

LEASE-LEASEBACK AGREEMENT

Dated as of _____, 20__

Between

Chicago Park Elementary School District

and

The Facilities Modernization and Construction of One TK Classroom Contract

**15725 Mt Olive Rd
Grass Valley, California 95945**

LEASE-LEASEBACK AGREEMENT FOR THE

The Facilities Modernization and Construction of One TK Classroom CONTRACT

THIS LEASE-LEASEBACK AGREEMENT (this “Agreement”) is entered into as of _____, 20__ , between the Chicago Park Elementary School District, a California public school district (the “Owner”), and _____ [insert name], a _____ [insert “California corporation and” if so] licensed general contractor (the “Contractor”). Owner and Contractor are each a “Party” and together are the “Parties” to this Agreement.

The Owner intends to make certain tenant improvements generally described in Section 1, below (the “Work”) to its School, located at 15725 Mt Olive Road, Grass Valley, California 95945, such Work being performed pursuant to the Agreement and all incorporated documents (the “Contract” and “Contract Documents”), all of which is part of the Owner’s **The Facilities Modernization and Construction of One TK Classroom project** (the “Project”). This Agreement includes and incorporates all of the Contract Documents identified in Section 1.1.1 of the General Conditions for this Contract.

This Agreement is entered into by the Parties pursuant to California Education Code section 17406, which permits the governing board of school district, without advertising for bids, to lease to any person, firm, or corporation any real property owned by the school district if the instrument by which such property is leased requires the lessee to construct on the leased premises, or provides for the construction thereon, of a building for the use of the school district during the term of the lease, and provides that title to that building shall vest in the school district at the expiration of the lease.

In connection with the approval of this Agreement, the Owner will enter into a site lease with Contractor (the “Site Lease”), under which it will lease the Contract site described and depicted in Exhibit A of the Site Lease (the “Site”) to Contractor in order for Contractor to finance and construct the Contract as described in the Scope of Work set forth in Section 1, below (the “Scope of Work”).

Contractor will lease the Site back to the Owner pursuant to a Sublease Agreement (the “Sublease”), under which the Owner will be required to make sublease payments to Contractor for the use and occupancy of the Site, including the Contract.

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

The Owner and Contractor therefore agree as follows:

1. Scope of Work. The Contractor agrees to finance construction of the Contract and to furnish all labor, equipment and materials, including tools, implements, and appliances required, and to perform all of the Work, as that term is defined in Article 1.1.3 of the General Conditions, in a good and workmanlike manner, free from any and all liens and claims from mechanics, material suppliers, subcontractors, artisans, machinists, teamsters, freight carriers, and laborers required for the

CONTRACT
AT CHICAGO PARK ELEMENTARY SCHOOL
NEVADA COUNTY, CALIFORNIA,

all in strict compliance with the Contract Documents, including but not limited to the plans, drawings, and specifications (“Plans and Specifications”) for the Contract to be prepared by

Aedis Architects, 808 R St., Suite 201 Sacramento CA 95113
916.970.0230

The Scope of Work shall include any revisions to the Plans and Specifications that are made as a result of DSA review or at the direction of DSA.

The Scope of Work does not include Contractor’s performance of the preconstruction services as set forth in Section 2, below.

Until DSA approval of the plans, drawings and specifications for the Contract has been received by Owner, Contractor may not commence any work on the Contract for which a contractor’s license is required and DSA approval is required.

In accordance with California Public Contract Code section 3300, Contractor has a Class “_B_” license that Contractor shall maintain in good standing for the duration of Contractor’s work on the Contract.

During the Work, the Contractor shall ensure that all Work, including but not limited to Work performed by Subcontractors, is performed in compliance with all applicable legal, contractual, and local government requirements related to the novel coronavirus and COVID-19, including “social distancing,” masks, and hygiene as may be ordered by the State or local authorities and as may be directed in the Contract Documents.

2. Preconstruction Services During the Design Phase. Contractor shall perform the following preconstruction services during the design phase to be completed by _____, 20__, so that the architect may finalize its Plans and Specifications prior to submission to DSA for approval, and these services are estimated to require between ___ and ___ hours:

Typical preconstruction services include constructability review, value engineering, and ordering of materials with long lead time.

- a. *Site Evaluation.* Contractor shall perform an evaluation of the Site for the Contract and make recommendations relating to scope, constructability, and schedule of the Contract. Contractor shall also review the scope of necessary demolition work, if any, to develop a hazardous materials removal plan. The purpose of this evaluation is to improve the Contract’s design and minimize unforeseen conditions. At Owner’s request, Contractor shall provide the results of its evaluation in written form to the Owner.
- b. *Constructability Review.* Contractor shall provide at least two (2) constructability reviews of the Plans and Specifications before or at each of the following intervals of preconstruction: (i) One within two (2) weeks of the architect’s completion of design development; and (ii) one within

two (2) weeks of the architect's completion of the final Plans and Specifications that will ultimately be submitted to DSA for approval.

Contractor shall review the Plans and Specifications and related construction documents for errors and omissions, clarity, consistency, and coordination. Contractor's review shall emphasize ensuring that the Contract can be completed within the Owner's available budget to the level of quality and educational goals desired, and can be completed within the established schedule. Contractor shall specifically provide recommendations on construction feasibility, energy conservation, availability of materials and labor, time requirements for installation and construction, and factors related to cost, including costs of alternative designs of materials, preliminary budgets, and possible economies of scale. Contractor shall provide written reports, identifying by page and detail the issues to be discussed and resolved. As part of the constructability review, Contractor shall identify areas where value engineering principles could be applied (including potential cost savings and the schedule impact of such savings), and identify items requiring a long lead time before construction. Contractor shall assist the District in considering operating or maintenance costs with respect to selecting systems and products for the Contract.

- c. *Design/Coordination Meetings.* Contractor shall be responsible for facilitating all design/coordination meetings as needed. Such meetings shall include participation of design professionals and specialty subcontractors.
- d. *Schedule.* Contractor shall develop a master critical path method ("CPM") Contract schedule for the Contract that shall include all milestone dates for the Contract, completion of design development, submittal of all estimates contemplated by the Contract, re-submission of the Plans and Specifications to DSA (if necessary), anticipated re-approval by DSA (if any), finalization of Contract Documents, construction sequencing and durations, preparation and processing of shop drawings and samples, delivery of materials or equipment requiring long-lead time procurements, phasing, and Owner move-in. Contractor's schedule shall be submitted to the Owner for approval within 30 days of award of this Agreement; the Owner shall have the right to request reasonable changes and updates in the schedule. Contractor shall provide schedule updates with each estimate, or more often if reasonably requested by the Owner or if required in Contractor's judgment to communicate changes in market conditions.
- e. *Estimates.* Contractor shall provide an estimate of total Contract cost, as well as necessary updates to that estimate. Contractor's initial estimate shall be due to the District within two weeks of completion of its first constructability review. Updated cost estimates shall be given in accordance with the approved CPM Contract schedule. Contractor shall also provide an updated estimate upon the submission of the Plans and Specifications to DSA (and at any other time required or reasonably necessary pursuant to this Agreement). Contractor's cost estimate shall identify all trades and unit costs and shall also identify all allowable general condition costs and fees. If any cost estimate submitted to the Owner exceeds a previously approved estimate, the Contractor shall make appropriate recommendations to the Owner for reducing the estimated cost of the Contract. All estimates shall assume that construction of the Contract is subject to the payment of prevailing wages under the California Labor Code and applicable regulations, and that the Contract will be subject to compliance monitoring and enforcement by the California Department of Industrial Relations.

f. *Construction Planning.* Contractor shall provide assistance to Owner in construction planning, including phasing, staging, site logistics, sequencing, fencing, office locations and means and methods of construction. The Contractor shall (1) provide a preliminary evaluation of the Owner's schedule, cost and design requirements for the Contract; (2) develop an anticipated construction schedule pursuant to Subsection (d) above; (3) develop a preliminary cost estimate for each type of work contemplated by the Contract pursuant to Subsection (e) above; (4) clarify and delineate the Architect's, the Contractor's, and the Owner's respective duties and responsibilities; and (5) set forth a plan for the administration and coordination of all Work on the Contract, including pre-construction meetings. The Architect and Owner shall review the above for acceptance. Contractor will also ensure that all Work complies with the guidelines established by the State of California Office of Public School Construction and any other Federal or State agencies having jurisdiction over the Contract. The objective of this step will be to develop an overall program strategy as relates to timing, budgets, construction materials, means and methods and the program interface during construction.

3. Contract Documents. The Contractor and the Owner agree that this Agreement, and all of the documents listed in Article 1.1.1 of the General Conditions, together form the "Contract Documents," which form the "Contract."

4. Time to Complete and Liquidated Damages. Time is of the essence in this Contract. The time for Completion of the Work shall be _____ (____) calendar days which shall start to run on the date of Owner's approval of the Total Sublease Amount (as set forth in Section 5 of this Agreement), pursuant to California Education Code section 17406(a)(3). The Contractor's deadline for Completion of the Work under the previous sentence shall be the "Date for Completion." *Since the District does not have DSA approval of the design yet, it is very difficult to predict the start date of the work, and thus it makes it difficult to specify a particular date as the completion deadline.*

The portion of the Work that consists of the _____, including but not limited to _____ (the "_____ Scope") shall be Completed within _____ (____) calendar days from the date of Owner's approval of the Total Sublease Amount. This deadline shall be the "_____ Milestone Deadline." *[NOTE: If phasing is being used (see Section IV.F of the RFP), then replace the previous two sentences with the following:]* The portion of Phase ____'s Work that consists of the _____, including but not limited to _____ (the "_____ Scope of Phase ____") shall be Completed within _____ (____) calendar days from the date of Owner's approval of the Total Sublease Amount for Phase _____. This deadline shall be the "_____ Milestone Deadline for Phase _____."

The site for the Contract will not be available to the Contractor for construction on the following dates: _____ *[District must insert any dates that the site will not be available to the Contractor for construction, such as student testing]*. The Contractor shall not be entitled to time extensions for lack of access to the site on these dates.

Failure to Complete the Work, or applicable milestones of Work, within the time and in the manner provided for by the Contract Documents, shall subject the Contractor to liquidated damages for each calendar day by which such Completion is delayed beyond the Date for Completion or Milestone Deadline. For purposes of liquidated damages, the concept of substantial completion shall not constitute Completion and is not part of the Contract Documents. The actual occurrence of damages and the actual amount of the damages which the Owner would suffer if the Work, or milestone of the

Work, were not Completed by the Date for Completion or Milestone Deadline are dependent upon many circumstances and conditions which could prevail in various combinations and, from the nature of the case, it is impracticable and extremely difficult to fix the actual damages. Damages that the Owner would suffer if Completion is delayed include, but are not limited to, loss of the use of the Work or Project, disruption of activities, costs of administration, supervision and the incalculable inconvenience and loss suffered by the public.

Accordingly, the parties agree that \$_____ per calendar day of delay shall be the damages which the Owner shall directly incur upon failure of the Contractor to Complete the Work, or any phase of the Work, within the Contract Time or Complete any specified portion of the Work by a milestone deadline, as described above. Liquidated damages will accrue for failure to meet milestone deadlines even if the Contractor Completes the Work within the Contract Time.

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

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

5. Total Sublease Amount. For satisfactory performance of the Work, Owner shall pay Contractor a total amount (“Total Sublease Amount”) which will be calculated after the following occurs: Contractor completes the required preconstruction services set forth above; the selection of all subcontractors in accordance with Education Code section 17406(a)(4) and the Request for Sealed Proposals; and any required DSA approval of the Plans and Specifications for the Work.

Following the occurrence of all of the events set forth in the paragraph above, Contractor shall provide Owner with objectively verifiable information of its costs to perform the Work and a written rationale for the proposed Total Sublease Amount, including documentation sufficient to support the calculation. The Total Sublease Amount shall be calculated based on (a) the Contractor’s subcontract prices, including allowances, (b) the Contractor’s estimated material and equipment supplier costs, and (c) any portions of the Work to be self-performed by the Contractor. (See Section III.D.1 of the Request for Proposals, which is incorporated by reference into this Agreement and the Contract Documents.) The sum of (a) and (b) above, multiplied by the Contractor’s proposed percentage fee of _____ and _____ hundredths percent (_____%; the “Percentage Fee”), shall constitute the “Contractor Fee” which shall be added to (a), (b), (c), and any allowance desired by Owner (see next paragraph), thus arriving at the Total Sublease Amount detailed in Contractor’s written rationale. The Percentage Fee may not be applied to any allowance included by Owner (see next paragraph). The Percentage Fee may not be applied to the cost of any Work being performed by Contractor that it obtained through the subcontractor bid process since the Contractor’s bid(s) through that process are intended to cover profit and all costs (including overhead) for such Work; nor may it be applied to any contingency. The material and equipment supplier costs may only include objectively verifiable information provided by Contractor to Owner.

Owner may elect to include a special allowance or general contingency allowance (“Allowance”) in the Total Sublease Amount, from which the Owner may, in its sole discretion, elect to pay any additional amounts that are owed to the Contractor under the Contract Documents, rather than pay the Contractor by a Board-approved change order. Any payment from an Allowance is entirely at the discretion, and only with the advanced written approval, of the Owner. To request payment from an Allowance, the Contractor must fully comply with the Contract Documents’ requirements related to Notice to Potential Changes, Change Order Requests, and Claims, including but not limited to Articles 4 and 7 of the General Conditions and its provisions regarding waiver of rights for failure to comply. If the Owner approves in writing a payment from an Allowance, no change order approved by Owner’s governing body shall be required, but Contractor must sign an Allowance expenditure form, after which future sublease payments shall be adjusted as provided in the Contract Documents. Contractor’s acceptance of a sublease payment that includes such payment shall act as a full and complete waiver by Contractor of all rights to recover additional money related to the underlying basis of such payment; and such waiver shall be in addition to any other waiver that applies under the Contract Documents (including Article 4 of the General Conditions). If Contractor requests a time extension or other consideration in connection with or related to a requested payment from an Allowance, Contractor must comply with the Contract Documents’ requirements related to Notice to Potential Changes, Change Order Requests, and Claims, including but not limited to Articles 4, 7, and 8 of the General Conditions and their provisions regarding waiver of rights for failure to comply, and no such time extension or other consideration may be issued until a change order is approved by the Owner’s governing body pursuant to the Contract Documents. The amount of an Allowance may only be increased by a change order approved by Owner’s governing body. Once an Allowance is fully spent, the Contractor must request any additional compensation pursuant to the procedures in the Contract Documents for Notices of Potential Claim, Change Order Requests, and Claims, and payment must be made after a change order approved by the Owner’s governing body pursuant to the General Conditions. Upon Completion of the Work, all amounts in an Allowance that remain unspent and unencumbered shall remain the property of the Owner, Contractor shall have no claim to such funds, the Owner shall be entitled to a credit for such unused amounts against the above contract price, and the Owner may withhold such credit from any sublease payment or release of retention.

The Percentage Fee shall not be applied to any costs other than subcontractor contract prices or material or equipment supplier costs since the Percentage Fee is intended to cover Contractor’s profit and all other costs incurred by Contractor in performing the Work and its obligations under the Contract Documents, including but not limited to (i) Contractor’s costs for overhead (home office and field), materials, equipment, and employees/labor, (ii) all bonds and insurance, (iii) preconstruction services, (iv) general conditions and general requirements, (v) financing costs, and (vi) profit. (See Section III.D.1 of the Request for Sealed Proposals for other covered costs.)

Except as otherwise provided in the General Conditions, the Contractor shall assume the risk of all costs in excess of the Total Sublease Amount in the performance of such work and shall not be entitled to additional payments because of such excess costs.

Contractor shall finance the cost of construction of the Work. Contractor shall pay all subcontractors and suppliers as they perform Work or furnish supplies. The Owner shall pay Contractor sublease payments pursuant to the terms and conditions of the Contract Documents, including but not limited to Section 6 of the Sublease (the "Sublease Payments"). The sum of the Sublease Payments shall not

exceed the Total Sublease Amount established under this Article 4. The unspent amount of the Allowances shall be excluded from any calculations of Sublease Payments under the Contract Documents.

The proposed Total Sublease Amount shall be approved or rejected by the Owner at a public meeting before Contractor may proceed with any further Work under the Contract Documents. Once approved, the Parties shall execute *Exhibit A* of the Sublease, setting forth the Total Sublease Amount and Sublease Payments, whereupon *Exhibit A* shall be incorporated into, and become part of the Contract Documents. Contractor shall immediately commence the Work after approval of the Total Sublease Amounts by the Owner, and the time for Completion of the Work shall commence to run upon such approval by the Owner. If the Owner rejects the Total Sublease Amount and requests another calculation from Contractor, then Contractor shall submit another calculation complying with this Section's procedures. If the Owner rejects the Total Sublease Amount and does not request another calculation from Contractor, then such rejection will act as a Termination for Convenience pursuant to Article 14.3.2 of the General Conditions and the Owner may award a lease-leaseback contract for the Contract to the next highest best value contractor from the selection process used for the Contract.

[NOTE: If there will be phasing (see Section IV.F), then add this paragraph:] The above procedures must be separately observed for each phase of the work, as specified in the Request for Proposals and Qualifications.

6. Changes. Should the Contractor believe that it is entitled to an increase in the Total Sublease Amount or a time extension for completion, it must request such change pursuant to the procedures in the Contract Documents, including but not limited to Section 4.5 of the General Conditions regarding notices of potential change, change order requests, and claims. To be enforceable, any written amendment or change order must be signed by both parties and approved by the Owner's governing body.

7. Term and Termination. The term of the Contract (the "Lease Term") begins on _____, 2023, *[insert effective date of the agreement; see first paragraph of agreement, above]* and automatically ends on the date that the final Sublease Payment is due (as may be adjusted during the Contract) or on the date that the Contract is terminated, all in accordance with the Contract Documents. The Lease Term and the Sublease Payments may be extended as provided in the Sublease. All of the covenants, representations and warranties set forth in the Contract, including indemnification obligations, that are intended to bind the Parties after the Completion of the Work or termination of the Contract will survive such Completion or termination for the periods provided for in the Contract or otherwise allowed by law. The Site Lease and the Sublease each shall automatically end at the same time as this Agreement, with the Parties' respective leasehold interests thereunder automatically ended and released, and title to the Site and Work automatically and fully vested in the Owner.

8. Prequalification of Contractor and Certain Contractors.

Prequalification may be required (see the Request for Sealed Proposals and Qualifications).

9. Selection of Subcontractors; DVBE Goals. *[If DVBE is not required for this Contract, delete "DVBE GOALS" from this heading and delete the last four paragraphs in this Section]* All Work

shall be let by Contractor to subcontractors, except as otherwise permitted below. For each scope of Work that exceeds 0.5% of the Work, Contractor shall provide public notice of availability of work to be subcontracted in accordance with the District's competitive bidding process (including but not limited to Public Contract Code section 22037 including a fixed date and time on which qualifications statements, bids, or proposals will be due. Contractor shall establish reasonable qualification criteria and standards and shall award each subcontract on best value basis as described in Education Code section 17406(a)(4). All subcontractors shall be afforded the protections of the Subletting and Subcontracting Fair Practices Act (commencing with Public Contract Code section 4100). If Contractor wishes to perform a portion of the Work itself rather than enter a subcontract for it (regardless of whether that portion exceeds 0.5% of the Work), it may only self-perform that Work if it uses the applicable subcontractor selection process under Education Code section 17406(a)(4), timely submits a bid for that portion of the Work that covers all of its profit and costs (including overhead), and its proposal has the highest best value for that portion of the Work. Contractor's subcontractor selection process shall be subject to review by, and approval of Owner.

Compliance with Disabled Veteran Business Enterprise ("DVBE") contracting goals is required for this Contract. In accordance with Education Code section 17076.11 the Owner has a DVBE participation goal of 3% per year of the overall dollar amount of state funds allocated to the Owner pursuant to the Leroy F. Greene School Facilities Act of 1998, and expended each year by the Owner for this Contract. The Owner is seeking DVBE participation under this Agreement.

The Contractor must make a good faith effort to contact and utilize DVBE subcontractors and suppliers in securing bids, in the manner set forth in this Section for performance of the Contract. Information regarding certified DVBE firms can be obtained from the State's Office of Small Business and DVBE Services (OSDS) at (916) 375-4940 as well as the OSDS website at www.bidsync.com/DPXBisCASB. Verification of DVBE status must be obtained from the OSDS by receiving an approved certification letter and reference number from that office. Contractor is required, as a material condition of this Agreement, to retain documentation of its good faith efforts in utilizing DVBEs for this Contract, for submission to the Owner or to the applicable state agency in the event such documentation is requested.

Good faith efforts are demonstrated by evidence of the following: (a) contact was made with the Owner regarding the identification of DVBEs; (b) contact was made with other state agencies and with local DVBE organizations to identify DVBEs; (c) advertising was published in trade papers and other papers focusing on DVBEs; (d) invitations to bid or proposal solicitations were submitted to potential DVBE contractors; and (e) available DVBEs were considered. Contractor shall certify, under penalty of perjury, that a good faith effort was made to include DVBE subcontractors and suppliers in the Contract.

Prior to, and as a condition precedent for the final Sublease payment made to Contractor by the Owner pursuant to Section 6 of the Sublease, the Contractor shall provide the Owner with written documentation identifying the amount paid to certified DVBE subcontractors and suppliers in performance of the Contract. The Contractor shall also provide the Owner with a copy of the DVBE Certification Letter issued by OSDS for each DVBE that has participated in the Contract. This documentation will be used by the Owner to evaluate its success in meeting its DVBE participation goal.

10. Prevailing Wages. The Contract is a public work, the Work shall be performed as a public work, and under California Labor Code section 1770 *et seq.*, the Director of the California Department of Industrial Relations (“DIR”) has determined the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which the Work is to be performed, for each craft, classification or type of worker needed to execute this Contract. Per diem wages shall be deemed to include employer payments for health and welfare, pension, vacation, apprenticeship or other training programs, and similar purposes. Copies of the rates are on file at the Owner’s principal office. The rate of prevailing wage for any craft, classification or type of workmanship to be employed on this Contract is the rate established by the applicable collective bargaining agreement which rate so provided is hereby adopted by reference and shall be effective for the life of this Agreement or until the Director of the DIR determines that another rate be adopted. It shall be mandatory upon the Contractor and on any subcontractor to pay not less than the said specified rates to all workers employed in the execution of this Agreement.

The Contractor and any subcontractor under the Contractor as a penalty to the Owner shall forfeit not more than Two Hundred Dollars (\$200.00) for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed. The difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.

The Contractor and each Subcontractor shall keep or cause to be kept an accurate record for work on this Contract showing the names, addresses, social security numbers, work classification, straight time and overtime hours worked and occupations of all laborers, workers and mechanics employed by them in connection with the performance of this Contract or any subcontract thereunder, and showing also the actual per diem wage paid to each of such workers, which records shall be open at all reasonable hours to inspection by the Owner, its officers and agents and to the representatives of the Division of Labor Standards Enforcement of the DIR. Contractor and all subcontractors shall comply with Labor Code section 1776. In accordance with Labor Code section 1771.4(a)(1), the Contract is subject to compliance monitoring and enforcement by the DIR. The Contractor and each subcontractor shall furnish a certified copy of all payroll records directly to the Labor Commissioner on a monthly basis, unless directed by the Owner to furnish such records more often, and in the format prescribed by the Labor Commissioner.

As a public work, the Contract is subject to compliance monitoring and enforcement by the Department of Industrial Relations. For all projects over Twenty-Five Thousand Dollars (\$25,000), in order to be qualified to submit a bid or to be listed in a bid proposal subject to the requirements of Public Contract Code section 4104, or enter into, or engage in the performance of any contract of public work (as defined by Division 2, Part 7, Chapter 1 (§§1720 *et seq.*) of the Labor Code), a contractor or subcontractor must be currently registered and qualified under Labor Code section 1725.5 to perform public work as defined by Division 2, Part 7, Chapter 1 (§§1720 *et seq.*) of the Labor Code.

11. Working Hours. Under California Labor Code sections 1810 to 1815, the time of service of any worker employed by the Contractor or a Subcontractor doing or contracting to do any part of the Work contemplated by this Agreement is limited and restricted to 8 hours during any one calendar day and 40 hours during any one calendar week, provided, that work may be performed by such employee in excess of said 8 hours per day or 40 hours per week provided that compensation for all

hours worked in excess of 8 hours per day, and 40 hours per week, is paid at a rate not less than 1½ times the basic rate of pay. The Contractor and every Subcontractor shall keep an accurate record showing the name of and the actual hours worked each calendar day and each calendar week by each worker employed by them in connection with the Work. The Contractor and every Subcontractor shall keep the records open at all reasonable hours to inspection by representatives of the Owner and the Division of Labor Standards Enforcement. The Contractor shall as a penalty to the Owner forfeit \$25.00 for each worker employed in the execution of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day, and 40 hours in any one calendar week, except as herein provided.

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

13. Skilled and Trained Workforce. The Contractor and its subcontractors at every tier shall comply with Education Code section 17407.5 and Public Contract Code sections 2600-2603, which require the Contractor and its subcontractors at every tier to employ a skilled and trained workforce, as defined herein, to perform all work on the Contract that falls within an apprenticeable occupation in the building and construction trades.

For the purpose of this Section 13, the following definitions apply:

- A. "Apprenticeable occupation" means an occupation for which the Division of Apprenticeship Standards of the DIR had approved an apprenticeship program before January 1, 2014.
- B. "Graduate of an apprenticeship program" means either (a) an individual that has been issued a certificate of completion under the authority of the California Apprenticeship Council for completing an apprenticeship program approved by the DIR pursuant to Section 3075 of the Labor Code, or (b) an individual that has completed an apprenticeship program located outside California and approved for federal purposes pursuant to apprenticeship regulations adopted by the federal Secretary of Labor.
- C. "Skilled and trained workforce" means that all of the workers are either apprentices registered in an apprenticeship program approved by the DIR, or skilled journeypersons, with at least 30% of the skilled journeypersons employed on the Contract in the following occupations being graduates of an apprenticeship program: Acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and

tile layer, setter, or finisher. For work performed on or after January 1, 2019, and before January 1, 2020, at least 50 percent of the skilled journeypersons employed on the Project in all other apprenticeable occupations must be graduates of an apprenticeship program. The figure of “50%” in the preceding sentence will increase to 60% effective January 1, 2020 (see Public Contract Code §2601(d)(2)). Pursuant to sections 2600-2602 of the Public Contract Code, the percentage requirement (1) may be partially met in some apprenticeable occupations by skilled journeypersons who commenced working before an apprenticeship program existed, (2) may be met by the hours performed by the skilled journeypersons, (3) need not be met if less than ten (10) hours of work were performed, and (4) need not be met by some subcontractors.

- D. “Skilled journeyperson” means any of the following: (i) a person who has graduated from an apprenticeship program for the applicable occupation that was approved by the DIR, (ii) a person who has graduated from an apprenticeship program for the applicable occupation that was located outside of California and approved for federal purposes in accordance with regulations adopted by the federal Secretary of Labor, or (iii) a person who has at least as many hours of on-the-job experience in the applicable occupation as would be required to graduate from an apprenticeship program approved by the DIR.

For each calendar month during the Work, Contractor shall provide a compliance report to the Owner for each contractor or subcontractor before the fifth day of each month, using the format attached hereto as *Exhibit A*, or in a substantially similar format, demonstrating compliance with this Section 13, *except that* a compliance report is not required for any occupation exempted under Public Contract Code §2601(d)(2)(B)-(D). Such monthly compliance reports shall be subject to the California Public Records Act (commencing with Government Code section 6250), and shall be open to public inspection.

If Contractor fails to comply with this Section 13 then Owner, at its sole discretion, may terminate the Agreement pursuant to Article 14 of the General Conditions, in addition to any other rights or remedies provided to Owner in the Contract Documents. Notwithstanding any other provision of the Agreement or the General Conditions, if Contractor fails to provide any required monthly compliance report pursuant to this Section 12 on or before the fifth day of the following month, or provides an incomplete report, Owner shall withhold further payments to Contractor that would otherwise be due and payable consistent with Public Contract Code section 2602(b).

14. DSA Oversight Process. The Contractor must comply with the applicable requirements of the Division of State Architect (“DSA”) Construction Oversight Process (“DSA Oversight Process”), including but not limited to (a) notifying the Inspector of Record (“IOR”) upon commencement and completion of each aspect of the work as required under DSA Form 156; (b) coordinating the Work with the IOR’s inspection duties and requirements; (c) submitting verified reports under DSA Form 6-C; and (d) coordinating with the Owner, Owner’s Architect, any Construction Manager, any laboratories, and the IOR to meet the DSA Oversight Process requirements without delay or added costs to the Contract.

Contractor shall be responsible for any additional DSA fees related to review of proposed changes to the DSA-approved construction documents, to the extent the proposed changes were caused by Contractor’s wrongful actions or omissions. If inspected Work is found to be in non-compliance with the DSA-approved construction documents or the DSA-approved testing and inspection

program, then it must be removed and corrected. Any construction that covers unapproved or uninspected Work is subject to removal and correction, at Contractor's expense, in order to permit inspection and approval of the covered Work in accordance with the DSA Oversight Process.

15. Indemnification, Insurance, and Bonds. The Contractor will defend, indemnify and hold harmless the Owner, its governing board, officers, agents, trustees, employees and others as provided in the General Conditions.

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

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

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

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

17. Execution of Other Documents. The Parties to this Agreement shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of the Contract.

18. Execution in Counterparts. This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy, or an original, with all signatures appended together, shall be deemed a fully executed Agreement.

19. Binding Effect. Contractor, by execution of this Agreement, acknowledges that Contractor has read this Agreement and the other Contract Documents, understands them, and agrees to be bound by their terms and conditions. The Contract shall inure to the benefit of and shall be binding upon the Contractor and the Owner and their respective successors and assigns.

20. Severability; Governing Law; Venue. If a court of competent jurisdiction shall hold any provision of the Contract invalid or unenforceable, then such holding shall not invalidate or render unenforceable any other provision hereof. The laws of the State of California, other than its laws regarding choice of law, shall govern the Contract. Any action or proceeding seeking any relief under or with respect to this Agreement shall be brought solely in the Superior Court of the State of

California, Nevada County, subject to transfer of venue under applicable State law, provided that nothing in this Agreement shall constitute a waiver of immunity to suit by Owner.

21. Amendments. The terms of the Contract shall not be waived, altered, modified, supplemented, or amended in any manner whatsoever except by written agreement signed by the Parties and approved or ratified by the Owner’s Governing Board.

22. Assignment of Contract. The Contractor shall not assign or transfer by operation of law or otherwise any of its rights, burdens, duties or obligations without the prior written consent of the surety on the payment bond, the surety on the performance bond, and the Owner.

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

24. Terms Not Defined. Capitalized terms used in this Agreement that are not otherwise defined have the same meaning as in the General Conditions or other Contract Documents.

25. Parties Bound by Agreement. Each person signing this Agreement below warrants and guarantees that he or she is legally authorized to execute this Agreement on behalf of the listed Party and that such execution binds that Party to the terms and conditions of this Agreement.

26. Sanctions in Response to Russian Aggression. The Owner is using State of California funds for this Contract, and therefore Contractor must comply with the Governor’s March 4, 2022, Executive Order N-6-22 (“Order”) relating to any existing sanctions imposed by the United States government and the State of California in response to Russia’s actions in Ukraine, including additional requirements for contracts of \$5 million or more. Failure to comply may result in the termination of the Contract.

CONTRACTOR:

OWNER:

_____,
a California _____

Chicago Park Elementary School District

BY: _____
TITLE: President, Vice-President, or Chairperson

BY: _____
TITLE: Superintendent

BY: _____
TITLE: Secretary, Assistant Secretary,
CFO, or Assistant Treasurer

CALIFORNIA CONTRACTOR'S
LICENSE NO.

LICENSE EXPIRATION DATE

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

EXHIBIT A – Lease-Leaseback Agreement

**MONTHLY SKILLED AND TRAINED WORKFORCE COMPLIANCE REPORT
FOR WORK PERFORMED ON OR AFTER JANUARY 1, 2020**

(Public Contract Code §§2600-2603)

Owner: Chicago Park Elementary School District

Contract: _____ Contract
 _____ School
 _____ [city], Nevada County, California

The undersigned declares:

I am the _____ of _____, the “Contractor” on the Contract identified above. I hereby certify that during the month of _____, 20__, Contractor and its subcontractors employed a total of _____ workers on the Contract in the apprenticeable occupations designated under Public Contract Code (“PCC”) sections 2600 et seq., and these workers performed a total of _____ hours of work within the apprenticeable occupations. I certify that all of these workers in the apprenticeable occupations are either skilled journeypersons (as defined in PCC section 2601(e)) or apprentices registered in an apprenticeship program approved by the Department of Industrial Relations (PCC §2601(d)(1)); and that all of these hours performed in the apprenticeable occupations were performed by such skilled journeypersons and apprentices.

I. CONTRACTOR’S WORKFORCE

[INSTRUCTIONS: If Contractor is not exempt under Section I.A., then for each apprenticeable occupation employed by Contractor, Contractor must separately prepare either Section I.B or I.C. If Contractor is not exempt under Section I.A and cannot meet the requirements of either Section I.B or I.C for each apprenticeable occupation it employs, then Contractor must check the box for, and complete, Section I.D.]

For the workers in each of the apprenticeable occupations employed by Contractor during the aforementioned month, I certify as follows *[check applicable box(es)]*:

A. Exemption (PCC §2601(d)(5))

The Contractor’s workers in all apprenticeable occupations performed fewer than ten (10) hours of work on the Contract, and thus are exempt from the percentage compliance requirements of PCC section 2601(d)(2).

B. Percentage Compliance by Number of Workers (PCC §2601(d)(2)(D) and (3))

[INSTRUCTIONS: If Contractor meets or exceeds the required percentage of skilled journeypersons that are apprenticeship graduates for an apprenticeable occupation, fill out Paragraphs 1.1-1.4 and 2.1-2.4 for that occupation.]

1.0 For each apprenticeable occupation of acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, terrazzo worker or finisher, or tile layer, setter, or finisher:

Apprenticeable Occupation: _____

1.1. Number of Contractor's skilled journeypersons in this apprenticeable occupation = _____

1.2. Number of Contractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

1.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of skilled journeypersons who commenced working in this occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____ *[may not exceed 15% of 1.1, above]*

1.4. Contractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% *[add the numbers in 1.2 and 1.3, and divide that sum by the number in 1.1; the result must meet or exceed 30%]*

[Repeat Sections 1.1-1.4 above for each apprenticeable occupation described in Section 1.0 that Contractor employed on the Contract and which meets the requirements of Sections 1.1-1.4.]

2.0 For each apprenticeable occupation other than teamsters and those listed in 1.0 above:

Apprenticeable Occupation: _____

2.1. Number of Contractor's skilled journeypersons in this apprenticeable occupation = _____

2.2. Number of Contractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

2.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____ *[this number may not exceed 30% of 2.1, above]*

2.4. Contractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% *[add the numbers in 2.2 and 2.3, and divide that sum by the number in 2.1; this percentage must be at least 60%]*

[Repeat Sections 2.1-2.4 above for each apprenticeable occupation described in Section 2.0 that Contractor employed on the Contract and which meets the requirements of Sections 2.1-2.4.]

C. Percentage Compliance by Number of Hours (PCC §2601(d)(4)(B))

[INSTRUCTIONS: If Contractor meets or exceeds the required percentage of hours performed by apprenticeship graduates for an apprenticeable occupation, fill out Paragraphs 1.1-1.4 and 2.1-2.4 for that occupation.]

1.0 For each apprenticeable occupation of acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, terrazzo worker or finisher, or tile layer, setter, or finisher:

Apprenticeable Occupation: _____

1.1. Number of hours of work performed by Contractor's skilled journeypersons in this apprenticeable occupation = _____

1.2. Number of hours of work performed by Contractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

1.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of hours of work performed by subcontractor's skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____
[may not exceed 15% of 1.1, above]

1.4. Contractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% *[add 1.2 and 1.3, and divide that sum by 1.1; the result must meet or exceed 30%]*

[Repeat Sections 1.1-1.4 above for each apprenticeable occupation described in Section 1.0 that Contractor employed on the Contract.]

2.0 For each apprenticeable occupation other than teamsters and those listed in 1.0 above:

Apprenticeable Occupation: _____

2.1. Number of hours of work performed by Contractor's skilled journeypersons in this apprenticeable occupation = _____

2.2. Number of hours of work performed by Contractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

2.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of hours of work performed by subcontractor's skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____
[this number may not exceed 30% of 2.1, above]

2.4. Contractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% *[add the numbers in 2.2 and 2.3, and divide that sum by the number in 2.1; this percentage must be at least 60%]*

[Repeat Sections 2.1-2.4 above for each apprenticeable occupation described in Section 2.0 that Contractor employed on the Contract.]

D. Failure of Contractor to Demonstrate Compliance

This Skilled and Trained Workforce Compliance Report does not demonstrate compliance with the graduate percentage requirement due to the failure of Contractor to (1) qualify for exemption under I.A, above, or (2) meet the percentage requirements under I.B or I.C, above, for the following apprenticeable occupations: _____.

The total value of the monthly billing for the Contractor is \$ _____. I have attached sufficient information to document to value of the monthly billing and understand that the District will withhold 150 percent of the aforementioned amount until a plan to achieve substantial compliance is approved by the District consistent with Public Contract Code section 2602(c).

II. SUBCONTRACTORS' WORKFORCE

[INSTRUCTIONS: Contractor must fill out this form for each subcontractor of every tier. For each subcontractor of every tier that is not exempt under Section II.A., the Contractor must separately prepare either Section II.B or II.C for each apprenticeable occupation employed by that subcontractor. If a subcontractor is not exempt under Section II.A and cannot meet the requirements of either Section II.B or II.C for each apprenticeable occupation it employs, then Contractor must check the box for, and complete, Section II.D.]

I certify that each subcontractor of every tier who performed work during the aforementioned month has provided to Contractor a Skilled and Trained Workforce Compliance Report that is signed under the penalty of perjury, and that provides sufficient detail to allow Contractor to fully and accurately prepare Section II of this form. I certify that Contractor will retain these forms and will provide

copies of them to Owner within seven (7) days of Owner's written request. Following review of all of the subcontractors' Skilled and Trained Workforce Compliance Reports, I also certify as follows [check applicable box(es)]:

A. Exemption from Percentage Compliance (PCC §2601(d)(5) and (6))

The following subcontractors are exempt from the percentage compliance requirements of Public Contract Code section 2601(d)(2) because they employed skilled journeypersons to perform fewer than ten (10) hours of work in the apprenticeable occupations on the Contract: _____ (___ hours), _____ (___ hours), _____ (___ hours), _____ (___ hours), and _____ (___ hours). [Insert names of the subcontractors on the Contract that are exempt for this reason, and the number of hours performed by skilled journeypersons for each one.]

The following subcontractors are exempt from the percentage compliance requirements of Public Contract Code section 2601(d)(2) because (1) they were not a listed subcontractor under Public Contract Code section 4104 or a substitute for a listed subcontractor, and (2) the subcontract does not exceed 0.5% of the price of the prime contract: _____, _____, _____, _____, and _____. [Insert names of the subcontractors on the Contract that are exempt for this reason.]

B. Percentage Compliance by Number of Workers (PCC §2601(d)(2)(D) and (3))

[INSTRUCTIONS: For each subcontractor of every tier that meets or exceeds the required percentage of skilled journeypersons that are apprenticeship graduates for an apprenticeable occupation, fill out Paragraphs 1.1-1.4 and 2.1-2.4 for that subcontractor and occupation.]

Subcontractor: _____

1.0 For each apprenticeable occupation of acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, terrazzo worker or finisher, or tile layer, setter, or finisher:

Apprenticeable Occupation: _____

1.1. Number of subcontractor's skilled journeypersons in this apprenticeable occupation = _____

1.2. Number of subcontractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

1.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____ [may not exceed 15% of 1.1, above]

1.4. Subcontractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% [add the numbers in 1.2 and 1.3, and divide that sum by the number in 1.1; the result must meet or exceed 30%]

[Repeat Sections 1.1-1.4 above for each apprenticeable occupation described in Section 1.0 that subcontractor employed on the Contract and which meets the requirements of Sections 1.1-1.4.]

2.0 For each apprenticeable occupation other than teamsters and those listed in 1.0 above:

Apprenticeable Occupation: _____

2.1. Number of subcontractor's skilled journeypersons in this apprenticeable occupation = _____

2.2. Number of subcontractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

2.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____ [this number may not exceed 30% of 2.1, above]

2.4. Subcontractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% [add the numbers in 2.2 and 2.3, and divide that sum by the number in 2.1; this percentage must be at least 60%]

[Repeat Sections 2.1-2.4 above for each apprenticeable occupation described in Section 2.0 that subcontractor employed on the Contract and which meets the requirements of Sections 2.1-2.4.]

C. Percentage Compliance by Number of Hours (PCC §2601(d)(4)(B))

[INSTRUCTIONS: For each subcontractor of every tier that meets or exceeds the required percentage of hours performed by apprenticeship graduates for an apprenticeable occupation, fill out Paragraphs 1.1-1.4 and 2.1-2.4 for that subcontractor and occupation.]

Subcontractor: _____

1.0 For each apprenticeable occupation of acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, terrazzo worker or finisher, or tile layer, setter, or finisher:

Apprenticeable Occupation: _____

1.1. Number of hours of work performed by subcontractor's skilled journeypersons in this apprenticeable occupation = _____

1.2. Number of hours of work performed by subcontractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

1.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of hours of work performed by subcontractor's skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____
[may not exceed 15% of 1.1, above]

1.4. Subcontractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% *[add the numbers in 1.2 and 1.3, and divide that sum by the number in 1.1; the result must meet or exceed 30%]*

[Repeat Sections 1.1-1.4 above for each apprenticeable occupation described in Section 1.0 that subcontractor employed on the Contract and which meets the requirements of Sections 1.1-1.4.]

2.0 For each apprenticeable occupation other than teamsters and those listed in 1.0 above:

Apprenticeable Occupation: _____

2.1. Number of hours of work performed by subcontractor's skilled journeypersons in this apprenticeable occupation = _____

2.2. Number of hours of work performed by subcontractor's skilled journeypersons in this apprenticeable occupation who are graduates of an apprenticeship program for this occupation = _____

2.3 If no apprenticeship program had been approved by the Chief before January 1, 1995, for this apprenticeable occupation, the number of hours of work performed by subcontractor's skilled journeypersons who commenced working in this apprenticeable occupation before the Chief's approval of an apprenticeship program for this occupation in the county of this Project = _____
[this number may not exceed 30% of 2.1, above]

2.4. Subcontractor's apprenticeship graduation percentage for this apprenticeable occupation = _____% *[add the numbers in 2.2 and 2.3, and divide that sum by the number in 2.1; this percentage must be at least 60%]*

[Repeat Sections 2.1-2.4 above for each apprenticeable occupation described in Section 2.0 that subcontractor employed on the Contract and which meets the requirements of Sections 2.1-2.4.]

D. Failure of a Subcontractor to Demonstrate Compliance

This Skilled and Trained Workforce Compliance Report does not demonstrate compliance with the graduate percentage requirement due to the failure of the following subcontractor(s) to (a) qualify for exemption under II.A, above, or (b) meet the percentage requirements under II.B or II.C, above, for the following apprenticeable occupations: _____: _____, _____, _____, _____, and _____. *[Insert names of subcontractors.]*

The total value of the monthly billing for the subcontractor(s) listed in the previous paragraph is \$ _____. I have attached sufficient information to document to value of the monthly billing and understand that the District will withhold 150 percent of the aforementioned amount until a plan to achieve substantial compliance is approved by the District consistent with Public Contract Code section 2602(c).

I certify that each subcontractor listed above will be substituted off the Contract pursuant to Public Contract Code section 4100 *et seq.*, unless it provides a plan to achieve compliance consistent with Public Contract Code section 2602(c)(1).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____, 20__, at _____ *[city]*, California.

Name