

**South San Francisco Unified School District
Measure J Bond Program**

Forensic Examination Report

**For the Period of
July 1, 2010 through May 27, 2015**



**COSSOLIAS | WILSON
DOMINGUEZ | LEAVITT**
CERTIFIED PUBLIC ACCOUNTANTS



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May 27, 2015

South San Francisco Unified School District
Board of Trustees
398 B Street
South San Francisco, CA 94080

Re: Forensic Examination of the Measure J Bond Program

Dear Members of the South San Francisco Unified School District Board of Trustees:


Enclosed is the CWDL, CPAs report of the results of our forensic examination of the Measure J bond program. We conducted our examination pursuant to the Fund 21 Forensic Audit RFQ, issued April 6, 2015 and the Contractor Services Agreement by and between the South San Francisco Unified School District (the "District") and CWDL, CPAs ("CWDL").

Our procedures were performed in accordance with the American Institute of Certified Public Accountants' ("AICPA") Statement on Standards for Consulting Services. Our procedures did not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls, or other attestation or review services in accordance with standards established by the AICPA, the Governmental Accounting Standards Board or other regulatory body. The sufficiency of the procedures is the responsibility of the District. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Our analyses and observations are based upon information provided to CWDL as of the date of this report. It is possible that additional information may become available following the date of our report and, if so, our analyses and observations could be affected by such information.

Sincerely,



Ben Leavitt, CPA, CFE

Partner

CWDL, CPAs

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EXHIBITS:

- A – Summary of Remaining Project Costs by School Site
- B – Original Project Frog Modular Buildings Contract Award
- C – 2006-2007 San Mateo County Civil Grand Jury Report
- D – Applicable Greenbook Guidance and Contract Fee Presentation Examples
- E – Construction Manager Email Detailing Pay Application Concerns
- F – GMS Increase Memorandum to Board
- G – Pay Application #7 Monte Verde MS
- H – Pay Application Missing Approval Signatures
- I – On-book Payment in Advance of Work Performed
- J – Detail of Change Orders by School Site

1 EXECUTIVE SUMMARY

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1.1 BACKGROUND OF THE MEASURE J FORENSIC EXAMINATION

In November 2010, the voters of the South San Francisco Unified School District (the "District") approved Measure J by more than the required 55% vote threshold, authorizing the issuance and sale by the District of general obligation bonds, in an amount not to exceed \$162,000,000. Measure J is a Proposition 39 bond. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability provisions for bonds authorized pursuant to its terms. In accordance with these provisions, the District contracted with an external audit firm to provide annual financial and performance audits of the Measure J bond program.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908 (Chapter 44, Statutes of 2000), was also enacted. AB 1908 amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond measure pursuant to the 55% majority authorized in Proposition 39, including formation, composition and purpose of the Citizens' Bond Oversight Committee ("CBOC"), and authorization for injunctive relief against the improper expenditure of bond revenues. In compliance with Education Code section 15278(a), the Measure J CBOC was formed.

In April 2015, to determine the adequacy of controls for the Measure J bond program and the sufficiency of remaining program funds to pay for outstanding desired projects, the District issued a request for quotes ("RFQ") for a forensic examination of the Measure J bond program. The District's Board of Trustees selected CWDL, CPAs, a licensed California accounting firm with specialization in forensic and attestation engagements for K-12 local educational agencies, specifically including Proposition 39 bond building programs such as Measure J, to perform the examination.

The objectives of the examination, pursuant to the RFQ and directives from District management, were threefold:

1. Gain an understanding of the Measure J bond program from a historical perspective by developing a timeline of significant events.
2. Identify any control deficiencies, compliance violations and any instances of wrongdoing/deviation from best practices and develop recommendations to address any such findings.
3. Establish a financial snapshot of remaining Measure J funds and anticipated outstanding project costs/change orders as of April 30, 2015.

The procedures performed and results of our examination are summarized in this section and further discussed in sections 2-5.

1.2 EXAMINATION HIGHLIGHTS

Our forensic examination consisted of three weeks of forensic fieldwork. During this time, we performed the following procedures:

- Interviews of District Employees and Consultants;
- Examination of Measure J Expenditures;
- Examination of CBOC Meeting Minutes;
- Examination of District Board of Trustees Meeting Minutes;
- Examination of Measure J Financial and Performance Audit Reports;
- Examination of Measure J Debt Issuances;
- Examination of Project Frog/USS Cal Builders Lease-Leaseback Contracts, and
- Examination of San Mateo County Grand Jury Reports and Related Documents.

Based upon the procedures performed, we noted the following matters that do not comply with District practices, state law, and/or industry standard best practices, as indicated below:

- Lease-lease back contract terms unfavorable to the District: (industry standard best practices)
 - 100% of modular projects awarded to one vendor
 - Contract terms reduced opportunities for cost savings
 - Change order fee percentages not specified
- Significant scope changes throughout the duration of the program without adequate Board involvement (district practices and industry standard best practices)
- Construction managers' involvement in approval of change orders and pay applications was insufficient (district practices and industry standard best practices)
- Improper use of contract contingencies (district practices, industry standard best practices and may be contrary to contractual/legal obligations)
- Significant change orders approved without adequate Board involvement (district practices, industry standard best practices and may be contrary to contractual/legal obligations)
- Architect and inspector signatures were missing on some payment applications and certifications for payment (district practices, industry standard best practices and may be contrary to contractual/legal obligations)
- Some payments to USS Cal Builders authorized and made in advance of work being performed (district practices, industry standard best practices and may be contrary to contractual/legal obligations)
- Original scope of the primary contracts amounted to an incomplete bid that omitted critical scope (industry standard best practices)

1.2 EXAMINATION HIGHLIGHTS (CONTINUED)

Our examination of the Measure J financial position as of 4/30/2015 indicates that the District **does not currently have sufficient Measure J funds to complete all remaining desired projects**. We project the current deficit to complete such projects be at a minimum of **\$11,042,591**. Section 5 of this report describes the basis for our deficit projection. The District may reduce its total project costs based upon, among other things, changes in scope for current and future projects and/or change order analysis being performed on the District's behalf by Juan Barroso, Managing Partner, Derivi Castellanos Architects. Exhibit A presents a summary of remaining USS Cal Builders project costs by school site, including current and pending change orders.

2 PROCEDURES PERFORMED

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2.1 PROCEDURES PERFORMED

Fieldwork for the Measure J forensic examination consisted of two weeks on-site at the District offices, followed by one week of work from our San Diego office. Throughout fieldwork, our procedures were designed to achieve three main objectives; 1) Gain an understanding of the Measure J building program from a historical perspective by developing a timeline of significant events, 2) Identify control deficiencies, compliance violations and any instances of wrongdoing/deviation from best practices and develop appropriate recommendations, and 3) Establish a financial snapshot of remaining Measure J funds and anticipated outstanding project costs/change orders as of April 30, 2015. Procedures performed are summarized as follows:

Interviews of District Employees and Consultants:

- Michael Krause, Assistant Superintendent of Business Services, South San Francisco USD (3/1/15 – Present)
- Christine Gong, Director of Business Services, South San Francisco USD (1/12/04 – Present)
- Jeff Bonner, Facilities Director, South San Francisco USD (5/24/04 – Present)
- Salom Samad, Measure J Bond Construction Manager, South San Francisco USD (11/12/13 – Present)
- Kevin Sanders, Measure J Bond Construction Manager, South San Francisco USD (5/2/14 – 5/1/15)
- Amy Bueno, Measure J Bond Account Technician, South San Francisco USD (In bond position 7/1/12 – Present)
- Donna Fentanes, Measure J Bond Administrative Assistant, South San Francisco USD (2/5/13 – Present)
- James "Larry" Scott, , Former Measure J Bond Director (8/31/12-7/20/15)
- Patricia Ernsberger, Former Assistant Superintendent of Business Services (4/1/12-1/31/15)
- W. Bryce Chastain, Esq., Partner, Atkinson, Andelson, Loya, Ruud & Romo (assisted the District with preparation and implementation of the lease-leaseback agreements)
- Rudy Sultan, Sr. Project Manager, USS Cal Builders
- Juan Barroso, Managing Partner, Derivi Castellanos Architects (hired in April, 2015 to assist the District with review and analysis of pending change orders)
- Jeffrey Gee, AIA, Vice President, General Manager, Swinerton Management & Consulting (led Swinerton program management team at the District during the early phases of the Measure J bond program, prior to terminating Swinerton's agreement with the District in August, 2014)

Attempted Interviews:

- At CWDL's request, the District reached out to prior District employee Alejandro Hogan, Superintendent (7/1/11-6/30/15), to arrange an interview. As of the date of this report, Mr. Hogan has declined the interview request.

2.1 PROCEDURES PERFORMED (CONTINUED)

Examination of Measure J Expenditures:

- Documents for Measure J disbursements totaling \$93,795,839.94, with emphasis on Project Frog/USS Cal Builders Modular Project LLB pay applications, contract amendments and change orders.

Examination of Citizens' Bond Oversight Committee Meeting Minutes:

- Twenty-three (23) sets of meeting minutes between inception of CBOC and 4/30/15.

Examination of District Board of Trustees Minutes:

- Eighty-two (82) sets of meeting minutes (including agenda) between 7/1/10 and 4/30/15 with information pertinent to Measure J.

Examination of Internal Correspondence:

- Various internal correspondence relevant to Measure J from 7/1/11 through 5/27/15.

Examination of Measure J Audit Reports:

- Four (4) Measure J Performance and Financial audit reports prepared by Christy White Associates, PC for fiscal years 2010-11, 2011-12, 2012-13 and 2013-14.

Examination of Measure J Debt Issuances:

- Seven (7) bond anticipation note issuances (Series A-G) and one general obligation bond issuance (Series A) between 7/1/10 and 4/30/15

Examination of Project Frog/USS Cal Builders Lease-Leaseback Contracts:

- Sixteen (16) lease-leaseback agreements between the District and USS Cal Builders with a total original contract value of \$93,373,997.

Examination of San Mateo County Grand Jury Reports and Related Documents

- 2004-2005 San Mateo County Civil Grand Jury Report – "School Construction Management in San Mateo County"
- 2006-2007 San Mateo County Civil Grand Jury Report – "Problems in Fiscal Management at San Mateo Union High School District"
- 2009-2010 San Mateo County Civil Grand Jury Report – Independent Citizens' Oversight Committees
- South San Francisco USD Superintendent Barbara Olds' July 13, 2007 Response to the 2004-2005 and 2006-2007 San Mateo County Grand Jury reports

3 TIMELINE OF MEASURE J BUILDING PROGRAM

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3.1 TIMELINE OF MEASURE J BUILDING PROGRAM

11/2/2010 – Voters approve Measure J with 77.5% yes votes (exceeding the 55% required by Proposition 39), authorizing the issuance of up to \$162,000,000 in general obligation bonds.

6/23/2011 – The Board of Trustees approves the award of the Measure J program management services contract to Swinerton Management and Consulting (“Swinerton”).

9/22/2011 – Swinerton Management and Consulting provides the Board of Trustees with four options for construction plans:

Option A - Base Facility Master Plan, cost would be \$156.5M

Option B - Facility Master Plan w revised option, cost would be \$161.7M

Option C - Three new campuses, cost would be \$159.1M

Option D - Same as Option C, plus 4 classrooms at Martin Elementary, cost would \$160.8M (includes \$22 million budget for Martin)

No action taken by the Board of Trustees regarding Options A-D during this meeting.

10/27/2011 – Swinerton Management and Consulting provides the Board of Trustees with Measure J Bond Priorities (consistent with official bond language) identified as:

- Focus on five prioritized school sites:
 - Buri Buri Elementary – build replacement school
 - Martin Elementary – build replacement school
 - Alta Loma Middle – replace portables with modular, upgrade science labs, ADA updates
 - Parkway Heights Middle – new library replacement, new/renovated administration space, replace portables with modular, new school entry
 - South San Francisco High School – replace 20 portables with new 2-story wing, upgrade science labs, utility infrastructure replacement
- Replacement of existing portables
- Construction to provide value, longevity
- Science labs upgrades/additions
- Safety and code upgrades
- Replace aging infrastructure
- Restroom renovations
- Athletic field renovations
- Playground equipment

No formal action taken at this meeting by the Board of Trustees regarding the Measure J bond priorities discussed.

3.1 TIMELINE OF MEASURE J BUILDING PROGRAM (CONTINUED)

11/17/2011 – Superintendent Hogan and Jeffrey Gee, of Swinerton, provide, for Board of Trustees approval, the Measure J Bond Implementation Plan. The plan includes the following highlights:

- Buri Buri Elementary replacement school
- Martin Elementary replacement school (completion target date Fall 2014)
- South San Francisco High replacing 20 portables with a new 2-story classroom building (completion target date of Fall 2014)
- Parkway Heights Middle science lab or portables replacement – Parkway Heights plan is a “place holder” until the board decides on the work to be done there per Mr. Bob Collins of Swinerton Builders
- Replacing 44 portables district-wide with modulars
- Renovating/adding science labs at some schools
- Structural upgrades

Motion to approve the conceptual implementation plan **approved unanimously** by the Board of Trustees.

1/19/2012 – Trustee Goodman states that any improvements need to be presented to the Board, at an open meeting, before money is spent. Trustee Goodman further states that Trustees, being the fiduciary persons for the District, provide checks and balance to insure funds are properly used.

Mr. Jeff Bonner, Director of Facilities, states that the Superintendent has the authority to spend \$15,000 without the Board's consent, but agreed that the Board needs to know of planned Measure J expenditures in advance.

President Bush expressed concerns with identifying one school for improvements. She indicated the need for equality throughout the District and the Board needs the information beforehand.

The Board of Trustees continue to express the need for information before action is taken. As evidenced by the discussion items with Mr. Bonner, the Facilities Department appears aware of the threshold where the Board of Trustees should be informed of planned expenditures (in advance of work being performed) and enabled to take formal action for approval of such work.

2/23/2012 – Mr. Ahmad Sheikholeslami is introduced as the Bond Program Director and Mrs. Patricia Ennsberger is introduced as the Assistant Superintendent of Business Services.

3.1 TIMELINE OF MEASURE J BUILDING PROGRAM (CONTINUED)

5/10/2012 – Mr. Sheikholeslami presented demographic information to the Board of Trustees, noting that elementary schools east of El Camino are expected to see the most growth. This includes Martin Elementary, which is projected to have 631 students for 2016, greater than the boundary area of 605 students. It was noted in the minutes that additional students will need to attend other schools due to limited space at Martin Elementary.

6/28/2012 – Superintendent Hogan states that the District is currently at a crossroads with Measure J, since Mr. Sheikholeslami is leaving and the Swinerton Builders agreement needs to be renewed or redrawn.

8/23/2012 – Mr. Larry Scott introduced to the Board of Trustees as the new Bond Program Director.

10/25/2012 – Mr. Hogan presents Measure J Phases I, II, and III projects to board. Mr. Scott indicates that 15% contingencies for these phases could be used for remaining projects. He also confirmed that change orders had been factored into the costs. Board members expressed concerns as some projects that had previously been priorities were not listed.

Mr. Hogan stated that a future bond was a possibility and could help with these projects.

It appears significant changes in scope on Measure J projects occurred between the board approval of the implementation plan on 11/17/11 and the meeting on 10/25/12. In particular the Martin Elementary site proposed as a new school with Fall 2014 projected completion (estimated budget in excess of \$20 million) was reduced to construction/renovation with a budget of \$5,500,000.

11/8/2012 – The Board of Trustees approves the award of all modular construction projects to Project Frog.

Board President Bush expresses concern over Martin Elementary budget of \$5.5 million. Superintendent Hogan reassures that work will be “significant with new modulars, library, etc.”

3.1 TIMELINE OF MEASURE J BUILDING PROGRAM (CONTINUED)

12/13/2012 – Superintendent Hogan shared with the Board of Trustees three options on possible management models for the Measure J program as it enters phases II and III. Options included:

- Option A – no changes to construction management and program management roles, maintains Swinerton, no change in cost.
- Option B – “hybrid” option under which the Bond Director would assume most of the responsibility for managing construction projects. Swinerton would continue the role of program management. Savings would be \$2,700,000 for Phases II and III.
- Option C – District bond team would assume responsibility for all construction management and program management. Swinerton would no longer work as program management. Savings would total \$3,900,000 for Phases II and III.

Board Vice President Normandy expresses concerns over the additional authority being considered for Mr. Scott, and is reassured by Superintendent Hogan of Mr. Scott’s experience and ability. Option B giving the bond director the majority of responsibility over construction management work, is approved unanimously.

4/11/2013 – Motion to approve adding Mr. Scott as an authorized District representative under the School Facility Program for Bond related items. Motion carried unanimously.

This authorization allowed Mr. Scott to work directly with the Office of Public School Construction on items such as eligibility, reports, on-line project tracking, etc. Any applications for State funding as well as all additional approvals would require Board approval.

5/14/2013 – Mr. Scott mentions in CBOC meeting that Martin Elementary will be one of the last projects completed.

7/24/2014 – Change order #1 to USS Cal Builders approved, Fiscal impact of \$7,129.07 due to error of omission in the specifications for the Westborough Science Classroom remodel project.

8/26/2014 – Swinerton provides notice to Superintendent Hogan and the Board of Trustees that they have elected to terminate their services provided to the District, effective 9/5/2014. Swinerton cites concerns over a lack of collaboration and transparency by the District and concerns of District violation of District policy, state law and public trust.

3.1 TIMELINE OF MEASURE J BUILDING PROGRAM (CONTINUED)

10/23/2014 – Change order #2 to USS Cal Builders approved, time extension (no fiscal impact).

12/17/2014 – Change order #3 to USS Cal Builders approved, time extension (no fiscal impact).

2/5/2015 – Superintendent Hogan presented three options for the Martin School site:

1. Stay with the current plan – he stated that there are sufficient funds (current budget was listed as \$6.1 million)
2. Add more classrooms due to potential increase in student enrollment with City developments – proposed budget \$13-16M.
3. Build a completely new school – proposed budget \$20 -24M.

Superintendent Hogan briefly reviewed funding options:

- Other funding within the District
- New Bond
- Development of unused properties

Based upon information obtained during our examination, it appears that the Superintendent was incorrect in that the District did not have sufficient funds for option 1 as budgeted at \$6.1 million.

3/26/2015 – Michael Krause joins South San Francisco USD as its new Assistant Superintendent of Business Services.

3/26/2015 – Superintendent Hogan announces his resignation effective 6/30/2015.

4/27/2015 – CWDL, CPAs begins on-site fieldwork for the Measure J examination.

4 FINDINGS

4 FINDINGS

4.1 FINDINGS

Finding #1 – Award and Contract Language of Lease-leaseback Contracts

The lease-leaseback construction (“LLB”) delivery method, as authorized in Education Code 17406, has historically been construed to afford school districts greater freedom than traditional delivery methods when selecting a general contractor. Instead of soliciting and accepting the lowest responsive bid for a given project, as generally required under public contract code, a district can consider and contract with prospective builders on the basis of its own review procedures in much the same way it would procure professional services, assuming certain other legal requirements are met. This delivery method reduces the potential for competition, and many school districts therefore implement a competitive selection process, such as a request for proposals, when awarding LLB contracts. On the other hand, LLB has the advantages of establishing a guaranteed maximum sum (“GMS”) to help prevent cost overruns, and LLB has been credited with promoting a collaborative, teamwork-oriented approach to projects among the designer, builder and owner, particularly in the planning and design phases.

We examined the sixteen LLB contracts in place between Project Frog/USS Cal Builders and the District for all modular projects, noting the following concerns:

- A. On November 8, 2012, all of Measure J’s sixteen modular construction projects, the bulk of the construction work performed under the program, were awarded to Project Frog, a modular building company, as the result of a competitive selection process (see Exhibit B). Critical selection criteria appear to have been absent from this process, however, because following the award it was determined that Project Frog did not have the general contractor qualifications and bonding capacity to perform the projects. Once this was discovered, USS Cal Builders was quickly selected as a general contractor (“GC”) tasked with oversight of all of Project Frog’s work. This was a major contract award which positioned Project Frog as a subcontractor to USS Cal Builders. Per inquiry and examination, we noted no evidence of a competitive selection process for the award of the GC role to USS Cal Builders.

According to the 2006-2007 San Mateo County Civil Grand Jury report, the Grand Jury found that the San Mateo Union High School District’s selection of a sole vendor for all of its program’s construction management work was part of a flawed and deficient process (see Exhibit C). By using one modular company/general contractor for all modular projects, the District reduced its negotiating power while simultaneously increasing project delivery risk, essentially ‘putting all of its eggs in one basket.’

- B. One variation of LLB contracts used by school districts provides the District with the right to the lesser of GC cost plus fee or the GMS. The contracts established with Project Frog/USS Cal Builders were structured to deliver projects at lump sum GMS. By structuring as the lesser of GC cost plus fee or the GMS, the District could have enhanced transparency into the actual cost of the work being performed and relieved strain on its own ability to scrutinize and negotiate the price of proposed work, from the initial scope of the contracts to the significant amendments that altered and expanded upon that initial scope over the course of the program. Furthermore, any savings realized from efficiencies or initial over budgeting could be captured to a greater extent, instead of being limited to recapture of the contingency balances or cost reductions via value engineering.

Finding #1 – Award and Contract Language of Lease-leaseback Contracts (continued)

- C. The LLB contracts did not specify fee percentages for change order work performed. Although this is allowable per current construction guidance, many contracts will spell out fee percentages for transparency and ease of review (see Exhibit D for applicable guidance and examples of contracts with explicit fee presentation). The fee percentages earned by USS Cal Builders on all change orders amounted to 5% on subcontracted work, 15% on self-provided supplies and 20% on self-provided labor, and were only apparent when the District was invoiced for work performed, any communication and approval of these rates was undocumented. While these rates are in line with industry standards, without explicit presentation of the rates in the contract documents, it would be very difficult for District program staff to properly review change orders for payment. This opacity reduced the quality of the District’s change order approval process.

Finding #2 – Extensive Contract Amendments

At the November 8, 2012 Board of Trustees meeting, the Board awarded the modular buildings contracts to Project Frog for the combined Guaranteed Maximum Sum (“GMS”) of \$24,500,000 (see Exhibit B). A series of amendments to the final Guaranteed Maximum Sum in subsequent meetings eventually brought the projects’ combined GMS to over \$100 million, as of 2015. Best practices would dictate that such large proposed changes to project scope would be the subject of renewed negotiations, engendering competitive prices and ensuring transparency. At minimum, there would be an expectation that such changes would be considered in a public forum and negotiated by the District’s construction team. We noted per the results of our testing, many of the proposed changes resulted from direct negotiations between the District bond director and general contractor. Furthermore, memoranda documenting the proposed increases to GMS that went to Board provided scant information concerning the nature of the increase (see Exhibit F). Ultimately, the amendments resulted in large swings of project prioritization and funding, such as the current status of Martin Elementary, which was initially identified as a high priority project but now faces the final stages of a program with limited funds.

Finding #3 – Construction Manager Role

Construction managers are invaluable to any construction program because they perform a reconciliation of actual construction work performed against work billed through pay applications and change orders. The construction managers have a technical knowledge of construction possessed by few other individuals tasked with reviewing construction-related disbursements on behalf of the District. Additionally, the construction manager will generally have more on-site time at his or her assigned projects than the bond director, who is charged with oversight of the entire program. This on-site time further enhances the value of the construction manager’s perspective on project activity.

During our testing of change orders and interviews of bond construction managers, facilities director, bond account technician, and USS Cal Builders representatives, it appears that the bond construction manager’s role and involvement in change orders, pay application review, and overall bond program operations did not meet industry standards or best practices. We noted the following:

- A. Following the hire of the bond director, the District’s own construction managers were frequently excluded from meetings that occurred with only the bond director and general contractor in attendance. These one-on-one meetings focused on critical aspects of the program, from review of projects to negotiation of change orders and contract amendments. In particular, between August 2014 and February 2015, construction managers were not involved in the review of change orders, and had their role in the review of payment applications reduced below a level meeting industry standards.

Finding #3 – Construction Manager Role (continued)

- B. Concerns by construction managers brought to the attention of management regarding advanced billing for work not yet performed and detailed questions regarding specific line items on pay applications were dismissed by the bond director (see Exhibit E).

The minimization of the construction manager role appears to have resulted in an increase to the autonomy of the bond director while simultaneously reducing the quality of review of payment applications and change orders and lessening the District's negotiating power over change orders and contract amendments.

Finding #4 – Improper Use of Contingencies

Contingencies are established as a portion of an LLB contract's GMS to ensure that any, typically few, change orders that come through related to unforeseen conditions are covered within the GMS. Detailed tracking of contingencies is very important in a LLB contract because any savings resulting from unused contingency funds directly benefit the District.

From our testing, we noted that the bond director exercised full authority to approve the usage of contingencies to cover change orders independent of review and oversight. Any change orders in excess of contingency balances would necessarily trigger an increase to GMS, a significant event that should go to the District's board for approval. Instead, it appears that contingencies were transferred from one of the 16 LLB contracts to another in order to cover excess change order amounts. We performed detail walkthroughs of scheduled values of selected pay applications, noting one example on Pay Application #7 for the Monte Verde Middle School Project Frog Modular Project/Phase 1 (see Exhibit G). For this Pay Application, we noted that change order #1, for "site utilities" changes of \$176,051.75 singlehandedly exhausted the contractor's and owner's contingency balances of \$28,876 and \$115,509, respectively. The \$31,666.75 excess cost of the change order, over the allotted contingencies should have resulted in the submission of a proposed increase to GMS to the District's board. Instead, the excess was "transferred" to draw down the contingency balance of an unrelated project contract, Parkway Heights Middle School. Per inquiry with program staff and examination of project budget reports, such transfers, authorized by the bond director, were common and apparently used for the express purpose of avoiding Board oversight. The first GMS increases finally were presented to board only after nearly all projects' contingencies were extinguished.

Finding #5 – Approval of Change Orders

Change orders involve an increase to a project's board-approved original contract value. Change orders may typically result from a variety of circumstances, such as drawings errors and omissions, design changes, specifications, substitutions and unforeseen conditions. One of the primary advantages to the LLB construction delivery model is the establishment of the GMS, whereby the contractor assumes virtually all change order risk, with the exception of unforeseen conditions. Furthermore, the establishment of contingency balances as part of GMS provides additional assurance that total project costs will not exceed GMS.

Finding #5 – Approval of Change Orders (continued)

During our testing of change orders that were approved and paid by the District, we noted that 13 of 16 LLB contracts awarded to Project Frog/USS Cal Builders had exhausted 100% of contingency balances and were impacted by change orders causing them to exceed their respective GMS. Of particular concern were three contracts, #0410 South San Francisco High School, #0730 Spruce Elementary School and #0660 El Camino High School, with change orders in excess of GMS of 40.1%, 16.6% and 16.0%, respectively. According to Public Contract Code section 20118.4(a)(2) change orders in excess of 10% of contract value require board approval to determine whether it is in the public's interest to approve the change order or re-bid the project. Based on Public Contract Code section 20118.4(a)(2), all change orders in excess of 10% cumulative totals of their respective contract values should have been placed on the Governing Board's agenda for consideration. Instead, we noted that none of the change orders related to these projects were brought to the Board. As a result, the District may be out of compliance with Public Contract Code.

Finding #6 – Review and Approval of Payment Applications

Monthly payment applications involve a contractor's submission of construction work performed in the prior month for review and payment. Effective review of these payment applications requires a collaborative process, involving signers from a variety of departments and specializations. These signers will often include the general contractor, program manager, construction manager, architect, inspector, bond accountant, fiscal manager and finally the owner (or owner representative in the case of an LEA).

In our testing of payment applications we noted that over the life of Measure J, the District received payment applications on an industry standard form which included signature lines for inspector and architect, along with the other aforementioned signatures. Despite the indications on the forms, however, we noted that the presence of inspector and architect signatures was inconsistent throughout the program until March, 2015. At that time, District management imposed the requirement that all signatures, including inspector and architect, be present in order for payment to occur (see Exhibit H).

The inconsistency of signatures on payment applications throughout the life of Measure J appears symptomatic of the relative informality with which program funds were approved for disbursement. It also affects a lower degree of accountability over the substance and merit of the work being submitted for payment.

Finding #7 – Payments in Advance of Work Performed

As noted in Finding #6, payment applications are to be submitted, approved and paid only after a given periods' work has been performed.

Finding #7 – Payments in Advance of Work Performed (continued)

Through inquiry and examination of correspondence and payment applications, we noted that controls were not in place to prevent pay applications from being submitted and paid in advance of the related work being performed. This occurred in at least two different forms, on-book and off-book. In a typical on-book advance payment, a pay application for work performed June 1-June 30 would be submitted, approved and paid prior to June 30. In an off-book advance payment, the June pay application would be submitted, approved and paid subsequent to June 30, notwithstanding that, the scope of work included in the pay application would be unfinished at the date of payment. Off-book advance payments are harder to detect and became apparent only through inquiry and review of correspondence. Critically, as noted in the exhibit, the District's own construction manager noted that work billed was not performed and declined to approve payment (see Exhibit I). However the construction manager was overruled by the bond director who insisted on the approval and ultimate payment.

Finding #8 – Incomplete Bid

The modular buildings contract was awarded to Project Frog by the District's board on November 8, 2012. A listing of clarifications about the contract, published on December 6, 2012, identified inclusions and exclusions from project scope, including, significantly, the exclusion of "sitework beyond 5' of building footprints and utilities brought to within 5' of the building" (see Exhibit B). As a result of this exclusion, a relatively common condition for a modular buildings contract, the District faced significant additional work to connect its modular projects to existing campuses, both above and below ground. At this time, the District should have gone out to bid for this necessary scope of work. Failure to do so shrouded the costs for years. When the estimation of the work was finally performed in 2015, the District's ability to re-budget projects to cover the shortfall was severely impacted, contributing to the program's current deficit status as detailed in section 5.

5 FINANCIAL STATUS SUMMARY

5 FINANCIAL STATUS SUMMARY

5.1 FINANCIAL STATUS SUMMARY

In our approach to providing a snapshot of remaining Measure J funds at 4/30/2015 we examined all USS Cal Builders contracts, change orders, and contract amendments from program inception through program completion (as estimated on 5/7/2015). This included all current, pending, and future change orders that were provided through multiple meetings with USS Cal Builders representatives Rudy Sultan and Kirk Beckstead. In addition, through meetings with South San Francisco Unified School District construction managers Salom Samad and Kevin Sanders, additional known and projected costs were included in our analysis to determine whether the District has sufficient remaining funds to complete all desired projects. A detail of USS Cal Builders costs by project including all change orders is presented at Exhibit A. This total of \$61,919,744 has been included in the summary below. Based upon the information we obtained, the District **does not currently have sufficient Measure J funds to complete all remaining desired projects**. The current deficit appears to be, at minimum, approximately **\$11,042,591**.

Deficit Projection as of 4/30/2015	
Cash balance at 6/30/2015	\$ 57,210,118
Total USSCal Contract (see Exhibit A)	<u>61,919,744</u>
Remaining cash balance	<u>\$ (4,709,626)</u>
Additional vendor costs currently under contract:	
Buri Buri	\$ 596,144
Junipero Serra	74,429
Los Cerritos	65,550
Martin	795,784
Ponderosa	35,783
Spruce	156,114
Sunshine	100,150
Parkway	899,237
Westborough	79,136
El Camino	22,880
South San Francisco High School	525,345
Total additional vendor costs	<u>\$ 3,350,552</u>
Additional projected expenses not under contract:	
ADA Ramp	\$ 79,413
IT upgrades	400,000
Furniture	685,000
Movers	178,000
Change orders for Summer project utilities	800,000
Measure J Bond Staffing Costs	840,000
Total additional expenses	<u>\$ 2,982,413</u>
Minimum projected net funding deficit	<u>\$ (11,042,591)</u>

5.1 FINANCIAL STATUS SUMMARY (CONTINUED)

Negotiation of change orders could impact the analysis provided; see Exhibit J for a detail of current change orders by site. Any increase or decrease in change orders from those listed in Exhibit J should be considered.

In addition to the remaining costs identified and noted above, the District should ensure the costs associated with the following service providers (through program completion) are encumbered:

- Millennium Consulting
- Virco
- Consolidated Safety Services
- Stephen Payte DSA
- David Callahan Inspections
- Cody Anderson Wasney
- HKIT Architects
- Quattrocchi Kwok Architects

6.1 RECOMMENDATIONS

Based upon the findings noted in section 4, we have provided the District with the following preliminary recommendations. These recommendations provided a basis for the District's response which includes the current development of Standard Operating Procedures ("SOPs") for the bond department. These SOPs will serve both the remaining Measure J projects and future facilities/bond activity.

Recommendation #1 – Award and Contract Language of Lease-leaseback Contracts

As noted in Finding #1 in this report, the District elected to use one modular company/general contractor for all modular projects. In doing so the District reduced its negotiating power while simultaneously increasing project delivery risk. We recommend that the District develop policies and procedures over discretionary construction vendor selection that expands the pool of bidders, reduces scope per bid and ultimately enhances the competitiveness of the selection process while better securing project delivery over the life of the program.

As noted in Finding #1 in this report, the District engaged in LLB contracts that limited it to payment of GMS. We recommend the District explore contract provisions that would provide the District with the right to the lesser of GC cost plus fee or the GMS. By structuring future contracts with that provision, the District can enhance transparency into the actual cost of the work being performed and relieve strain on its own ability to scrutinize and negotiate the price of proposed work, from the initial scope of the contracts to amendments. Furthermore, any savings realized from efficiencies or initial over budgeting could be captured to a greater extent, instead of being limited to recapture of the contingency balances or cost reductions via value engineering only under a GMS only arrangement.

As noted in Finding #1 in this report, the District engaged in LLB contracts that did not specify fee percentages. We recommend that the District develop policies and procedures to require construction contracts to explicitly specify all chargeable elements including fee percentages for change order work performed. By specifying all chargeable elements, District staff will be able to perform a more efficient and effective review of billings against contracts.

Recommendation #2 – Extensive Contract Amendments

As noted in Finding #2 in this report, the District approved extensive amendments to the modular construction contract, driving contract value from an initial \$25.5M to over \$100M. These proposed amendments were supported by very limited information on 1) the basis of the increase in costs for the change in work to be performed and 2) projected resulting impact to other projects. We recommend that the District develop policies and procedures to ensure that all changes in scope, GMS, program timeline, or other significant events be presented to the District Board of Trustees in detail, for formal action. In addition changes to original/current project scope should be clearly identified and included in the detail of action taken by the Board of Trustees. This would include more detail on how a proposed change is expected to impact other, future projects.

Recommendation #3 – Construction Manager Role

As noted in Finding #3 in this report, the role of the construction manager was one of many key functions that was often minimized by the bond director. We recommend that the District develop policies and procedures to ensure that the overall approach to management of all bond program funds reflect collaboration between staff members of the bond team, fiscal services, information technology, and other related departments. In particular, the role of the construction manager should be heavily relied upon for key decisions on items such as project progress, payment application approval, change orders, and overall bond program operations. The knowledge and direct site time of the construction manager role should be utilized in key decisions and operations of the program.

Recommendation #4 – Improper Use of Contingencies

As noted in Finding #4 in this report, contingency balances specifically developed for each of Measure J's 16 LLB modular projects were, at the determination of the bond director, transferred and applied to alternate projects. We recommend that the District develop policies and procedures to ensure that contingency balances are restricted to the projects that they were originally developed for and are only made available for alternate uses upon the completion of their related projects and with full Board knowledge and required Board approval.

Recommendation #5 – Approval of Change Orders

As noted in Finding #5 in this report, the change order approval process did not align with District practices, industry standard best practices and may be contrary to contractual/legal obligations. We recommend that the District develop policies and procedures to ensure proper segregation of change orders from District-proposed contract amendments and require that a significant amount of detail accompany change order requests to enable all District stakeholders to perform their respective roles with regard to negotiation and ultimate approval of the change order request.

Recommendation #6 – Review and Approval of Payment Applications

As noted in Finding #6 in this report, there were multiple instances where payment applications were not approved by all required parties prior to payment. Effective review of payment applications requires a collaborative process, involving signers from a variety of departments and specializations. Missing signatures on payment applications can affect the degree of accountability over the substance and merit of the work being submitted for payment. We recommend that all future payment applications include the signature of: the general contractor, program manager, construction manager, architect, inspector, bond accountant, fiscal manager and finally the owner (or owner representative in the case of an LEA). We noted that the District has implemented new procedures concerning the review and approval of payment applications as of March 2015. In our testing it appears that an adequate system is now in place to properly review and approve payment applications and we recommend that the District continue this system.

Recommendation #7 – Payments in Advance of Work Performed

As noted in Finding #7 in this report, there were multiple instances where pay applications were approved and paid in advance of work performed. We recommend that the District establish policies and procedures to ensure that all pay application payments are made only as set forth in applicable contract documents, after the related work has been performed to standards, and that payments are made both based upon the date of work performed and the merit of work performed. The merit of work performed should be a collaborative determination between the Districts' construction managers and its bond director and other appropriate parties.

Recommendation #8 – Incomplete Bid

As noted in Finding #8 in this report, the award of the modular construction contracts excluded significant sitework. This excluded scope was nonetheless required by the related modular projects and failure to budget for and bid this related work early in the program has caused severe impact on the final stages of the program's budget. We recommend that the District develop policies and procedures to ensure that all necessary scope for a given project is properly budgeted and bid in advance of project completion.

ATTACHMENTS

- A – SUMMARY OF REMAINING PROJECT COSTS BY SCHOOL SITE
 - B – ORIGINAL PROJECT FROG MODULAR BUILDINGS CONTRACT AWARD
 - C – 2006-2007 SAN MATEO COUNTY CIVIL GRAND JURY REPORT
 - D – APPLICABLE GREENBOOK GUIDANCE AND CONTRACT FEE PRESENTATION EXAMPLES
 - E – CONSTRUCTION MANAGER EMAIL DETAILING PAY APPLICATION CONCERNS
 - F – GMS INCREASE MEMORANDUM TO BOARD
 - G – PAY APPLICATION #7 MONTE VERDE MS
 - H – PAY APPLICATION MISSING APPROVAL SIGNATURES
 - I – ON-BOOK PAYMENT IN ADVANCE OF WORK PERFORMED
 - J – DETAIL OF CHANGE ORDERS BY SCHOOL SITE
-
-

Exhibit A.1

Summary of Remaining Project Costs by School Site

PO #	Phase	Contract #	School	Original Contract Amounts	Change Orders beyond contingencies	Adjusted Contract Amounts	Remaining on Contract at 4/30/2015	Additional Change Orders	Total Contract including all change orders	District Encumbrance	Net Amount to be Encumbered
131222	Phase 1	0610	Baden High School	\$ 640,581.00	\$ 19,337.19	\$ 659,918.19	\$ -	\$ 2,383	\$ 2,383.20	\$ -	\$ (2,383.20)
131213	Phase 1	0620	Monte Verde MS	3,928,425	42,506	3,970,931	-	12,983	12,983	-	(12,983)
131216	Phase 1	0630	Skyline ES	2,473,743	73,233	2,546,976	-	8,187	8,187	-	(8,187)
131219	Phase 1	0640	Alta Loma MS	2,513,842	247,023	2,760,865	-	14,126	14,126	-	(14,126)
131225	Phase 2	0810	Junipero Serra	3,102,805	-	3,102,805	2,873,769	76,205	2,949,974	2,948,198	(1,776)
131217	Phase 2	0730	Spruce	3,773,000	627,264	4,400,264	121,795	47,050	168,844	272,318	103,474
131215	Phase 2	0720	Ponderosa	3,350,827	308,988	3,659,815	100,487	39,979	140,466	132,754	(7,712)
131221	Phase 2	0840	Westborough	1,608,247	134,527	1,742,774	46,982	52,091	99,073	202,876	103,803
			Westborough Science								
131214	Phase 3	0820	Martin ES	8,152,953	-	8,152,953	7,782,526	2,000,000	9,782,526	795,784	(8,986,742)
131212	Phase 3	0710	Los Cerritos	1,614,499	4,368	1,618,867	1,496,879	-	1,496,879	1,563,166	66,287
131218	Phase 3	0740	Sunshine Gracens	2,455,734	(424,904)	2,030,830	1,861,463	-	1,861,463	2,388,730	527,267
131220	Phase 3	0830	Parkway Middle	28,194,201	2,790,057	30,984,258	16,404,871	5,368,168	21,773,039	18,421,027	(3,352,012)
131224	Design Build	0410	SSFHS	8,833,605	3,546,556	12,380,161	4,532,851	415,574	4,948,425	5,484,655	536,230
131211	Design Build	0420	Buri-Buri ES	16,879,690	1,204,617	18,084,307	11,464,335	7,030,692	18,495,028	12,908,435	(5,586,593)
131223	Sc. Renov Prog	0660	El Camino HS SP	4,971,953	797,026	5,768,979	83,500	82,846	166,346	106,380	(59,966)
131219	Sc. Renov Prog	0650	Alta Loma MS SP	879,892	1,500	881,392	-	-	-	-	-
	Totals			\$93,373,997.00	\$ 9,372,097.46	\$ 102,746,094.46	\$46,769,458.47	\$ 15,150,285.35	\$ 61,919,743.81	\$ 45,224,323.00	\$ (16,695,420.81)

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Memorandum

TO: Board of Trustees

FROM: Alejandro Hogan, Superintendent

THRU: Patricia M. Ernsberger, Asst. Superintendent - Business Services
Larry Scott, Bond Program Director

DATE: December 13, 2012

RE: To approve the lease leaseback contract for the installation of modular buildings

BACKGROUND:

At the November 8, 2012 Board of Trustees Meeting, the Board approved to award the contract for modular buildings to Project Frog. The cost of the installation of the modular buildings is consistent with the allocation of \$24,500,000 for this project.

We have added the science classrooms, the replacement school for Buri Buri and the South San Francisco High School Two-Story 20 Classroom Modular Addition and the modular infrastructure to Project Frog's scope of work. This is all consistent with the Measure J Bond Program Phase II and Phase III plan.

Project Frog is providing a Guarantee Maximum Price (GMP) for all of the above projects of \$60,574,000.

Education Code section 17406 authorizes a governing board of a school district, without advertising for bids, to lease property currently owned by a school district to any person, firm, or corporation for a minimum of \$1 per year as long as such document requires the other party to construct a building or buildings upon the subject property and that title to the subject property and the buildings vest in the school district at the expiration of the lease.

FISCAL IMPLICATIONS:

The cost of the installation of all modular buildings will be financed with Measure J bond funds. The program budget for the modular buildings is consistent with the allocation of \$60,574,000 for this project.

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees approve the lease leaseback contract for the installation of modular buildings including science classrooms, Buri Buri Replacement School, South San Francisco High School Two-Story 20 Classroom Modular Addition and modular infrastructure.

Lease Leaseback Project Information Sheet

PROJECT					
School/Address:	All District School sites				
Formal Project Title:	Project Frog Modular Classrooms Projects				
Scope: (Narrative Description)	Project Frog will install all work needed to complete Modular Units and Infrastructure to the Modular Classrooms Projects, Buri Buri Replacement School Project, SSFSH New 2 Story Classroom Buildings Project and Science Building El Camino High School (6), Alta Loma Middle School (1)				
Site Map: (Detailed Map w/ Legend Prepared)	Yes all site has detailed Map w/ Legend as of October 1, 2012		Geotechnical Report: (Dates and Areas of Report Obtained)	Yes all site has Geotechnical Report on file as of October 1, 2012	
Schedule: (Descriptions of Key Milestones)					
Board Award: (Intended)	November 8, 2012	Start: (Intended)	November 15, 2012	Finish: (Required)	November 30, 2016

COMPLIANCE	
CEQA: (Describe Status and Approach)	
Habitat: (ESA/ Fish & Game For New Ground)	
Air Quality: (Power Plants / Generators / Etc.)	
Drainage: (SWPPP / Local Jurisdiction)	
Water Supply: (Well, Etc.)	

FUNDING			
Project Budget:	\$66,000,000	Estimated GMP:	\$58,324,000
GMP Proposed:	\$60,574,000	Contractor Contingency:	\$1,800,000
Liquidated Damages:	\$3,000 per day	Owner Contingency:	\$450,000
Specific Funding Source(s):	Measure J	Grant Letter/Conditions Provided to Counsel:	No
Labor Compliance: (Required/Method)	Yes	DVBE: (Required/Method)	Yes

Modular Replacement, New School Design and Science Renovation Programs

Clarifications

General

1. Pricing for the 2013 Modular Replacements is based on the Master Plans by H-Kit Architecture dated 11/27/2012.
2. Pricing for the 2014 and 2015 Modular Replacements is based on the Master Plans by DLM Architecture dated 10/19/2012.
3. Pricing is based on a mutually agreeable contract between the SSFUSD, USS Cal Builders and Project Frog, Inc.

Project Frog Component Building Inclusions

4. Prefabricated structural wood wall panels, Glu-Lam beams and columns
5. Embeds & Anchor bolts at foundations
6. Acoustical metal roof decking
7. Unitized glazing systems and window flashings - standard dual pane 1" IGU
8. Glass entry doors and finish hardware
9. Insulated standing seam metal roof system, gutters & downspouts
10. Prefabricated electrical devices, cable trays, iLED lighting and controls equipment for day light and occupancy sensors. Classrooms will be tied into the District's Alerton System.
11. Fasteners for kit, sill sealer and wall panel base flashing
12. Hanging Mechanism for Student Work in Classrooms
13. Shipping to jobsites
14. Frog Project Management
15. Soft Costs: Structural Engineering of Buildings and Foundations, Acoustical, Architectural of interior and exterior finishes, Mechanical & Electrical Engineering in Buildings.
16. Buildings will meet requirements of ALUCP. Buildings currently meet CHPS standards for STC45 sound ratings. An allowance for laminated glass and thickened roofing panels has been included in case the sound decibel reduction is not met under CHPS standards.
17. Sales Tax
18. Interactive Smart Boards

On-Site General Contracting Services

19. Installation of Project Frog Component Building
20. Concrete Foundations (standard shallow spread footings)
21. Slab on Grade
22. Earthwork is based on the over excavation of 5ft and compacting 5'-00" around building perimeter.
23. Miscellaneous carpentry
24. Caulking and sealants
25. Exterior finish systems (waterproofing and field painted cement plaster or factory color fiber cement cladding panels)
26. Interior wall finishes (pre-finished tackable wall surface and pre-finished wall paneling)
27. Floor finishes (resilient in all buildings excluding the libraries, carpeting in Libraries)
28. Resilient wall base

Modular Replacement, New School Design and Science Renovation Programs

29. Whiteboards at teaching wall, 3 ea. Sliding
30. Room ID, capacity and exit signs
31. Fire extinguishers, interior
32. Ceiling mounted LCD
33. Speaker for PA and Clock
34. Roller window shades per District standard
35. Built-in cabinetry at teaching wall and Sink(s). (Sinks are at Elementary School classrooms only.)
36. Fire Sprinkler System
37. Plumbing: 1 ea. Sink in Classrooms & 3 ea. Sinks in Exploratoriums
38. HVAC: Ventilation and Heating unit on exterior pad with chain link with wood slats mechanical equipment protection/screening. Ductwork, registers and grilles in all rooms. No cooling system.
39. Electrical: Installation of prefabricated MC-cable based electrical system, tel/data cabling at perimeter walls, electrical panels in electrical closets, intercom/clocks, exterior lighting on buildings, 2 ea. floor boxes in classrooms, 2 ea. floor boxes in Libraries and 4 ea. floor boxes in Exploratoriums

40. General Requirements for 4 projects, Summer 2013
41. Bonds, Insurance and General Contractor Fee
42. Backpack Cubbies and Student indoor entry hooks at Classrooms
43. Desk and counter in Libraries
44. Projection screens in classrooms or Exploratoriums
45. Large Projection screen in Library
46. Fire Alarm System
47. Burglar/Security Alarm System
48. Demolition of Existing portables/structures
49. Specialty room program items such as the School Ec Lab items required and Private Office at Baden HS (see Alternates section)
50. Front reception desk and credenza at Buri Buri
51. Site Management costs are based on projects running concurrently as outlined by each year. These costs will adjust if the project timelines are changed.

Exclusions

1. Hazardous material abatement, air monitoring, etc.
2. Per soils report, no deep or special foundation requirements are required.
3. Off hauling and/or dump fees for contaminated soil, Hazardous spoils or rock excavation, compaction or treatment of native soils, off hauling or importing of soils, Dewatering
4. Utility company connection fees.
5. Furnishing and installation of all phone equipment, loose furniture and equipment which has not been specifically identified.
6. Building department permits or fees
7. Operable windows
8. Finishes, Equipment or any other items not specifically identified in the clarifications.

Modular Replacement, New School Design and Science Renovation Programs

9. Acoustical ceiling tile and grid (acoustical metal roof decking will be the finished ceiling)
10. Teaching lavaliers
11. Plumbing in Libraries
12. Sitework beyond 5' of building footprints and utilities brought to within 5' of the building. Assumes within close proximity of previous buildings. Some connections above 5' have been included per master plan layouts.
13. Schedule delays or equipment downtime costs from inclement weather or revisions to current contract documents.
14. Unforeseen conditions
15. This report specifically excludes anything not specifically included in said report.

16. Library stacks or book racks
17. Electrical service, switch gear modifications or upgrades



[Issue](#) | [Background](#) | [Findings](#) | [Conclusions](#) | [Recommendations](#) | [Responses](#) | [Attachments](#)

San Mateo Union High School District Construction Contracting Procedures

Contract Award Procedures Require Immediate Improvement

Issue

What immediate steps should be taken to address concerns about the San Mateo Union High School District Measure M construction contracting procedures?

Background

The 2006-2007 San Mateo County Civil Grand Jury (Grand Jury) was motivated to investigate the San Mateo Union High School District (SMUHSD or District) by media reports of the District's financial difficulties. The Grand Jury has chronicled these difficulties in a report entitled "Problems in Fiscal Management at San Mateo Union High School District."¹ The focus of the Grand Jury investigation then shifted to the questionable selection and contract award process for the construction management contract for the Measure M bond projects. This second report is a result of the Grand Jury's investigation of this process.

History of School Bonds

In 2000 (and amended in 2002), District voters approved a \$137.5 million bond issue (Measure D) for renovation, demolition and construction on SMUHSD campuses. In November 2006, District voters approved a \$298 million bond issue (Measure M) to renovate and rehabilitate seven SMUHSD campuses and fund the completion of additional needed projects. The District has employed (for Measure D) and proposes to employ (for Measure M) a construction management firm to manage and coordinate the various parties involved in these significant bond-funded projects.

History of Construction Management Contracting

Exhibit C.2

Kitchell/CEM, Inc. (Kitchell) was the construction management company for the District's Measure D projects. For various reasons, the Measure D projects experienced significant cost-overruns. One of the Measure D project directors employed by Kitchell worked on District projects beginning in 2001 and left the employ of Kitchell in January 2006 to work for Skanska USA Building, Inc. (Skanska), a subsidiary of Skanska AB, a large Swedish construction firm. In February 2006, the former Kitchell employee now working for Skanska became an unpaid advisor to the SMUHSD to assist the District in pre-bond planning for Measure M.

In July 2006 Skanska submitted a proposal to the District for further pre-bond planning services. The proposal included developing a plan for the implementation of a six-year modernization program for "six comprehensive high schools, the Crestmoor site, and the San Mateo Performing Arts Center."² The proposal also included assisting the District in hiring "architectural and engineering firms to begin the design phase of the new modernization program."³

Because it was not required, no competitive selection process was used and on July 13, 2006, the Board of Trustees awarded Skanska a \$97,765 contract for the pre-bond work. The Grand Jury was told that this contract was awarded to Skanska, in part, because of the previous free assistance provided by Skanska to the SMUHSD.

2006-2007 Construction Management Contract Award Process

On November 13, 2006, a Request for Qualification was sent out by the District to select a construction management company for the District's Measure M projects. This process is used to identify qualified firms. Twenty construction management companies indicated interest, and four were interviewed in December by a five-member committee consisting of District administrators, consultants and Trustees, none of whom had the appropriate financial, contractual or construction expertise. During this process, there is no evidence that the District requested fee information from the four candidate firms. The committee recommended that Skanska be awarded the contract as the sole construction management company for all District Measure M projects despite the fact there was disagreement among District staff over awarding such a large construction management contract to a single company. Skanska has not managed or otherwise participated in any other school construction projects in California.

Unsubstantiated Contract Increases

Documents prepared in the course of pre-bond planning estimated construction management fees for Measure M projects to be approximately \$11 million. The SMUHSD Revised Facilities Master Plan⁴ of February 9, 2006, which Skanska reviewed, includes construction management fees of \$11,346,548. The Skanska Bond Projects List of July 13, 2006⁵, similarly projected construction management fees of \$10,940,990. The contract selection and award process described above resulted in Skanska being awarded the sole construction management contract with the District. Prior to Skanska's submission of its draft contract to the District, the Superintendent allegedly requested

Exhibit C.3

Skanska to: (1) increase its scope of work to include architect design management; (2) reassign the cost escalation expenses (a line item in the pre-bond planning estimate); and (3) reflect these changes in the management construction contract. Skanska submitted its broadened contract to the Superintendent six days prior the Board meeting at which it was scheduled for approval. Skanska's proposed contract included construction and design management fees totaling \$23,966,660.

While some explanation was given during the Grand Jury investigation, witnesses were unable to justify the entire increase from \$10,940,990 to \$23,966,660. Witnesses explained that very little or no negotiation occurred over Skanska's fees or contract terms. Similarly, witnesses were unable to provide any evidence that the numerous architect contracts or fee agreements were ever negotiated or reviewed by District's legal counsel.

Lack of Opportunity for Contract Review

The agenda for the March 8, 2007 Board of Trustees meeting included the Superintendent's recommendations to select both the architects and the construction management firm. Prior to the meeting, Skanska distributed a document addressing the *Agreement for Architectural Services* that stated, "The attached Agreement has been thoroughly reviewed, and amended, as agreed upon between the architects and the District's legal counsel." The District's legal counsel's review of the architects' agreement was limited to matters of form: there were no substantive contractual terms or fees reviewed. Prudent business practice requires the Board of Trustees to seek assurances from its own advisor(s) about the thoroughness of the review of the proposed agreement; reliance on statements such as the one by Skanska mentioned above, was misplaced. Furthermore, in regard to Skanska's contract, the District's legal counsel apparently played no role in the drafting or negotiation.

The Board of Trustees voted to accept the architects' agreement, but the recommendation to approve the Skanska contract was withdrawn because it had been received too late for the Trustees to consider.

Subsequent to the March 8, 2007 Board meeting, the District's counsel informed some Trustees that he had not reviewed the reasonableness of either the proposed architects or construction management fees. This information was communicated to the Grand Jury by several sources. Furthermore, the Grand Jury learned that the District's counsel believes that some of the architectural fees set forth in the approved agreements could be as much as 100% above customary fees. Additionally, it is the District's counsel's opinion that the architectural design fees set forth in Skanska's proposed contract could be as much as \$8 million above customary fees.

On April 5, 2007, a District trustee called for a temporary halt to the Measure M project work. As reported in the *Daily Journal*, "The Oakland-based business slated to oversee the six-year construction plan, Skanska, submitted its contract at a cost more than \$10 million over the estimate without explanation or notice to trustees before last month's

Exhibit C.4

scheduled vote. The item was pulled from the March 8 agenda and has not been revisited publicly. This was just one of many concerns Hanley expressed before suggesting a few remedies at the special board meeting Tuesday. To get the Measure M work back on track, Hanley proposed starting clean by cutting ties with Skanska, suspending all work pending review of management and creating new board protocols for contracts.”⁶

During the April 19, 2007 regularly-scheduled board meeting, Skanska was invited to explain its approach to Measure M projects as well as its fees for such services. As a result of Skanska’s presentation and comments by the public and District trustees, the Board reportedly decided to “begin a new search for construction experts to oversee Measure M projects, after the original company slated to do the work raised its fees by \$4.5 million without informing the school board.”⁷

“Questions of inflated costs, miscommunication, lack of state requirements and experience, and an authorless contract plagued the board’s discussion before it decided to go forward on the projects scheduled for this summer but start from scratch on all other projects. The board discontinued its relationship with Skanska — which it previously agreed to work with for the duration of the project. A subcommittee of trustees Linda Lees Dwyer and Peter Hanley was formed to find an interim construction manager to oversee this summer’s work and inform the architects to stop work on other projects. In the near future the district will begin to reevaluate the architect fee structure, create new protocols for reviewing contracts, create the description of a district construction manager and start the search for new project management. Skanska is free to resubmit.”⁸

The District’s problems are serious and ingrained. As stated in the *San Mateo Daily News*, the District’s legal counsel, “called Skanska’s \$24 million construction bid ‘shocking.’ But more than the firm, the district’s own ‘power vacuum’ was to blame for the pricey bid, Haesloop said. ‘What Skanska has done ... is make an omnibus proposal to fill that power vacuum,’ he added. ‘The real question is, who’s managing the managers?’”⁹

Findings

- A senior Skanska employee was provided at no charge to the District for pre-bond work. This employee was a former employee of Kitchell, the construction management company that oversaw Measure D.
- Skanska was selected as a paid pre-bond consultant. There was no competitive process in awarding this contract for \$97,000.
- Skanska, as the pre-bond construction management company for the initial project planning, assisted in the selection of architects, some of whom are charging fees allegedly exceeding current market value.
- Some or all Trustees relied upon a document stating that architect agreements and fees were thoroughly reviewed by counsel.

Exhibit C.5

- The Board of Trustees did not use its legal counsel to perform a full review of the proposed architect agreements in a timely manner.
- The Board of Trustees approved the architects' agreement subject to approval of contract language by the District's legal counsel, with fees that allegedly exceed customary industry rates. There appeared to have been little or no negotiation of the fees or terms of the agreement.
- Skanska was selected as the sole construction management company even though there had been significant disagreement among District staff about awarding the oversight of the \$298 million Measure M construction projects to a single company.
- Skanska's proposed contract for \$23,966,660 was placed on the Board of Trustees' agenda for approval despite the fact that: (1) there was no competitive process used for the \$5 million design management portion of the proposed contract - only the construction management portion was competitive¹⁰; (2) there was little or no negotiation of the terms and fees set forth in the proposed contract; (3) witnesses were unable to justify the entire increase in Skanska's proposed management fees from \$10,940,990 to \$23,966,660.
- Witnesses informed the Grand Jury that Skanska management fees set forth in its proposed contract submitted to the Board of Trustees for approval on March 8, 2007, exceed current industry norms.
- On April 19, 2007, the Board of Trustees discontinued its relationship with Skanska.
- California Education Code Section 15278 requires a citizen's oversight committee be established to review bond expenditures.

Conclusions

The Grand Jury asserts that the process by which the proposed construction management contract was developed was flawed and that the District must improve the process for selecting and retaining construction managers.

The SMUHSD Measure M construction management selection committee lacked sufficient financial, contractual and construction experience (or failed to engage persons with such experience) to assist them in their selection process for the award of the Measure M construction management projects.

The considerable influence exerted by Skanska's project executive throughout both the contracting process and the alleged negotiations raises questions about whether the

Exhibit C.6

District should have allowed a party who had a significant financial stake in this project to have so much responsibility.

The Skanska proposed contract for \$23,966,660 was the result of a deficient contracting process. There appears to have been little or no negotiation or review of the management fees.

A majority of District Trustees neglected their oversight responsibilities in accounting, financial and contractual matters regarding the District’s Measures D and M construction projects.

The Superintendent failed to provide adequate management oversight to ill-equipped District staff in accounting, financial and contractual matters, especially those surrounding Measures D and M construction projects.

Recommendations

The Grand Jury recommends that the San Mateo Union High School District Board of Trustees direct the Superintendent, by formal resolution, to:

1. Improve the process for selecting construction management firms. The Request for Qualifications and Request for Proposal processes must be impartial, transparent and competitive.
2. Use the improved selection process to award the Measure M construction management contract and strongly consider awarding the contract to a pool of companies rather than a single company.
3. Assemble a proposal review team that includes individuals with financial, construction and contractual expertise to select the construction management contractor(s).
4. Actively negotiate the construction management contract(s) with the chosen candidate(s).
5. Provide the statutorily-required citizen’s oversight committee with independent advisors with financial, construction and legal expertise to, among other things, monitor the progress of construction, the expenditure of funds and adherence to contractual requirements through the completion of the Measure M construction projects.
6. Immediately engage the services of a qualified outside consultant, whose primary allegiance is to the District, to review and advise the Board and staff on management control procedures, especially those surrounding the accounting and budgeting for Measure M construction projects.

Exhibit C.7

¹ <http://www.sanmateocourt.org/grandjury>

² San Mateo Union High School District - Proposal for Pre-Bond Management Services, July 13, 2006, by Skanska

³ Ibid

⁴ Revised Facilities Master Plan – 2007-2012, February 9, 2006, by the San Mateo Union High School District

⁵ Bond Projects List 2007-2013 Master Budget for the San Mateo Union High School District, July 13, 2006, by Skanska

⁶ Spending at schools under fire,” The Daily Journal, April 5, 2007 page 1.

⁷ Board dumps project managers,” San Mateo County Times, April 20, 2007 page Local 1.

⁸ “Pink slip for company in school mess” San Mateo Daily Journal, April 20, 2007 page 1.

⁹ “School board kills Skanska deal,” San Mateo Daily News, April 20, 2007

<http://www.sanmateodailynews.com/article/2007-4-20-04-20-07-smuhsd-skanska>

¹⁰ The Grand Jury was informed that the \$10.9 million fee for construction management was increased by \$5 million to cover the separate services of design management.

Exhibit C.8
San Mateo Union High School District

David Miller, Ph.D., Interim Superintendent

Ethel C. Konopka, Associate Supt. Human Resources-Admin. Serv.

Elizabeth McManus, Associate Supt. Business Services

650 North Delaware Street - San Mateo, CA 94401-1795

(650) 558-2299

(650) 762-0249 FAX

July 23, 2007

The Honorable John L. Grandsaert
Judge of the Superior Court
Hall of Justice
400 County Center; 2nd Floor
Redwood City, CA 94063-1655

RE: SAN MATEO UNION HIGH SCHOOL DISTRICT CONSTRUCTION CONTRACTING
PROCEDURES Report

Dear Judge Grandsaert:

On May 3, 2007, the Grand Jury of San Mateo County published its "San Mateo Union High School District Construction Contracting Procedures" report. We take the Grand Jury's findings and recommendations very seriously. We fully intend to take all action necessary to restore confidence in our ability to manage our construction program. In support of our commitment to address these construction issues, we have contracted with Mark Haesloop, an experienced San Mateo county construction attorney, and added the District Associate Superintendent of Business Services, who has significant construction experience, to the Measure M team. The District is addressing the issues identified in the Measure M program and investing the required time and resources to ensure a detailed plan is in place prior to beginning any construction work.

Please find our specific responses in the paragraphs below.

DISTRICT'S RESPONSE TO GRAND JURY'S FINDINGS

The Grand Jury's Findings appear on page 4 of its report.

Findings in First Paragraph: A senior Skanska employee was provided at no charge to the District for pre-bond work. This employee was a former employee of Kitchell, the construction management company that oversaw Measure D.

Response to Findings in First Paragraph: This finding is not accurate and is actually discussed on page 2 of the Grand Jury report. The facts, as stated in the report, are that the employee was paid through the contract that the District had with Skanska. It is correct that the employee was a former employee of Kitchell, the construction management company that oversaw Measure D. John Maloblocki resigned from Kitchell at the end of January 2006. Sometime between his resignation with Kitchell and July 2006 he went to work for Skanska. He maintained a relationship with the District during the interim. The Skanska contract was approved by the Board in July for work to be performed from July to November 2006.

Exhibit C.9

Findings in Second Paragraph: Skanska was selected as a paid pre-bond consultant. There was no competitive process in awarding this contract for \$97,000.

Response to Findings in Second Paragraph: This finding is correct. For the record, the actual contract amount was \$97,765. No competitive bidding process is required under any regulation or legislation for these services.

Findings in Third Paragraph: Skanska, as the pre-bond construction management company for the initial project planning, assisted in the selection of architects, some of whom are charging fees allegedly exceeding current market value.

Response to Findings in Third Paragraph: Skanska did assist in the selection of the architects. Although the fees proposed by the architects would have exceeded current market value, the fee agreements were not finalized and the District is in the process of negotiating agreements that will be well within accepted industry norms. The District is re-negotiating all of the architect's contracts and aligning fees with those recommended by the Office of Public School Construction. Furthermore the selected construction management firms will be required to fix their fees in accordance with OPSC guidelines and will not be allowed reimbursable and open-ended expenses.

Findings in Fourth Paragraph: Some or all Trustees relied upon a document stating that architect agreements and fees were thoroughly reviewed by counsel.

Response to Findings in Fourth Paragraph: This finding is correct. The Trustees were told that the architect agreements and fees had been thoroughly reviewed by counsel. Based on the problems the Skanska contract presented, the Board of Trustees has reiterated that it expects long-existing protocol to be followed in the future and directed staff to have all contracts thoroughly reviewed by legal counsel.

Findings in Fifth Paragraph: The Board of Trustees did not use its legal counsel to perform a full review of the proposed architect agreements in a timely manner.

Response to Findings in Fifth Paragraph: The Board of Trustees was told that the proposed architect agreements had been fully reviewed by legal counsel prior to the agreements being brought to the Trustees for approval. The Trustees had no information at that time to contradict what they had been told. Adequate time for counsel to conduct a thorough review had been available.

Findings in Sixth Paragraph: The Board of Trustees approved the architects' agreements subject to approval of contract language by the District's legal counsel, with fees that allegedly exceed customary industry rates. There appeared to have been little or no negotiation of the fees or terms of the agreement.

Response to Findings in Sixth Paragraph: This finding is correct as to the approval. There was no information in the documents provided to the Board of Trustees to show whether or not fee negotiations had taken place. As noted above, the Board was informed that counsel had thoroughly reviewed the contracts, which customarily included the proposed fees.

Findings in Seventh Paragraph: Skanska was selected as the sole construction management company even though there had been significant disagreement among District staff about awarding the oversight of the \$298 million Measure M construction projects to a single company.

Response to Findings in Seventh Paragraph: The Board of Trustees was not provided with any information to agree with or refute this finding. The Board of Trustees was not, at any time prior to or since the Grand Jury's report, provided with any information or evidence of "a significant disagreement among District staff."

Exhibit C.10

Findings in Eighth Paragraph: Skanska's proposed contract for \$23,966,600 was placed on the Board of Trustees' agenda for approval despite the fact that: (1) there was no competitive process used for the \$5 million design management portion of the proposed contract – only the construction management portion was competitive; (2) there was little or no negotiation of the terms and fees set forth in the proposed contract; (3) witnesses were unable to justify the entire increase in Skanska's proposed management fees from \$10,940,990 to \$23,966,600.

Response to Findings in Eighth Paragraph: This finding is correct. The Board of Trustees did not have any information concerning (1), (2), or (3) at the time that the proposed contract was placed on the agenda for approval. The contract was recommended to the Board by the District's Superintendent. It was not reviewed by the District Associate Superintendent of Business Services nor by District legal counsel, both of whom have been part of long standing protocols for review of all contracts placed on the board agenda for action. An analysis of the contract was not provided to the Board to provide a foundation for evaluation.

Findings in Ninth Paragraph: Witnesses informed the Grand Jury that Skanska management fees set forth in its proposed contract submitted to the Board of Trustees for approval on March 8, 2007, exceed current industry norms.

Response to Findings in Ninth Paragraph: Then Superintendent Johnson did not provide a contract analysis or a comparison to industry standards. The Board subsequently investigated and determined that the contract exceeded the Office of Public School Construction fee structure.

Findings in Tenth Paragraph: On April 19, 2007, the Board of Trustees discontinued its relationship with Skanska.

Response to Findings in Tenth Paragraph: This finding is correct.

Findings in Eleventh Paragraph: California Education Code Section 15278 requires a Citizen's Oversight Committee be established to review bond expenditures.

Response to Findings in Eleventh Paragraph: This finding is correct. The District formed a Citizen Oversight Committee in a timely manner on January 18, 2007 to monitor the Measure M bond expenditures.

DISTRICT'S RESPONSE TO GRAND JURY'S RECOMMENDATIONS

Grand Jury Recommendation

1. Improve the process for selecting construction management firms. The Request for Qualifications and Request for Proposal processes must be impartial, transparent and competitive.

District Response

Although the District has not finalized the procedures for selecting construction management firms, it is likely that, at the very least, the District will conduct a standard RFP process like that performed for the Burlingame High School soil remediation project. This process includes the solicitation of as many firms as possible. From there, the District will narrow down the firms to interview by review of their fixed fee cost, experience, track record, and compatibility for district needs.

Grand Jury Recommendation

2. Use the improved selection process to award the Measure M construction management contract and strongly consider awarding the contract of a pool of companies rather than a single company.

District Response

The District will use the improved selection process to award all contracts necessary to implement Measure M construction. Consideration will be given to the use of multiple companies to manage the construction projects.

3. Assemble a proposal review team that includes individuals with financial, construction and contractual expertise to select the construction management contractor(s).

District Response

The District believes that it has a core team in place now that includes the Associate Superintendent of Business Services, Construction Counsel and the Bond Accounting Manager. We will add individuals who have the critical expertise needed to this team for the purpose of selecting the necessary construction management entities. It is likely that a District Construction Manager will be added to this team.

Grand Jury Recommendation

4. Actively negotiate the construction management contract(s) with the chosen candidate(s).

District Response

The Associate Superintendent of Business Services will rely on the assistance of the Bond Accounting Manager, the District's Construction Counsel and a District Construction Manager to complete this task.

Grand Jury Recommendation

5. Provide the statutorily-required citizen's oversight committee with independent advisors with financial, construction and legal expertise to, among other things, monitor the progress of construction, the expenditure of funds and adherence to contractual requirements through the completion of the Measure M construction projects.

District Response

The Citizen Oversight Committee was officially formed on January 18, 2007, and has an established charter and meeting schedule. Additional members are being added to the COC. These members will be selected for their financial, construction and legal expertise within the requirements for membership as set forth in Education Code Section 15282(a).

Grand Jury Recommendation

6. Immediately engage the services of a qualified outside consultant, whose primary allegiance is to the District, to review and advise the Board and staff on management control procedures, especially those surrounding the accounting and budgeting for Measure M construction projects.

District Response

The District's new Associate Superintendent of Business Services has a successful track record in construction. She was not included in the initial Measure M implementation process. The District, as previously noted, has also engaged the services of a construction attorney who will report to the Board of Trustees and work under the day-to-day guidance of the Associate Superintendent Business Services. The construction attorney has significant litigation and construction contract experience. The addition of a Construction Manager as a District employee should round out this new internal team.

In closing, the District, on behalf of its communities and students, would like to thank the members of the Grand Jury for the work that they do to safeguard the welfare of the citizens of San Mateo County. The District is committed to implementing a viable organizational structure using best practices to ensure Measure M construction is successful, accountable, and transparent. The District intends to provide frequent communications to ensure the community is aware of Measure M's progress as its implementation proceeds.

Sincerely,

Robert H. Griffin, President
Board of Trustees

3-3 EXTRA WORK.

3-3.1 General. New or unforeseen work will be classified as Extra Work when the Engineer determines that it is not covered by Contract Unit Prices or Stipulated Unit Prices.

3-3.2 Payment.

3-3.2.1 General. When the cost for Extra Work cannot be agreed upon, the Agency will pay for Extra Work based on the accumulation of costs as provided herein.

3-3.2.2 Basis for Establishing Costs.

a) **Labor.** The cost of labor shall be the actual cost for wages of workers performing the Extra Work at the time the Extra Work is done, plus employer payments of payroll taxes, workers compensation insurance, liability insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs, resulting from Federal, State, or local laws, as well as assessments or benefits required by lawful collective bargaining agreements.

The use of a labor classification which would increase the Extra Work cost will not be permitted unless the Contractor establishes the necessity for such additional costs. Labor costs for equipment operators and helpers shall be reported only when such costs are not included in the invoice for equipment rental. The labor cost for foremen shall be proportioned to all of their assigned work and only that applicable to the Extra Work will be paid

Nondirect labor costs, including superintendence, shall be considered part of the markup specified in 3-3.2.3 a).

b) **Materials.** The cost of materials reported shall be at invoice or lowest current price at which such materials are locally available and delivered to the Work site in the quantities involved, plus sales tax, freight, and delivery.

The Agency reserves the right to approve materials and sources of supply, or to supply materials to the Contractor if necessary for the progress of the Work. No markup shall be applied to any material provided by the Agency.

c) **Tool and Equipment Rental.** No payment will be made for the use of tools which have a replacement value of \$200 or less.

Regardless of ownership, the rates to be used in determining equipment rental costs shall not exceed listed rates prevailing locally at equipment rental agencies, or distributors, at the time the Extra Work is performed.

The rental rates paid shall include the cost of fuel, oil, lubrication, supplies, small tools, necessary attachments, repairs and maintenance of any kind, depreciation, storage, insurance, and all incidentals. Necessary loading and transportation costs for equipment used on the Extra Work shall be included.

If equipment is used intermittently and, when not in use, could be returned to its rental source at less expense to the Agency than holding it at the Work site, it shall be returned, unless the Contractor elects to keep it at the Work site, at no expense to the Agency.

All equipment shall be acceptable to the Engineer, in good working condition, and suitable for the purpose for which it is to be used.

The reported rental time for equipment already at the Work site shall be the duration of its use on the Extra Work. This time shall begin when the equipment is first used on the Extra Work, plus the time required to move it from its previous site and back, or to a closer site.

d) **Other Items.** The Agency may authorize other items which may be required on the Extra Work, including labor, services, material, and equipment. These items must be different in their nature from those required for the Work, and be of a type not ordinarily available from the Contractor or Subcontractors.

e) **Invoices.** Vendors' invoices for material, equipment rental and other expenditures shall be submitted with the daily report per 3-3.3. If the daily report is not substantiated by invoices or other documentation, the Agency may establish the cost of the item involved at the lowest price which was current at the time of the report.

3-3.2.3 Markup.

a) **Work by Contractor.** Unless otherwise specified in the Special Provisions, a reasonable allowance for overhead and profit shall be added to the Contractor's costs as determined under 3-3.2.2 and shall constitute the markup for all overhead and profit on Extra Work done by the Contractor. The Contractor shall also be compensated as specified in the Special Provisions for the actual increase in the Contractor's bond premium caused by the extra work.

b) **Work by Subcontractor.** When any of the Extra Work is performed by a Subcontractor, the markup established in 3-3.2.3 a) shall be applied to the Subcontractor's costs as determined under 3-3.2.2. Unless otherwise specified in the Special Provisions, a reasonable allowance for the Contractor's overhead and profit shall be added to the sum of the Subcontractor's costs and markup and shall constitute the markup for all overhead and profit for the Contractor on Extra Work done by the Subcontractor.

3-3.3 Daily Reports by Contractor. When the cost for the Extra Work cannot be agreed upon, the Contractor shall submit a daily report to the Engineer on forms approved by the Agency. Applicable delivery tickets, listing all labor, materials, and equipment involved for that day, and other services and expenditures when authorized shall be included. Failure to submit the daily report by the close of the next working day may waive any rights for that day. An attempt shall be made to reconcile the report daily, and it shall be signed by the Engineer and the Contractor. In the event of a disagreement, pertinent notes shall be entered by each party to explain points which cannot be resolved immediately. Each party shall retain a signed copy of the report. Reports by Subcontractors or others shall be submitted through the Contractor.

The report shall:

1. List the names of workers, classifications, and hours worked
2. Describe and list quantities of materials used.
3. List the type of equipment, size, identification number, and hours of operation, including loading and transportation, if applicable.
4. Describe other services and expenditures in such detail as the Agency may require.

3-4 CHANGED CONDITIONS. The Contractor shall notify the Engineer of the following Work site conditions (hereinafter called "changed conditions"), in writing, upon their discovery and before they are disturbed:

1. Subsurface or latent physical conditions differing materially from those represented in the Contract Documents;
2. Unknown physical conditions of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in work of the character being performed; and
3. Material differing from that represented in the Contract Documents which the Contractor believes may be hazardous waste, as defined in Section 25117 of the Health and Safety Code,

**CONSTRUCTION OF
GREEN RIVER ROAD WIDENING
PROJECT NO. 48-1106
SPECIAL PROVISIONS
SECTION G – GENERAL PROVISIONS**

The Work hereunder shall be done in accordance with the Standard Specifications for Public Works Construction 2012 Edition and the 2014 Cumulative Supplement (Greenbook) hereinafter referred to as "Standard Specifications", these General Provisions and the Specifications and Drawings identified in the Contract Documents. The Standard Specifications are referred to and by this reference made a part hereof as though set forth at length. In the case of conflict between the Standard Specifications and these General Provisions, these General Provisions shall take precedence over, and shall be used in lieu of, such conflicting provisions. These General Provisions have been arranged into a format that parallels the Greenbook. In the event a subsection heading contained in the Standard Specifications is not referenced in these General Provisions that subsection shall read exactly as stated in the Standard Specifications. These General Provisions shall hereinafter be referred to as Specifications.

Bidders with pre-bid inquiries regarding the Work covered in this Section should be directed to Peter Ramey at Peter.Ramey@ci.corona.ca.us or (951) 736-2278.



Prepared By:

Peter Ramey

1/6/15
Date

Reviewed:

[Signature]

1-9-15
Date

Exhibit D.4

made at the unit price or lump sum previously agreed upon between the Contractor and the City.

3-3.2.2.3 Tools and Equipment Rental.

Replace the second paragraph in its entirety with the following:

Regardless of ownership, the rates to be used in determining equipment rental costs shall not exceed listed rates found in the Caltrans Labor Surcharge and Equipment Rental Rates, effective April 1, 2013 through March 31, 2014 which is available online at:

www.dot.ca.gov/hq/construc/eqrr/Book_2013.pdf

3-3.2.3 Markup.

3-3.2.3.1 Work by Contractor.

Replace the entire paragraph with the following:

The following percentages shall be added to the Contractor's costs and shall constitute the markup for all overhead, insurance, and profits on work performed by the Contractor:

- | | |
|--|-----|
| (1) Labor | 20% |
| (2) Materials | 15% |
| (3) Equipment Rental | 15% |
| (4) Other Items and Expenditures | 15% |

To the sum of the costs and markups provided for this subsection, one percent shall be added as compensation for bonding.

3-3.2.3.2 Work by Subcontractor.

Replace the second sentence with the following:

A markup of 10 percent on the first \$5,000 of the subcontracted portion of the Extra Work and a markup of 5 percent on work added in excess of \$5,000 of the subcontracted portion of the Extra Work may be added by the Contractor. These markups shall constitute the markup for all overhead and profit, including compensation for bonding to the Contractor on work performed by the Subcontractor.

The markups specified in 3-3.2.3.1 and 3-3.2.3.2 shall be considered as including, but not limited to, the Contractor's labor costs for personnel not working directly on the Extra Work, including the cost of administration and any tools or equipment that they may use. Such costs shall not be reported as labor or equipment costs elsewhere except when they are actually used in the performance of the Extra Work. Labor costs shall in that case be reported for the labor classification corresponding to the type and nature of Extra Work performed.

SECTION 4 – CONTROL OF MATERIALS

4-1 MATERIALS AND WORKMANSHIP.

4-1.1 General.

Replace the subsection in its entirety with the following:

It is the intent of the City in drafting the Contract Documents to accept only first class work, materials, parts, equipment and workmanship. All materials, parts and equipment furnished by Contractor for the Work shall be new, high grade, free from defects, of specified kind and fully equal to samples when such samples are required. Used or secondhand materials, parts and equipment may be used only if permitted by the Specifications. When the quality or kind of material or articles required under the Contract are not particularly specified, the Contractor shall provide those representing the best of their class or kind. Quality of work shall be in strict accordance with generally accepted standards. Material, parts, equipment and work quality shall be subject to the approval of the Engineer. The Engineer shall have access to the Work at

CITY OF CORONADO
NOTICE INVITING BIDS

Vector Waste Handling Pit

Project Number: 12-CO-ES-489

The City of Coronado invites sealed bids for the **Vector Waste Handling Pit** project. This project consists of: Demolition of a portion of the existing loading dock at the Public Works yard and installation of an enclosure for a waste bin. The enclosure consists of full height walls and swinging doors for access to the waste bin. Two bins shall be ordered and manufactured for the project. A new sewer lateral shall be installed and connected to an existing main at the centerline of 'A' Avenue, including A.C. and striping repair. A cleanout and trench drain with a foul air trap shall be connected to the sewer lateral. Hardscape improvements include installing a new driveway, sidewalk, two pedestrian ramps and all associated concrete in the area.

Receipt of Bids: All bid proposals must be received by the City Clerk at City Hall, 1825 Strand Way, Coronado, California 92118 PRIOR TO 3:00 p.m. on February 20, 2013

Engineering Estimate: \$70,000.

Pre-Bid Conference: A pre-bid conference will be conducted at February 13, 2013, at 2:00 at City Hall, 1825 Strand Way, Coronado, California.

Bid Security: Bid Security in the amount of ten percent (10%) of the Lump Sum Base Bid shall accompany the Bid.

Contractor's License: The successful bidder will be required to possess a current State of California "Class A" Contractor's License at the time the Contract is awarded.


Prevailing Wage: In accordance with the California Labor Code, the Contractor must pay not less than prevailing wage rates as determined by the Director of Industrial Relations for all work done under this contract.

Project Documents: The project documents include the Standard Specifications for Public Works Construction (Green Book), 2012 Edition; the San Diego Regional Standard Drawings for Public Works, 2009 Edition; the Coronado Annotations to the San Diego Regional Standards and the contract documents.

Bid Documents: Copies of the plans, specifications, instructions to bidders and bidder's proposal forms are available at the Engineering and Project Development Department, 1825 Strand Way, Coronado, California 92118. Telephone: (619) 522-7383. The cost (non-refundable) is \$30.00 per set, not including postage. Contractors may also download the plans and specifications via the Internet by contacting the Engineering and Project Development Department and requesting an e-mail with the active link. This link will become inactive at the time of the bid opening.

CITY OF CORONADO

DATE: 1-25-13



Ed Walton, Director
Engineering & Project Development

Exhibit D.6

2-9 SURVEYING

2-9.1 Permanent Survey Markers. The Contractor is responsible for identifying all survey monuments and benchmarks that will be disturbed by construction activity and for notifying the City of each location at least one (1) week in advance of construction activity. The City will arrange for each monument/benchmark to be offset by a licensed surveyor, and for each monument/benchmark to be reestablished after construction activity is complete. The Contractor shall not disturb permanent survey monuments or benchmarks without consent of the City Engineer. Should the Contractor fail to meet these requirements, the Contractor will be required to re-establish each monument/benchmark using a California licensed engineer or land surveyor and to file all appropriate documents with the County Recorder. No additional payment will be made for any monument/benchmark replacement work required of the Contractor.

2-9.2 Survey Service. The expense to the Contractor for the replacement of construction survey stakes by the City shall be at the rate of \$200.00 per hour including travel time.

SECTION 3--CHANGES IN WORK

3-3 EXTRA WORK

3-3.2.3 MARKUP

(a) Work by Contractor. The following percentages shall be added to the Contractor's cost and shall constitute the markup for all overhead and profits:

1. Labor20%
2. Materials15%
3. Equipment Rental15%
4. Other Items and Expenditures 15%

To the costs and markups provided for in this subsection, 1 percent shall be added as compensation for bonding

(b) Work by Subcontractor. When all or any part of the extra work is performed by a Subcontractor, the markup established in 3-3.2.3(a) shall be applied to the Subcontractor's actual cost of such work. A markup of 10 percent on the first \$5,000 of the subcontracted portion of the extra work and a markup of 5 percent on work added in excess of \$5,000 of the subcontracted portion of the extra work may be added by the Contractor.

SECTION 4--CONTROL OF MATERIALS

4-1 MATERIALS AND WORKMANSHIP

4-1.2.1. Property Rights in Material. Nothing in the contract shall be construed as vesting in the Contractor any right of property in the materials used after they have been attached or affixed

(As of 3/20/06)

**SUPPLEMENTS
AND
MODIFICATIONS**

**TO THE
"GREENBOOK"**

**STANDARD SPECIFICATIONS
FOR
PUBLIC WORKS CONSTRUCTION**



**CITY OF PASADENA
CALIFORNIA**

**SUPPLEMENTS AND
MODIFICATIONS**

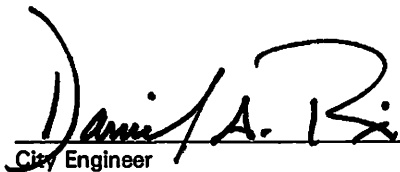
**TO THE
"GREENBOOK"**

**STANDARD SPECIFICATIONS
FOR
PUBLIC WORKS CONSTRUCTION**

Prepared in the Office of
DANIEL A. RIX
City Engineer
City of Pasadena, California

March 2006

APPROVED:



City Engineer

March 29, 2006

Date

INTRODUCTION

The City of Pasadena Department of Public Works has the responsibility for, and exercise certain control over the construction, modification, and maintenance of facilities on, over, under, or within the public streets, alleys and other specific public rights of way of the City of Pasadena. Department of Public Works establishes guidelines, monitor, inspect, and finally approve or reject all such construction, including operations, materials, methods, and finished facilities, regardless of who performs said construction.

In general, Department of Public Works has adopted as a "Standard Specifications," the STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION, (popularly known as the "GREENBOOK") written and promulgated by the Joint Cooperative Committee of the Southern California Chapter American Public Works Association and Southern California Districts Associated General Contractors of California. The "GREENBOOK" is available from the publisher, BN BOOKS, a Division of Building News, Inc., 3055 Overland Avenue, Los Angeles, California 90034.

The "GREENBOOK" does not fully meet the needs and desires of the City of Pasadena; therefore, Department of Public Works also has developed this CITY OF PASADENA "SUPPLEMENTS and MODIFICATIONS" publication, to be used in conjunction with the "GREENBOOK."

This edition (2006) of "SUPPLEMENTS AND MODIFICATIONS" to the GREENBOOK relates to the 2003 Edition of the STANDARD SPECIFICATIONS for PUBLIC WORKS CONSTRUCTION. *Texts in Italic fonts indicate changes or addition made to the 1994 Edition.* All "titles" used in appurtenant sections and subsections, as well as the numbering system used, match the "GREENBOOK"; except that a "P-" precedes the section and/or subsection numbers to indicate a "Pasadena" change or addition in the adopted "Standard Specifications."

EXAMPLE:

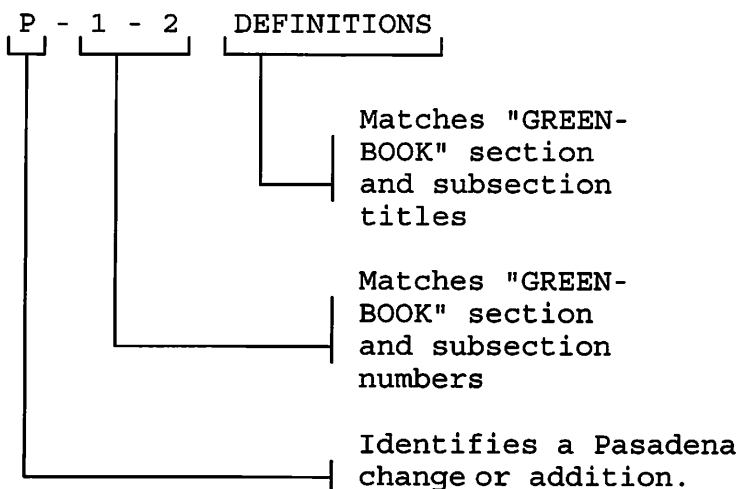


Exhibit D.10

This "SUPPLEMENTS AND MODIFICATIONS" publication is to be used in conjunction with the adopted "Standard Specifications" (the "GREENBOOK") for all construction and maintenance performed under the jurisdiction of the City of Pasadena Department of Public Works.

It shall be the responsibility of all Contractors and/or Permittees involved in said construction and maintenance to be fully informed regarding the requirements of the above described adopted "Standard Specifications" and the "SUPPLEMENTS AND MODIFICATIONS" thereto as indicated in this document, and to perform all such construction and maintenance work in accordance with the requirements of said documents. Where these two documents conflict, the "SUPPLEMENTS AND MODIFICATIONS" shall take precedence.

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Exhibit D.12

P-3-3.2.3 Markup To the subsection (a), replace with the following:

A. *Work by the Contractor: The following percentages shall be added to the Contractor's cost and shall constitute the markup for all overhead and profits:*

1.	Labor	20%
2.	Materials	15%
3.	Equipment Rental	15%
4.	Other Items and Expenditures	15%

To the subsection (b), replace with the following:

B. *Work by the Subcontractor – When all or any part of the extra work is performed by a subcontractor, the above markups shall apply to the aggregate sum of the extra work, regardless of the number of tiers of subcontractors used. In addition, a markup of 10-percent on the first \$5,000 of extra work and 5-percent on work in excess of \$5,000 may be added by the Contractor.*

P-4-1 MATERIALS AND WORKMANSHIP

P-4-1.1 GENERAL To the first paragraph of this subsection, add the following:

Any work deemed unacceptable by the Engineer, whether a cause is determined or not, shall be repaired or replaced by the Contractor at his expense.

SECTION 5 - UTILITIES

P-5-1 LOCATION To this subsection, add the following:

In order for the utilities to have continuous access to their facilities, the Contractor shall be required to notify the Underground Service Alert – South (U.S.A.) no less than two working days in advance of the construction work. Paint indications for underground utilities shall be limited to only those areas to be reconstructed. The Contractor shall remove any painted marks that remain after the construction is complete as follows:

When placing markings on the pavement or other right-of-way areas to indicate the location of underground facilities, Contractors and/or utility companies are required to use a temporary water based marking chalk ("AERVOE" brand or approved equal) with a visibility life not to exceed three (3) weeks. In the event that a Contractor or utility company uses a non-approved marking material, it will be the responsibility of the Contractor to ensure the complete removal of all pavement markings remaining upon completion of the permitted work. If the Contractor fails to properly and completely remove all pavement markings, the City will affect the removal and bill for both direct and indirect costs as determined by the City Engineer to the Contractor.

SECTION 3 - CHANGES IN WORK

3-2 CHANGES INITIATED BY THE AGENCY.

3-2.2 Payment.

3-2.2.3 Agreed Prices. *Add the following after the first sentence:*

Agreed prices shall be negotiated prior to commencement of the Work.

3-3 EXTRA WORK.

3-3.2 Payment.

3-3.2.3 Markup. *Replace subparagraphs (a) and (b) with the following:*

(a) **Work by Contractor.** The following percentages shall be added to the Contractor's costs and shall constitute the markup for all overhead and profits:

- 1) Labor 20
- 2) Materials 15
- 3) Equipment Rental 15
- 4) Other Items and Expenditures 15

To the sum of the costs and markups provided for in this subsection, 1 percent shall be added as compensation for bonding.

(b) **Work by Subcontractor.** When all or any part of the extra work is performed by a Subcontractor, the markup established in 3-3.2.3(a) shall be applied to the Subcontractor's actual cost of such work. A markup of 10 percent on the first \$5,000 of the subcontracted portion of the extra work and markup of 5 percent on work added in excess of \$5,000 of the subcontracted portion of the extra work may be added by the Contractor.

3-3.3 Daily Reports by Contractor. *Add the following as the first sentence:*

The Contractor shall notify the Engineer at the beginning of each day when extra-work is in progress.

SECTION 3 - CONTROL OF MATERIALS

4-1 MATERIALS AND WORKMANSHIP.

4-1.1 General. *Add the following after the last paragraph:*

No product containing asbestos shall be used for any purpose. When removing asbestos products, requirements of Title 8, CCR, General Industry Safety Orders and Construction Safety Orders shall be complied with by the Contractor.

STANDARD PLAN S-610-23	VAULT INDEX B-4304	SHEET 6 OF 38
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Exhibit E.1

SAN MATEO COUNTY SCHOOLS

COMMERCIAL REVOLVING FUND

CHECK NO.
893168

VENDOR NAME: USS CAL BUILDERS INC
VENDOR NUMBER: 00986901

ISSUE DATE: 071814

DISTRICT REFERENCE	INVOICE DATE	VENDOR INVOICE	AMOUNT PAID
CL 140180	07/03/14	PAYAPP2 JUN WST	233,85532
CL 140181	07/03/14	PAYAPP17 JUN WST	418,85790
CL 140182	07/03/14	PAYAPP17 JUN PKY	1,228,77847
CL 140183	07/03/14	PAYAPP17 JUN PND	982,13327
CL 140184	07/03/14	PAYAPP17 JUN SPR	1,097,68733
CL 140185	07/03/14	PAYAPP17 JUN SSF	103,74000
CL 140186	07/03/14	PAYAPP17 JUN BB	544,38800
TOTAL PAID			4,609,44029

If you have any questions concerning this remittance, please call:

SSF UNIFIED SCHOOL DISTRICT
ACCOUNTS PAYABLE

CUSTOMER NUMBER

TELEPHONE NUMBER:

WARNING: LOOK FOR A COLORED BACKGROUND AND WATERMARK ON REVERSE

Union Bank
350 California St.
San Francisco, CA 94104

SAN MATEO COUNTY SCHOOLS

11-49/1210

CHECK NUMBER

893168

SSF UNIFIED SCHOOL DISTRICT
398 B STREET
SOUTH SAN FRANCISCO, CA 94080

COMMERCIAL REVOLVING FUND
CLEARING ACCOUNT #0453

DATE ISSUED		
MO	DAY	YR
07	18	14

DOLLAR CENT

***4,609,440.29

THE TREASURER OF THE COUNTY OF SAN MATEO WILL PAY

Four Million Six Hundred Nine Thousand Four Hundred Forty And 29/100 Dollars

BY ORDER OF THE GOVERNING BOARD * VOID AFTER SIX MONTHS FROM DATE OF ISSUE

EXAMINED, APPROVED, & ALLOWED BY
COUNTY CONTROLLER & COUNTY SUPT. OF SCHOOLS

4,609,44029

TO THE
ORDER
OF

USS CAL BUILDERS INC
8051 MAIN STREET
STANTON CA 90680

Ann E. Capell
Bob Adler

⑈0453893168⑈ ⑆121000497⑆ 7020010074⑈

APPLICATION AND CERTIFICATE FOR PAYMENT

140471

V. 009669-01

TO (Owner): South San Francisco Unified School District

APPLICATION NO: 17

Distribution to:

- Owner
- Architect
- Contractor
- Inspector
- Construction Manager

PROJECT TITLE: Parkway Heights M. S. Project Frog Modular Project & Modernization/ Phase 3
650 Sunset Dr., So. San Francisco

PERIOD FROM: 6/1/2014
TO: 6/30/14

CATEGORY: Draft
CONTRACTOR: USS CAL BUILDERS, INC.

DISTRICT'S CONTRACT NO: 0830

ADDRESS: 8051 MAIN STREET
STANTON, CA 90680

ARCHITECT'S PROJECT NO:

CONTRACT DATE: 2/5/2013

CONTRACTOR'S APPLICATION FOR PAYMENT

CHANGE ORDER SUMMARY		
	ADDITIONS	DEDUCTIONS
Prior C.O.(s) Total		
List Change Orders approved this pay period		
TOTAL		
Net change by change orders		

Application is made for Payment, as shown below, in connection with the Contract. An Itemized Continuation Sheet is Attached.

Account Status as of this Application:

ORIGINAL CONTRACT SUM	\$	28,339,402.18
NET CHANGE BY CHANGE ORDERS	\$	-
NET CONTRACT SUM TO DATE	\$	28,339,402.18
TOTAL COMPLETED & STORED TO DATE	\$	4,810,125.87
RETAINAGE 5%	\$	240,506.29
TOTAL EARNED LESS RETAINAGE	\$	4,569,619.58
LESS PREVIOUS CERTIF. FOR PAYMENT	\$	3,340,841.11
CURRENT PAYMENT DUE	\$	1,228,778.47
BALANCE TO FINISH PLUS RETAINAGE	\$	23,769,782.60

The undersigned Contractor certifies that to the best of his knowledge, information and belief, the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by him for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

State of: _____ County of: _____
Subscribed and sworn to before me this _____ day of _____,
Notary Public:
My Commission expires: _____

By: _____ Date: 7/3/2014
CONTRACTOR

21 0000 0 0000 8500 6270 022 920

CONSTRUCTION MANAGER'S and INSPECTOR'S CERTIFICATE FOR PAYMENT

ARCHITECT'S CERTIFICATION

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Construction Manager and Inspector certify to the Owner that the Work has progressed to the point indicated; that to the best of their knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that the Work has progressed to the point indicated; that to the best of his knowledge, information and belief, the quality of Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

By: _____ Date: 7-7-14
Construction Manager

AMOUNT CERTIFIED \$ 1,228,778.47
(attached explanation if amount certified differs from the amount applied for)

By: _____ Date: _____
Inspector

ARCHITECT:

By: _____ Date: _____
Owner

BY: _____ Date: _____

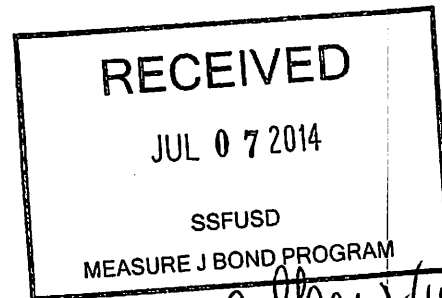
By: _____ Date: 7/7/14
Bond Director

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein, issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

ACCEPT

REJECT & RESUBMIT

DATE: 7/7/14



APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: Parkway Heights Middle School Project Frog Modular Project / Phase 3

830

APPLICATION DATE FROM:

TO:

DISTRICT'S CONTRACT NO.:

ARCHITECT'S PROJECT NO.:

A Item No.	B Description of Work	C Scheduled Value		D Work Completed		E Work Completed This Application	F Stored Materials	G Total completed and stored to date (D+E+F)	H % G/C	I Balance to Finish (C-G)		J Retainage
		Previous Application	Scheduled Value	Work in Place	This Application					Balance to Finish (C-G)	Retainage	
1	Bond & Insurance	\$ 73,884.00	\$ 73,884.00	\$ -	\$ -	\$ -	\$ -	\$ 73,884.00	100%	\$ -	\$ -	\$ 3,694.20
2	Mobilization/ Site OH	\$ 269,000.00	\$ 53,800.00	\$ 161,400.00	\$ -	\$ 161,400.00	\$ -	\$ 215,200.00	80%	\$ 53,800.00	\$ -	\$ 10,760.00
3	Schedule updates	\$ 42,550.00	\$ 21,275.00	\$ -	\$ -	\$ -	\$ -	\$ 21,275.00	50%	\$ 21,275.00	\$ -	\$ 1,063.75
3	Office OH	\$ 201,328.00	\$ 40,265.60	\$ 20,132.80	\$ -	\$ 20,132.80	\$ -	\$ 60,398.40	30%	\$ 140,929.60	\$ -	\$ 3,019.92
4	Building Fabrication/Procurement	\$ 855,200.00	\$ 128,280.00	\$ -	\$ -	\$ -	\$ -	\$ 128,280.00	15%	\$ 726,920.00	\$ -	\$ 6,414.00
5	Delivery & Installation	\$ 144,975.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 144,975.00	\$ -	\$ -
6	Soft Cost	\$ 66,539.00	\$ 66,539.00	\$ -	\$ -	\$ -	\$ -	\$ 66,539.00	100%	\$ -	\$ -	\$ 3,326.95
7	Laminated Glass/AE	\$ 25,028.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 25,028.00	\$ -	\$ -
8	Demolition	\$ 131,000.00	\$ -	\$ 32,750.00	\$ -	\$ 32,750.00	\$ -	\$ 32,750.00	25%	\$ 98,250.00	\$ -	\$ 1,637.50
9	Excavation and Grading	\$ 184,690.00	\$ -	\$ 46,172.50	\$ -	\$ 46,172.50	\$ -	\$ 46,172.50	25%	\$ 138,517.50	\$ -	\$ 2,308.63
10	Foundations/Slab	\$ 222,295.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 222,295.00	\$ -	\$ -
12	MEP	\$ 576,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 576,000.00	\$ -	\$ -
13	Finishes	\$ 758,412.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 758,412.00	\$ -	\$ -
14	Contractor's contingency	\$ 108,640.00	\$ 108,640.00	\$ -	\$ -	\$ -	\$ -	\$ 108,640.00	100%	\$ -	\$ -	\$ 5,432.00
15	Owner Contingency	\$ 27,160.00	\$ 27,160.00	\$ -	\$ -	\$ -	\$ -	\$ 27,160.00	100%	\$ -	\$ -	\$ 1,358.00
16	Close outs	\$ 7,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 7,500.00	\$ -	\$ -
17	Additional Owner Contingency CO1	\$ 676,479.80	\$ 202,943.94	\$ -	\$ -	\$ -	\$ -	\$ 202,943.94	30%	\$ 473,535.86	\$ -	\$ 10,147.20
18	Additional Owner Contingency CO2	\$ 586,089.88	\$ 175,826.96	\$ -	\$ -	\$ -	\$ -	\$ 175,826.96	30%	\$ 410,262.92	\$ -	\$ 8,791.35
19	Additional Owner Contingency CO3	\$ 782,631.50	\$ 782,631.50	\$ -	\$ -	\$ -	\$ -	\$ 782,631.50	100%	\$ -	\$ -	\$ 39,131.58
	Grand Total	\$ 5,739,402.18	\$ 1,681,246.00	\$ 260,455.30	\$ -	\$ 260,455.30	\$ -	\$ 1,941,701.30	34%	\$ 3,797,700.88	\$ -	\$ 57,953.49

APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: Parkway Heights Middle School Project Frog Modernization Project / Phase 3

APPLICATION NO: 17

DISTRICT'S CONTRACT NO.:

830

APPLICATION DATE FROM:

6/1/2014

ARCHITECT'S PROJECT NO.:

TO:

6/30/2014

Item No.	Description of Work	C		D		E		F	G	H	I		J
		Scheduled Value		Previous Application		Work Completed					Balance to Finish (C-G)	Retainage	
1	Bond & Insurance	\$ 320,000.00		\$ 320,000.00		\$ -			\$ 320,000.00	100%	\$ -	\$ 16,000.00	
2	Mobilization/ Site OH	\$ 780,000.00		\$ 195,000.00		\$ 39,000.00			\$ 234,000.00	30%	\$ 546,000.00	\$ 11,700.00	
3	Schedule updates	\$ 42,550.00		\$ 21,275.00		\$ -			\$ 21,275.00	50%	\$ 21,275.00	\$ 1,063.75	
3	Office OH	\$ 697,309.00		\$ 174,327.25		\$ 34,865.45			\$ 209,192.70	30%	\$ 488,116.30	\$ 10,459.64	
4	Building Fabrication/Procurement	\$ 4,467,818.00		\$ -		\$ -			\$ -	0%	\$ 4,467,818.00	\$ -	
5	Delivery & Installation	\$ 1,132,330.00		\$ -		\$ -			\$ -	0%	\$ 1,132,330.00	\$ -	
6	Soft Cost/building design	\$ 389,000.00		\$ 389,000.00		\$ -			\$ 389,000.00	100%	\$ -	\$ 19,450.00	
7	Laminated Glass/AE	\$ 108,399.00		\$ -		\$ -			\$ -	0%	\$ 108,399.00	\$ -	
8	Demolition	\$ 567,376.00		\$ 141,844.00		\$ 56,737.60			\$ 198,581.60	35%	\$ 368,794.40	\$ 9,929.08	
9	Excavation and Grading	\$ 799,913.00		\$ 159,982.60		\$ 119,986.95			\$ 279,969.55	35%	\$ 519,943.45	\$ 13,998.48	
10	Foundations/Slab	\$ 962,785.00		\$ -		\$ -			\$ -	0%	\$ 962,785.00	\$ -	
12	MEP	\$ 2,765,253.00		\$ -		\$ 276,525.30			\$ 276,525.30	10%	\$ 2,488,727.70	\$ 13,826.27	
13	Finishes	\$ 2,959,767.00		\$ -		\$ -			\$ -	0%	\$ 2,959,767.00	\$ -	
14	Close outs	\$ 7,500.00		\$ -		\$ -			\$ -	0%	\$ 7,500.00	\$ -	
	(Grand Total)	\$ 16,000,000.00		\$ 1,401,428.85		\$ 527,115.30		\$ -	\$ 1,928,544.15	12%	\$ 14,071,455.85	\$ 96,427.21	

APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: Parkway Heights Middle School Project Frog Modernization Project / Phase 3

APPLICATION NO: 17

DISTRICT'S CONTRACT NO.: 830

APPLICATION DATE FROM: 6/1/2014

ARCHITECT'S PROJECT NO:

TO: 6/30/2014

A Item No.	B Description of Work	C Scheduled Value	D		E		F	G Total completed and stored to date (D+E+F)	H % G/C	I		J Retainage
			Previous Application	Work Completed This Application	Work In Place	Application Stored Materials				Balance to Finish (C-G)		
1	Bond & Insurance	\$ 280,000.00	\$ 280,000.00	\$ -	\$ -	\$ -	\$ -	\$ 280,000.00	100%	\$ -	\$ -	\$ 14,000.00
2	Mobilization/ Site OH	\$ 325,000.00	\$ 65,000.00	\$ 97,500.00	\$ -	\$ -	\$ -	\$ 162,500.00	50%	\$ 162,500.00	\$ -	\$ 8,125.00
3	Office OH	\$ 185,000.00	\$ 18,500.00	\$ 37,000.00	\$ -	\$ -	\$ -	\$ 55,500.00	30%	\$ 129,500.00	\$ -	\$ 2,775.00
3	Scheduling	\$ 42,000.00	\$ 10,500.00	\$ 10,500.00	\$ -	\$ -	\$ -	\$ 21,000.00	50%	\$ 21,000.00	\$ -	\$ 1,050.00
4	Building Fabrication/Procurement	\$ 1,630,018.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 1,630,018.14	\$ -	\$ -
5	Delivery & Installation	\$ 650,338.46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 650,338.46	\$ -	\$ -
6	Building Design/Soft Cost	\$ 223,416.90	\$ -	\$ 178,733.52	\$ -	\$ -	\$ -	\$ 178,733.52	80%	\$ 44,683.38	\$ -	\$ 8,936.68
7	Laminated Glass/AE	\$ 62,257.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 62,257.50	\$ -	\$ -
8	Demolition	\$ 120,000.00	\$ 60,000.00	\$ 60,000.00	\$ -	\$ -	\$ -	\$ 120,000.00	100%	\$ -	\$ -	\$ 6,000.00
9	Excavation and Grading	\$ 140,000.00	\$ -	\$ 14,000.00	\$ -	\$ -	\$ -	\$ 14,000.00	10%	\$ 126,000.00	\$ -	\$ 700.00
10	Foundations/Slab	\$ 220,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 220,000.00	\$ -	\$ -
11	Site Work	\$ 55,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 55,000.00	\$ -	\$ -
12	MEP	\$ 1,081,469.00	\$ -	\$ 108,146.90	\$ -	\$ -	\$ -	\$ 108,146.90	10%	\$ 973,322.10	\$ -	\$ 5,407.35
13	Finishes	\$ 1,460,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 1,460,000.00	\$ -	\$ -
14	Elevator	\$ 120,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 120,000.00	\$ -	\$ -
15	Close outs	\$ 5,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 5,500.00	\$ -	\$ -
	Grand Total	\$ 6,600,000.00	\$ 434,000.00	\$ 505,880.42	\$ -	\$ -	\$ -	\$ 939,880.42	0%	\$ 5,660,119.58	\$ -	\$ 46,994.02



CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Civil Code Title 1 Chapter 3 §8132)

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC.
Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Job Location: Parkway Height M.S. Project Frog Modular Project and Modernization/ Phase 3
650 Sunset Dr. So. San Francisco, CA
Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Through Date: June 30, 2014

Conditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:


Maker of Check: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Amount of Check: \$ \$1,228,778.47
Check Payable to: USS CAL BUILDERS, INC.

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: N/A
Amount(s) of unpaid progress payment(s): \$ 0.00
- (4) Contract rights, including:
 - (A) a right based on rescission, abandonment, or breach of contract, and
 - (B) the right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 
Claimant's Title: PROJECT MANAGER
Date of Signature: 7/11/2014



UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Code Title 1 Chapter 3 §8134)

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC

Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Job Location: Parkway Height M.S. Project Frog Modular Project and Modernization/ Phase 3
650 Sunset Dr. So. San Francisco, CA

Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Through Date: May 31, 2014

Unconditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:


\$814,490.77

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) Contract rights, including:
 - (A) A right based on rescission, abandonment, or breach of contract, and
 - (B) The right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 

Claimant's Title: Senior PM

Date of Signature: 7/11/14

Exhibit E.8

Bueno, Amy

From: Sanders, Kevin
Sent: Tuesday, July 08, 2014 1:40 PM
To: Bueno, Amy
Subject: RE: Re: Payment Applications Schedule of Values

Amy,

Larry confirmed verbally in his office this afternoon at 7/8/14 1:25pm that he would like me to sign the front loaded payment applications for USS CAL specifically for Parkway. I have signed as directed but still disagree with signing for work that has not started.

Bond Construction Manager
Kevin Sanders

South San Francisco Unified School District
398 B Street
S San Francisco, CA 94080
Phone: 650-246-5975
Cell: 650-392-4281
Fax: 650-616-3803

From: Sanders, Kevin
Sent: Tuesday, July 8, 2014 11:07 AM
To: Bueno, Amy
Subject: Re: Payment Applications Schedule of Values
Importance: High

Amy,

This morning you placed a folder on my desk asking me to review three (3) payment applications;

1. Parkway Heights M.S. Project Frog Modular Project & Modernization/Phase 3
2. Westborough M.S. Project Frog Modular Project/Phase 2
3. Westborough M.S. School Classroom Remodel

I have conducted a preliminary review of the above payment applications and have the following comments and questions;

- a. Parkway - The percentages appear to be front loaded and little excessive.
- b. Parkway - The contractor appears to be billing for work that is for phase 3, which has not even started yet.
- c. Parkway – The contractor appears to have previously billed for phase 3 work which was approved on their previous payment application prior to this application #17 for billing period 6/1 thru 6/30
- d. Per Rudy at USS CAL the payment application reads (Modernization Project / Phase 3) Rudy came into my office and confirmed the payment application was for the new Project Frog building & the two new 12 packs. So I can't justify payment to USS for the following items because the work has not started to my knowledge.

Exhibit E.9

- a. Line items 08 – previously paid out at \$141k. This period 6/01 thru 6/30 USS CAL is asking for an additional demolition payment for \$56k when this work has not started yet to my knowledge.
- b. Line item 9 – Excavation and Grading – previously paid out at \$160k. This period 6/01 thru 6/30 USS CAL is asking for Excavation and grading payment to be paid at \$120k. Same comment as above.

These are just a few of my concerns on the above payment applications line items. This e-mail is to inform you that I cannot in good faith sign the above payment applications as submitted. I would strongly recommend that you confer with Larry and ask him how he would like to handle my payment application review and concerns.

Bond Construction Manager
Kevin Sanders

South San Francisco Unified School District
398 B Street
S San Francisco, CA 94080
Phone: 650-246-5975
Cell: 650-392-4281
Fax: 650-616-3803

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Memorandum

TO: Board of Trustees

FROM: Alejandro Hogan, Superintendent

THRU: Patricia M. Ernsberger, Associate Superintendent – Business Services
James “Larry” Scott – Bond Program Director

DATE: November 6, 2014

RE: Approval of final Guaranteed Maximum Price for Project Frog Modular Projects

BACKGROUND:

At the November 8, 2012 Board of Trustees Meeting, the Board approved to award the contract for modular buildings to Project Frog. The final Guaranteed Maximum Price (GMP) for all the modular projects for Project Frog will increase from \$96,722,997 to \$100,272,997. ~~\$99,272,997~~ # 1 MILLION

Education Code section 17406 authorizes a governing board of a school district, without advertising for bids, to lease property currently owned by a school district to any person, firm, or corporation for a minimum of \$1 per year as long as such document requires the other party to construct a building or buildings upon the subject property and that title to the subject property and the buildings vest in the school district at the expiration of the lease.

FISCAL IMPLICATIONS:

The cost of the installation of all modular buildings will be financed with Measure J Bond funds. The program budget for the modular buildings is consistent with the allocation of \$100,272,997.

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees approve the final Guaranteed Maximum Price of \$100,272,997 for Project Frog.

Exhibit G.1

SAN MATEO COUNTY SCHOOLS

COMMERCIAL REVOLVING FUND

CHECK NO.

VENDOR NAME

VENDOR NUMBER

ISSUE DATE

814628

USS CAL BUILDERS INC

00986901

083013

DISTRICT REFERENCE	INVOICE DATE	VENDOR INVOICE	AMOUNT PAID
PO 140460	08/23/13	PAY APP 7 AUG	528,60864
PO 140461	08/23/13	PAY APP 7 AUG	350,12944
PO 140462	08/23/13	PAY APP 7 AUG	298,44497
PO 140462	08/23/13	PAY APP 7 AUG	186,19050
PO 140463	08/23/13	PAY APP 7 AUG	88,47554
PO 140464	08/23/13	PAY APP 7 AUG	579,94602
PO 140470	08/23/13	PAY APP 7 AUG	111,76549
PO 140471	08/23/13	PAY APP 7 AUG	128,80120
PO 140472	08/23/13	PAY APP 7 AUG	115,08685
PO 140473	08/23/13	PAY APP 7 AUG	102,46703
PO 140474	08/23/13	PAY APP 7 AUG	107,77666
PO 140475	08/23/13	PAY APP 7 AUG	84,60846
PO 140476	08/23/13	PAY APP 7 AUG	56,27056
PO 140477	08/23/13	PAY APP 7 AUG	55,97875
PO 140478	08/23/13	PAY APP 7 AUG	56,02801
PO 140480	08/23/13	PAY APP 7 AUG	41,61222
TOTAL PAID			2,892,19034

If you have any questions concerning this remittance, please call:

SSF UNIFIED SCHOOL DISTRICT
ACCOUNTS PAYABLE

CUSTOMER NUMBER

TELEPHONE NUMBER:

WARNING: LOOK FOR A COLORED BACKGROUND AND WATERMARK ON REVERSE

Union Bank
350 California St.
San Francisco, CA 94104

SAN MATEO COUNTY SCHOOLS

11-49/1210

CHECK NUMBER

814628

SSF UNIFIED SCHOOL DISTRICT
398 B STREET
SOUTH SAN FRANCISCO, CA 94080

COMMERCIAL REVOLVING FUND
CLEARING ACCOUNT #0453

DATE ISSUED		
MO	DAY	YR
08	30	13

DOLLAR CENT

\$\$\$2,892,190.34

THE TREASURER OF THE COUNTY OF SAN MATEO WILL PAY

Two Million Eight Hundred Ninety-Two Thousand One Hundred Ninety And 34/100 Dollars

BY ORDER OF THE GOVERNING BOARD * VOID AFTER SIX MONTHS FROM DATE OF ISSUE

EXAMINED, APPROVED, & ALLOWED BY
COUNTY CONTROLLER & COUNTY SUPT. OF SCHOOLS

2,892,19034

USS CAL BUILDERS INC
8051 MAIN STREET
STANTON CA 90680

Ann E. Capell
Bob Adler

TO THE
ORDER
OF

⑈0453814628⑈ ⑆121000497⑆ 7020010074⑈

Exhibit G.2

PO 140460

APPLICATION AND CERTIFICATE FOR PAYMENT

TO (Owner): **South San Francisco Unified School District** Distribution to:
 APPLICATION NO: 7 [x] Owner
 [x] Architect
 [x] Contractor
 [x] Inspector
 [x] Project Manager

PROJECT TITLE: **Monte Verde Middle School Project Frog Modular Project / Phase 1**
 2551 St. Cloud Dr., San Bruno, CA PERIOD FROM: 8/1/2013
 TO: 8/31/2013

CATEGORY: **Modular Replacement Project**
 CONTRACTOR: **USS CAL BUILDERS, INC.** DISTRICT'S CONTRACT NO: **0620**

ADDRESS: **8051 MAIN STREET** ARCHITECT'S PROJECT NO: **41-28/01-113081**
STANTON, CA 90680 CONTRACT DATE: **2/5/2013**

CONTRACTOR'S APPLICATION FOR PAYMENT


CHANGE ORDER SUMMARY		
	ADDITIONS	DEDUCTIONS
Prior C.O.(s) Total		
List Change Orders approved this pay period		
TOTAL		
Net change by change orders		

Application is made for Payment, as shown below, in connection with the Contract. An Itemized Continuation Sheet is Attached.

Account Status as of this Application:

ORIGINAL CONTRACT SUM	\$ 3,928,425
NET CHANGE BY CHANGE ORDERS	\$ -
NET CONTRACT SUM TO DATE	\$ 3,928,425.00
TOTAL COMPLETED & STORED TO DATE	\$ 3,919,924.00
RETAINAGE 5%	\$ 195,996.20
TOTAL EARNED LESS RETAINAGE	\$ 3,723,927.80
LESS PREVIOUS CERTIF. FOR PAYMENT	\$ 3,195,319.16
CURRENT PAYMENT DUE	528,608.64
BALANCE TO FINISH PLUS RETAINAGE	\$ 204,497.20

The undersigned Contractor certifies that to the best of his knowledge, information and belief, the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by him for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

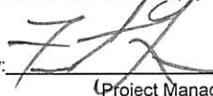
By:  Date: 8/23/2013
 CONTRACTOR

CONSTRUCTION MANAGER'S and INSPECTOR'S CERTIFICATE FOR PAYMENT


ARCHITECT'S CERTIFICATION


In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Construction Manager and Inspector certify to the Owner that the Work has progressed to the point indicated; that to the best of their knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that the Work has progressed to the point indicated; that to the best of his knowledge, information and belief, the quality of Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

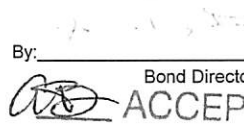
By:  Date: 8/28/13
 Project Manager

AMOUNT CERTIFIED \$ 528,608.64
 (attached explanation if amount certified differs from the amount applied for)

By:  Date: _____
 Inspector

By:  Date: 8/27/13
 Owner

ARCHITECT:
 BY: _____ Date: _____

By:  Date: 8/27/13
 Bond Director

ACCEPT

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein, issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

REJECT & RESUBMIT

DATE: 8/28/13 21 0000 0 0000 8500 6270 009 920

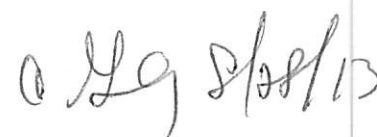


Exhibit G.3 APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: **Monte Verde Middle School Project Frog Modular Project / Phase 1** APPLICATION NO: **7**
 DISTRICT'S CONTRACT NO.: **0620** APPLICATION DATE FROM: **8/1/2013**
 ARCHITECT'S PROJECT NO.: **41-28/01-113081** TO: **8/31/2013**

A Item No.	B Description of Work	C Scheduled Value	D		E		F This Application Stored Materials	G Total completed & stored to date (D+E+F)	H % G/C	I Balance to Finish (C-G)	J Retainage
			Previous Application	Work In Place	Work Completed	Total completed & stored to date (D+E+F)					
1	Bond & Insurance	\$ 84,000.00	\$ 84,000.00	\$ -	\$ -	\$ -	\$ 84,000.00	100%	\$ -	\$ 4,200.00	
2	Mobilization/ Site OH	\$ 303,587.00	\$ 303,587.00	\$ -	\$ -	\$ -	\$ 303,587.00	100%	\$ -	\$ 15,179.35	
3	Office OH	\$ 181,071.00	\$ 153,910.35	\$ 27,160.65	\$ -	\$ -	\$ 181,071.00	100%	\$ -	\$ 9,053.55	
4	Scheduling	\$ 52,413.00	\$ 44,551.05	\$ 7,861.95	\$ -	\$ -	\$ 52,413.00	100%	\$ -	\$ 2,620.65	
5	Building Fabrication/Procurement	\$ 1,248,557.00	\$ 1,248,557.00	\$ -	\$ -	\$ -	\$ 1,248,557.00	100%	\$ -	\$ 62,427.85	
6	Delivery & Installation	\$ 183,450.00	\$ 155,932.50	\$ 27,517.50	\$ -	\$ -	\$ 183,450.00	100%	\$ -	\$ 9,172.50	
7	Building Design/Soft Cost	\$ 114,971.00	\$ 114,971.00	\$ -	\$ -	\$ -	\$ 114,971.00	100%	\$ -	\$ 5,748.55	
8	Laminated Glass/AE	\$ 27,427.00	\$ 23,312.95	\$ 4,114.05	\$ -	\$ -	\$ 27,427.00	100%	\$ -	\$ 1,371.35	
9	Demolition	\$ 203,581.00	\$ 203,581.00	\$ -	\$ -	\$ -	\$ 203,581.00	100%	\$ -	\$ 10,179.05	
10	Excavation and Grading	\$ 212,000.00	\$ 212,000.00	\$ -	\$ -	\$ -	\$ 212,000.00	100%	\$ -	\$ 10,600.00	
11	Foundations/Slab	\$ 281,000.00	\$ 281,000.00	\$ -	\$ -	\$ -	\$ 281,000.00	100%	\$ -	\$ 14,050.00	
12	MEP	\$ 296,000.00	\$ 251,600.00	\$ 44,400.00	\$ -	\$ -	\$ 296,000.00	100%	\$ -	\$ 14,800.00	
13	Finishes	\$ 572,982.00	\$ 286,491.00	\$ 286,491.00	\$ -	\$ -	\$ 572,982.00	100%	\$ -	\$ 28,649.10	
14	Contractor's contingency	\$ 115,509.00	\$ -	\$ 115,509.00	\$ -	\$ -	\$ 115,509.00	100%	\$ -	\$ 5,775.45	
15	Owner Contingency	\$ 28,876.00	\$ -	\$ 28,876.00	\$ -	\$ -	\$ 28,876.00	100%	\$ -	\$ 1,443.80	
16	Additional Fence Work	\$ 14,500.00	\$ -	\$ 14,500.00	\$ -	\$ -	\$ 14,500.00	100%	\$ -	\$ 725.00	
17	Close outs	\$ 8,501.00	\$ -	\$ -	\$ -	\$ -	\$ 8,501.00	0%	\$ 8,501.00	\$ -	
(Grand Total)		\$ 3,928,425.00	\$ 3,363,493.85	\$ 564,931.15	\$ -	\$ -	\$ 3,919,924.00	94%	\$ 81,501.00	\$ 195,996.20	



CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Civil Code Title 1 Chapter 3 §8132)

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC.

Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Job Location: Monte Verde Middle School Project Frog Modular Project / Phase 1 2551 St. Cloud Dr., San Bruno, CA

Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Through Date: August 31, 2013

Conditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Amount of Check: \$ 528,608.64

Check Payable to: USS CAL BUILDERS, INC.

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
(2) Extras for which the claimant has not received payment.
(3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: N/A
Amount(s) of unpaid progress payment(s): \$ 0.00
(4) Contract rights, including:
(A) a right based on rescission, abandonment, or breach of contract, and
(B) the right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan

Claimant's Title: PROJECT MANAGER

Date of Signature: 8/23/2013



UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Code Title 1 Chapter 3 §8134)

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC

Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Job Location: Monte Verde Elementary School Project Frog Modular Project / Phase 1
2551 St Cloud Drive, San Bruno, CA 94066

Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Through Date: 31st July 2013

Unconditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:

\$ 1,001,658.77

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) Contract rights, including:
 - (A) A right based on rescission, abandonment, or breach of contract, and
 - (B) The right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 

Claimant's Title: Senior PM

Date of Signature: 8/23/13

Exhibit H.1

SAN MATEO COUNTY SCHOOLS

COMMERCIAL REVOLVING FUND

CHECK NO.
882970

VENDOR NAME

VENDOR NUMBER

ISSUE DATE

USS CAL BUILDERS INC

00986901

060614

DISTRICT REFERENCE	INVOICE DATE	VENDOR INVOICE	AMOUNT PAID
PO 140464	05/30/14	PAYAPP16 MAY EC	131,17806
PO 140470	05/30/14	PAYAPP16 MAY BB	59,10900
PO 140471	05/30/14	PAYAPP16 MAY PKY	814,49077
PO 140472	05/30/14	PAYAPP16 MAY PON	336,07937
PO 140473	05/30/14	PAYAPP16 MAY SPR	391,49828
PO 140478	05/30/14	PAYAPP16 MAY WST	142,55614
PO 140480	05/30/14	PAYAPP16 MAY SSF	399,96646
PO 141385	05/30/14	PAYAPP16 MAY MTN	266,00000
PO 141745	05/30/14	PAYAPP1 MAY WST	106,16250
TOTAL PAID			2,647,04058

If you have any questions concerning this remittance, please call:

SSF UNIFIED SCHOOL DISTRICT
ACCOUNTS PAYABLE

CUSTOMER NUMBER

TELEPHONE NUMBER:

WARNING: LOOK FOR A COLORED BACKGROUND AND WATERMARK ON REVERSE

Union Bank
350 California St.
San Francisco, CA 94104

SAN MATEO COUNTY SCHOOLS

11-49/1210

CHECK NUMBER
882970

SSF UNIFIED SCHOOL DISTRICT
398 B STREET
SOUTH SAN FRANCISCO, CA 94080

COMMERCIAL REVOLVING FUND
CLEARING ACCOUNT #0453

DATE ISSUED		
MO	DAY	YR
06	06	14

DOLLAR CENT

***2,647,040.58

THE TREASURER OF THE COUNTY OF SAN MATEO WILL PAY

Two Million Six Hundred Forty-Seven Thousand Forty And 58/100 Dollars

BY ORDER OF THE GOVERNING BOARD * VOID AFTER SIX MONTHS FROM DATE OF ISSUE

2,647,04058

EXAMINED, APPROVED, & ALLOWED BY
COUNTY CONTROLLER & COUNTY SUPT. OF SCHOOLS

TO THE
ORDER
OF

USS CAL BUILDERS INC
8051 MAIN STREET
STANTON CA 90680

Ann E. Campbell
Bob Adler

MP

⑈0453882970⑈ ⑆121000497⑆ 7020010074⑈

Exhibit H.2

140471

APPLICATION AND CERTIFICATE FOR PAYMENT

TO (Owner): **South San Francisco Unified School District** Distribution to:
 APPLICATION NO: 16 [x] Owner
 [x] Architect
 [x] Contractor
 PROJECT TITLE: **Parkway Heights M. S. Project Frog Modular Project & Modernization/ Phase 3** [x] Inspector
 [x] Construction
650 Sunset Dr., So. San Francisco PERIOD FROM: 5/1/2014
 TO: 5/31/14 Manager
 CATEGORY: **Draft** DISTRICT'S CONTRACT NO: **0830**
 CONTRACTOR: **USS CAL BUILDERS, INC.** ARCHITECT'S PROJECT NO:
 ADDRESS: **8051 MAIN STREET** CONTRACT DATE: **2/5/2013**
STANTON, CA 90680

CONTRACTOR'S APPLICATION FOR PAYMENT

CHANGE ORDER SUMMARY		
	ADDITIONS	DEDUCTIONS
Prior C.O.(s) Total		
List Change Orders approved this pay period		
TOTAL		
Net change by change orders		

Application is made for Payment, as shown below, in connection with the Contract. An Itemized Continuation Sheet is Attached.

Account Status as of this Application:

ORIGINAL CONTRACT SUM	\$	<u>28,339,402.18</u>
NET CHANGE BY CHANGE ORDERS	\$	<u>-</u>
NET CONTRACT SUM TO DATE	\$	<u>28,339,402.18</u>
TOTAL COMPLETED & STORED TO DATE	\$	<u>3,516,674.85</u>
RETAINAGE 5%	\$	<u>175,833.74</u>
TOTAL EARNED LESS RETAINAGE	\$	<u>3,340,841.11</u>
LESS PREVIOUS CERTIF. FOR PAYMENT	\$	<u>2,526,350.34</u>
CURRENT PAYMENT DUE	\$	<u>814,490.77</u>
BALANCE TO FINISH PLUS RETAINAGE	\$	<u>24,998,561.07</u>

The undersigned Contractor certifies that to the best of his knowledge, information and belief, the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by him for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

State of: _____ County of: _____
 Subscribed and sworn to before me this ____ day of _____,
 Notary Public:
 My Commission expires: _____

By: [Signature] Date: 5/30/2014
 CONTRACTOR

21 0000 0 0000 8570 6270 022 920

CONSTRUCTION MANAGER'S and INSPECTOR'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Construction Manager and Inspector certify to the Owner that the Work has progressed to the point indicated; that to the best of their knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

By: [Signature] Date: 5-30-14
 Construction Manager

By: _____ Date: _____
 Inspector

By: [Signature] Date: 6/2/14
 Owner

By: [Signature] Date: 5/30/14
 Bond Director

ARCHITECT'S CERTIFICATION

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that the Work has progressed to the point indicated; that to the best of his knowledge, information and belief, the quality of Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 814,490.77
 (attached explanation if amount certified differs from the amount applied for)

ARCHITECT:

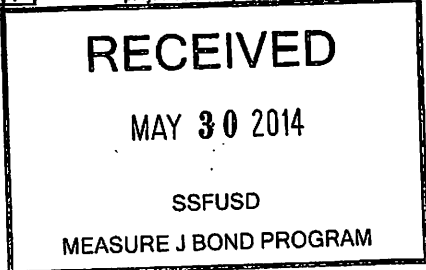
BY: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein, issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

ACCEPT

REJECT & RESUBMIT

DATE: 5/30/14



[Signature] 6/2/14

APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: Parkway Heights Middle School Project Frog Modular Project / Phase 3

APPLICATION NO: 16

DISTRICT'S CONTRACT NO.: 830

APPLICATION DATE FROM:

5/1/2014

ARCHITECT'S PROJECT NO:

TO:

5/31/2014

Item No.	Description of Work	C Scheduled Value	D Previous Application		E Work Completed		F Stored Materials	G Total completed and stored to date (D+E+F)	H % G/C	I Balance to Finish (C-G)	J Retainage
			Application	Work in Place	This Application	Work in Place					
1	Bond & Insurance	\$ 73,884.00	\$ 73,884.00	\$ -	\$ -	\$ -	\$ 73,884.00	100%	\$ -	\$ 3,694.20	
2	Mobilization/ Site OH	\$ 269,000.00	\$ 53,800.00	\$ -	\$ -	\$ -	\$ 53,800.00	20%	\$ 215,200.00	\$ 2,690.00	
3	Schedule updates	\$ 42,550.00	\$ 21,275.00	\$ -	\$ -	\$ -	\$ 21,275.00	50%	\$ 21,275.00	\$ 1,063.75	
3	Office OH	\$ 201,328.00	\$ 40,265.60	\$ -	\$ -	\$ -	\$ 40,265.60	20%	\$ 161,062.40	\$ 2,013.28	
4	Building Fabrication/Procurement	\$ 855,200.00	\$ 128,280.00	\$ -	\$ -	\$ -	\$ 128,280.00	15%	\$ 726,920.00	\$ 6,414.00	
5	Delivery & Installation	\$ 144,975.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 144,975.00	\$ -	
6	Soft Cost	\$ 66,539.00	\$ 66,539.00	\$ -	\$ -	\$ -	\$ 66,539.00	100%	\$ -	\$ 3,326.95	
7	Laminated Glass/AE	\$ 25,028.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 25,028.00	\$ -	
8	Demolition	\$ 131,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 131,000.00	\$ -	
9	Excavation and Grading	\$ 184,690.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 184,690.00	\$ -	
10	Foundations/Slab	\$ 222,295.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 222,295.00	\$ -	
12	MEP	\$ 576,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 576,000.00	\$ -	
13	Finishes	\$ 758,412.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 758,412.00	\$ -	
14	Contractor's contingency	\$ 108,640.00	\$ 108,640.00	\$ -	\$ -	\$ -	\$ 108,640.00	100%	\$ -	\$ 5,432.00	
15	Owner Contingency	\$ 27,160.00	\$ 27,160.00	\$ -	\$ -	\$ -	\$ 27,160.00	100%	\$ -	\$ 1,358.00	
16	Close outs	\$ 7,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 7,500.00	\$ -	
17	Additional Owner Contingency CO1	\$ 676,479.80	\$ 202,943.94	\$ -	\$ -	\$ -	\$ 202,943.94	30%	\$ 473,535.86	\$ 10,147.20	
18	Additional Owner Contingency CO2	\$ 586,089.88	\$ 175,826.96	\$ -	\$ -	\$ -	\$ 175,826.96	30%	\$ 410,262.92	\$ 8,791.35	
19	Additional Owner Contingency CO3	\$ 782,631.50	\$ 782,631.50	\$ -	\$ -	\$ -	\$ 782,631.50	100%	\$ -	\$ 39,131.58	
	Grand Total	\$ 5,739,402.18	\$ 1,681,246.00	\$ -	\$ -	\$ -	\$ 1,681,246.00	29%	\$ 4,058,156.18	\$ 44,930.73	

APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: Parkway Heights Middle School Project Frog Modernization Project / Phase 3

APPLICATION NO: 16

DISTRICT'S CONTRACT NO.: 830

APPLICATION DATE FROM: 5/1/2014

Exhibit H.

ARCHITECT'S PROJECT NO.:

TO: 5/31/2014

A Item No.	B Description of Work	C Scheduled Value	D Previous Application		E Work Completed This Application		F Stored Materials	G Total completed and stored to date (D+E+F)	H % G/C	I Balance to Finish (C-G)		J Retainage
			Application	Application	Work In Place	Stored Materials				Balance to Finish (C-G)	Retainage	
1	Bond & Insurance	\$ 320,000.00	\$ 320,000.00	\$ -	\$ -	\$ -	\$ 320,000.00	100%	\$ -	\$ -	\$ 16,000.00	
2	Mobilization/ Site OH	\$ 780,000.00	\$ 117,000.00	\$ 78,000.00	\$ -	\$ -	\$ 195,000.00	25%	\$ 585,000.00	\$ -	\$ 9,750.00	
3	Schedule updates	\$ 42,550.00	\$ 6,382.50	\$ 14,892.50	\$ -	\$ -	\$ 21,275.00	50%	\$ 21,275.00	\$ -	\$ 1,063.75	
3	Office OH	\$ 697,309.00	\$ 104,596.35	\$ 69,730.90	\$ -	\$ -	\$ 174,327.25	25%	\$ 522,981.75	\$ -	\$ 8,716.36	
4	Building Fabrication/Procurement	\$ 4,467,818.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 4,467,818.00	\$ -	\$ -	
5	Delivery & Installation	\$ 1,132,330.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 1,132,330.00	\$ -	\$ -	
6	Soft Cost	\$ 389,000.00	\$ 350,100.00	\$ 38,900.00	\$ -	\$ -	\$ 389,000.00	100%	\$ -	\$ -	\$ 19,450.00	
7	Laminated Glass/AE	\$ 108,399.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 108,399.00	\$ -	\$ -	
8	Demolition	\$ 567,376.00	\$ -	\$ 141,844.00	\$ -	\$ -	\$ 141,844.00	25%	\$ 425,532.00	\$ -	\$ 7,092.20	
9	Excavation and Grading	\$ 799,913.00	\$ 79,991.30	\$ 79,991.30	\$ -	\$ -	\$ 159,982.60	20%	\$ 639,930.40	\$ -	\$ 7,999.13	
10	Foundations/Slab	\$ 962,785.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 962,785.00	\$ -	\$ -	
12	MEP	\$ 2,765,253.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 2,765,253.00	\$ -	\$ -	
13	Finishes	\$ 2,959,767.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 2,959,767.00	\$ -	\$ -	
14	Close outs	\$ 7,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 7,500.00	\$ -	\$ -	
	Grand Total	\$ 16,000,000.00	\$ 978,070.15	\$ 423,358.70	\$ -	\$ -	\$ 1,401,428.85	9%	\$ 14,598,571.15	\$ -	\$ 70,071.44	

Exhibit H.5

APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

PROJECT TITLE: Parkway Heights Middle School Project Frog Modernization Project / Phase 3

DISTRICT'S CONTRACT NO.: 830

ARCHITECT'S PROJECT NO:

APPLICATION NO: 16

APPLICATION DATE FROM: 5/1/2014

TO: 5/31/2014

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		E Work Completed This Application	F Stored Materials	G Total completed and stored to date (D+E+F)	H % G/C	I Balance to Finish (C-G)		J Retainage
			Previous Application	Work in Place					Balance to Finish (C-G)	Retainage	
1	Bond & Insurance	\$ 280,000.00	\$ -	\$ 280,000.00	\$ 280,000.00		\$ 280,000.00	100%	\$ -	\$ 14,000.00	
2	Mobilization/ Site OH	\$ 325,000.00	\$ -	\$ 65,000.00	\$ 65,000.00		\$ 65,000.00	20%	\$ 260,000.00	\$ 3,250.00	
3	Office OH	\$ 185,000.00	\$ -	\$ 18,500.00	\$ 18,500.00		\$ 18,500.00	10%	\$ 166,500.00	\$ 925.00	
3	Scheduling	\$ 42,000.00	\$ -	\$ 10,500.00	\$ 10,500.00		\$ 10,500.00	25%	\$ 31,500.00	\$ 525.00	
4	Building Fabrication/Procurement	\$ 1,630,018.14	\$ -	\$ -	\$ -		\$ -	0%	\$ 1,630,018.14	\$ -	
5	Delivery & Installation	\$ 650,338.46	\$ -	\$ -	\$ -		\$ -	0%	\$ 650,338.46	\$ -	
6	Building Design/Soft Cost	\$ 223,416.90	\$ -	\$ -	\$ -		\$ -	0%	\$ 223,416.90	\$ -	
7	Laminated Glass/AE	\$ 62,257.50	\$ -	\$ -	\$ -		\$ -	0%	\$ 62,257.50	\$ -	
8	Demolition	\$ 120,000.00	\$ -	\$ 60,000.00	\$ 60,000.00		\$ 60,000.00	50%	\$ 60,000.00	\$ 3,000.00	
9	Excavation and Grading	\$ 140,000.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 140,000.00	\$ -	
10	Foundations/Slab	\$ 220,000.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 220,000.00	\$ -	
11	Site Work	\$ 55,000.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 55,000.00	\$ -	
12	MEP	\$ 1,081,469.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 1,081,469.00	\$ -	
13	Finishes	\$ 1,460,000.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 1,460,000.00	\$ -	
14	Elevator	\$ 120,000.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 120,000.00	\$ -	
15	Close outs	\$ 5,500.00	\$ -	\$ -	\$ -		\$ -	0%	\$ 5,500.00	\$ -	
	Grand Total	\$ 6,600,000.00	\$ -	\$ 434,000.00	\$ 434,000.00	\$ -	\$ 434,000.00	0%	\$ 6,166,000.00	\$ 21,700.00	



CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Civil Code Title 1 Chapter 3 §8132)

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC.
Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Job Location: Parkway Height M.S. Project Frog Modular Project and Modernization/ Phase 3
650 Sunset Dr. So. San Francisco, CA
Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Through Date: May 31, 2014

Conditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:


Maker of Check: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Amount of Check: \$ \$814,490.77
Check Payable to: USS CAL BUILDERS, INC.

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: N/A
Amount(s) of unpaid progress payment(s): \$ 0.00
- (4) Contract rights, including:
 - (A) a right based on rescission, abandonment, or breach of contract, and
 - (B) the right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 
Claimant's Title: PROJECT MANAGER
Date of Signature: 5/31/2014



UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Code Title 1 Chapter 3 §8134)

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC

Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Job Location: Parkway Height M.S. Project Frog Modular Project and Modernization/ Phase 3
650 Sunset Dr. So. San Francisco, CA

Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Through Date: April 30, 2014

Unconditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:

\$1,062,433.69

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) Contract rights, including:
 - (A) A right based on rescission, abandonment, or breach of contract, and
 - (B) The right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 

Claimant's Title: Senior PM

Date of Signature: 5/31/14

Exhibit I.1

SAN MATEO COUNTY SCHOOLS

COMMERCIAL REVOLVING FUND

CHECK NO.
796234

VENDOR NAME

VENDOR NUMBER

ISSUE DATE

USS CAL BUILDERS INC

00986901

060513

DISTRICT REFERENCE	INVOICE DATE	VENDOR INVOICE	AMOUNT PAID
PO 131213	06/03/13	PAY APP 5 JUN	1,654,327.15
PO 131216	06/03/13	PAY APP 5 JUN	778,834.36
PO 131219	06/03/13	PAY APP 5 JUN	157,058.04
PO 131219	06/03/13	PAY APP 5 JUN	821,117.58
PO 131222	06/03/13	PAY APP 5 JUN	154,208.23
TOTAL PAID			3,565,545.36

If you have any questions concerning this remittance, please call:

SSF UNIFIED SCHOOL DISTRICT
ACCOUNTS PAYABLE

CUSTOMER NUMBER

TELEPHONE NUMBER:

WARNING: LOOK FOR A COLORED BACKGROUND AND WATERMARK ON REVERSE

Union Bank
350 California St.
San Francisco, CA 94104

SAN MATEO COUNTY SCHOOLS

11-49/1210

CHECK NUMBER
796234

SSF UNIFIED SCHOOL DISTRICT
398 B STREET
SOUTH SAN FRANCISCO, CA 94080

COMMERCIAL REVOLVING FUND
CLEARING ACCOUNT #0453

DATE ISSUED		
MO	DAY	YR
06	05	13

DOLLAR CENT

***3,565,545.36

THE TREASURER OF THE COUNTY OF SAN MATEO WILL PAY

Three Million Five Hundred sixty-Five Thousand Five Hundred Forty-Five And 36/100 Dollars

BY ORDER OF THE GOVERNING BOARD * VOID AFTER SIX MONTHS FROM DATE OF ISSUE

EXAMINED, APPROVED, & ALLOWED BY
COUNTY CONTROLLER & COUNTY SUPT. OF SCHOOLS

3,565,545.36

TO THE
ORDER
OF

USS CAL BUILDERS INC
8051 MAIN STREET
STANTON CA 90680

Ann E. Campbell
Bob Adler

MP

⑈0453796234⑈ ⑆ 21000497⑆ 7020010074⑈

PO 131213

APPLICATION AND CERTIFICATE FOR PAYMENT

TO (Owner): **South San Francisco Unified School District** Distribution to:
 APPLICATION NO: 5 [x] Owner
 PROJECT TITLE: **Monte Verde Middle School Project Frog Modular Project / Phase 1** [x] Architect
 2551 St. Cloud Dr., San Bruno, CA PERIOD FROM: 6/1/2013 [x] Contractor
 TO: 6/30/2013 [x] Inspector
 [x] Project Manager
 CATEGORY: **Modular Replacement Project**
 CONTRACTOR: **USS CAL BUILDERS, INC.** DISTRICT'S CONTRACT NO: **0620**
 ADDRESS: **8051 MAIN STREET** ARCHITECT'S PROJECT NO: **41-28/01-113081**
STANTON, CA 90680 CONTRACT DATE: **2/5/2013**

CONTRACTOR'S APPLICATION FOR PAYMENT

CHANGE ORDER SUMMARY		
	ADDITIONS	DEDUCTIONS
Prior C.O.(s) Total		
List Change Orders approved this pay period		
TOTAL		
Net change by change orders		

Application is made for Payment, as shown below, in connection with the Contract. An Itemized Continuation Sheet is Attached.

Account Status as of this Application:

ORIGINAL CONTRACT SUM	\$	3,928,425
NET CHANGE BY CHANGE ORDERS	\$	-
NET CONTRACT SUM TO DATE	\$	3,928,425.00
TOTAL COMPLETED & STORED TO DATE	\$	2,309,116.20
RETAINAGE 5%	\$	115,455.81
TOTAL EARNED LESS RETAINAGE	\$	2,193,660.39
LESS PREVIOUS CERTIF. FOR PAYMENT	\$	539,333.24
CURRENT PAYMENT DUE		1,654,327.15
BALANCE TO FINISH PLUS RETAINAGE	\$	1,734,764.61

The undersigned Contractor certifies that to the best of his knowledge, information and belief, the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by him for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

By: [Signature] Date: 6/3/2013
 CONTRACTOR

21 0000 0 0000 8500 0270 009920

CONSTRUCTION MANAGER'S and INSPECTOR'S CERTIFICATE FOR PAYMENT

ARCHITECT'S CERTIFICATION

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Construction Manager and Inspector certify to the Owner that the Work has progressed to the point indicated; that to the best of their knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that the Work has progressed to the point indicated; that to the best of his knowledge, information and belief, the quality of Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment of the AMOUNT CERTIFIED.

By: [Signature] Date: 5/30/13
 Project Manager

AMOUNT CERTIFIED \$ 1,654,327.15
 (attached explanation if amount certified differs from the amount applied for)

By: _____ Date: _____
 Inspector

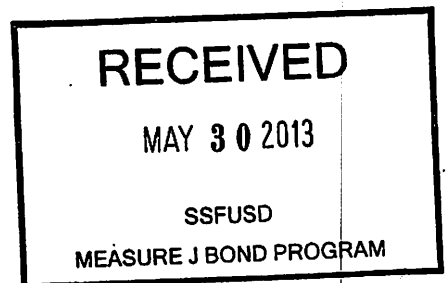
ARCHITECT:
 BY: _____ Date: _____

By: [Signature] Date: _____
 Inspector

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein, issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

By: [Signature] Date: 5/30/13
 Bond Director

[Signature] 5/30/13
 ACCEPT
 REJECT & RESUBMIT
 DATE: 5/30/13



APPLICATION AND CERTIFICATE FOR PAYMENT CONTINUATION SHEET

Exhibit I.3

PROJECT TITLE: Monte Verde Middle School Project Frog Modular Project / Phase 1
 DISTRICT'S CONTRACT NO.: 0620
 ARCHITECT'S PROJECT NO.: 41-28/01-113081
 APPLICATION NO.: 5
 APPLICATION DATE FROM: 6/1/2013
 TO: 6/30/2013

A Item No.	B Description of Work	C Scheduled Value	D Application		E Work Completed		F Stored Materials	G Total completed & stored to date (D+E+F)	H % G/C	I Balance to Finish (C-G)	J Retainage
			Previous Application	This Application	Work In Place	This Application					
1	Bond & Insurance	\$ 84,000.00	\$ 84,000.00	\$ -	\$ -	\$ -	\$ 84,000.00	100.0%	\$ -	\$ 4,200.00	
2	Mobilization/ Site OH	\$ 303,587.00	\$ 151,793.50	\$ 151,793.50	\$ -	\$ -	\$ 303,587.00	100.0%	\$ -	\$ 15,179.35	
3	Office OH	\$ 181,071.00	\$ 126,749.70	\$ -	\$ -	\$ -	\$ 126,749.70	70.0%	\$ 54,321.30	\$ 6,337.49	
4	Scheduling	\$ 52,413.00	\$ 39,309.75	\$ -	\$ -	\$ -	\$ 39,309.75	75.0%	\$ 13,103.25	\$ 1,965.49	
5	Building Fabrication/Procurement	\$ 1,248,557.00	\$ -	\$ 936,417.75	\$ -	\$ -	\$ 936,417.75	75.0%	\$ 312,139.25	\$ 46,820.89	
6	Delivery & Installation	\$ 183,450.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 183,450.00	\$ -	
7	Building Design/Soft Cost	\$ 114,971.00	\$ 114,971.00	\$ -	\$ -	\$ -	\$ 114,971.00	100.0%	\$ -	\$ 5,748.55	
8	Laminated Glass/AE	\$ 27,427.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 27,427.00	\$ -	
9	Demolition	\$ 203,581.00	\$ 50,895.25	\$ 152,685.75	\$ -	\$ -	\$ 203,581.00	100.0%	\$ -	\$ 10,179.05	
10	Excavation and Grading	\$ 212,000.00	\$ -	\$ 212,000.00	\$ -	\$ -	\$ 212,000.00	100.0%	\$ -	\$ 10,600.00	
11	Foundations/Slab	\$ 281,000.00	\$ -	\$ 140,500.00	\$ -	\$ -	\$ 140,500.00	50.0%	\$ 140,500.00	\$ 7,025.00	
12	MEP	\$ 296,000.00	\$ -	\$ 148,000.00	\$ -	\$ -	\$ 148,000.00	50.0%	\$ 148,000.00	\$ 7,400.00	
13	Finishes	\$ 572,982.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 572,982.00	\$ -	
14	Contractor's contingency	\$ 115,509.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 115,509.00	\$ -	
15	Owner Contingency	\$ 28,877.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 28,877.00	\$ -	
16	Additional Fence Work	\$ 14,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 14,500.00	\$ -	
17	Close outs	\$ 8,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 8,500.00	\$ -	
	Grand Total	\$ 3,928,425.00	\$ 567,719.20	\$ 1,741,397.00	\$ -	\$ -	\$ 2,309,116.20	45%	\$ 1,619,308.80	\$ 115,455.81	



CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Civil Code Title 1 Chapter 3 §8132)

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC.

Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Job Location: Monte Verde Middle School Project Frog Modular Project / Phase 1
2551 St. Cloud Dr., San Bruno, CA

Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Through Date: JUNE 30, 2013

Conditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Amount of Check: \$ \$1,654,327.15


Check Payable to: USS CAL BUILDERS, INC.

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: N/A
Amount(s) of unpaid progress payment(s): \$ 0.00
- (4) Contract rights, including:
(A) a right based on rescission, abandonment, or breach of contract, and
(B) the right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 

Claimant's Title: PROJECT MANAGER

Date of Signature: 6/1/2013



UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(In accordance with California Code Title 1 Chapter 3 §8134)

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.

Identifying Information:

Name of Claimant: USS CAL BUILDERS, INC
Name of Customer: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Job Location: Monte Verde Elementary School Project Frog Modular Project / Phase 1
2551 St Cloud Drive, San Bruno, CA 94066
Owner: SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Through Date: 31st May 2013

Unconditional Waiver and Release:

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has received the following progress payment:


\$ ~~172,048.32~~ 172,048.34

Exceptions:

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) Contract rights, including:
 - (A) A right based on rescission, abandonment, or breach of contract, and
 - (B) The right to recover compensation for work not compensated by the payment.

Signature:

Claimant's Signature: Rudy Sultan 
Claimant's Title: Senior PM
Date of Signature: 6/3/13



USS COR#	DESCRIPTION	DATE ISSUED	OWNER APPROVED COST	USS ESTIMATED COST	SUBCONTRACTOR B/C
52/44	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shared for 18 windows at Alta Loma MS as requested	2/2/2015	\$ 11,384.65	\$ 11,384.65	drapery concepts
53	To furnish all materials and labor to reinstall the supply and return registers in the portable classroom at Alta Loma MS per attached invoice and T&M as requested by maintenance and facilities department. This was due to the units not working and caused by deferred maintenance	4/21/2015	\$ -	\$ 2,741.39	Marken Mechanical
	TOTAL		\$ 11,384.65	\$ 14,126.04	

Exhibit J.2

USS CAL BUILDERS

Owner

USS COR#	DESCRIPTION	DATE ISSUED	APPROVED AMOUNT	USS ESTIMATED COST	SUBCONTRACTOR
30	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shared for 3 windows at Baden HS as requested	2/2/2015	\$ 2,383.20	\$ 2,383.20	drapery concepts
	TOTAL		\$ 2,383.20	\$ 2,383.20	

Exhibit J.3

JOB#245 SSFUSD Modular Projects - Buri Buri
CHANGE ORDER REQUEST LOG



Owner

USS COR#	DESCRIPTION	DATE ISSUED	APPROVED COST	ESTIMATED COST	SUBCONTRACTOR
4 R1	To furnish all materials and labor for Multi-Purpose Room (MPR) Design and Coordination at Buri Buri ES per attached EWA 005 dated 6/12/2014	4/9/2015	\$ -	\$ 11,135.25	pf
18	To furnish all materials and labor to coordinate DSA documentation/AOR fees for Buri Buri School as requested	2/20/2015	\$ -	\$ 5,781.69	Project Frog
19	To furnish all materials and labor to install motorized window shades in the Library/Exploratorium building at 3 locations, large rear window and each side of the entrance doors at Library typology only at Buri Buri School as requested	2/25/2015	\$ -	\$ 9,229.53	Project Frog
21	To furnish all materials and labor to prepare Health Dept Submittals for MPR and support services through construction phase and close outs for Buri Buri ES as requested	4/13/2015	\$ -	\$ 10,150.05	pf
22	To furnish all materials and labor to install PVC conduit from existing solar bore location, rigid conduit onto solar column and extend into junction box and underground conduits; pull in new DC feeder cables and terminate at combiner box and junction box; trace out weather station wiring and refeed power to DAS box; install underground and above ground conduit to feed new portable building; install new feeder from MSB to portable building and energize power; install data drops to new portable building fed from adjacent building; connect Fire Alarm System to restrooms and portables from existing campus; pull in wiring and splice feeders to portable restrooms at Buri Buri Increment 1 as requested per attached CORs #1 and #2. Price includes digging, trenching and moving location for electrical/low volt, performed by USS CAL Builders.	4/20/2015	\$ -	\$ 36,933.40	Atlas Pellizzari
23	To furnish all materials and labor to install one continuous gas water heater, connect the staff lav and mop sink to the new water heater; install 3/4 gas pipe to water heater; install 3" pvc flue, condensate drain from flue to mop sink as requested at Buri Buri ES Increment 1 per CCD #5 and attached Change Order Request 14-433-1	4/2/2015	\$ -	\$ 32,559.64	Dinelli
24 R1	To furnish all materials and labor to provide new commercial wet pipe fire sprinkler system at Buri Buri ES as requested per attached proposal dd 04/03/2015. Fire Sprinkler is not included in the original bid. This is for Increment 2 only MPR. The library and Building A do not require sprinklers. The price includes the USS Cal Builders estimate to hand dig the fire sprinkler riser.	4/21/2015	\$ -	\$ 76,635.97	Bay Cities Fire Protection
25	Furnish and Install extra work including UG Utilities /Site Electrical-Sewer-Water-Fire Water-Gas/Site Concrete/Site AC Paving/Backfill using existing Dirt Piles Per DSA approved plans dated June 19, 2014 and June 23, 2014. The amount includes Overhead and Profit.	4/24/2015	\$ -	\$ 6,585,894.98	USS CAL
26	Furnish all materials and labor to provide a BACnet Energy Management System, provide integration into existing Alerton Envision Server software, develop graphics, alarming, trending scheduling, remote access for the EMS; provide startup, point to point checkout and functional testing to EMS at Buri Buri ES Increment 2 as requested by the District per attached proposal dd 4/29/2015. EMS is not in the original USS Cal Builders' scope of work. The price does not include Alternates.	4/29/2015	\$ -	\$ 87,541.09	Syserco
27	Furnish all materials and labor to provide a BACnet Energy Management System, provide integration into existing Alerton Envision Server software, develop graphics, alarming, trending scheduling, remote access for the EMS; provide startup, point to point checkout and functional testing to EMS at Buri Buri ES Increment 1 as requested by the District per attached proposal dd 03/04/2015 Revision 1. EMS is not in the original USS Cal Builders' scope of work. The price does not include Alternates.	4/29/2015	\$ -	\$ 174,830.85	Syserco
	TOTAL		\$ -	\$ 7,030,692.46	

Exhibit J.4

USS COR#	DESCRIPTION	DATE ISSUED	Approved Cost	Estimated cost	SUBCONTRACTOR
52	Furnish all materials and labor to furnish and install Duratop Graphite Gray Epoxy Resin Countertops at South San Francisco HS as requested	11/5/2014	\$ 75,000.00	\$ 75,000.00	PF
53	To furnish all materials and labor to demo and remove 30 LF of damaged link fence, supply and install new 4' tall chain link fence at El Camino HS as requested	1/28/2015	\$ 1,705.81	\$ 1,705.81	Calco Fence
54	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shades for 9 windows at El Camino HS as requested	2/2/2015	\$ 6,140.55	\$ 6,140.55	drapery concepts
	TOTAL		\$ 82,846.36	\$ 82,846.36	

Exhibit J.5



**JOB#245 SSFUSD Modular Projects - Junipero Serra
CHANGE ORDER REQUEST LOG
Owner**

USS COR#	DESCRIPTION	DATE ISSUED	Approved Cost	Estimated Cost	SUBCONTRACTOR
1	To furnish all material and labor to provide safety plans and safety officer services including 2 visits to each site per week and a "tailgate" meeting following each visit for Phase 3 school Junipero Serra	6/28/2013	\$ 12,682.43	\$ 12,682.43	Consolidated Safety Services
2	To furnish all material and labor to excavate and lay sand on trench to replace old water line.sawcut AC and concrete to relocate a damaged water line, backfill utility trench with a wheel barrow, remove spoils from trench to parking lot, power wash at the parking lot and pour concrete for sidewalk,pave trench and 2 areas total 1200 sf, general cleanup, pressure wash and offhaul concrete and dirt, backfill utility trench (water) and compact IT.import ab and sand and offhaul dirt at Junipero Serra School Site. Overtime to excavate trenches for water lines and replace old water line for Phase 3 school Junipero Serra ES.	8/27/2013	\$ 52,997.62	\$ 52,997.62	Jos J Albanese
4	To furnish all materials and labor to sawcut/remove/replace 22'x7' standard driveway, including natural grey, broom finish, #3 rebar on 18 " OC EW, Drill and Dowel into existing sidewalk at Junipero Serra ES.	4/2/2014	\$ 10,525.04	\$ 10,525.04	bci
5	To furnish all materials and labor to coordinate DSA documentation/AOR fees for Junipero Serra ES as requested	2/23/2015	\$ -	\$ 3,898.87	Project Frog
	TOTAL		\$ 76,205.08	\$ 80,103.96	

Exhibit J.6



JOB#245 SSFUSD Modular Projects - Monte Verde
CHANGE ORDER REQUEST LOG

Owner

USS COR#	DESCRIPTION	DATE ISSUED	OWNER APPROVED COST	USS ESTIMATED COST	Subcontractor
37	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shared for 21 windows at Monte Verde ES as requested	2/2/2015	\$ 12,983.27	\$ 12,983.27	Drapery Concepts
	TOTAL		\$ 12,983.27	\$ 12,983.27	

Exhibit J.8

USS COR#	DESCRIPTION	DATE ISSUED	APPROVED COST	USS ESTIMATED COST	SUBCONTRACTOR
22	To furnish all materials and labor to supply and install one new end post 63' of top rail to repair and reinstall existing 4' tall green chain link fencing at Ponderosa ES per attached COR as requested	1/28/2015	\$1,721.80	\$1,721.80	calco fence
23	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shades for 17 windows at Ponderosa ES as requested	2/2/2015	\$10,851.77	\$10,851.77	drapery concepts
24	To furnish all materials and labor to perform extra work at Ponderosa School as requested	2/19/2015	\$2,722.11	\$2,722.11	Syserco
25	To furnish all materials and labor to coordinate DSA documentation/AOR fees for Ponderosa School as requested	2/20/2015	\$ -	\$ 5,816.84	project frog
26	To furnish all materials and labor to caulk the exterior at Ponderosa School as requested	2/24/2015	\$ -	\$ 18,866.97	project frog
	TOTAL		\$ 15,295.68	\$ 39,979.49	

Exhibit J.9



Owner

USS COR#	DESCRIPTION	DATE ISSUED	OWNER APPROVED COST	USS ESTIMATED COST	Sub
32	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shared for 12 windows at Skyline ES as requested	2/2/2015	\$ 8,187.40	\$ 8,187.40	Drapery concepts
	TOTAL		\$ 8,187.40	\$ 8,187.40	

Exhibit J.10



USS CAL BUILDERS

JOB#245 SSFUSD Modular Projects - Spruce
CHANGE ORDER REQUEST LOG

Owner

USS COR#	DESCRIPTION	DATE ISSUED	APPROVED COST	USS ESTIMATED COST	SUBCONTRACTOR
24	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shades for 21 windows at Spruce ES as requested	2/2/2015	\$ 12,983.27	\$ 12,983.27	Drapery Concepts
25	To furnish all materials and labor to perform extra work at Spruce ES as requested	2/19/2015	\$ 5,590.50	\$ 5,590.50	syserco
26	To furnish all materials and labor to coordinate DSA documentation/AOR fees for Spruce ES as requested	2/20/2015	\$ -	\$ 5,781.69	project Frog
27	To furnish all materials and labor to caulk the exterior at Spruce ES as requested	2/24/2015	\$ -	\$ 22,694.08	project Frog
	TOTAL		\$ 18,573.77	\$ 47,049.55	

Exhibit J.11



Owner

USS COR#	DESCRIPTION	DATE ISSUED	USS ESTIMATED COST	OWNER APPROVED COST	SUBCONTRACTOR
35	To furnish all materials and labor to coordinate DSA documentation/AOR fees for SSF HS as requested	2/20/2015	\$ 4,150.00	\$ 4,150.00	PF
36	To furnish all materials and labor to redesign, furnish and install metal infill screen at balcony for 2S1L Science Building; design proposal for 2S1L Janitor's closet; design and install additional guardrail at stair treads of 2S2L Science Building; revise design, procure additional materials and fabricate 20 teaching walls with extended uppers at SSF HS as requested	2/24/2015	\$ 75,035.10	\$ 75,035.10	pf
38	To furnish all materials and labor to install continuous 3-1/2" x 1-1/2"x1/8" HSS tube on top of guardrail at SSF HS Building G, as requested	3/4/2015	\$ -	\$ 5,191.06	PF
39	To furnish all materials and labor to install 4 additional EEWS, EWH with thermostatic mixing valves for 2nd floor classrooms, install fuseal waste piping to 4 floor drains with 4 trap primers on 2nd floor; install 2 additional single gas turrets on 2nd floor classrooms; install larger size water and gas piping to accommodate additional fixtures; delete 3 EEW with EWH and thermostatic mixing valves; delete smaller size piping at SSF HS Building F, Science Lab per CCD 18 as requested Perform additional electric work as the result and direction given in CCD 18R1 drawings dated 12/18/2014 at SSF HS as requested. The above work is not in the original USS CAL scope.	4/21/2015	\$ 144,497.28	\$ 145,230.17	ASF & Larratt
40	To furnish all materials and labor to relocate the backflow preventer, install the retaining wall, curb and gutter including SWPPP service at SSF HS as requested	3/18/2015	\$ -	\$ 82,752.91	uss cal
41	To furnish all materials and labor to install an Alerton BACTalk DDC Control System at South San Francisco HS as requested per attached proposal. EMS is beyond USS CAL Builders' scope of work.	4/8/2015	\$ -	\$ 103,214.69	Syserco
TOTAL			\$ 223,682.38	\$ 415,573.93	

Exhibit J.12

USS COR#	DESCRIPTION	DATE ISSUED	APPROVED COST	USS ESTIMATED COST	SUBCONTRACTOR
26	To furnish all materials and labor to perform fire alarm scope of work at Westborough Portable Relocation Project as requested	10/14/2014	\$ 17,500.00	\$ 19,950.08	ASF Electric
27	To furnish all materials and labor to install ramp and landing at Westborough Portable Relocation Project as requested	10/21/2014	\$ 11,330.29	\$ 11,330.29	Modular Solutions
30	To furnish all materials and labor to remove temporary shades, cleanup and install clear story shared for 5 windows at Westborough MS as requested	2/2/2015	\$ 3,560.82	\$ 3,560.82	Drapery concepts
31	To furnish all materials and labor to coordinate DSA documentation/AOR fees for Westborough school as requested	2/20/2015	\$ 5,781.69	\$ 5,781.69	project Frog
32	To furnish all materials and labor to install new inducer motor on Bard unit #1, install, relocate and add new ductwork where needed for new layout at Westborough School as requested	2/23/2015	\$ 5,323.80	\$ 5,323.80	marken
33	To furnish all materials and labor to caulk the exterior at Westborough School as requested	2/24/2015	\$ -	\$ 6,144.05	project Frog
	TOTAL		\$ 43,496.61	\$ 52,090.74	