in line 61	0	0
64	271000	Data/Communication Cabling	Included in line 61	0	0
65	283100	Fire Alarm System	Included in line 61	0	0
66				0	0
67				0	0
68				0	0
69				0	0
70				0	0
71				0	0
72				0	0
73				0	0
74				0	0
100				0	0
			Subtotal of construction costs:	\$ 8,695,192	
		14.890%	Contractor's Fee per LLB Contract:	\$ 1,294,714	
		Notice of Award Amount:	Construction Sub-total (Total Base Rent):	\$ 9,989,907	
		5.00%	Construction Contingency Fund:	\$ 499,495	
			Total GMP w/ Contingency:	\$ 10,489,402	

Dinsmore Construction Co.

SUBCONTRACTOR LIST
(for Subcontract amounts > 0.5% of total bid amount)
EUREKA HIGH SCHOOL
ALTERATIONS TO BUILDING C (SCIENCE BUILDING)

GENERAL CONTRACTOR: DINSMORE CONSTRUCTION CO.
DIR #1000004822, CA LICENSE #539046(B)

<u>PORTION OF WORK</u>	<u>SUBCONTRACTOR NAME</u>	<u>LOCATION OF BUSINESS</u>	<u>LICENSE #</u>	<u>DIR #</u>
HAZARDOUS MATERIALS ABATEMENT	Infinity Abatement	Redding, CA	883918	1000003246
ROOFING & RIGID INSULATION	McMurray & Sons Roofing	Eureka, CA	249538	1000002241
GYPSUM WALLBOARD	John H. Kruger Plaster & Drywall	Eureka, CA	754609	1000023562
ACOUSTICAL CEILINGS	Ceiling Experts	Sacramento, CA	917629	1000006305
PAINTING	Hamanaka Painting	Eureka, CA	667475	1000012103
CABINETS & COUNTERTOPS	ALLOWANCE ITEM (SUBCONTRACTOR BE LISTED AT A LATER DATE)			
PLUMBING	Maples Plumbing	Eureka, CA	747665	1000003320
HVAC SYSTEMS	California Heating	Arcata, CA	703224	1000009591
ELECTRICAL, FIRE ALARM, DATA	Colburn Electric	Eureka, CA	750471	1000000666

EXHIBIT B

ADDENDUM TO LEASE-LEASEBACK AGREEMENT

Eureka City Schools (“Owner”) and Dinsmore Construction Company (“Contractor”) entered into a Lease-Leaseback Agreement, dated March 31, 2022, for certain tenant improvements to the Eureka High School campus, located at 1915 J Street, Eureka, CA.

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

- Article III. Time to Complete and Liquidated Damages – The time for completion of the Project shall be August 1, 2023.
- Exhibit D: 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 June 14, 2022.

Eureka City Schools

Dinsmore Construction Company

Title: Assistant Superintendent
Business Services

Title: Owner

Exhibit D
Schedule of Payments

EUREKA HIGH SCHOOL SCIENCE BUILDING PROJECT
SCHEDULE OF LEASE PAYMENTS

The District shall make payments to Lessor totaling the amount of: \$9,989,907 ("Total Base Rent").

In addition to the above, a District-controlled contingency of \$499,495 has been approved by the District for unforeseen conditions, design oversights, owner added work and jurisdictional requests. Lessor shall use the Modifications of Contract process provided in the General Conditions to request contingency payments.

The Total Base Rent for all construction costs for the Project is based on the plans, specifications, drawings, and design packages prepared by FF&J Architects dated June 3, 2022 (DSA date stamp).

Upon approval of the Total Base Rent, ninety-five percent (95%) of the Total Base Rent plus change orders shall be paid on the level of completion as shown in the monthly Applications for Payment. 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 plus change orders across a total of twelve (12) months.

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.