

RESOLUTION NO. 2025-26/33

**RESOLUTION OF THE BOARD OF EDUCATION OF THE SALINAS CITY
ELEMENTARY SCHOOL DISTRICT APPROVING THE AWARD OF PRE-
CONSTRUCTION AND LEASE-LEASEBACK SERVICES FOR THE MULTIPURPOSE
BUILDINGS/BASE KITCHEN PROJECTS AT KAMMANN ELEMENTARY SCHOOL,
MISSION PARK ELEMENTARY SCHOOL, AND SHERWOOD ELEMENTARY
SCHOOL**

WHEREAS, the Salinas City Elementary School District (“District”) plans to complete the Multipurpose Buildings/Base Kitchen (“Project”) utilizing the lease-leaseback construction delivery method, whereby the District will lease a site that it owns to a contractor who will construct improvements thereon and lease the Project and the underlying site back to the District;

WHEREAS, Education Code Section 17406 authorizes the governing board of a school district to let to any person, firm or corporation any real property belonging to the District if the instrument by which the property is let requires the lessee therein to construct on the demised premises, or provide for the construction thereon of, a building or buildings for the use of the school district during the term of the lease, and provides that title to that building shall vest in the school district at the expiration of that term;

WHEREAS, the award of any lease-leaseback contract pursuant to Education Code section 17406 is to be based on a competitive solicitation process to the proposer providing the “best value” to the school district, taking into consideration the proposer’s demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required; and

WHEREAS, pursuant to Education Code section 17400(b)(1), “best value” means a competitive procurement process whereby the selected proposer is selected on the basis of objective criteria for evaluating the qualifications of proposers with the resulting selection representing the best combination of price and qualifications;

WHEREAS, on April 14, 2026 the District’s Board of Education approved the form Pre-construction Services Agreement and the Request for Proposals (“RFP”) for the Project setting forth the criteria and scoring of the proposals, including relevant experience, safety record, price proposal, and other criteria specified by the District;

WHEREAS, the RFP approved by the Board also included the form Lease-Leaseback Agreement;

WHEREAS, a Proposal Evaluation Committee evaluated the qualifications of the proposals based upon the criteria and evaluation methodology set forth in the RFP, assigned scores to each proposal, and once the evaluation process was complete, the District determined the proposer with the best value score;

WHEREAS, based on the Proposal Evaluation Committee's assessment of proposals, Otto Construction ("Contractor") achieved the highest best value score;

WHEREAS, the District desires the Contractor to perform Pre-construction Services for the Project; and

WHEREAS, in order to construct the Project using the lease-leaseback construction delivery method, it is necessary that the District enter into a site lease, in which the site will be leased to the Contractor; a sublease which provides for the sublease of the site and the lease of the Project by the Contractor back to the District; and a construction services agreement that contains construction provisions with which Contractor shall comply with respect to the construction of the Project (collectively, the "Lease-Leaseback Agreement").

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE SALINAS CITY ELEMENTARY SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals. All of the recitals herein contained are true and correct.

Section 2. Determination of Best Value Contractor. The Salinas City Elementary School District implemented a RFP process and in accordance with Education Code section 17406, determined that Contractor was responsive and received the best value score based on the evaluation of objective criteria contained in the RFP.

Section 3. Award of Pre-construction Services Agreement. The District's Board of Education hereby awards a Pre-construction Services Agreement included in the RFP to Contractor for the Project for an amount not to exceed \$1,580,000.00. The approved Pre-construction Services Agreement with Contractor is attached hereto as Exhibit "A".

Section 4. Award of Lease-Leaseback Agreement. The District's Board of Education hereby awards a lease-leaseback contract to Contractor for the Project. The Lease-Leaseback Agreement which includes the Sublease, Site Lease and Construction Services Agreement were included in the RFP.

Section 5. Guaranteed Maximum Price. After pre-construction services are completed, and subcontractors are selected by Contractor for the Project, the guaranteed maximum price shall be negotiated and finalized for the Project. The District's Board of Education must approve the final guaranteed maximum price prior to the start of any construction work on the Project. Pre-construction services shall be provided pursuant to the Pre-construction Services approved by the District's Board of Education in accordance with this Resolution and Education Code section 17406(a)(1).

Section 6. Other Acts: Delegation. The District's Board of Education hereby approves a delegation of authority and appoints its Assistant Superintendent, Business Services, who is hereby authorized and directed to negotiate and finalize the Pre-construction Services Agreement and Lease-Leaseback Agreement, and to carry out the intent of this Resolution. All actions taken

pursuant to this delegation of authority shall be subject to ratification of the Board. Said delegation shall be valid until otherwise rescinded by the Board.

Section 7. Effective Date. This Resolution shall take effect upon adoption.

APPROVED, PASSED AND ADOPTED by the Board of Education of the Salinas City Elementary School District this 16th day of June 2026, by the following vote:

AYES: 4

NOES: 0

ABSENT: 1

ABSTAINED: 0

I, Belia Garcia, President of the Salinas City Elementary School District Board of Education, do hereby certify that the foregoing is a full, true, and correct copy of the resolution passed and adopted by said Board at a regularly scheduled and conducted meeting held on said date, which resolution is on file in office of said Board.

Belia Garcia
President of the Board of Education
Salinas City Elementary School District

I, Jennifer Zanzot, Clerk of the Board of Education of the Salinas City Elementary School District, do hereby certify that the foregoing Resolution was introduced and adopted by the Board of Education of the Salinas City Elementary School District at a regular meeting thereof held on the 16th day of June 2026, by the vote set forth above.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Salinas City Elementary School District this 16th day of June 2026.

J Zanzot
Clerk of the Board of Education
Salinas City Elementary School District