



Gateway Unified School District

Providing Excellence in Learning: Every Student, Every Day

4411 Mountain Lakes Blvd. • Redding, CA 96003 • (530) 245-7900 • (530) 245-7920

www.gateway-schools.org

**GATEWAY UNIFIED SCHOOL DISTRICT
MEASURE G BOND OVERSIGHT COMMITTEE
MEETING AGENDA
CENTRAL VALLEY HIGH SCHOOL (Talon Hall)
4066 La Mesa Avenue
Shasta Lake, CA 96019**

In compliance with the Americans with Disabilities Act, the Gateway Unified School District will make available to the public who has a disability, any needed modification or accommodation in order for that person to participate in the public meeting. Contact the District Office at (530) 245-7908 at least one (1) week prior to the scheduled meeting.

**August 12, 2014
Central Valley High School (CVHS)**

**5:30 P.M.
Talon Hall**

Public Comments: Persons who wish to address the Committee for items listed on the agenda, must complete the Speaker Card provided and hand it to the Committee secretary preferably prior to when the items are called on the agenda.

5:30 P.M. 1. CALL TO ORDER:

2. FLAG SALUTE:

3. ROLL CALL:

Richard Artusy _____
Michael Daniels _____
Steve Hagenbaugh _____
Leroy Perkins _____

Kim Weatherbee _____
Tammi Whetstine _____
Jim Harrell, Superintendent _____

4. APPROVAL OF AGENDA (Action):

Moved Seconded Ayes Noes Absent Abstained

5. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:

Under this item, the public is invited to address the Committee regarding items that are not on tonight's agenda. Speakers are limited to three minutes each. The Committee is not allowed under the law to take action on matters that are not on the agenda. The public will have an opportunity to comment on all agenda items as they are presented this evening.

**BUCKEYE SCHOOL
OF THE ARTS**
3407 Hiatt Drive
Redding, CA
96003
(530) 225-0420

**CENTRAL VALLEY
HIGH SCHOOL**
4066 La Mesa Avenue
Shasta Lake, CA
96019
(530) 275-7075

**GATEWAY
EDUCATIONAL OPTIONS**
3500 Tamarack Drive
Redding, CA
96003
(530) 245-7960

**GRAND OAKS
ELEMENTARY SCHOOL**
5309 Grand Avenue
Shasta Lake, CA
96019
(530) 275-7040

**MOUNTAIN LAKES
HIGH SCHOOL**
17752 Shasta Dam Blvd.
Shasta Lake, CA
96003
(530) 275-7000

**SHASTA LAKE
SCHOOL**
4620 Vallecito Street
Shasta Lake, CA
96019
(530) 275-7020

6. SPECIAL BUSINESS (Information and/or Discussion):

- 6A.** Introduction of new and current Bond Committee Members *(I) (D)*
- 6B.** Presentation of the District's 2012/13 Proposition 39 and Measure G General Obligation Bond Performance Audit Report *(I) (D)*
- 6C.** Discussion regarding the one (1) year Audit Services Contract provided by Matson and Isom, CPA audit firm for Measure G General Obligation Bonds of the Gateway Unified School District *(I) (D)*
- 6D.** Presentation of the Board ratified contract for Architectural Services Contract with Semingson Architects for the Central Valley High School Renovation Projects *(I) (D)*
- 6E.** Presentation of the Board ratified Lease-Leaseback Agreement with Gifford Construction, Inc. for the Maintenance and New Construction Projects (Central Valley High School) *(I) (D)*
- 6F.** Presentation of the District Wide Intercom, Paging and Bell System based on the Request for Proposals (RFP) *(I) (D)*
- 6G.** Timeline review for the Measure G Bond Central Valley High School Gymnasium and Tennis Court renovation project *(I) (D)*

7. NEW BUSINESS (Discussion and/or Action):

- 7A.** Selection of Committee Chairperson and Vice Chairperson *(D) (A)*
- 7B.** Approval of the Bond Fund Budget Report through August 7, 2014 *(D) (A)*
- 7C.** Soliciting members from the public who reside in the Gateway Unified School District boundaries to serve on the committee as: *(D)*
 - A bona-fide tax payer representative
 - A business member representative (business must be located in the District's boundaries)
- 7D.** Set next meeting date *(D)*
- 7E.** Tentative Tour of Gymnasium *(D)*

8. COMMITTEE COMMENTS:

9. ADJOURNMENT:

Moved Seconded Ayes Noes Absent Abstained

Legend: *Agenda items presented are for: Information (I) Discussion (D) and/or Action (A)*

Note: Copies of the agenda may be reviewed at each Gateway school site, as well as on the Gateway Unified School District website at <http://www.gateway-schools.org/home.aspx> under the Governance tab/Measure G Bond Information. Copies of the agenda, complete with backup materials, may be reviewed at the Gateway Unified District Office, 4411 Mountain Lakes Blvd., Redding, CA 96003, during the hours of 7:30 A.M. to 4:30 P.M., Monday through Friday; excluding holidays.



MATSON
& ISOM

GATEWAY UNIFIED SCHOOL DISTRICT
PROPOSITION 39 AND MEASURE G
GENERAL OBLIGATION BONDS

Redding, California

PERFORMANCE AUDIT

June 30, 2013

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June 30, 2013

*Gateway Unified School District
Proposition 39 and Measure G
General Obligation Bonds*

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MATSON
& ISOM

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Gateway Unified School District
Redding, California

Report on Compliance

We have audited the Gateway Unified School District's (the District) compliance with the performance requirements for the Proposition 39 and Measure G General Obligation Bonds for the year ended June 30, 2013.

Management's Responsibility

Management is responsible for the District's compliance with those requirements.

Auditors' Responsibility

Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted this performance audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the performance requirements for Proposition 39 and the Bond that could have a material effect on compliance occurred. An audit includes examining, on a test basis, evidence supporting the District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our performance audit does not provide a legal determination on the District's compliance with the specific requirements.

Opinion

In our opinion, the District complied, in all material respects, with the performance requirements referred to above that are applicable to the District for the year ended June 30, 2013.

Matson and Isom

December 4, 2013
Redding, California

OBJECTIVES

The objectives of our performance audit were to document the expenditures charged to the voter-approved Proposition 39 and Measure G General Obligation Bonds (the Bonds); determine whether expenditures for the fiscal year ended June 30, 2013, charged to the building fund, have been made in accordance with project budgets and guidelines; note any incongruities or system weaknesses; and provide recommendations for improvements.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal year ended June 30, 2013. The expenditures included all object and project codes associated with the Bond's projects. The propriety of expenditures for capital projects and maintenance projects funded through other state or local funding sources were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2013, were not reviewed or included within the scope of our audit.

BACKGROUND INFORMATION

On November 4, 2008, \$19,000,000 in general obligation bonds were authorized by an election held within the District. A citizens' oversight committee was appointed on January 21, 2009, to comply with the California Constitution and the California Education Code. The purpose of the committee is to inform the public, at least annually, regarding the appropriate use of the Bond proceeds. On July 8, 2009, bonds in the amount of \$6,320,718 were issued at a premium of \$413,446. The total proceeds from the bond issuance were received by the District and are to be used to modernize, replace, renovate, construct, acquire, equip, furnish, and otherwise improve the District's facilities. The District paid issuance costs totaling \$403,074 from the proceeds. California Constitution, Article 13A, Section 1(b)(3) requires an annual performance audit be conducted to ensure that funds have been expended only on the specific projects publicized by the District.

PROCEDURES PERFORMED

We obtained the building fund general ledger and the project expenditure summary reports and detail prepared by the District for the fiscal year ended June 30, 2013. Within the year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with Proposition 39 and Measure G General Obligation Bond funding. We performed the following procedures:

- We reviewed the District's bond project publicized list of intended projects.
- We selected a sample of expenditures in the fiscal year ended June 30, 2013, and reviewed supporting documentation to ensure that funds were properly expended on the specific projects as outlined in the publicized list and that they met the requirements for bidding, if applicable.
- We compared total project expenditures to budgets to determine if there were any expenditures in excess of appropriation.
- We verified that funds were expended only for the purposes for which the bonds were issued, as specified in the official statement of bond indenture submitted by the District to the County Auditor.
- We verified that funding was not used for salaries of school administrators or other operating expenses of the District.
- We reviewed the Measure G Bond Oversight Committee minutes for approval of appropriate expenditures.

RESULTS OF THE PROCEDURES

The District utilized Bond funds for four projects. The District incurred total expenditures of \$6,693,811 through June 30, 2013, for the following projects:

	Budget	Prior Expenditures	June 30, 2013 Expenditures	Total Expenditures	Status
Central Valley High School multi-purpose building	\$ 2,320,525	\$ 1,933,524	\$ 383,355	\$ 2,316,879	Completed
Buckeye School of the Arts multi-purpose building	2,750,800	2,713,340	16,816	2,730,156	Completed
Buckeye School of the Arts parking lot change order	380,000	223,377	-	223,377	Completed
2006 Certificates of participation redemption	1,020,325	1,020,325	-	1,020,325	Completed
Bond issuance costs	403,074	403,074	-	403,074	Completed
Total	\$ 6,874,724	\$ 6,293,640	\$ 400,171	\$ 6,693,811	

Each of the projects has been given a specific project identification number within the District's building fund. Budgets for each project are included in the financial reporting system and actual expenditures are matched against this budget.

CONCLUSION

Based upon the procedures performed, we found that for the items tested, the District has properly accounted for the expenditures of the Proposition 39 and Measure G General Obligation Bonds. Further, it was noted that the funds were not used for salaries of school administrators or other operating expenditures. Our audit does not provide a legal determination on the District's compliance with the specific requirements.

MANAGEMENT COMMENTS AND RECOMMENDATIONS

None.

MATSON
& ISOM

July 30, 2014

Mr. James M. Harrell
Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding, CA 96003

Dear Mr. Harrell:

We are pleased to confirm our understanding of the services we are to provide for Gateway Unified School District.

We will audit the Measure G General Obligation Bonds of Gateway Unified School District (the District) for compliance with the performance requirements of California Constitution, Article 13A, Section 1 (Proposition 39) as of and for the year ended June 30, 2015. Our audit will be conducted in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Accordingly, it will include tests of your records and other procedures we consider necessary to enable us to express an opinion as to whether the District complied, in all material respects, with the aforementioned requirements. If for any reason, we are unable to complete the audit, we will not issue a report as a result of this engagement.

Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, fraud, or other illegal acts, that may exist. However, we will inform you of any material errors or fraud that comes to our attention. We will also inform you of any other illegal acts that come to our attention, unless clearly inconsequential.

We understand that you will provide us with the basic information required for our audit and that you are responsible for the accuracy and completeness of that information. Management is responsible for management decisions and functions, and for designating a qualified management-level employee to oversee our services. Management is responsible for evaluating adequacy and results of those services and accepting responsibility for such services. Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

If you intend to publish or otherwise reproduce the performance audit and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed. With regard to the electronic dissemination of performance audit, including the performance audit published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State of California. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Mr. James M. Harrell
Gateway Unified School District
July 30, 2014
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At the end of the engagement, we will require a representation letter from management. We expect to issue our report not later than December 31, 2015. The audit documentation for this engagement is the property of Matson and Isom and constitutes confidential information. However, we may be requested to make certain audit documentation available to the California Department of Education, the State Controller's Office, or the California Department of Finance pursuant to authority given to them by law or regulation. If requested, access to such audit documentation will be provided under the supervision of Matson and Isom personnel. Furthermore, upon request, we may provide copies of selected audit documentation to them. They may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We may from time to time, and depending on the circumstances, use certain third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

Dawn M. Buchanan is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fees for these services will not exceed \$3,300. The fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. We will provide you with lists of information and various forms that can be used to provide us with the financial records and related information required for our examination. Our service fees for the audit are based on the availability at the beginning of fieldwork of all financial records identified in the lists of information required for our audit.

Our service fees do not include the presentation of the report at the District's board meeting or the citizen's oversight committee. Should you desire a presentation, you will be obligated to compensate us at our standard hourly rates for travel time and travel expenses in addition to the time required to prepare for and attend the board meeting. Our standard hourly rates, which are adjusted annually in August, are currently as follows:

Partner	\$280
Manager	\$185
Senior	\$135

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Mr. James M. Harrell
Gateway Unified School District
July 30, 2014
Page 3

In accordance with the requirements of Government Auditing Standards, we have attached a copy of our 2012 external peer review report of our firm for your consideration and files.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the original, and return it to us in the enclosed envelope. A copy is enclosed for your records.

Very truly yours,

MATSON AND ISOM



TAEN F. SAETEURN, CPA
Email: tsaeteurn@matson-isom.com

TFS:dap
Enclosures

Acknowledged:

This letter correctly sets forth the understanding of Gateway Unified School District.

Signature

Title

Date



POWELL & SPAFFORD, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
Patrick D. Spafford, CPA

Licensed by the California Board of Accountancy
Member American Institute of Certified Public Accountants

System Review Report

To the Members of
Matson and Isom
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Matson and Isom (the firm) in effect for the year ended March 31, 2012. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of Employee Benefit Plans.

In our opinion, the system of quality control for the accounting and auditing practice of Matson and Isom in effect for the year ended March 31, 2012, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)* or *fail*. Matson and Isom has received a peer review rating of *pass*.

Powell & Spafford, LLP

May 24, 2012

AGREEMENT FOR ARCHITECTURAL SERVICES

This agreement for architectural services ("Agreement") is made and entered into by and between the Gateway Unified School District ("District") and Semingson Architects, Inc., ("Architect").

Whereas, the District proposes to undertake the construction of the projects described below which require the services of a duly qualified and licensed architect with expertise in the area of school construction;

Whereas, the Architect is licensed to practice architecture in the State of California (License No. C-24582) and represents that the firm is qualified to provide the services required by the District; and

Whereas, this Agreement sets forth the terms and conditions for the provision of such services.

Now, therefore, it is hereby agreed:

1. AGREEMENT

District retains Architect to perform, and Architect agrees and undertakes to provide to District, for the consideration and upon the terms and conditions set forth below, the architectural services specified in this Agreement and those related services incidental thereto.

2. PROJECT DESCRIPTION AND SCHEDULE

a. Project Description: Architectural services shall be provided for the planning, development and new construction for the Central Valley High School Renovation Projects ("Project"), which is described in **Exhibit A**, Project Description and Schedule, attached hereto and incorporated by this reference. The Project is located at 4066 La Mesa Ave., Shasta Lake, California.

b. Project Schedule: Included in Exhibit A is the Project Schedule indicating duration and milestone dates for key Project tasks. Architect shall perform services consistent with the Project Schedule as required by Paragraph 19, Time Schedule. Architect shall regularly report to District, not less frequently than once a month, and when the District requests, on actions required to meet milestone schedule dates and shall recommend further adjustments to the Project Schedule, if and when needed.

3. TERM OF AGREEMENT

The term of this Agreement begins with execution of the Agreement by the parties and ends upon completion of services under the Agreement, unless terminated sooner. Should none of the services stated herein be commenced within sixty (60) days from the date of execution, this Agreement is void.

4. COMPENSATION

As compensation for Architect's services, District shall pay Architect as follows:

a. Basic Services: For all "Basic Services," which are listed in Paragraph 5, below, and as specified in **Exhibit B**, Tasks and Responsibilities, attached hereto and incorporated by reference, the Architect shall receive compensation in an aggregate amount not to exceed the amount to be determined the parties in writing as the project scope and fees are established. **Exhibit C**, Compensation and Schedule of Hourly Billing Rates, is attached hereto and incorporated by reference.

b. Additional Services: For all "Additional Services," which are defined to mean authorized services in addition to the Basic Services, compensation shall be agreed upon by the parties in writing prior to performance of any such Additional Services by Architect, and may be a flat fee or hourly fee based on Architect's standard hourly rates, as set forth in Exhibit C, with necessary consultants at 1.10 times cost. Only the District's Superintendent may authorize Additional Services or changes to previously authorized Additional Services. Each such authorization must be in writing and shall be effective only after formal Board approval or ratification. Architect understands that no other District employees are authorized to order or approve either Additional Services or changes to previously authorized Additional Services. Failure of the Architect to secure proper authorization for Additional Services or changed services shall constitute a waiver of any and all right to adjustment in the contract price, and Architect shall not be entitled to compensation for any such unauthorized services.

c. Reimbursable Expenses: "Reimbursable Expenses" include expenses incurred by Architect and Architect's employees and consultants in the interest of the Project which fall within the categories listed below in this Paragraph 4.c. Payment of Reimbursable Expenses in excess of the total estimated reimbursable expenses set forth in Exhibit C is subject to prior written approval by District. Reimbursable expenses shall be itemized and presented monthly by Architect to District for payment upon approval. Reimbursable expenses shall be compensated at 1.10 times the actual cost of the expense as follows:

 X Reasonable expenses for authorized travel in connection with the Project except for travel within the District or as otherwise agreed and set forth in writing in Exhibit C hereto.

X Reasonable expense of interim and final reproductions, plotting, postage and handling of drawings, specifications and other Project documents including those for use of Architect and its consultants.

X Long distance telephone expense related to the Project.

X Actual and necessary agency or permit fees for the Project, if any, paid by Architect on behalf of District.

d. Payments: District shall pay Architect monthly, in arrears, as follows:

(1) Progress Payments: Payments for Basic Services shall be made monthly in proportion to services performed within each phase as reasonably determined by District up to the following amounts (or as otherwise agreed and set forth in writing in Exhibit C):

<u>Upon Completion Of</u>	<u>Percentage Of Total Fees</u>	<u>Cumulative Percentage Of Total Fees</u>
Schematic Design Phase	15	15
Design Development Phase	20	35
Construction Documents Phase	38	73
DSA Approval	02	75
Bid Phase	05	80
Construction Phase	15	95
DSA Close Out	05	100

(2) Additional Services: Payments for Additional Services shall be made monthly, proportionate to the degree of completion, or as the parties specify in writing when the services are authorized.

(3) Monthly Invoices and Payment: Architect shall submit a monthly invoice to the District which itemizes the services performed during the billing period, method of computation, and amount payable. Architect shall format the invoice in accordance with the reasonable instructions as the Business Manager of the District may deliver to Architect in order that each invoice clearly discloses, as the Business Manager may require, the following:

- (i) Identification of the phase of the work to which the item belongs;
- (ii) Any information the District may require in order to satisfy the requests and requirements of the District's auditor(s);
- (iii) Any itemization or information which the District requires in order to complete worksheets provided or required by the Office of Public School Construction and/or other governmental agencies with jurisdiction over the scope of work; and

Architect shall be paid monthly in the usual course of District business after the invoice has been approved by District's authorized representative. Architect shall be paid for all undisputed amounts within thirty (30) days from receipt of approved invoice.

(4) **Payment Upon Termination:** If District terminates this Agreement at any time, with or without cause, Architect shall, upon notice of such termination, promptly cease all services. Architect's total fee for all services performed shall be computed to cover the services actually and satisfactorily performed to the date of such notice.

5. BASIC SERVICES

Architect's Basic Services shall consist of the following items and the items specified in Exhibit B hereto:

a. Schematic Design Phase: Architect shall review the program furnished by District to ascertain the requirements of the Project and arrive at a mutual understanding of such requirements with District. If District requires assistance in the preparation of the program, including meetings with faculty and other representatives, this assistance shall be compensated as an Additional Service. Architect shall, as part of the Basic Services: prepare schematic design studies, drawings and other necessary documents showing site use and the scale and relationship of the components of the Project for District approval; meet with faculty and other persons with a stake in the Project (including, for example, parents and community members); prepare a written preliminary estimate of probable construction costs based on current area, volume or other unit costs; and prepare a written time schedule for the performance of Architect's services

b. Design Development Phase: From the approved schematic design studies Architect shall prepare the design development documents consisting of site and floor plans, elevations and other drawings and documents sufficient to fix and describe the size and character of the Project as to structural, mechanical and electrical systems, kinds of materials and outline specifications, all for written approval by District. Architect shall also provide District with a revised and updated written estimate of probable construction cost. Architect shall assist District in applying for and obtaining required approvals from all applicable governmental agencies.

c. Construction Documents Phase: From the approved design development documents, Architect shall prepare complete working drawings and specifications setting forth in detail the work to be done and the materials, workmanship, finishes and equipment required for the architectural, structural, mechanical, electrical systems and utility-service-connected equipment and site work, all for written approval by District. With assistance from the District, and using the forms approved by the District and by the District's legal counsel, Architect shall prepare the bidding information, bidding forms, and the construction contract documents. **Bid and contract forms and documents must be submitted to District's legal advisor for review and approval at least ten (10) working days prior to proposed**

publication or distribution. Architect shall assist District in filing any documents needed for obtaining the approval of any governmental authorities or other agencies having jurisdiction over the Project. Architect shall include with the delivery of the final form of construction documents Architect's final statement of probable construction cost based on adjustments to previous estimates indicated by changes in requirements or general market conditions. When the Project involves a school building, Architect shall make best efforts to ensure that the construction documents receive all required DSA - approval prior to bidding and shall ensure that DSA approval is obtained prior to Board approval of the construction contract.

d. Bid Phase: Following District's approval of the construction documents and District's acceptance of Architect's final estimate of probable construction costs, Architect shall reproduce the plans, specifications and construction contract documents in the required number and assist District in dissemination of plans, specifications and construction contract documents among interested contractors; in obtaining bids, and in award and preparation of the construction contract and the notice to proceed. Architect shall schedule advertising and bidding sufficiently in advance of the regular meeting of District's Governing Board to allow time for any bid protest that may arise to be handled in conformance with the approved bid protest procedures.

e. Construction Phase: The construction phase shall begin upon award of the construction contract and shall end sixty (60) days after the filing of the Notice of Completion. During this phase, Architect shall:

(1) Provide general administration of the construction contract, coordinating such services with the District's construction manager as directed by District, if applicable.

(2) Advise and consult with and serve as representative of District in dealings with the contractor. Architect shall have authority to act for District to the extent provided in the construction contract. However, all change orders affecting price shall be approved or ratified by the Governing Board of the District.

(3) Provide general direction to any Project inspector employed by and responsible to District as required by applicable law.

(4) Assist the District to direct the contractor in the preparation of a set of drawings showing the exact location and depth of buried utility lines and any other subsurface structures (as-built dimensions) which Architect shall cause to be delivered to District upon completion of the Project.

(5) Visit the Project site at intervals appropriate to the stage of the contractor's operations in order to maintain familiarity with the progress of work and to determine in general that the contractor's work complies with the DSA approved plans and specifications and that the work, when fully completed, will be in accordance with the contract documents. Such visits and determinations are to be

distinguished from the continuous inspection provided by a project inspector required by law for public school construction. Architect shall neither have control over nor charge of, nor be responsible for, the contractor's construction sequences or procedures nor for safety precautions and programs in connection with the contractor's work

(6) Make such regular oral and/or written reports as shall be required by District or by any other applicable reviewing or licensing agencies.

(7) Review schedules, shop drawings, samples and other submissions of the contractor for general compliance with design and the contract specifications and timely notify the contractor and District of matters which may affect the construction schedule.

(8) Promptly notify District in writing of deviations known or observed by Architect in the contractor's work or materials or both which do not conform to the contract documents. Upon instructions from the District representative, Architect shall reject any work or materials or both which do not so conform. Architect shall promptly inform District what further work, installation of conforming materials, or testing of proposed substitute materials, whichever may be applicable, may be required. Upon instructions from District representative, further work, conforming materials, or substitute materials, whichever may be applicable, shall be required of the contractor if determined by Architect to be necessary to carry out the intent and purposes of the contract documents and the project, based on Architect's reasonable professional judgment. Architect shall not be responsible for the contractor's failure to perform the work in accordance with the requirements of the contract documents. Architect shall be responsible for Architect's negligent acts, errors and omissions, but shall not have control over or charge of and shall not be responsible for the intentional acts, errors or omissions of the contractors, subcontractors, or their agents or employees, or of any other persons or entities performing portions of the construction work.

(9) Architect shall promptly notify District of any significant defect that an architect exercising reasonable professional judgment in the course of maintaining familiarity with the construction work would detect in materials, equipment, or workmanship which comes to Architect's attention and of any known or observed default by the contractor in the orderly and timely progression or prosecution of the work.

(10) Examine and verify the contractor's applications for payments including reviews of the status of the contractor's record drawings and approve the issuance of certificates for payment for work completed in the amount Architect determines is proper under the contract documents. Architect's approvals shall constitute representations to the District, based on the Architect's professional evaluation of the contractor's work and on the data comprising the contractor's applications for payment, that the contractor's work has progressed to the points

indicated and that, to the best of Architect's professional knowledge, information and belief, the quality of the contractor's work is in accordance with the contract documents. Architect's approvals shall not be representations that Architect has (a) made exhaustive or continuous on-site inspections to check the quality or quantity of the contractor's work, (b) reviewed construction means, methods, techniques, sequences or procedures, (c) reviewed copies of requisitions received from subcontractors and material suppliers and other data requested by District to substantiate the contractor's rights to payment, or (d) ascertained how or for what purpose the contractor has used money previously paid on account of their contract sums.

(11) Prepare and/or review any necessary change orders for approval by the contractor, District and all applicable governmental agencies, including review of the contractor's pricing requests.

(12) After notice and approval by District, Architect shall have authority to reject work that does not conform to the contract documents. Architect shall have authority to require inspection or testing of the work in accordance with the provisions of the contract documents, whether or not such work is fabricated, installed or completed. However, neither this authority of Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of Architect to the contractor, subcontractors, material and equipment suppliers, their agents or employees or other persons performing portions of the work.

(13) Architect shall review and approve or take other appropriate action upon the contractor's submittals such as shop drawings, product data and samples, for the purpose of checking for conformance with information given and the design concept expressed in the contract documents. Architect shall respond to contractor's requests for information relating to the construction documents. Architect's action shall be taken with such reasonable promptness as to cause no delay in the contractor's work or in the activities of District or of separate contractors or subcontractors, while allowing sufficient time in Architect's professional judgment to permit adequate review. If at any time it appears that the time required for such review may result in a delay, Architect shall promptly notify District of the possibility of delay, and exercise best efforts to avoid or minimize such delay. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities or for substantiating instructions for installation or performance of equipment or systems designed by the contractor, all of which remain the responsibility of the contractor as required by the contract documents. Architect's review shall not constitute approval of safety precautions nor, unless otherwise specifically stated by Architect, of construction means, methods, techniques, sequences or procedures. Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

(14) Architect shall interpret and attempt to resolve matters concerning performance of District and the contractor under the requirements of the contract documents on written request of either District or the contractor. Architect's response to such requests shall be made with reasonable promptness and within any time limits agreed upon. Interpretations and decisions of Architect shall be consistent with the intent of and reasonably inferable from the contract documents and shall be in writing or in the form of drawings.

(15) District shall require each contractor to provide District with record drawings indicating the location and size of all underground or imbedded construction and utility connections or other subsurface structures or installations not covered in the original drawings, change orders, supplemental drawings, or shop drawings. District shall require the contractor to record such construction on reproducible drawings furnished to the contractor by District. Architect shall review the contractor's completed record drawings for general completeness based on Architect's site visits. Such a review by Architect shall not relieve the contractor of its responsibility for the accuracy or completeness of the information recorded.

(16) Provide a color schedule of all finished materials in the project for District's review and approval.

(17) Make final detailed on-site review of the work with representatives of District and contractor, including preparation of punch list.

(18) Collect from contractor and deliver to District all written guarantees, warranties, instruction books, diagrams, charts and as-built drawings as defined in the bid documents which are required of and assembled by contractor.

(19) Determine the date of final completion based on full completion of all punch list items and all requirements of the Project contract, and issue Architect's certificate of completion and final certificate for payment.

f. Post-construction Phase: After completion of Construction Phase services, Architect shall be available for reasonable consultation relating to the Project and the plans drawn by Architect and any disputes related thereto. At the request of the District, Architect shall provide to the District a written detailed analysis of Contractor claims as they relate to the plans and specifications. Architect shall attend meetings, at the request of District, relating to: completion of any punch list or lists; any claim by the contractor or any subcontractor of extra work or delay due to the plans, alleged design flaws, alleged insufficient drawings, or the construction contract administration by Architect; or any other matter germane to the completion of the Project over which Architect had general or specific control or responsibility. Architect shall assist District in compiling information necessary for Project closeout and, if applicable, shall promptly take all necessary steps, within the Architect's control, to obtain a DSA closeout letter for the Project. Services after notice of completion that are not covered by this subparagraph shall be compensated as Additional Services.

g. Responsibility for Construction Costs:

(1) District's budget for the Project may include a contingency of ten percent (10%) over and above any estimate of construction cost or evaluation prepared or agreed to by Architect

(2) Evaluation of District's budget for the Project, preliminary estimates of the probable construction cost and any updated estimates of the probable construction cost prepared by Architect represent Architect's best judgment as a design professional familiar with the construction industry. The parties recognize, however, that neither Architect nor District has control over the cost of labor, materials or equipment, over the contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from District's budget for the Project or from any estimate of construction costs or evaluation prepared or agreed to by Architect.

(3) In preparing estimates of construction cost, the Architect shall include reasonable contingencies for design, bidding and price escalation as agreed to by the District.

(4) If bidding or negotiating has not commenced within sixty (60) days after Architect submits the construction documents to District, following review and approval by District's legal counsel, any Project budget shall be adjusted to reflect changes, if any, in the general level of prices in the construction industry.

(5) Should the lowest responsible bid received exceed Architect's final estimate of probable construction costs as accepted by District by more than ten percent (10%), District may:

- (a) award the contract and proceed with the Project;
- (b) authorize rebidding of the Project within a reasonable time;
- (c) cancel the Project and terminate this Agreement in accordance with Paragraph 13; or
- (d) direct Architect to revise the Project scope and quality as required to reduce the construction cost.

(6) If District chooses to proceed under item 5(d) above, Architect shall as part of Basic Services make any changes in plans and specifications necessary to bring new bids within ten percent (10%) of such estimated cost. The modification of the contract documents shall be the limit of Architect's responsibility arising out of the estimate of probable construction cost. Architect shall be entitled to compensation in accordance with this Agreement for all services satisfactorily performed to date whether or not the Construction Phase is commenced.

(7) If the lowest responsible bid exceeds the final estimate of probable construction cost by less than 10% and District chooses to require revising the Project scope and quality to reduce the construction cost, Architect's services to make such revisions shall be compensated as Additional Services.

h. Consultants and Staff: District and Architect agree that the professional services under this Agreement require adequate staffing and continuity of qualified people. All key staff listed below have been approved by District and Architect and may not be changed without prior written approval of the District except when such staff cease to work for Architect. If District finds the performance of an approved individual not acceptable, District shall notify Architect who shall then take necessary corrective action. If unable to correct performance to District's satisfaction, Architect shall make appropriate staffing changes acceptable to the District.

<u>Position</u>	<u>Individual</u>	<u>Firm</u>
Principal in charge	Judy Pate Semingson	SAI
Project Associate	Thomas R. Semingson	SAI
Principal Engineer, Structural	Kevin Butler	Butler Engineering
Principal Engineer, Civil	Kevin Butler	Butler Engineering
Principal Engineer, Mechanical	Ben Abrahamsen	Frontier
Principal Engineer, Electrical	Chris Abrahamsen	Pace

(1) All engineers and experts and consultants employed by Architect not listed herein shall be approved in writing in advance by District prior to their engagement. Architect shall supervise and shall be responsible for the work of consultants hired by Architect. Architect shall confer and cooperate with landscape architects, educational planners, and other professional consultants employed by District.

(2) Architect shall require each engineer and consultant listed above, prior to commencing any services relating to the Project, to provide District with evidence that each such engineer or consultant has in effect a policy of comprehensive general liability insurance, with the same limits, endorsements and requirements as specified in Paragraph 9 of this Agreement.

(3) Architect, as part of the Basic Services, shall furnish, at Architect's own expense, all draftsmen and clerical personnel necessary to perform the services described herein.

(4) Architect shall promptly notify District of reassignment or replacement of engineers, consultants and experts specified above. Architect shall also notify District of staff changes of all other key personnel working on the Project.

i. **Modifications:** Architect shall not make modifications to plans, designs or specifications which would increase the size or scope of the project or which would increase the probable cost of construction, without the prior express written instruction of District. Before performing any substantial work on any modification or change in design, plans or specifications, Architect shall notify District in writing of the amount of any increase in the probable cost of construction due to any such proposed modification or change. To the extent required, Architect shall obtain DSA approval for the modification.

j. **Consultation:** Architect shall consult as necessary with representatives of District and with representatives of any funding, licensing, or reviewing agencies or organizations concerned in the Project throughout the planning and construction of the Project and the post-construction phase noted above.

6. ADDITIONAL SERVICES TO BE RENDERED BY ARCHITECT

The following services are not included in the Basic Services. These services shall be provided by Architect if authorized in writing by District, and shall be compensated as Additional Services.

- a. Analyses of District's needs, and programming requirements of the Project.
- b. Financial feasibility or other special studies.
- c. Planning surveys, site evaluations, environmental studies or comparative studies of prospective sites that are identified by the parties in writing as Additional Services.
- d. Design services relative to future facilities, systems and equipment that are not intended to be constructed as part of the Project or as later phases related to the Project.
- e. Services to investigate existing conditions or facilities or to make measured drawings thereof, or to revise or verify the accuracy of drawings or other information furnished by District.
- f. Detailed quantity surveys or inventories of material, equipment and labor.
- g. Services required for or in connection with the selection of furniture and furnishing or equipment or articles not included in the construction contract.
- h. Services for planning tenant or rental spaces. Preparing contract documents required in connection with temporary housing during or related to construction.
- i. Revisions to drawings, specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given or are due to causes beyond the control of Architect.

j. Preparing supporting data and other services such as extra drawings, estimates, studies, correspondence and presentations in connection with change orders if the change in the basic compensation resulting from the adjusted contract sum is not commensurate with the services required of Architect.

k. Investigations involving detailed appraisals and valuations of existing facilities, and surveys or inventories required in connection with construction performed by District.

l. Consultation concerning replacement of any work damaged by fire or other cause during construction.

m. Professional services made necessary by the failure of performance, termination or default of the contractor or a subcontractor or by major defects in the work of the contractor or a subcontractor in the performance of the construction contract except as provided in paragraph 5(f).

n. Preparing a set of reproducible record prints of drawings showing significant changes in the work made during the construction process, based on marked-up prints, drawings and other data furnished by the contractor to Architect.

o. Ongoing services if the agreed upon initial construction schedule is exceeded by more than thirty (30) days through no fault of the Architect.

p. As requested by the District in writing, preparing to serve or serving as an expert witness in connection with any public hearing, dispute resolution proceeding or legal proceeding, that does not pertain in any way to Architect's services under this Agreement.

q. Any other services not otherwise included in this Agreement and not customarily furnished in accordance with generally accepted architectural practice.

r. Preparation time and materials for presentation to community for all required community meetings in excess of four, excluding District board meetings.

s. Drawings and documents required for the demolition process if not part of the Project.

t. Services for the following disciplines: detailed cost estimating, acoustical engineering, signage and graphics (other than for code-required signage), energy management, food service, off-site civil engineering, and security engineering.

u. Special presentation models, renderings or mock-ups.

v. Changes to previously prepared documents other than those changes for which Architect should have reasonably foreseen, due to enactment or revisions of codes, laws or regulations or changes in official interpretations.

w. Seeking variances or changes to agency guidelines on behalf of District when so directed by District.

x. Formal value engineering and detailed life-cycle cost analyses beyond those normally provided or required to meet the approved construction budget.

y. Preparation of design and documentation for alternate bid or proposal requests by District when not required to meet the approved construction budget.

z. Preparing District-generated addenda during the Bidding Phase other than those needed to clarify the construction documents.

aa. Assistance with environmental and EIR studies other than those which would normally be required to complete Architect's Basic Services

bb. Coordination of construction performed by District's own forces or coordination in connection with equipment supplied by District and not reflected within the contractor's construction costs.

cc. Providing assistance in the utilization of any equipment or system such as preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

dd. Services related to furniture, furnishings, equipment or other articles incorporated in to the construction documents by Architect and not included in the construction contract.

ee. Services related to manufactured relocatable buildings specified or coordinated by Architect and not included in the construction contract.

ff. If the Project is suspended by District for more than ninety (90) consecutive days through no fault of Architect, the parties shall negotiate equitable adjustment to Architect's compensation due to such suspension.

7. RESPONSIBILITIES OF DISTRICT

It shall be the duty of District to:

a. Make available to Architect all necessary data and information concerning the purposes and requirements of the Project, including realistic scheduling and budget limitations and a program which sets forth District's objectives, space requirements and relationships, site requirements, facilities standards, special equipment and systems.

b. Upon Architect's request, furnish Architect with a survey in an electronic CADD format approved by Architect of the Project site prepared by a registered surveyor or civil engineer which shall indicate legal limitations, existing structures, land features,

improvements, sewer, water, gas, electrical and utility lines and locations including inverts and depths, topographical information and boundary dimensions of the site, and provide a soils investigation report, if required by law, and a geological report.

- c. Pay all fees required by any reviewing or licensing agency.
- d. Designate one or more representatives authorized to act as liaison between Architect and District in the administration of this Agreement and the construction contract.
- e. Furnish at District expense the services of any Project inspector agreed to or required by law.
- f. Review all documents submitted by Architect and notify Architect of decisions thereon within a reasonable time after submission.
- g. Issue any orders to contractors through Architect or with notice to Architect.
- h. Notify Architect in writing of any deficiencies in material or workmanship becoming apparent to the District during the contractor's guarantee period.
- i. Retain a testing service for materials testing and inspection as required by the Department of General Services, Division of State Architect, Office of Regulatory Services, Title 24 of the California Code of Regulations, and the Uniform Building Code with California.
- j. Provide copies of floor plans of existing buildings to be remodeled, if applicable and if available.

8. INDEMNITY

Architect shall defend and indemnify District and its officials and employees against any and all claims, demands, liability, losses, damages, and expenses, including attorneys' fees and court costs (collectively, 'Claims'), which arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the Architect and are in any way connected to the work covered by this Agreement. However, Architect shall have no obligation to defend or indemnify District Parties against Claims caused by the sole negligence or willful misconduct of District Parties.

9. INSURANCE

Architect, at Architect's sole cost and expense, shall maintain at all times during the life of this Agreement, personal injury and property damage insurance for all activities of Architect and its employees, agents and consultants arising out of or in connection with this contract, written on a comprehensive or commercial general liability form, in an amount no less than \$1,000,000 combined single limit personal injury and property damage for each occurrence in an annual aggregate of no less than \$3,000,000 or as may be agreed upon in writing between District and Architect. Such insurance must be written by an admitted company or companies licensed to do business in the State of California at the time the policy is issued, and acceptable to District.

a. Endorsements: The general liability coverage specified above shall be endorsed with the following specific (or equivalent) language:

(1) The District is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured, and this policy protects the additional insured, its officers, agents and employees against liability for bodily injuries, deaths or property damage or destruction arising in any respect directly or indirectly in the performance of the Agreement.

(2) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured and the coverage afforded shall apply as though separate policies have been issued to each insured.

(3) The insurance provided herein is primary and no insurance held or owned by District shall be called upon to contribute to a loss.

(4) Coverage provided by this policy shall not be canceled or the dollar amount reduced without thirty (30) days written notice given to District.

b. Errors and Omissions Insurance: Architect shall maintain in force for the period covered by this Agreement, professional liability (errors and omissions) insurance covering Architect's activities, in the amount not less than \$2,000,000 with an insurance carrier satisfactory to District. In addition, to the extent that the activities and services of engineers or consultants retained by Architect are not covered under Architect's professional liability insurance, Architect shall require each engineer and consultant to obtain and maintain a policy of professional liability insurance in an amount of not less than \$2,000,000 with an insurance carrier satisfactory to District, before commencing services on the Project.

Architect shall provide a copy of the insurance policies to the District upon request, and the policies, or certificates thereof, must contain the provision that the insurance cannot be canceled until thirty (30) days after written notice of intended revocation has been given to District

c. Workers' Compensation Insurance: Architect and all engineers, consultants, and subcontractors Architect intends to employ shall maintain, for the period covered by this Agreement, workers' compensation insurance as required by California law, with an insurance carrier satisfactory to District, for all persons whom they may employ in carrying out the work contemplated under this Agreement. If Architect is self-insured, Architect shall furnish a valid Certificate of Permission to Self-Insure, signed by the Department of Industrial Relations Administration of Self-Insurance, Sacramento, California. The policies represented by the certificates must contain the provision (and the certificates must so state) that the insurance cannot be canceled until thirty (30) days after written notice of intended revocation has been given to District.

d. Documentation: Prior to execution of this Agreement, Architect shall submit for District approval, certificates of insurance showing the limits of insurance provided and signed copies of the specified endorsements for each policy. At the time of making application for an extension of time, Architect shall submit evidence that the insurance policies will be in effect during the requested additional period of time.

e. Miscellaneous: If Architect or its consultants fails to maintain the required insurance, District may take out insurance to cover any damages for which District might be held liable on account of Architect's failure to pay such damages or to provide the required insurance coverage, and deduct and retain the amount of the premiums from any sums due Architect under the Agreement to the extent such a credit can be applied, and Architect, upon demand, shall immediately pay any difference to District. Nothing herein contained shall be construed as limiting in any way the extent to which Architect or any Architect's employees, agents, consultants, or subcontractors may be held responsible for payment of damages resulting from its operations.

10. ERRORS AND OMISSIONS:

In addition to any other remedy which may be available to District under this Agreement or under the laws of the State of California, District may require Architect to pay all reasonable costs made necessary and to the extent caused by any negligent or intentional error or omission of Architect or any subconsultant, including, but not limited to, costs for the removal or replacement of materials and labor or both, and Architect shall not receive any fee for any of its work performed in correcting said error or omission. Notwithstanding the foregoing, District shall pay for the cost of any actual materials and labor that were omitted for any reason, but only to the extent the contract price obtained from the contractor was lower by reason of the omission.

11. COMPLIANCE WITH LAWS

a. Architect's services and performance under this Agreement shall meet the standard of due care for architects in the community in which the Project is being constructed. Using reasonable professional judgment, Architect shall determine compliance with and interpretation of all applicable requirements of federal, state and local law including, but not limited to, the Uniform Building Code with California amendments, the Education Code, Title 19, and Title 24 of the California Code of Regulations, and all requirements prescribed by the California Department of General Services, as these codes and regulations may be amended from time to time. Conflicts of codes or regulations which should be disclosed, based on Architect's reasonable professional judgment and based on the Project schedule, scope of services or significance of the conflict, shall be made known to District and its legal advisor. District shall decide the course of action after recommendation, if any, by Architect and the legal advisor.

b. Architect and all engineers, and consultants retained by Architect in performance of this Agreement shall be licensed as required by law to practice in their respective professions.

12. RECORDS

Architect shall maintain all records concerning the Project for a period of four years after the completion of the third phase of the work of which the Project constitutes the first phase, or a longer term if there is litigation regarding the Project. Architect shall keep and maintain full and complete documentation and accounting records concerning all additional services performed that are compensable by other than a flat rate. Architect shall make such documents and records available to authorized representatives of District for inspection or audit at any reasonable time and shall provide copies thereof to District upon request.

13. TERMINATION OF CONTRACT

a. District shall have the right to terminate this Agreement without cause upon thirty (30) days written notice to Architect and upon compensation to Architect as set forth above. If District terminates this Agreement under this provision the parties shall be relieved of the remaining executory obligations of the Agreement except for such liability arising out of services performed prior to the date of termination.

b. District may, at its election, terminate this Agreement if Architect defaults in any material respect on any provision hereunder and fails to cure such material default within 15 days following written notice, or if the default cannot be cured within 15 days, fails to commence to cure such default within said 15 day period and thereafter diligently to prosecute such cure and complete the cure within a reasonable time following written notice and demand from District. If District terminates this Agreement based upon the material default of Architect, District shall be entitled to pursue any remedy available under the law against Architect including, without limitation, an action for damages for breach of contract.

c. Architect may, at its election, terminate this Agreement if District defaults in any material respect on any provision hereunder and fails to cure such material default within 15 days, or if the default cannot be cured within 15 days, fails to commence to cure such default within said 15 day period and thereafter diligently to prosecute such cure and complete the cure within a reasonable time following written notice and demand from Architect. If Architect terminates this Agreement based upon the material default of District, Architect shall be entitled to pursue any remedy available under the law against District, including, without limitation, an action for damages for breach of contract.

d. Upon termination of this Agreement for any reason, Architect shall promptly and without further cost or charge to District, deliver to District all of the documents and other work product relating thereto.

14. ARCHITECT AN INDEPENDENT CONTRACTOR

Architect and District agree that in the making and performance of this Agreement, Architect and its agents are independent contractors and are not and shall not be construed to be an officer or employee or partner or joint venturer of District.

15. STANDARDIZED MANUFACTURED ITEMS

Architect shall consult with and cooperate with District's staff in the use and selection of manufactured items to be used in the Project. Manufactured items, including, but not limited to, paint, finish, hardware, plumbing fixtures and fittings, mechanical equipment, electrical fixtures and equipment, roofing materials, and floor covering, shall be standardized to District's criteria so long as the same does not materially interfere with building design. Architect is responsible for ensuring that any specification calling for a designated material, product, thing, or service by a specific brand or trade name is drafted in compliance with Section 3400 of the Public Contract Code and related provisions.

16. OWNERSHIP OF DOCUMENTS

All plans, including, but not limited to, record drawings, specifications, and estimates prepared by Architect pertaining to the Project pursuant to this Agreement shall be and shall remain the property of District. Nothing in this paragraph shall preclude District from using the plans, record drawings, specifications, or estimates related to the Project for the purposes of additions, alignments, or other development on or adjacent to the site.

Any use or re-use or modification of any portion of the plans, specifications, or estimates or other documents prepared by Architect under this Agreement by District or any other person with District's consent, for any purpose other than as contemplated in this Agreement, shall be at the sole risk of District and without liability to Architect, with no warranty of merchantability or fitness, and District shall indemnify, hold harmless and defend Architect and its officers, directors, agents, employees and consultants from all claims of any kind arising out of such use, re-use or modification of said plans, specifications, estimates or other documents prepared by Architect.

After the completion of this Project, Architect shall not permit any reproductions to be made of any District-owned documents without the written approval of District, which approval District may grant or withhold in District's absolute discretion, and shall refer all requests for such documents by other persons to District.

The Architect and District shall have the right to include photographic or graphic representations of the design of the Project among their respective promotional and professional materials.

17. DISPUTE RESOLUTION PROVISIONS

a. Non-binding Mediation

(1) Any claim, dispute or other matter in question arising out of or related to this Agreement may be subject to non-binding mediation if the parties mutually agree.

(2) A request for mediation shall be filed in writing with the other party to this Agreement.

(3) The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon.

b. Advisory Arbitration

Any claim, dispute or other matter in question arising out of or related to this Agreement may be subject to advisory arbitration if the parties mutually agree. Prior to arbitration, the parties may endeavor to resolve disputes by mediation in accordance with the mediation provisions above.

18. SUCCESSORS AND ASSIGNMENTS

This Agreement is binding upon and inures to the benefit of the successors, executors, administrators, and assigns of each party to this Agreement, provided, however, that Architect shall not assign or transfer by operation of law or otherwise any or all of Architect's rights, burdens, duties, or obligations, professional or otherwise, without the prior written consent of District's Governing Board, which consent District may grant or withhold in District's absolute discretion. Any attempted assignment without such consent shall be invalid.

19. TIME SCHEDULE

a. Time Schedule: Time is of the essence in the performance of this Agreement. Architect shall perform all services hereunder as expeditiously as is consistent with professional skill and care and the orderly progress of the Project. Architect shall submit for District's approval, as part of Exhibit A hereto, a schedule for the performance of Architect's services which shall be adjusted, as required, as the Project proceeds, and shall include allowance for periods of time required for District's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. Once District approves the performance schedule, Architect shall perform its obligations hereunder prior to the occurrence of each scheduled performance deadline unless District has approved a time extension in writing. Architect shall at all times maintain adequate and competent staffing and resources necessary for the timely performance of Architect's services under this Agreement. Architect shall review and respond to submittals, requests for information, and the like, as expeditiously as possible to avoid delays in the work.

b. Delays: If Architect is delayed in Architect's services by acts of District or its employees or those in a direct contractual relationship with District or by the California Department of General Services or other agencies having jurisdiction over the Project or by acts of God or other occurrences which were not or could not have been reasonably foreseen and provided for, and which are not due to any fault or negligence on the part of Architect, the time for Architect's performance shall be extended accordingly. Notwithstanding the foregoing, Architect shall endeavor to avoid or minimize such delay. District shall not be liable for the damages to Architect on account of such delays.

20. HAZARDOUS MATERIALS

Unless otherwise specified, the services provided under this Agreement do not include the discovery, identification, removal, handling, or disturbance of any hazardous substances or materials at the project site. If such substances or materials are knowingly encountered by Architect, construction work shall cease in that area and District shall be notified to take appropriate action for removal or otherwise abating the condition in accordance with current regulations applicable to District.

21. SCHOOL SITE CONDITIONS

District has determined that fingerprinting is not applicable to this Agreement. Architect expressly acknowledges that the following conditions shall apply to any work performed by Architect, Architect's employees or Architect's subconsultants ("Architect representatives") on a school site (and "work" as used in the preceding clause shall mean any entry on to District property for any reason): (1) Architect representatives shall check in with the school office each day immediately upon arriving at the school site; the District may assign a District employee to supervise the representative at the site; (2) Architect representatives shall inform school office staff of their proposed activities and specific location at the school site; (3) Once at such location, Architect representatives shall not change locations without contacting the school office; (4) Architect representatives shall not use student restroom facilities; and (5) if an Architect representative finds himself/herself alone with a student, he/she shall immediately contact the school office and request that a member of the school staff be assigned to the work location

22. MISCELLANEOUS

The following terms and conditions shall apply to this Agreement:

a. Governing Law and Venue: This Agreement shall be construed in accordance with, and governed by the laws of the State of California. Venue shall be in the Superior Court of the State of California in the County of Sonoma, and no other place.

b. Entire Agreement: This Agreement with its exhibits supersedes any and all other prior or contemporaneous oral or written agreements between the parties hereto. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person that are not incorporated herein, and that any other agreement shall be void. Furthermore, any modification of this Agreement shall only be effective if in writing signed by all parties hereto.

c. Severability: Should any provision in this Agreement be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect.

d. Non-Waiver: None of the provisions of the Agreement shall be considered waived by either party unless such waiver is specifically specified in writing. District's failure to enforce any provision of this Agreement or the waiver of any provision in a particular instance shall not be construed as a general waiver of any part of such provision.

e. **Discrimination Prohibited:** It is the policy of District that in connection with all work or services performed under contracts, there will be no discrimination against any prospective or active employee engaged in the work because of race, color, ancestry, national origin, religious creed, sex, age, handicap, or marital status. Architect agrees to comply with applicable Federal and California laws including, but not limited to, the California Fair Employment Practice Act, beginning with Government Code section 12900, et seq. In addition, Architect agrees to require like compliance by any consultants or subcontractors employed on the Project.

f. **Disabled Veterans Participation Goals:** In accordance with Education Code section 17076.11, the District has a participation goal for disabled veteran business enterprises ("DVBE") of at least 3 percent per year of the overall dollar amount of funds allocated to District by the State Allocation Board pursuant to the Leroy F. Greene School Facilities Act of 1998 for construction or modernization and expended each year by the District. Prior to, and as a condition precedent for final payment under any contract for such Project, Architect shall provide appropriate documentation to District identifying the amount paid to disabled veteran business enterprises in conjunction with the contract, so that District can assess its success at meeting this goal.

g. **Retention of DVBE Records:** Architect agrees that, for all contracts subject to DVBE participation goals, the State and District have the right to review, obtain and copy all records pertaining to performance of the contract in accordance with DVBE requirements. Architect agrees to provide the State or District with any relevant information requested and shall permit the State or District access to its premises upon reasonable notice for purposes of interviewing employees and inspecting records. Architect agrees to maintain such records for a period of three years after final payment under the contract.

In witness whereof, the parties have executed this Agreement this 29th day of April, 2014.

ARCHITECT

GATEWAY UNIFIED SCHOOL DISTRICT

By:


Semington Architects, Inc.

By:


James M. Harrell, Superintendent

Exhibit A – Project Description and Schedule

Project description is planning, modernization and new construction for the Central Valley High School Renovation Projects

Outline Project Schedule:

Commence with Programming and Facility Assessment

Complete Programming and Facility Assessment

Commence Implementation Plan Development

Commence Basic Services for

Present Implementation Plan Development to Board of Trustees

Final Board of Trustees Approval for First Phase Projects

Commence Basic Services for First Phase Projects

Anticipated Commence Construction for First Phase Projects

Scope of Services		District's Responsibilities	Provided By A/E team		Not Provided
			Basic Services	Additional Services	
A	Project Administration Services (throughout all phases)				
1	Project Team Selection				
	- Selection of District's additional consultants (soils, seismic, geo-hazard, haz-mat, const. mgrs., financing, energy mgmt., schedule & claims analysts, legal, financing, inspectors, other.)	√			
	- Coordination of District's additional consultants	√			
2	Project Communications				
	- Develop/implement a Community Relations & Public Information Plan	√			
	- Special school board presentations & community meetings	√		√	
	- Special status reports to Board & Oversight Committee	√			
	- Establish & maintain web page	√			
3	Project Administration meetings				
	- As required for A/E basic services		√		
	- Other than required for A/E basic services			√	
4	Agency consultations/approvals				
	- Local Fire Marshal		√		
	- State Office of Reg. Services (DSA, SFM)		√		
	- State Department of Education, School Facilities Planning Approvals		√		
5	Prepare applications & supporting documents (as applicable to architects)				
	- OPSC funding applications	√			
	- CDE application & approval		√		
	- DSA application & approval		√		
B	Programming, Planning & Evaluation Services				
1	Special investigations				
	- Geotechnical and soils engineering	√			
	- Hazardous materials reports & studies	√			
2	Investigation of unknown existing conditions	√			
	- Property surveys/building measurements (if not available from existing drawings)	√			
	- On-site utility studies (locations, condition, capacity, etc.)	√			
	- Off-site utility studies (locations, condition, capacity, etc.)			√	
3	Comprehensive ADA compliance study			√	
4	Develop detailed program				
	- Educational specifications/program, design criteria & standards	√			
	- Detailed space/adjacency programming	√			
	- Food service plan/program	√			
	- Equipment program	√			
5	Assistance with environmental, Negative Declaration & EIR studies				
	- Ecological studies and mitigation measures	√			
	- Traffic, noise, off-site parking, etc.	√			
	- Hearings and community meetings	√		√	
C	Schematic Design Phase				
1	Review of program and budget		√		
2	Field verification of existing conditions		√		
3	Code documentation & interpretations		√		
4	Schematic site and building plans		√		

Exhibit B – Tasks and Responsibilities

Scope of Services		District's Responsibilities	Provided By A/E team Basic Services	Additional Services	Not Provided
5	Preliminary sections and elevations		√		
6	Preliminary interior elevations of key spaces		√		
7	Room data sheets and/or finish schedules		√		
8	Preliminary selection of systems & materials		√		
9	Develop approximate dimensions & areas		√		
10	Preliminary description of engineering systems (mechanical, electrical, civil, structural) site only		√		
11	Outline specifications of major materials, systems and equipment		√		
12	Construction cost estimates; probable construction cost		√		
	- Unit cost estimate		√		
	- Detailed cost estimate, value engineering or life-cycle cost analyses			√	
13	Presentation models and/or renderings			√	
14	In-house constructability reviews				√
D	Design Development Phase				
1	Code documentation & interpretations		√		
2	Plans, sections, interior and exterior elevations		√		
3	Development of site plan		√		
4	Development of landscape plan, if required by District		√		
5	Typical construction details		√		
6	Equipment layouts			√	
7	Developed description and drawings of engineering systems (mechanical, electrical, civil, structural) site only		√		
8	Preliminary building specifications		√		
9	Preliminary interior design (fixed furniture, furnishings and equipment included within construction contract)		√		
10	Furniture, furnishings and equipment <u>not</u> included within construction contract			√	
11	Construction cost estimates; probable construction cost		√		
	- Unit cost estimate		√		
	- Detailed cost estimate, value engineering or life-cycle cost analyses			√	
12	Presentation models and/or renderings			√	
13	In-house constructability reviews				√
E	Construction Documents Phase				
1	Code documentation & interpretations		√		
2	Preparation of building construction plans		√		
3	Prepare color boards		√		
4	Final building specifications		√		
5	Furniture, furnishings and equipment				
	- Included within construction contract		√		
	- Not included within construction contract	√		√	
6	Develop detailed documentation on Construction Phasing Program or Multiple Contract Delivery	√			
7	Construction cost estimates; probable construction cost		√		
	- Update of DD phase unit cost estimate		√		
	- Detailed cost estimate, value engineering or life-cycle cost analyses			√	
8	Prepare bidding and procurement forms; Construction Specifications		√		
9	Prepare Conditions of the Contract (Divisions 0 & 1)		√		

10	Develop Project Manual		√		
11	Presentation models and/or renderings			√	
12	In-house constructability reviews				√

Scope of Services		District's Responsibilities	Provided By A/E team Basic Services	Additional Services	Not Provided
F	Other Design Services				
1	Hazardous materials identification/determination of mitigation measures	√			
2	FF&E design (furnishings & movable equipment)	√		√	
3	Graphic & signage design	√		√	
	- Fire/life safety graphics & signage; site only		√		
	- Other graphics & signage; site only		√		
4	Mock-up services (workstations, classroom design, etc.)	√		√	
G	Bidding Phase Services				
1	Advertisement to potential bidders		√		
2	Pre-qualification of bidders	√			
3	Pre-bid conferences		√		
4	Distribution of bidding documents		√		
5	Distribution of special bidding/negotiation addenda		√		
6	Response to bidders' questions and provide clarifications		√		
7	Report bidding results & identify apparent low bidder		√		
8	Bid dispute resolution	√			
9	Contract award processing; issue Notice to Proceed	√	√		
H	Contract Administration Services				
1	Plan & manage move-in & out activities including temp. facilities	√			
2	Site visits/observation				
	- Scheduled meetings (as quantified in scope of services)		√		
	- Additional meetings			√	
3	Timely file with DIR the PWC-100 form re CMU & notice of award		√		
4	Coordination of other construction activities				√
	- Removal of non-conforming portables	√			
	- Demolition and/or removal of other structures	√			
	- Moving of utilities underground	√			
	- Utility hookups		√		
5	Multiple contract administration or multiple phase coordination efforts for single project			√	
6	Submittals & substitutions; building not included				
	- Review and respond to Contractors' proposed submittal schedules		√		
	- Receive, process, distribute submittals, shop drawings, & substitutions		√		
	- Review submittals and shop drawings		√		
	- Review proposed substitutions		√		
7	Requests for Information/Clarifications; building not included				
	- Receive, process & distribute requests		√		
	- Evaluate and respond to requests		√		
8	Change orders				
	- Receive, process & distribute Change Orders		√		
	- Changes stemming from A/E documents		√		
	- Owner and contractor initiated changes			√	

	- Review, analyze and/or negotiate prices with contractors			√	
9	Testing and inspection administration; No supervision	√			
10	Maintain official construction logs				
	- Change order log		√		
	- Request for Information (RFI) log		√		
	- Submittal log		√		

Scope of Services		District's Responsibilities	Provided By A/E team Basic Services	Additional Services	Not Provided
11	Contract cost accounting; Review only				
	- Maintain records of payments	√			
	- Coordinate & assemble contractors' payment applications	√			
	- Approve & process contractors' payment applications		√		
12	Interpretations and decisions				
	- Relating to construction documents/specifications		√		
	- Relating to General Conditions	√			
13	Project closeout; not including building				
	- Preliminary and final punch lists		√		
	- Determination of payment withholdings		√		
	- Issuance of Certificates of Substantial Completion		√		
	- Securing and receipt of sureties	√			
	- Receipt & review of warranties & manuals		√		
	- Receipt & review of waivers of liens	√			
	- Issuance of final Certificates of Payment; See #11		√		
	- Project closeout with DSA		√		
14	Construction tours (students & community)		√		
I	Post-Construction & Facility Operation Services			√	
1	Record Drawings				
	- Develop record drawings based on contractor supplied information				√
	- Review record drawings for completeness		√		
	- Compile drawings & forward to District				√
	- Update contract documents to incorporate changes			√	
2	Warranty review				√
3	Detailed analysis or response to Contractor claims not due to fault of Architect			√	
4	Staff training (operating & maintaining equipment and systems)				√
5	Post-construction facility reviews (operations & performance review)				
	- Post occupancy facility review meeting		√		
	- Document defects or deficiencies			√	
	- Prepare instructions to Contractors for correction of defects			√	
6	Project promotion	√			
7	Community tours		√		

Exhibit C – Compensation and Schedule of Hourly Billing Rates

The Architect's total compensation consists of basic services, additional services and reimbursable expenses as follows:

Basic Services

The Architectural fee arrangement for Basic Services may be any of the following options:

1. A lump sum amount mutually agreed to, calculated based on the fee schedule described below, or estimating hours at billing rates or by negotiation of a mutually acceptable amount.
2. A percentage of construction cost based on a mutually agreed formula or fee schedule as described below.
3. Time and material at rates in the Agreement with an estimated not-to-exceed amount.
4. A combination of these options, as described below, for example a percentage fee through Schematic Design or Design Development after which the final lump sum fee shall be negotiated or calculated on a pre-agreed formula based on the Architect's scope definition and cost estimate.

For Basic Services under this Agreement, the parties have agreed to a fee, under option 2 above, of an amount to be determined by the parties.

The Fee Schedule is as follows:

Option 2: BASIC SERVICES: For all "basic services" compensation in the amount of a percentage of construction as follows:

All fees are based on the stated percentage of "total construction costs" for the project and the said compensation applies to work let under a single construction contract. "Total construction costs" for purposes of this paragraph shall mean the total amount of money derived by adding the contractor's bid for the project accepted by DISTRICT and any additive Change Orders agreed to by DISTRICT and the contractor (deductive Change Orders, deductive Bid Alternatives and Additive Bid Alternatives not Awarded shall not reduce "total construction costs" for purposes of this paragraph).

Each portion of the project let separately on a segregated bid basis shall be considered a separate project for purposes of determining the fee.

FEE SCHEDULE - New Construction

1. 12% of Total Final Cost of Construction

FEE SCHEDULE – Modernization

1. 12% of Total Final Cost of Construction

FEE SCHEDULE – Combined Modernization & New Construction

1. 12% of Total Final Cost of Construction

Additional Services

Any additional services that may be required during the Project must be requested by Architect and approved in writing by District before they are performed. Additional Services shall be compensated as described in Article 4.

Facility Assessment: Architect will provide Facility Assessment services as a fixed fee as an amount to be provided to District for approval.

Programming & Implementation Plan: Architect will provide these services on an hourly basis. The number of meetings and other services will be reviewed with District staff to minimize time and maximize efficiency.

Reimbursable Expenses

The Architect has estimated and the District has accepted the following reimbursable expenses to be billed at 110% of cost. The Architect may not exceed the total estimated amount unless approved in writing by District in advance.

- Automobile travel
- Telephone
- Printing
- Plotting
- Models and mockups

Total estimated reimbursable expenses \$ TBD

Standard Hourly Billing Rates

The following hourly rates shall be used for any time and materials services above or for any calculation of future services:

Architect – Principal	\$ 98 /hr.
Architect - Associate	\$ NA
Project Manager/Architect	\$ 98/hr.
Job Captain	\$ 72/hr.
Construction Admin Project Manager	\$ 98/hr.
Specifications Writer	\$ 72/hr.
CADD/Drafting	\$ 72/hr.
Construction Admin Technician	\$ 72/hr.
Clerical	\$ 54/hr.

The above rates are effective January 1, 2014, and are in effect for the calendar year 2014. On January 1 of each of the subsequent years, the above rates shall be adjusted in accordance with the Consumer Price Index issued by the U.S. Department of Labor, Bureau of Labor Statistics for “All Urban Consumers” in “San Francisco-Oakland” for “All Items.”

LEASE-LEASEBACK AGREEMENT

Dated as of May 14, 2014

Between

Gateway Unified School District

and

Gifford Construction, Inc., a California corporation

**Central Valley High School
Maintenance and New Construction Projects
(Gymnasium & Tennis Courts)
4066 La Mesa Avenue
Shasta Lake, CA 96019**

LEASE-LEASEBACK AGREEMENT
Maintenance and New Construction Projects
(Gymnasium & Tennis Courts)

THIS LEASE-LEASEBACK AGREEMENT (this "Agreement") is entered into as of May 14, 2014 by and between the Gateway Unified School District, a school district organized and existing under the laws of the State of California (hereinafter called the "Owner"), and Gifford Construction, Inc., a California corporation and contractor licensed by the State of California, with its principal place of business at 2556 Heather Lane, Redding, CA 96002 (hereinafter called "Contractor"). Owner and Contractor together are the "Parties" to this Agreement.

RECITALS:

WHEREAS, the Owner intends to renovate Central Valley High School's Gymnasium (the "Gym") and the Central Valley High School's Tennis Courts (the "Courts") at the facility owned by Owner located at 4066 La Mesa Avenue, Shasta Lake, CA 96019 (collectively the "Project"); and

WHEREAS, in order to optimize the work that needs to be done for renovation and construction of the Project, the Owner has determined that it is necessary to begin work as soon as possible so that the Project can be performed in a timely, cost-effective, and cooperative manner to meet the Owner's compressed time schedule for the planned completion and use of the Project; and

WHEREAS, the Owner intends to undertake work, the scope of which is described generally in *Exhibit A* hereof at the Project; and

WHEREAS, California Education Code Section 17406 permits the governing board of school district, without advertising for bids, to lease to any person, firm, or corporation any real property owned by the school 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; and

WHEREAS, in connection with the approval of this Agreement, the Owner will enter into a site lease with Contractor (the "Site Lease"), under which it will lease the Project site described and depicted in *Exhibit A* of the Site Lease (the "Site") to Contractor in order for Contractor to construct the Project as described in the Scope of Work set forth in *Exhibits A* and *B* to this Agreement (the "Scope of Work"); and

WHEREAS, Contractor will lease the Site and the Project back to the Owner pursuant to a Sublease Agreement (the "Sublease"), under which the Owner will be required to make lease payments to Contractor for the use and occupancy of the Site, including the Project; and

WHEREAS, upon completion of the Project or termination of the Agreement, the Site Lease and Sublease automatically will terminate and title to the Site and Project automatically will vest with the Owner; and

WHEREAS, the Owner and Contractor desire to enter into this Agreement to ensure that the Project will meet the Owner's expectations prior to the lease of the Site back to the Owner pursuant to the Sublease; and

WHEREAS, Contractor is experienced in the design and construction of the type of school facilities and type of work desired by the Owner and is willing to perform said renovation and construction work for the Owner, all as more fully set forth this Agreement.

NOW, THEREFORE, in consideration of the covenants hereinafter contained, the Owner and Contractor agree as follows:

TERMS AND CONDITIONS:

ARTICLE I. SCOPE OF WORK. The Contractor agrees to furnish all labor, equipment and materials, including tools, implements, and appliances required, and to perform all the work in a good and workmanlike manner, free from any and all liens and claims from mechanics, material suppliers, subcontractors, artisans, machinists, teamsters, freight carriers, and laborers required for:

**CENTRAL VALLEY HIGH SCHOOL
Maintenance and New Construction Projects
(Gymnasium & Tennis Courts)
4066 La Mesa Avenue
Shasta Lake, CA 96019
Shasta County, California**

all in strict compliance with the plans, drawings and specifications therefore prepared by:

**Semingson Architects, Inc.
Thomas Semingson, Architect
Judy Semingson, Architect
P.O. Box 210
3396 Main Street
Cottonwood, CA 96022
(530) 347-5500
(530) 347-7822 (Fax)**

and other contract documents relating thereto.

In accordance with Section 3300 of the Public Contract Code, Contractor has a Class "A" and Class "B" license that Contractor shall maintain in good standing for the duration of Contractor's work on the Project.

ARTICLE II. CONTRACT DOCUMENTS. The Contractor and the Owner agree that this Agreement, all of the documents listed in Article 1.1.1 of the General Conditions attached hereto (the "General Conditions"), the Site Lease, and the Sublease, together form the "Contract Documents," which form the "Contract."

ARTICLE III. TIME TO COMPLETE AND LIQUIDATED DAMAGES. Time is of the essence in this contract, and the time of completion for this Project shall be **80 working days** from the date established in the Owner's Notice to Proceed, for completion of the entire Project.

Failure to complete the Project within these times and in the manner provided for by the Contract Documents shall subject the Contractor to liquidated damages. For purposes of liquidated damages, the concept of substantial completion shall not constitute completion and is not part of this agreement. The actual occurrence of damages and the actual amount of the damages which the Owner would suffer if the Project were not completed within the specified times set forth are dependent upon many circumstances and conditions which could prevail in various combinations and, from the nature of the case, it is impracticable and extremely difficult to fix the actual damages. Damages that the Owner would suffer in the event of delay include, but are not limited to, loss of the use of the Project, disruption of activities, costs of administration, supervision and the loss suffered by the public.

Accordingly, the parties agree that the following dollar figure shall be the amount of damages which the Owner shall directly incur upon failure of the Contractor to complete the Project within the times specified: \$250.00, for each calendar day by which completion of the Project, or portion thereof, is delayed beyond the completion dates specified above.

If the Contractor becomes liable under this section, the Owner, in addition to all other remedies provided by law, shall have the right to withhold any and all retained percentages of payments, and to collect the interest thereon, which would otherwise be or become due the Contractor until the liability of the Contractor under this section has been finally determined. If the retained percentage is not sufficient to discharge all liabilities of the Contractor incurred under this Article, the Contractor and its sureties shall continue to remain liable to the Owner for such liabilities until all such liabilities are satisfied in full.

If the Owner accepts any work or makes any payment under this Agreement after a default by reason of delays, the payment or payments shall in no respect constitute a waiver or modification of any Agreement provisions regarding time of completion and liquidated damages.

ARTICLE IV. GUARANTEED MAXIMUM PRICE. Contractor's Guaranteed Maximum Price ("GMP") for performance of all work required by the Contract for the Project shall be **\$480,000.00** based upon the Scope of Work set forth in *Exhibits A* and *B* of this Agreement. Except as otherwise provided in the General Conditions, the Contractor shall assume the risk of all costs in excess of the GMP in the performance of such work and shall not be entitled to additional payments because of such excess costs. Should the Contractor believe that it is entitled to additional compensation, whether money or time, it must request it pursuant to the procedures in the General Conditions for change orders and claims. The GMP is also referred to in the Contract as the "Contract Sum." The Contractor's cost breakdown of the GMP is attached (*see Exhibit C*) as Contractor's schedule of values for the Project, as required by Section 9.2.1.A of the General Conditions.

Contractor shall finance the cost of construction of the Project, which costs shall not exceed the GMP, except as otherwise provided in the Contract. The Owner shall pay Contractor sublease payments pursuant to the terms and conditions of Section 6 of the Sublease (the "Sublease Payments"), which terms and conditions include the 10% retention described in Section 6 of the Sublease (the "retention"). The sum of the Sublease Payments shall not exceed the GMP established pursuant to Article IV hereof. Retention or release of the Sublease Payments shall be in accordance with the General Conditions.

The GMP shall include a line item for allowances to fund extra work that may be required as a result of uncertain scopes of work becoming finalized after execution of this Agreement (the "Additional Scope") as specified in Exhibit B (the "Allowance Funds"). Only these specifically identified

uncertain scopes shall be considered part of the Additional Scope. Contractor shall not be authorized to use these Allowance Funds for the Additional Scope without prior written approval by District. Any Allowance Funds not used for such purposes shall be credited to the District to reduce the GMP. If scope of the Additional Scope exceeds the Allowance Funds, Contractor is not precluded from seeking additional compensation pursuant to Section 4.5 and Article 7 of the General Conditions.

ARTICLE V. CHANGES. Changes in this Agreement or in the Work to be done under this Agreement shall be made as provided in the General Conditions.

ARTICLE VI. TERM AND TERMINATION. The term of the Contract begins on the date shown on page 1 above and automatically ends when the Contract is terminated, all in accordance with the General Conditions. All of the covenants, representations and warranties set forth in the Contract, including indemnification obligations, that are intended to bind the Parties after the completion of the Project or termination of the Contract will survive such completion or termination for the periods provided for in the Contract or otherwise allowed by law. The Owner or Contractor may terminate the Contract as provided in the General Conditions. The Site Lease and the Sublease each shall automatically end upon such completion of the Project or termination of the Contract, with the parties' respective leasehold interests thereunder automatically ended and released, and title to the Site and Project automatically and fully vested in the Owner.

ARTICLE VII. PREVAILING WAGES. Pursuant to the provisions of Section 1770 *et seq.* of the Labor Code of the State of California, which are hereby incorporated by reference and made a part hereof, the Director of Industrial Relations has determined the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which the work is to be performed, for each craft, classification or type of worker needed to execute this Contract. Per diem wages shall be deemed to include employer payments for health and welfare, pension, vacation, apprenticeship or other training programs, and similar purposes. Copies of the rates are on file at the Owner's principal office. The rate of prevailing wage for any craft, classification or type of workmanship to be employed on this Project is the rate established by the applicable collective bargaining agreement which rate so provided is hereby adopted by reference and shall be effective for the life of this Agreement or until the Director of the Department of Industrial Relations determines that another rate be adopted. It shall be mandatory upon the Contractor and on any subcontractor to pay not less than the said specified rates to all workers employed in the execution of this Agreement.

The Contractor and any subcontractor under the Contractor as a penalty to the Owner shall forfeit not more than \$50.00 for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed. The difference between such stipulated prevailing wage rates 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 the Contractor.

The Contractor and each Subcontractor shall keep or cause to be kept an accurate record for work on this Project showing the names, addresses, social security numbers, work classification, straight time and overtime hours worked and occupations of all laborers, workers and mechanics employed by them in connection with the performance of this Contract or any subcontract thereunder, and showing also the actual per diem wage paid to each of such workers, which records shall be open at all reasonable hours to inspection by the Owner, its officers and agents and to the representatives of the Division of Labor Law Enforcement of the State Department of Industrial Relations.

ARTICLE VIII. WORKING HOURS. In accordance with the provisions of Sections 1810 to 1815, inclusive, of the Labor Code of the State of California, which are hereby incorporated and made a part hereof, the time of service of any worker employed by the Contractor or a Subcontractor doing or contracting to do any part of the Work contemplated by this Agreement is limited and restricted to 8 hours during any one calendar day and 40 hours during any one calendar week, provided, that work may be performed by such employee in excess of said 8 hours per day or 40 hours per week provided that compensation for all hours worked in excess of 8 hours per day, and 40 hours per week, is paid at a rate not less than 1½ times the basic rate of pay. The Contractor and every Subcontractor shall keep an accurate record showing the name of and the actual hours worked each calendar day and each calendar week by each worker employed by them in connection with the Work. The Contractor and every Subcontractor shall keep the records open at all reasonable hours to inspection by representatives of the Owner and the Division of Labor Law Enforcement. The Contractor shall as a penalty to the Owner forfeit \$25.00 for each worker employed in the execution of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day, and 40 hours in any one calendar week, except as herein provided.

ARTICLE IX. APPRENTICES. The Contractor agrees to comply with Chapter 1, Part 7, Division 2, Sections 1777.5 and 1777.6 of the California Labor Code, which are hereby incorporated and made a part hereof. These sections require that contractors and subcontractors employ apprentices in apprenticeable occupations in a ratio of not less than 1 hour of apprentice's work for each 5 hours of work performed by a journeyman (unless an exemption is granted in accordance with Section 1777.5) and that contractors and subcontractors shall not discriminate among otherwise qualified employees as indentured apprentices on any public works solely on the ground of sex, race, religious creed, national origin, ancestry or color. Only apprentices as defined in Labor Code Section 3077, who are in training under apprenticeship standards and who have signed written apprentice agreements, will be employed on public works in apprenticeable occupations. The responsibility for compliance with these provisions is fixed with the Contractor for all apprenticeable occupations.

ARTICLE X. INDEMNIFICATION, INSURANCE AND BONDS. The Contractor will defend, indemnify and hold harmless the Owner, its governing board, officers, agents, trustees, and employees against and from any and all liability for damages on account of injury to or death of persons or damage to property or delay or damage to another contractor resulting from or arising out of or in any way connected with the performance by the Contractor of this Agreement and reimburse the Owner for all costs, attorney's fees, expenses and loss incurred by it in consequence of any claims, demands, and causes of action which may be brought against it arising out of the performance by the Contractor of this Agreement. This indemnification shall be in addition to the other indemnification provisions contained in the Contract Documents.

By this statement the Contractor represents that it has secured the payment of Workers' Compensation in compliance with the provisions of the Labor Code of the State of California and during the performance of the work contemplated herein will continue so to comply with said provisions of said Code. The Contractor shall supply the Owner with certificates of insurance evidencing that Workers' Compensation Insurance is in effect and providing that the Owner will receive 30 days' notice of cancellation.

Contractor shall provide the insurance set forth in the General Conditions. The amount of general liability insurance shall be \$1,000,000.00 per occurrence for bodily injury, personal injury, and property damage, and the amount of automobile liability insurance shall be \$1,000,000.00 per accident for bodily injury and property damage combined single limit.

Contractor shall provide the bonds set forth in the General Conditions, including performance and payments bonds.

ARTICLE XI. ENTIRE AGREEMENT. The Contract constitutes the entire agreement between the Parties, and supersedes any prior or contemporaneous agreement between the Parties, oral or written, unless such agreement is expressly incorporated herein. The Owner makes no representations or warranties, express or implied, not specified in the Contract. The Contract is intended as the complete and exclusive statement of the Parties' agreement pursuant to Code of Civil Procedure section 1856.

ARTICLE XII. EXECUTION OF OTHER DOCUMENTS. The Parties to this Agreement shall cooperate fully in the execution of any and all other documents and 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.

ARTICLE XIII. EXECUTION IN COUNTERPARTS. This Agreement may 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.

ARTICLE XIV. BINDING EFFECT. 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. The Contract shall inure to the benefit of and shall be binding upon the Contractor and the Owner and their respective successors and assigns.

ARTICLE XV. SEVERABILITY. If a court of competent jurisdiction shall hold any provision of the Contract invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof. The laws of the State of California shall govern the Contract and venue shall be in the appropriate Superior Court in Santa Clara County, California.

ARTICLE XVI. AMENDMENTS. The terms of the Contract shall not be waived, altered, modified, supplemented, or amended in any manner whatsoever except by written agreement signed by the Parties and approved or ratified by the Governing Board.

ARTICLE XVII. ASSIGNMENT OF CONTRACT. The Contractor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of the surety on the payment bond, the surety on the performance bond, and the Owner.

ARTICLE XVIII. WRITTEN NOTICE. Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm or to an officer of the corporation for whom it was intended, or if delivered at or sent by registered or certified or overnight mail to the last business address known to the person who gives the notice.

ARTICLE XIX. EXHIBITS INCORPORATED. All Exhibits attached to this Agreement are hereby incorporated into the Agreement by this reference as if set forth in full.

ARTICLE XX. SELECTION OF SUBCONTRACTORS. In the interest of minimizing the expenditure of funds for the construction of the Project, the Contractor agrees to select appropriately licensed subcontractors for each trade component of the Project in a manner that fosters competition. Contractor shall inform all prospective subcontractors that the Owner will not be a party to any

contracts for construction services executed by the Contractor and selected subcontractors. However, the Owner reserves the right to oversee the selection process, and in no case will the Contractor award any subcontracts until the Owner has concurred with the selection, scope, and price of the subcontracted services. Contractor shall submit a listing of proposed subcontractors with associated breakdown of bid values to the Owner for the Owner's review. In addition, at the Owner's request, Contractor shall provide the Owner with full documentation regarding the bids or competitive quotes received by the Contractor. In no event shall such documentation be redacted or obliterated. If Contractor does not comply with this provision, the Owner may terminate this Agreement in accordance with the General Conditions. Following Owner's concurrence with the selection, scope, and price of subcontracted services, Contractor shall not make any changes in same without Owner's express written approval of the proposed changes, which approval shall be in Owner's sole discretion. Owner reserves the right to terminate this Agreement in accordance with the General Conditions if Contractor does not comply with this provision.

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IN WITNESS WHEREOF, the Parties have, by their duly authorized representatives, executed this Agreement, in duplicate, as of the day and year first above written.

CONTRACTOR:

Gifford Construction, Inc., a California corporation

BY: 
TITLE: Rob Barr, Vice President

BY: 
TITLE: Corporate Secretary

638891
CONTRACTOR'S LICENSE NO.

3/31/2016
LICENSE EXPIRATION DATE

OWNER:

Gateway Unified School District

BY: 
James M. Harrell, Superintendent

NOTE: Contractor must give the full business address of the Contractor and sign with Contractor's usual signature. Partnerships must furnish the full name of all partners and the Agreement must be signed in the partnership name by a general partner with authority to bind the partnership in such matters, followed by the signature and designation of the person signing. The name of the person signing shall also be typed or printed below the signature. Corporations must sign with the legal name of the corporation, followed by the name of the state of incorporation and by the signature and designation of the chairman of the board, president or any vice president, and then followed by a second signature by the secretary, assistant secretary, the chief financial officer or assistant treasurer. All persons signing must be authorized to bind the corporation in the matter. The name of each person signing shall also be typed or printed below the signature. Satisfactory evidence of the authority of the officer signing on behalf of a corporation shall be furnished.

EXHIBIT A - Lease-Leaseback Agreement

SCOPE OF WORK

Gateway Unified School District

**Central Valley High School
Maintenance and New Construction Projects
(Gymnasium & Tennis Courts)**

**4066 La Mesa Avenue
Shasta Lake, CA 96019**

The GMP for construction costs is based on the plans, specifications, drawings, and design packages prepared by Semingson Architects, Inc. – Thomas Semingson & Judy Semingson, Project Architect/Designer for the Owner. The detailed Scope of Work is set forth in said plans, specifications, drawings, and design packages, which are incorporated herein by this reference.

EXHIBIT B - Lease-Leaseback Agreement

Gateway Unified School District

**Central Valley High School
Maintenance and New Construction Projects
(Gymnasium & Tennis Courts)
4066 La Mesa Avenue
Shasta Lake, CA 96019**

The Parties hereby agree that the following are hereby incorporated into the Scope of Work for the Project:

[ATTACHED EXHIBIT]

EXHIBIT B

PRELIMINARY BUDGET ESTIMATE BASED ON VERBAL DESCRIPTION PROVIDED.

ACTUAL COSTS TO BE DETERMINED AS PLAN IS REFINED.

		OPTION1	OPTION2	OPTION3
		TECTUM	GLU ON	ALUM
GENERAL CONDITIONS		14,000	16,000	16,000
FULL TIME SUPERVISION		NIC	NIC	NIC
DESIGN OR ENGINEERING		NIC	NIC	NIC
PERMITS AND FEES		NIC	NIC	NIC
TESTING AND INSPECTION		NIC	NIC	NIC
HAZARDOUS WASTE HANDLING		NIC	NIC	NIC
PREVAILING WAGES				
CONTINGENCIES		NIC	NIC	NIC
SITEWORK		NIC	NIC	NIC
DEMOLITION				
demo ceilings	hanes	8,566	8,566	12,500
demo flooring		NIC	NIC	NIC
demo e fixtures				
FOUNDATION WORK		NIC	NIC	NIC
MASONRY		NIC	NIC	NIC
STEEL OR METALS		NIC	NIC	NIC
CARPENTRY		NIC	NIC	NIC
FINISH CARPENTRY		NIC	NIC	NIC
THERMAL AND MOISTURE PROTECTION		NIC	NIC	NIC
DOORS AND WINDOWS		NIC	NIC	NIC
FINISHES				
drywall	progressive	NIC	21,894	NIC
acoustical cielings	hanes	NIC	55,461	NIC
tectum panels	hanes	67,585	NIC	below
alum ceilings				
purchase alum panels		NIC	NIC	57,225
tax		NIC	NIC	4,578
frt		NIC	NIC	2,500
install		NIC	NIC	35,000
misc materials		NIC	NIC	3,500
misc sound mat...?		NIC	NIC	12,000
paint walls	jf painting	11,545	11,545	11,545
flooring	parks	94,000	94,000	94,000
striping flooring	parks	inc	inc	inc
work around e bleachers	parks	inc	inc	inc

EXHIBIT B

floor protection				NIC
bleacher protection	gc	3,500	3,500	3,500
SPECIALTIES		NIC	NIC	NIC
EQUIPMENT		NIC	NIC	NIC
FIRESPRINKLERS		NIC	NIC	NIC
PLUMBING		NIC	NIC	NIC
HVAC		NIC	NIC	NIC
ELECTRICAL (lighting only)	camco	34,250	34,250	34,250
FEE		24,000	26,000	31,000
BUILDERS RISK INSURANC		NIC	NIC	NIC
CHECK MATH TO HERE				
SUBTOTAL		257,446	271,216	317,598
INS		2,574	2,712	3,176
BONDS		2,574	2,574	2,574
SUBTOTAL		262,594	276,502	323,348
TENNIS COURT WORK RE-DO /REFURBISH	ALLOWANCE			156,652
ESTIMATED PROJECT TOTAL				480,000

EXHIBIT C

PRELIMINARY BUDGET ESTIMATE BASED ON VERBAL DESCRIPTION PROVIDED.

ACTUAL COSTS TO BE DETERMINED AS PLAN IS REFINED.

		OPTION1	OPTION2	OPTION3
		TECTUM	GLU ON	ALUM
GENERAL CONDITIONS		14,000	16,000	16,000
FULL TIME SUPERVISION		NIC	NIC	NIC
DESIGN OR ENGINEERING		NIC	NIC	NIC
PERMITS AND FEES		NIC	NIC	NIC
TESTING AND INSPECTION		NIC	NIC	NIC
HAZARDOUS WASTE HANDLING		NIC	NIC	NIC
PREVAILING WAGES				
CONTINGENCIES		NIC	NIC	NIC
SITEWORK		NIC	NIC	NIC
DEMOLITION				
demo ceilings	hanes	8,566	8,566	12,500
demo flooring		NIC	NIC	NIC
demo e fixtures				
FOUNDATION WORK		NIC	NIC	NIC
MASONRY		NIC	NIC	NIC
STEEL OR METALS		NIC	NIC	NIC
CARPENTRY		NIC	NIC	NIC
FINISH CARPENTRY		NIC	NIC	NIC
THERMAL AND MOISTURE PROTECTION		NIC	NIC	NIC
DOORS AND WINDOWS		NIC	NIC	NIC
FINISHES				
drywall	progressive	NIC	21,894	NIC
acoustical cielings	hanes	NIC	55,461	NIC
tectum panels	hanes	67,585	NIC	below
alum ceilings				
purchase alum panels		NIC	NIC	57,225
tax		NIC	NIC	4,578
frt		NIC	NIC	2,500
install		NIC	NIC	35,000
misc materials		NIC	NIC	3,500
misc sound mat...?		NIC	NIC	12,000
paint walls	jf painting	11,545	11,545	11,545
flooring	parks	94,000	94,000	94,000
striping flooring	parks	inc	inc	inc
work around e bleachers	parks	inc	inc	inc

EXHIBIT C

floor protection				NIC
bleacher protection	gc	3,500	3,500	3,500
SPECIALTIES		NIC	NIC	NIC
EQUIPMENT		NIC	NIC	NIC
FIRESPRINKLERS		NIC	NIC	NIC
PLUMBING		NIC	NIC	NIC
HVAC		NIC	NIC	NIC
ELECTRICAL (lighting only)	camco	34,250	34,250	34,250
FEE		24,000	26,000	31,000
BUILDERS RISK INSURANC		NIC	NIC	NIC
CHECK MATH TO HERE				
SUBTOTAL		257,446	271,216	317,598
INS		2,574	2,712	3,176
BONDS		2,574	2,574	2,574
SUBTOTAL		262,594	276,502	323,348
TENNIS COURT WORK RE-DO /REFURBISH	ALLOWANCE			156,652
ESTIMATED PROJECT TOTAL				480,000



**WORLD
TELECOM &
SURVEILLANCE INC.**

Overall Proposal Cost:

World Telecom & Surveillance Inc. is providing proposal cost for the below project:

GUSD Part A – BSA Intercom, Paging, Bell System:

Material: \$38,112.82

Labor: \$9,188.65

Training: \$680.00

Total: \$47,981.47

GUSD Part B – GOES Intercom, Paging, Bell System:

Material: \$21,145.27

Labor: \$6,723.25

Training: \$680.00

Total: \$28,548.52

GUSD Part C – SLS Intercom, Paging, Bell System:

Material: \$26,191.02

Labor: \$11,101.18

Training: \$680.00

Total: \$37,972.20

GUSD Part D – MLHS Intercom, Paging, Bell System:

Material: \$25,966.59

Labor: \$6,187.86

Training: \$680.00

Total: \$32,834.45

GUSD Part E – CVHS Intercom, Paging, Bell System:

Material: \$44,767.79

Labor: \$11,695.93

Training: \$680.00

Total: \$57,143.72

Total Cost of Project: \$204,342.61

Hourly Rate: \$85.00 per Hr.



WORLD TELECOM & SURVEILLANCE INC.

May 14, 2014

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

**RE: Purchase and Installation of Intercom/Paging/and Bell system solution for: Buckeye School of the Arts, 3407
Hiatt Drive Redding CA 96003**

Dear Scott,

As requested, this is to provide you with a cost quotation for the installation of a Valcom Class Connection paging system, at Buckeye School of the Arts.

This cost quotation is based on the project scope of work, detailed by Scott Sorrels. This cost quotation is based on World Telecom & Surveillance Inc. providing all labor and material required to perform the Valcom Class Connection paging system installation as specified.

Scope of Work:

World Telecom & Surveillance will provide and install Valcom Class Connection IP system. The Valcom Class Connection will provide you with Admin Software, Communications, Safety/Security, Schedules/Clocks, Paging Intercom, and other special features. The Valcom Class Connection will also interface with any telephone system.

From each IDF (1), 4-pair, 24 awg. Category 5E, CM/CMR data cable, will be installed to each Speaker/Horn for a total of Fifty Two (52) new cables. The paging cables will be installed continuously, without splices between the classroom/office paging speaker locations and paging horn location will also have the own direct home run cable. The data cables will be installed in conduit/raceway (as needed) between the paging system termination point and the paging speaker/horn location.

World Telecom & Surveillance Inc. will install 33 Talk back 2X2 Lay-In Ceiling speakers in the classrooms. In each classroom 1 push button call switch will also be installed. In the none classroom areas 9 one way 2X2 Lay-In Ceiling speakers will be installed. WT&S will also install 10 one way Flex Horn speakers in outside areas.

Below is a break down per School for speaker/horn configuration:

Buckeye School of the Arts:

- (1) Class Connection Application Server
- (33) Classroom talk back speakers with push button call switch
- (9) None talk back speakers
- (10) One way outdoor Flex horn

Material List for Buckeye School of the Arts:

DESCRIPTION OF MATERIAL	PART NUMBER	QTY.
General Cat 5 PVC		9
Arlington Loops	TL25	100
Arlington Loops	TL50	10
Valcom Class Connection Application Server	VE6025	1
Valcom Dual enhanced Network Station Port	VE8012R	1

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www.wtands.com Ca License # 793485

Valcom Paging speaker 2x2 Talk Back	VECTLA-2	54
Valcom Push Button call switch	v-2972PK	54
Valcom Paging speaker 2x2	V-9022As	10
Valcom T-Bar Splice	V-TBAR	50
Valcom One way Horn	V-1080GY	10
Valcom Vandal Resistant Flexhorn box	V-9809	10
Outdoor Cages		10
8 port 45 ohm Talkback Gateway	VE8045	7
Administrative Telephone	VEADP	1
Valcom 4 amp power supply	VP-1124D	7
Panduit LD5 Raceway	LD-5	800
Testing	4 Hrs.	1
Training	8 Hrs.	1

All cabling will be check by Certified RCDD for proper installation according to all BICSI guidelines.

At The MDF location we will install (1) Valcom Class Connection paging system.

At each IDF a Valcom power supply will be installed to power the Valcom speakers, at each IDF WT&S will utilize existing phone feeder to provide the voice porting of the paging system. No paging feeder cables will be installed.

World Telecom & Surveillance Inc. will install the Valcom paging system, for the cost of Forty Seven Thousand Nine Hundred Eighty One and 47/100's Dollars (\$47,981.47).

These costs include the labor required, but does not include anything not mentioned or included in this cost quotation.

Scott, I want to thank you for this opportunity to work with you and show you the professionalism of our staff and the quality of our work. If you have any questions, or need additional information, please feel free to call.

Sincerely,

World Telecom & Surveillance Inc.

Ryan M. Belcastro, RCDD

WARRANTY

World Telecom& Surveillance Inc. warrants that it shall repair defects resulting from faulty materials or workmanship, for Three year Gateway Schools occupies the space. After completion of the proposed project, provided that it is notified in writing of all defects in material and workmanship in a timely manner. World Telecom & Surveillance Inc. Inc. liability shall be limited to the cost of the repairs or replacement of defective materials or correction of faulty workmanship. In no event shall World Telecom & Surveillance Inc. Inc. be liable for lost profits; general or special damages arising out of defects in material or workmanship. The above warranties are in lieu of all other warranties and are the only warranties made by World Telecom & Surveillance Inc. All other warranties, expressed or implied, including warranties of merchantability or fitness for a particular purpose are hereby excluded.

CONTRACTOR'S INFORMATION

World Telecom & Surveillance Inc. is a licensed California Contractor.
Contractor Classification: C7
Contractor License Number: 793485

1819 Keystone Court Redding, CA 96003 530-223-9753 Fax 530-223-9186
www.wtlands.com Ca License # 793485

Contractors are required by law to be licensed and regulated by the Contractor's State License Board. Any questions concerning a contractor may be referred to the Registrar, Contractor's State License Board, and 9835 Goethe Road, Sacramento, CA 95827. Mailing Address: P.O. Box 26000, Sacramento CA 95826.

REGULATED BY THE CONTRACTORS STATE LICENCE BOARD. ANY QUESTIONS CONCERNING THE RESPONSIBILITIES OF A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR OF THE BOARD WHOSE ADDRESS IS: "CONTRACTORS STATE LICENSE BOARD"

PROJECT CONTACTS

World Telecom & Surveillance Inc.
Ryan Belcastro, RCDD
1819 Keystone Ct
Redding, CA 96003
530-223-9753/ Fax 530-223-9186

PROJECT LOCATION

Buckeye School of the Arts
3407 Hiatt Dr.
Redding CA 96003

BILLING ADDRESS

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

TERMS

PHASE BILLINGS DURING COMPLETION OF PROJECT.

World Telecom & Surveillance Inc. Inc. certifies that all statements in this proposal are true, and acknowledge that if the proposal contains any false statements, Gateway School District may declare any contract made as a result of the proposal to be void.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. This quote is only valid for 30 days from the date of proposal.

Date of acceptance: 5/21/14 Signature 



WORLD TELECOM & SURVEILLANCE INC.

May 14, 2014

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

**RE: Purchase and Installation of Intercom/Paging/and Bell system solution for: Grand Oaks Elementary School 5309
Grand Avenue Shasta Lake CA 96019**

Dear Scott,

As requested, this is to provide you with a cost quotation for the installation of a Valcom Class Connection paging system, at Grand Oaks Elementary School.

This cost quotation is based on the project scope of work, detailed by Scott Sorrels. This cost quotation is based on World Telecom & Surveillance Inc. providing all labor and material required to perform the Valcom Class Connection paging system installation as specified.

Scope of Work:

World Telecom & Surveillance will provide and install Valcom Class Connection IP system. The Valcom Class Connection will provide you with Admin Software, Communications, Safety/Security, Schedules/Clocks, Paging Intercom, and other special features. The Valcom Class Connection will also interface with any telephone system.

From each IDF (1), 4-pair, 24 awg. Category 5E, CM/CMR data cable, will be installed to each Speaker/Horn for a total of Forty Eight (48) new cables. The paging cables will be installed continuously, without splices between the classroom/office paging speaker locations and paging horn location will also have the own direct home run cable. The data cables will be installed in conduit/raceway (as needed) between the paging system termination point and the paging speaker/horn location.

World Telecom & Surveillance Inc. will install 26 Talk back 2X2 Lay-In Ceiling speakers in the classrooms. In each classroom 1 push button call switch will also be installed. In the none classroom areas 7 one way 2X2 Lay-In Ceiling speakers will be installed. WT&S will also install 15 one way Flex Horn speakers in outside areas.

Below is a break down per School for speaker/horn configuration:

Grand Oaks Elementary School:

- (1) Class Connection Application Server
- (26) Classroom talk back speakers with push button call switch
- (7) None talk back speakers
- (15) One way outdoor Flex horn

Material List for Grand Oaks Elementary School:

DESCRIPTION OF MATERIAL	PART NUMBER	QTY.
General Cat 5 PVC		3
Arlington Loops	TL25	100
Arlington Loops	TL50	10
Valcom Class Connection Application Server	VE6025	1
Valcom Dual enhanced network station port	VE8012R	1

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Valcom Paging speaker 2x2 Talk Back	VECTLA-2	26
Valcom Push Button call switch	V-2972PK	26
Valcom Paging speaker 2x2	V-9022As	8
Valcom T-Bar Splice	V-TBAR	40
Valcom One way Horn	V-1080GY	15
Valcom Vandal Resistant Flexhorn box	V-9809	15
Outdoor Cages		15
SIP Compliant Network Port	VE8002R	5
Valcom Administrative Telephone	VEADP	1
Valcom 4 amp power supply	VP-4124D	5
Panduit LD5 Raceway	LD-5	300
Testing	4 Hrs.	1
Training	8 Hrs.	1

All cabling will be check by Certified RCDD for proper installation according to all BICSI guidelines.

At The MDF location we will install (1) Valcom Class Connection paging system.

At each IDF a Valcom power supply will be installed to power the Valcom speakers, at each IDF WT&S will utilize existing phone feeder to provide the voice porting of the paging system. No paging feeder cables will be installed.

World Telecom & Surveillance Inc. will install the Valcom paging system. for the cost of Twenty Eight Thousand Five Hundred Forty Eight and 52/100's Dollars (\$28,548.52).

These costs include the labor required, but does not include anything not mentioned or included in this cost quotation.

Scott, I want to thank you for this opportunity to work with you and show you the professionalism of our staff and the quality of our work. If you have any questions, or need additional information, please feel free to call.

Sincerely,

World Telecom & Surveillance Inc.

Ryan M. Belcastro, RCDD

WARRANTY

World Telecom& Surveillance Inc. warrants that it shall repair defects resulting from faulty materials or workmanship, for **Three year** Gateway Schools occupies the space. After completion of the proposed project, provided that it is notified in writing of all defects in material and workmanship in a timely manner. World Telecom & Surveillance Inc. Inc. liability shall be limited to the cost of the repairs or replacement of defective materials or correction of faulty workmanship. In no event shall World Telecom & Surveillance Inc. Inc. be liable for lost profits; general or special damages arising out of defects in material or workmanship. The above warranties are in lieu of all other warranties and are the only warranties made by World Telecom & Surveillance Inc. All other warranties, expressed or implied, including warranties of merchantability or fitness for a particular purpose are hereby excluded.

CONTRACTOR'S INFORMATION

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www.wtands.com Ca License # 793485

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REGULATED BY THE CONTRACTORS STATE LICENCE BOARD. ANY QUESTIONS CONCERNING THE RESPONSIBILITIES OF A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR OF THE BOARD WHOSE ADDRESS IS: "CONTRACTORS STATE LICENSE BOARD"

World Telecom & Surveillance Inc.
Ryan Belcastro, RCDD
1819 Keystone Ct
Redding, CA 96003
530-223-9753/ Fax 530-223-9186

Grand Oaks Elementary School
5309 Grand Avenue
Shasta Lake CA 96019

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

PHASE BILLINGS DURING COMPLETION OF PROJECT.

World Telecom & Surveillance Inc. Inc. certifies that all statements in this proposal are true, and acknowledge that if the proposal contains any false statements, Gateway School District may declare any contract made as a result of the proposal to be void.

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. This quote is only valid for 30 days from the date of proposal. ~ .

Date of acceptance: 5/27/14 Signature _____

Signature

Janson Hanel



WORLD TELECOM & SURVEILLANCE INC.

May 14, 2014

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

**RE: Purchase and Installation of Intercom/Paging/and Bell system solution for: Shasta Lake School 4620 Vallecito St.
Shasta Lake CA 96019**

Dear Scott,

As requested, this is to provide you with a cost quotation for the installation of a Valcom Class Connection paging system, at Shasta Lake Middle School.

This cost quotation is based on the project scope of work, detailed by Scott Sorrels. This cost quotation is based on World Telecom & Surveillance Inc. providing all labor and material required to perform the Valcom Class Connection paging system installation as specified.

Scope of Work:

World Telecom & Surveillance will provide and install Valcom Class Connection IP system. The Valcom Class Connection will provide you with Admin Software, Communications, Safety/Security, Schedules/Clocks, Paging Intercom, and other special features. The Valcom Class Connection will also interface with any telephone system.

From each IDF (1), 4-pair, 24 awg. Category 5E, CM/CMR data cable, will be installed to each Speaker/Horn for a total of Seventy Nine (79) new cables. The paging cables will be installed continuously, without splices between the classroom/office paging speaker locations and paging horn location will also have the own direct home run cable. The data cables will be installed in conduit/raceway (as needed) between the paging system termination point and the paging speaker/horn location.

World Telecom & Surveillance Inc. will install 44 Talk back 2X2 Lay-In Ceiling speakers in the classrooms. In each classroom 1 push button call switch will also be installed. In the none classroom areas 11 one way 2X2 Lay-In Ceiling speakers will be installed. WT&S will also install 24 one way Flex Horn speakers in outside areas.

Below is a break down per School for speaker/horn configuration:

Shasta Lake Middle School:

- (1) Class Connection Application Server
- (44) Classroom talk back speakers with push button call switch
- (11) None talk back speakers
- (24) One way outdoor Flex horn

Material List for Shasta Lake Middle School:

DESCRIPTION OF MATERIAL	PART NUMBER	QTY.
General Cat 5 PVC		9
Arlington Loops	TL25	100
Arlington Loops	TL50	10

CONTRACTOR'S INFORMATION

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Contractor Classification: C7
Contractor License Number: 793485

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PROJECT CONTACTS

World Telecom & Surveillance Inc.
Ryan Belcastro, RCDD
1819 Keystone Ct
Redding, CA 96003
530-223-9753/ Fax 530-223-9186

PROJECT LOCATION

Shasta Lake Middle School
4620 Vallecito St.
Shasta Lake CA 96019

BILLING ADDRESS

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

TERMS

PHASE BILLINGS DURING COMPLETION OF PROJECT.

World Telecom & Surveillance Inc. Inc. certifies that all statements in this proposal are true, and acknowledge that if the proposal contains any false statements, Gateway School District may declare any contract made as a result of the proposal to be void.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. This quote is only valid for 30 days from the date of proposal.

Date of acceptance: 5/27/14 Signature 

Valcom Class Connection Application Server	VF6025	1
Valcom Dual Network Station Port	VE8012R	1
Valcom Paging speaker 2x2 Talk Back	VECTLA-2	44
Valcom Push Button call switch		44
Valcom Paging speaker 2x2	V-9022As	12
Valcom T-Bar Splice	V-TBAR	60
Valcom One way Horn	V-1080GY	24
Valcom Vandal Resistant Flexhorn box	V-9809	24
Outdoor Cages		24
SIP Compliant Network Audio Port	VE8002R	9
Valcom Administrative Telephone	VEADP	1
Valcom 4 amp power supply	VP-1124D	11
Panduit LD5 Raceway	LD-5	300
Testing	4 Hrs.	1
Training	8 Hrs.	1

All cabling will be check by Certified RCDD for proper installation according to all BICSI guidelines.

At The MDF location we will install (1) Valcom Class Connection paging system.

At each IDF a Valcom power supply will be installed to power the Valcom speakers, at each IDF WT&S will utilize existing phone feeder to provide the voice porting of the paging system. No paging feeder cables will be installed.

World Telecom & Surveillance Inc. will install the Valcom paging system, for the cost of Thirty Seven Thousand Nine Hundred Seventy Two and 20/100's Dollars (\$37,972.20).

These costs include the labor required, but does not include anything not mentioned or included in this cost quotation.

Scott, I want to thank you for this opportunity to work with you and show you the professionalism of our staff and the quality of our work. If you have any questions, or need additional information, please feel free to call.

Sincerely,

World Telecom & Surveillance Inc.

Ryan M. Belcastro, RCDD

WARRANTY

World Telecom& Surveillance Inc. warrants that it shall repair defects resulting from faulty materials or workmanship, for **Three year** Gateway Schools occupies the space. After completion of the proposed project, provided that it is notified in writing of all defects in material and workmanship in a timely manner. World Telecom & Surveillance Inc. Inc. liability shall be limited to the cost of the repairs or replacement of defective materials or correction of faulty workmanship. In no event shall World Telecom & Surveillance Inc. Inc. be liable for lost profits; general or special damages arising out of defects in material or workmanship. The above warranties are in lieu of all other warranties and are the only warranties made by World Telecom & Surveillance Inc. All other warranties, expressed or implied, including warranties of merchantability or fitness for a particular purpose are hereby excluded.

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www.wtands.com Ca License # 793485



WORLD TELECOM & SURVEILLANCE INC.

May 14, 2014

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

**RE: Purchase and Installation of Intercom/Paging/and Bell system solution for: Mountain Lakes High School, 17752
Shasta Dam Blvd. Shasta Lake CA 96019**

Dear Scott,

As requested, this is to provide you with a cost quotation for the installation of a Valcom Class Connection paging system, at Mountain Lakes High School.

This cost quotation is based on the project scope of work, detailed by Scott Sorrels. This cost quotation is based on World Telecom & Surveillance Inc. providing all labor and material required to perform the Valcom Class Connection paging system installation as specified.

Scope of Work:

World Telecom & Surveillance will provide and install Valcom Class Connection IP system. The Valcom Class Connection will provide you with Admin Software, Communications, Safety/Security, Schedules/Clocks, Paging Intercom, and other special features. The Valcom Class Connection will also interface with any telephone system.

From each IDF (1), 4-pair, 24 awg. Category 5E, CM/CMR data cable, will be installed to each Speaker/Horn for a total of Thirty Three (33) new cables. The paging cables will be installed continuously, without splices between the classroom/office paging speaker locations and paging horn location will also have the own direct home run cable. The data cables will be installed in conduit/raceway (as needed) between the paging system termination point and the paging speaker/horn location.

World Telecom & Surveillance Inc. will install 15 Talk back 2X2 Lay-In Ceiling speakers in the classrooms. In each classroom 1 push button call switch will also be installed. In the none classroom areas 8 one way 2X2 Lay-In Ceiling speakers will be installed. WT&S will also install 10 one way Flex Horn speakers in outside areas.

Below is a break down per School for speaker/horn configuration:

Mountain Lakes High School:

- (1) Class Connection Application Server
- (15) Classroom talk back speakers with push button call switch
- (8) None talk back speakers
- (10) One way outdoor Flex horn

Material List for Mountain Lakes High School:

DESCRIPTION OF MATERIAL	PART NUMBER	QTY.
General Cat 5 PVC		5
Arlington Loops	TL25	100
Arlington Loops	TL50	10
Valcom Application Server Pro	VE6025	1
Dual Enhancement Network Station Port	VE8012R	1

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Valcom Paging speaker 2x2 Talk Back	VECTLA-2	16
Valcom Push Button call switch	V-2972PK	16
Valcom Paging speaker 2x2	V-9022As	8
Valcom T-Bar Splice	V-TBAR	20
Valcom One way Horn	V-1080GY	10
Valcom Vandal Resistant Flexhorn box	V-9809	10
Outdoor Cages		10
8 port 45 ohm Talk Back Gateway	VE8045	3
SIP Compliant Dual Audio Port	VE8002R	2
Valcom Administrative Telephone	VEADP	1
Valcom 4 amp power supply	VP-1124D	3
Panduit LD5 Raceway	LD-5	460
Training	4Hrs.	1
Testing	8 Hrs.	1

All cabling will be check by Certified RCDD for proper installation according to all BICSI guidelines.

At The MDF location we will install (1) Valcom Class Connection paging system.

At each IDF a Valcom power supply will be installed to power the Valcom speakers. at each IDF WT&S will utilize existing phone feeder to provide the voice porting of the paging system. No paging feeder cables will be installed.

World Telecom & Surveillance Inc. will install the Valcom paging system. for the cost of Thirty Two Thousand Eight Hundred Thirty Four and 45/100's Dollars (\$32,834.45).

These costs include the labor required, but does not include anything not mentioned or included in this cost quotation.

Scott, I want to thank you for this opportunity to work with you and show you the professionalism of our staff and the quality of our work. If you have any questions, or need additional information, please feel free to call.

Sincerely,

World Telecom & Surveillance Inc.

Ryan M. Belcastro, RCDD

WARRANTY

World Telecom& Surveillance Inc. warrants that it shall repair defects resulting from faulty materials or workmanship, for Three year Gateway Schools occupies the space. After completion of the proposed project, provided that it is notified in writing of all defects in material and workmanship in a timely manner. World Telecom & Surveillance Inc. Inc. liability shall be limited to the cost of the repairs or replacement of defective materials or correction of faulty workmanship. In no event shall World Telecom & Surveillance Inc. Inc. be liable for lost profits; general or special damages arising out of defects in material or workmanship. The above warranties are in lieu of all other warranties and are the only warranties made by World Telecom & Surveillance Inc. All other warranties, expressed or implied, including warranties of merchantability or fitness for a particular purpose are hereby excluded.

CONTRACTOR'S INFORMATION

World Telecom & Surveillance Inc. is a licensed California Contractor.
Contractor Classification: C7
Contractor License Number: 793485

Contractors are required by law to be licensed and regulated by the Contractor's State License Board. Any questions concerning a contractor may be referred to the Registrar, Contractor's State License Board, and 9835 Goethe Road, Sacramento, CA 95827. Mailing Address: P.O. Box 26000, Sacramento CA 95826.

REGULATED BY THE CONTRACTORS STATE LICENCE BOARD. ANY QUESTIONS CONCERNING THE RESPONSIBILITIES OF A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR OF THE BOARD WHOSE ADDRESS IS: "CONTRACTORS STATE LICENSE BOARD"

PROJECT CONTACTS

World Telecom & Surveillance Inc.
Ryan Belcastro, RCDD
1819 Keystone Ct
Redding, CA 96003
530-223-9753/ Fax 530-223-9186

PROJECT LOCATION

Mountain Lakes High School
17752 Shasta Dam Blvd.
Shasta Lake CA 96019

BILLING ADDRESS

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

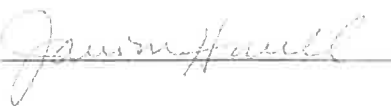
TERMS

PHASE BILLINGS DURING COMPLETION OF PROJECT.

World Telecom & Surveillance Inc. Inc. certifies that all statements in this proposal are true, and acknowledge that if the proposal contains any false statements, Gateway School District may declare any contract made as a result of the proposal to be void.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. This quote is only valid for 30 days from the date of proposal.

Date of acceptance: 5/27/14 Signature 



WORLD TELECOM & SURVEILLANCE INC.

May 14, 2014

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

RE: Purchase and Installation of Intercom/Paging/and Bell system solution for: Central Valley High School, 17752 Shasta Dam Blvd. Shasta Lake CA 96019

Dear Scott,

As requested, this is to provide you with a cost quotation for the installation of a Valcom Class Connection paging system. at Central Valley High School.

This cost quotation is based on the project scope of work, detailed by Scott Sorrels. This cost quotation is based on World Telecom & Surveillance Inc. providing all labor and material required to perform the Valcom Class Connection paging system installation as specified.

Scope of Work:

World Telecom & Surveillance will provide and install Valcom Class Connection IP system. The Valcom Class Connection will provide you with Admin Software, Communications, Safety/Security, Schedules/Clocks, Paging Intercom, and other special features. The Valcom Class Connection will also interface with any telephone system.

From each IDF (1), 4-pair, 24 awg. Category 5E, CM/CMR data cable, will be installed to each Speaker/Horn for a total of Ninety Two (92) new if needed cables. World Telecom & Surveillance Inc. will use the existing cabling from the current Valcom paging installation. World Telecom & Surveillance Inc. will extend the warranty for the existing system. The paging cables will be installed continuously, without splices between the classroom/office paging speaker locations and paging horn location will also have the own direct home run cable. The data cables will be installed in conduit/raceway (as needed) between the paging system termination point and the paging speaker/horn location.

World Telecom & Surveillance Inc. will install as need 55 Talk back 2X2 Lay-In Ceiling speakers in the classrooms. In each classroom 1 push button call switch will also be installed. In the none classroom areas 12 one way 2X2 Lay-In Ceiling speakers will be installed. WT&S will also install 25 one way Flex Horn speakers in outside areas. World Telecom & Surveillance Inc. will use the existing Valcom paging system and extend the 3 year warranty for the new Valcom system.

Below is a break down per School for speaker/horn configuration:

Central Valley High School:

- (1) Class Connection Application Server
- (55) Classroom talk back speakers with push button call switch
- (12) None talk back speakers (As needed using existing Valcom System)
- (25) One way outdoor Flex horn (As needed using existing Valcom System)

Material List for Central Valley High School:

DESCRIPTION OF MATERIAL	PART NUMBER	QTY.
General Cat 5 PVC		12

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Arlington Loops	TL25	100
Arlington Loops	TL50	10
Valcom Class Connection Application Server	VE602S	1
Valcom Dual Network Station Port	VE8012R	1
Valcom Paging speaker 2x2 Talk Back	VJCTLA-2	34
Valcom Push Button call switch	V2972PK	55
Valcom Paging speaker 2x2	V-9022As	4
Valcom T-Bar Splice	V-TBAR	46
Valcom In-wall Talkback speaker	V-9364:8	20
Valcom Square Grill	V-936480	20
Valcom Type 12 Recesses Backbox	VB-R12	20
Valcom One way Horn	V-1080GY	10
Valcom Vandal Resistant Flexhorn box	V-9809	10
Outdoor Cages		10
8 port 45 ohm Talkback Gateway	VE8045	8
SIP Compliant Audio Port	VE8002R	5
Valcom Administrative Telephone	VEADP	1
Valcom 4 amp power supply	VP-1124D	10
Panduit LD5 Raceway	LD-5	700
Testing	4 Hrs.	1
Training	8 Hrs.	1

All cabling will be check by Certified RCDD for proper installation according to all BICSI guidelines.

At The MDF location we will install (1) Valcom Class Connection paging system.

At each IDF a Valcom power supply will be installed to power the Valcom speakers, at each IDF WT&S will utilize existing phone feeder to provide the voice porting of the paging system. No paging feeder cables will be installed.

World Telecom & Surveillance Inc. will install the Valcom paging system, for the cost of Fifty Seven Thousand One Hundred Forty Three and 72/100's Dollars (\$57,143.72).

These costs include the labor required, but does not include anything not mentioned or included in this cost quotation.

Scott, I want to thank you for this opportunity to work with you and show you the professionalism of our staff and the quality of our work. If you have any questions, or need additional information, please feel free to call.

Sincerely,

World Telecom & Surveillance Inc.

Ryan M. Belcastro, RCDD

WARRANTY

World Telecom& Surveillance Inc. warrants that it shall repair defects resulting from faulty materials or workmanship, for **Three year** Gateway Schools occupies the space. After completion of the proposed project, provided that it is notified in writing of all defects in material and workmanship in a timely manner. World Telecom & Surveillance Inc. Inc. liability shall be limited to the cost of the repairs or replacement of defective materials or correction of faulty workmanship. In no event

shall World Telecom & Surveillance Inc. Inc. be liable for lost profits; general or special damages arising out of defects in material or workmanship. The above warranties are in lieu of all other warranties and are the only warranties made by World Telecom & Surveillance Inc. All other warranties, expressed or implied, including warranties of merchantability or fitness for a particular purpose are hereby excluded.

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Contractor Classification: C7
Contractor License Number: 793485

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PROJECT CONTACTS

World Telecom & Surveillance Inc.
Ryan Belcastro, RCDD
1819 Keystone Ct
Redding, CA 96003
530-223-9753/ Fax 530-223-9186

PROJECT LOCATION

Central Valley High School
17752 Shasta Dam Blvd.
Shasta Lake CA 96019

BILLING ADDRESS

Gateway Unified School District
4411 Mountain Lakes Blvd.
Redding CA 96003

TERMS

PHASE BILLINGS DURING COMPLETION OF PROJECT.

World Telecom & Surveillance Inc. Inc. certifies that all statements in this proposal are true, and acknowledge that if the proposal contains any false statements, Gateway School District may declare any contract made as a result of the proposal to be void.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. This quote is only valid for 30 days from the date of proposal.

Date of acceptance: 5/27/14 Signature 

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MEASURE G BOND TIMELINE REVIEW (2nd Bond Series)

<u>DATE</u>	<u>ITEM</u>
December 19, 2013	- Sale of 2 nd Bond Series for Measure G
January 15, 2014	- Board reviewed the District's 2012/13 Proposition 39 and Measure G General Obligation Bond Performance Audit Report presented by shareholder Taen Saetern of Matson & Isom, Certified Public Accountants (<i>Bond Agenda Item 6B</i>)
February 26, 2014	- Board approved to proceed with RFQ's for Architectural Services - Board approved to proceed with RFQ's for Project Manager/Contractor Services
March 12, 2014	- Board approved appointment of Steve Hagenbaugh to the Bond Committee - Board approved the one (1) year Audit Services Contract provided by Matson and Isom, CPA audit firm for Measure G General Obligation Bonds (<i>Bond Agenda Item 6C</i>)
March 28, 2014	- Board approved to award Semingson Architects, Inc. for architectural services for the Measure G Bond facility improvements - Board approved appointment of Leroy Perkins to the Bond Committee
April 29, 2014	- Board ratified the Architectural Services Contract with Semingson Architects for the Central Valley High School Renovation Projects (<i>Bond Agenda Item 6D</i>) - Board approved to award Project/Contractor services for the Central Valley High School Renovation Projects to Gifford Construction, Inc. - Board authorized the Superintendent the authority to proceed with executing the Lease-Leaseback Agreement for the Maintenance and New Construction Projects
May 14, 2014	- Board ratified the Lease-Leaseback Agreement with Gifford Construction, Inc. for the Maintenance and New Construction Projects (Central Valley High School) (<i>Bond Agenda Item 6E</i>) - Board authorized the Superintendent the authority to award the District Wide Intercom, Paging and Bell System based on the Request for Proposals (RFP)
June 2, 2014 (Gym)	- Renovation began at the Central Valley High School gymnasium

DATE**ITEM**

June 25, 2014

- Board ratified the Agreement for the District Wide Intercom, Paging and Bell System to World Telecom & Surveillance Inc. (Attachment 3)

July 17, 2014
(Tennis Courts)

- Renovation began on Central Valley High School tennis courts

BUILDING FUND 21

Total Bond Passed November 2008	\$ 19,000,000.00
General Obligation Bond Sale July, 2009	\$ 6,320,717.55
General Obligation Bond Sale Dec, 2013	\$ 6,300,280.55
Balance Unissued Bonds	\$ 6,379,001.90

Details Bond Sale July, 2009	\$ 6,320,717.55
Escrow Deposit	\$ 1,019,774.04
Bond Funds Received	\$ 5,300,943.51

Details Bond Sale Dec, 2013	\$ 6,300,280.55
Bond Issuance Costs	\$ 274,279.31
Escrow Deposit	\$ 5,256,268.78
Bond Funds Received	\$ 769,732.46

BOND FUND REVENUE			
Bond Funds Received	(1st Issuance)	\$	5,300,943.51
Bond Funds Received	(2nd Issuance)	\$	769,732.46
Interest Income		\$	105,208.55
BSA Construction Bid Deposits*		\$	2,100.00
Copier Fees/Refunds		\$	227.42
Audit/FMV Adj		\$	(2,070.00)
Bank of New York	Refund Cost Issuance	\$	10,372.52
TOTAL REVENUE RECEIVED:		\$	6,186,514.46
BOND EXPENDITURES			
BSA Multit-Purpose Final Costs		\$	2,730,156.07
Cafeteria Fund Contribution		\$	(70,000.00)
CVHS Cafeteria Encumbrance		\$	2,316,879.14
BSA Parking Lot Final Costs		\$	223,377.07
Project Closeouts	Budget Amount	\$	72,650.00
CVHS Large Gym	Budget Amount	\$	400,000.00
CVHS Tennis Courts	Budget Amount	\$	85,000.00
DW Bell/Paging System	Budget Amount	\$	205,000.00
TOTAL BUDGETED EXPENDITURES:		\$	5,963,062.28
BOND BALANCE:		\$	223,452.18

PROJECT SUMMARIES

Other Projects & Closeouts	BUDGET	EXPENDITURES
Construction/Repairs	\$ 58,185.00	\$ 42,901.17
Project Fees/Other Costs	\$ 11,265.00	\$ 11,583.22
Architect Fees	\$ 1,700.00	\$ 1,674.56
Inspector of Record	\$ 1,500.00	\$ 1,040.00
Estimated Project Costs:	\$ 72,650.00	\$ 57,198.95
Balance		\$ 15,451.05

CVHS Tennis Courts	BUDGET	EXPENDITURES
Construction	\$ 85,000.00	\$ -
Project Fees/Other Costs	\$ -	\$ -
Architect Fees	\$ -	\$ -
Inspector of Record	\$ -	\$ -
Estimated Project Costs:	\$ 85,000.00	\$ -
Balance		\$ 85,000.00

CVHS Large Gym	BUDGET	EXPENDITURES
Construction	\$ 380,500.00	\$ 267,099.14
Project Fees/Other Costs	\$ 5,000.00	\$ 857.80
Architect Fees	\$ 8,700.00	\$ 13,675.59
Inspector of Record	\$ 5,800.00	\$ -
Estimated Project Costs:	\$ 400,000.00	\$ 281,632.53
Balance		\$ 118,367.47
DW Bell/Paging System	BUDGET	EXPENDITURES
Construction	\$ 205,000.00	\$ -
Project Fees/Other Costs	\$ -	\$ -
Architect Fees	\$ -	\$ -
Inspector of Record	\$ -	\$ -
Estimated Project Costs:	\$ 205,000.00	\$ -
Balance		\$ 205,000.00

Other Projects & Closeouts

VENDOR	Change Order Value	Change Order Expense to Date	Invoice Number/Description	DATE	AMOUNT
CONSTRUCTION					
CALIFORNIA SAFETY			259412	1/30/2014	\$ 595.00
HARDWARE EXPRESS			221815/221645/221641/221640	5/2/2014	\$ 62.00
PAINT MARTS, INC			50196285	5/2/2014	\$ 72.01
AXNER EXCAVATING			L859767/L859816	5/2/2014	\$ 77.40
LIDDELL CONSTRUCTION			SI 347771	5/2/2014	\$ 2,446.38
J.D. CONCRETE			BSA HYATT	4/22/2014	\$ 9,500.00
LASSEN ELECTRICAL			5362	4/22/2014	\$ 28,427.00
HARDWARE EXPRESS			222623-1	6/5/2014	\$ 26.38
LASSEN ELECTRICAL			5462	7/30/2014	\$ 1,695.00
Total Construction					\$ 42,901.17
ARCHITECT FEES					
TLCD			6072	3/13/2014	\$ 326.01
TLCD			6116	3/13/2014	\$ 377.89
TLCD			6185	3/13/2014	\$ 235.33
TLCD			6236	3/13/2014	\$ 235.33
SEMINGSON ARCHITECTURE			142041	4/15/2014	\$ 500.00
Total Architect					\$ 1,674.56
INSPECTOR OF RECORD					
GORDON LEMKE			21574	04/08/14	\$ 1,040.00
Total Inspector of Record					\$ 1,040.00
PROJECT FEES/OTHER COSTS					
DSA			DSA02-102430	1/30/2014	\$ 500.00
DSA			DSA02-105809	2/25/2014	\$ 500.00
DSA			DSA02-48877	2/25/2014	\$ 500.00
DSA			DSA02-102430	3/11/2014	\$ 250.00
DSA			02-109165	3/27/2014	\$ 8,014.06
SCRIPPS MEDIA			1424393	4/3/2014	\$ 85.60
DSA			DSA02-6796	6/30/2014	\$ 1,733.56
Total Project Fee/Other Costs					\$ 11,583.22
TOTAL EXPENSES 8/7/14					\$ 55,524.39

CVHS Large Gym

VENDOR	Change Orders	Invoice Number/Description	DATE	AMOUNT
CONSTRUCTION				
GILES LOCK		756692	06/12/14	\$ 27.85
CALIFORNIA SAFETY		270850	06/12/14	\$ 403.75
GIFFORD CONSTRUCTION		14-008-1	06/30/14	\$ 171,678.60
LYONS TREE SERVICE		3048	07/28/14	\$ 4,000.00
GIFFORD CONSTRUCTION		14-008-2	08/05/14	\$ 64,800.00
WORLD TELECOM		12889	08/05/14	\$ 26,188.94
Total Construction				\$ 267,099.14
ARCHITECT FEES				
SEMINGSON ARCHITECTURE		142011 & 14201R1	05/13/14	\$ 2,845.00
SEMINGSON ARCHITECTURE		142012	06/10/14	\$ 3,600.00
SEMINGSON ARCHITECTURE		14201-R02	06/30/14	\$ 2,431.59
SEMINGSON ARCHITECTURE		14201-03	06/30/14	\$ 4,799.00
Total Architect				\$ 13,675.59
INSPECTOR OF RECORD				
Total Inspector of Record				\$ -
PROJECT FEES/OTHER COSTS				
SCRIPPS MEDIA		1424394	4/3/2014	\$ 89.80
INTERWEST INSURANCE				\$ 768.00
Total Project Fee/Other Costs				\$ 857.80
TOTAL EXPENSES 8/7/14				\$ 281,632.53

MEASURE G BOND OVERSIGHT COMMITTEE

The mission of the Measure G Bond Oversight Committee is to oversee the expenditure of money for the construction, repair, and modernization of schools in the Gateway Unified School District. The Oversight Committee communicates its finding to the Board and the public in order to ensure that school bond funds are invested as the voters intended and that projects are completed wisely and efficiently.

The Committee must have at least seven members who serve a term of two years without compensation and may serve no more than three consecutive terms. The membership must include:

1. One member active in a business organization representing the business community; located in the District; **VACANT**
 2. One member active in a senior citizens' organization;
Rich Artusy – Lakehead Senior's Organization
 3. One member active in a bona fide taxpayers' organization; **VACANT**
 4. One member who shall be the parent or guardian of a child enrolled in the District; **Kim Weatherbee – CVHS Parent**
 5. One member who is both a parent or guardian of a child enrolled in a District school and active in a parent/teacher organization such as the PTA or a school site council. **Tammi Whetstine – CVHS Parent**
- No employee or official of the District may be appointed to the Committee;
 - No vendor, contractor or consultant of the District may be appointed to the Committee.

Other members:

Mike Daniels (Retired – Lives in District: Redding)

Steve Hagenbaugh (Retired – Lives in District: Redding)

Leroy Perkins (Parent - Shasta Lake School)