

**LEASE-LEASEBACK AGREEMENT**

**Dated as of March 28, 2017**

**Between**

**Scotts Valley Unified School District**

**and**

**C. Overaa & Company**

**The Scotts Valley Middle School Campus Modernization Project  
at Scotts Valley Middle School, 8 Bean Creek Road, Scotts Valley, CA**

**LEASE-LEASEBACK AGREEMENT FOR  
THE SCOTTS VALLEY MIDDLE SCHOOL CAMPUS MODERNIZATION PROJECT**

**THIS LEASE-LEASEBACK AGREEMENT** (this "Agreement") is entered into as of March 28, 2017, between the Scotts Valley Unified School District, a California public school district (the "Owner"), and C. Overaa & Company, a California corporation and licensed contractor (the "Contractor"). Owner and Contractor are each a "Party" and together are the "Parties" to this Agreement.

The Owner intends to make certain campus modernization improvements (the "Project") to its facilities at the Scotts Valley Middle School, located at 8 Bean Creek Road, Scotts Valley, CA 95066 (the "School Facilities"). The Project includes the improvements that are within the scope of this Agreement, as generally described in Article 1 and **Exhibits A and B** below (the "Work").

In order to optimize the construction of the Work, the Owner has determined that the Work must be performed in a timely, cost-effective, and cooperative manner to meet the Owner's time schedule and budget for the planned completion and use of the Work and the School Facilities.

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

In connection with the approval of this Agreement, the Owner will enter into a site lease with Contractor (the "Site Lease"), under which it will lease the Project site described and depicted in Exhibit A of the Site Lease (the "Site") to Contractor in order for Contractor to construct the Work as described in Article 1 and **Exhibits A and B** to this Agreement (the "Scope of Work").

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

Upon the termination of the Agreement, the Site Lease and Sublease will terminate, and title to the Site and Project automatically will vest with the Owner.

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

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

The Owner and Contractor therefore agree as follows:

**ARTICLE 1. SCOPE OF WORK.** The Contractor agrees to furnish all labor, equipment and materials, including tools, implements, and appliances required, and to perform all the work in a good and workmanlike manner, free from any and all liens and claims from mechanics, material suppliers, subcontractors, artisans, machinists, teamsters, freight carriers, and laborers required in this Agreement, including **Exhibits A and B**, for:

{SR241849}  
Agreement

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*Lease-Leaseback*

*Modernization Project  
School*

*Scotts Valley Middle School Campus*

*at Scotts Valley Middle*

**THE CAMPUS MODERNIZATION WORK  
AT THE SCOTTS VALLEY MIDDLE SCHOOL  
SANTA CRUZ COUNTY, CALIFORNIA,**

all in strict compliance with the plans, drawings and specifications for the Work expected to be approved by the Division of State Architect ("DSA") on March 31, 2017, and prepared by:

**Cody Anderson Wasney, Architects, Inc., 455 Lambert Avenue, Palo Alto, CA 94306,  
Phone: 650-328-1818, Fax: 650-328-1888**

and other Contract Documents relating to the Work.

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.

Further, Contractor agrees to finance the construction.

**ARTICLE 2. 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 attached as **Exhibit C** (the "General Conditions") together form the "Contract Documents," which form the "Contract."

**ARTICLE 3. TIME TO COMPLETE AND LIQUIDATED DAMAGES.**

Time is of the essence in this Contract, and the Contractor shall Complete the Work by July 14, 2018. The Contractor's deadline for Completion under the previous sentence shall be the "Date for Completion."

In addition to the above time for Completion of the Work, the portion of the Work described as Increment 1 in the Request for Sealed Proposals shall be Completed by November 26, 2017. This deadline shall be the "Milestone Deadline."

For purposes of liquidated damages, the concept of "substantial completion" shall not constitute Completion and is not part of the Contract Documents.

Failure to Complete the Work, or applicable milestones or phases of the 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 applicable Date for Completion or Milestone Deadline. The actual occurrence of damages and the actual amount of the damages which the Owner would suffer if the Work, or milestone or phase of the Project, were not completed by the applicable 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, disruption of activities, costs of administration, supervision, and the incalculable inconvenience and loss suffered by the public.

Accordingly, the Parties agree that the following dollar figure shall be the amount of damages which the Owner shall directly incur upon failure of the Contractor to Complete the Work, or applicable milestone or phase thereof, within the time specified: \$2,500 for each calendar day by which

Completion of the Work, or applicable milestone or phase thereof, is delayed beyond the Date for Completion or Milestone Deadline as adjusted by change orders.

If the Contractor becomes liable under this Article, the Owner, in addition to all other remedies provided by law, shall have the right to withhold all retained percentages of payments and/or 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 Article has been finally determined. If the retained percentages and withheld sublease payments are not sufficient to discharge all liabilities of the Contractor incurred under this Article, 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.

**ARTICLE 4. TOTAL SUBLEASE AMOUNT.** The total amount set aside by the Owner for performance of all Work required by the Contract for the Project shall be \$33,228,000.00, based upon Contractor's lump sum price proposal (**Exhibit D**) and the Scope of Work set forth in **Exhibits A and B** of this Agreement ("Total Sublease Amount"). 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. 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 it pursuant to the procedures in the General Conditions for change orders and claims.

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 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. Sublease Payments shall be in accordance with the Sublease.

To the extent that the Total Sublease Amount includes any amounts for allowances, the use of such funds is entirely at the discretion, and only with the advanced written approval, of the Owner. The amount of any allowance may only be increased by a Board-approved change order. Once an allowance is fully spent, the Contractor must request any additional compensation pursuant to the procedures in the Contract Documents, including Section 4.5 of the General Conditions regarding notices of potential change, change order requests, and claims. Upon completion of the Work, all such allowance funds that are unspent and unencumbered shall remain the property of the Owner, Contractor shall have no claim to such funds, and the Owner shall be entitled to a credit for such unused funds against the remaining sublease payments, pursuant to Section 6(b) of the Sublease.

For any cost reduction changes in the plans and specifications that the Owner makes pursuant to an unsolicited proposal submitted by Contractor, the Contractor shall receive additional payment of 50 percent of the net savings in construction costs as determined by the public entity, pursuant to Public Contract Code section 7101.

**ARTICLE 5. CHANGES.** Changes in this Agreement or in the Work to be done under this Agreement shall be made as provided in the Contract Documents, including but not limited to Notices of Potential Change, Change Order Requests, and Claims in Section 4.5 of the General Conditions, and Articles 7 and 8 of the General Conditions (see **Exhibit C**). However, if award of the Agreement

was based on a proposed percentage fee, any requests by Contractor for additional compensation based on increased subcontractor costs, or increased material or equipment supplier costs, for which the Owner is responsible under the Contract Documents shall be solely based on the additional reasonable cost plus a markup using that percentage fee.

**ARTICLE 6. TERM AND TERMINATION.** The term of the Contract (the "Lease Term") begins on March 28, 2017, and automatically ends on the date that the final Sublease Payment is due (as may be adjusted during the Project) or on the date that the Contract is terminated, all in accordance with the Contract Documents. The Lease Term and 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 Contract or termination of the Contract will survive such completion or termination for the periods provided for in the Contract or otherwise allowed by law. The Owner or Contractor may terminate the Contract as provided in the General Conditions. The Site Lease and the Sublease each shall automatically end at the same time as this Agreement, with the Parties' respective leasehold interests thereunder automatically ended and released, and title to the Site and Project automatically and fully vested in the Owner.

**ARTICLE 7. PREVAILING WAGES.** The Project 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 Project is the rate established by the applicable collective bargaining agreement which rate so provided is hereby adopted by reference and shall be effective for the life of this Agreement or until the Director of the 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 Project showing the names, addresses, social security numbers, work classification, straight time and overtime hours worked and occupations of all laborers, workers and mechanics employed by them in connection with the performance of this Contract or any subcontract thereunder, and showing also the actual per diem wage paid to each of such workers, which records shall be open at all reasonable hours to inspection by the Owner, its officers and agents and to the representatives of the Division of Labor 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 Project 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 Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. 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.

**ARTICLE 8. 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 Law Enforcement. The Contractor shall as a penalty to the Owner forfeit \$25.00 for each worker employed in the execution of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day, and 40 hours in any one calendar week, except as herein provided.

**ARTICLE 9. 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 Section 1777.5) and that contractors and subcontractors shall not discriminate among otherwise qualified employees as indentured apprentices on any public works solely on the ground of sex, race, religious creed, national origin, ancestry or color. Only apprentices as defined in Labor Code Section 3077, who are in training under apprenticeship standards and who have signed written apprentice agreements, will be employed on public works in apprenticeable occupations. The responsibility for compliance with these provisions is fixed with the Contractor for all apprenticeable occupations.

**ARTICLE 10. 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 2600-2602, which require the Contractor and its subcontractors at every tier to employ a skilled and trained workforce, as defined herein, to perform all Work that falls within an apprenticeable occupation in the building and construction trades.

For the purpose of this Article, 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 percent of the skilled journeypersons employed on the Project in an apprenticeable occupation by Contractor or any of its subcontractors at every tier being graduates of an apprenticeship program for the applicable occupation. The 30 percent requirement will increase over time (see details in Public Contract Code §2601(d)(2)). The percentage requirement may be partially met in some apprenticeable occupations by skilled journeypersons who commenced working before an apprenticeship program existed (see details in Public Contract Code §2601(d)(3)), may be met by the hours performed by the skilled journeypersons (see details in Public Contract Code §2601(d)(4)), need not be met if less than ten (10) hours of work were performed (see details in Public Contract Code §2601(d)(5)), and need not be met by some subcontractors (see details in Public Contract Code §2601(d)(6)).
- 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 E**, or in a substantially similar format, demonstrating compliance with this Article. 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 Article 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, (a) if Contractor fails to provide any required monthly compliance report pursuant to this Article 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 under the terms of this Agreement, until Contractor provides a complete report (see Public Contract Code §2602(b)); and (b) if a monthly report does not demonstrate compliance with these skilled and trained workforce requirements, Owner shall withhold further payments to Contractor that would otherwise be due and payable under the terms of this Agreement, until Contractor provides a plan to achieve substantial compliance with these requirements for the relevant apprenticeable occupation prior to completion of the Contract (see Public Contract Code §2602(c)).

**ARTICLE 11. 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 Project.

Contractor shall submit a written statement of responsibility to DSA prior to construction of lateral force resisting system per CBC 1704A.4.

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.

**ARTICLE 12. SELECTION OF SUBCONTRACTORS; DVBE GOALS.**

For any work constituting more than 0.5% of the Total Sublease Amount allocable to construction work, Contractor shall only use subcontractors designated in its proposal. Contractor's subcontractors are afforded the protections of the Subletting and Subcontracting Fair Practices Act (commencing with Public Contract Code section 4100).

Compliance with Disabled Veteran Business Enterprise ("DVBE") contracting goals is required for this Project. 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. Green School Facilities Act of 1998, and expended each year by the Owner for this Project. 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 Article for performance of the Work. 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](http://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 DVBE's; (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 DVBE's; (d) invitations to bid or proposal solicitations were submitted to potential DVBE contractors; and (e) available DVBE's were considered. Contractor shall certify, under penalty of perjury, that a good faith effort was made to include DVBE subcontractors and suppliers in the Work.



Prior to, and as a condition precedent for the payment of any post-Completion Sublease payments 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 Project. 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 Project. This documentation will be used by the Owner to evaluate its success in meeting its DVBE participation goal.

**ARTICLE 13. PREQUALIFICATION OF CONTRACTOR AND CERTAIN SUBCONTRACTORS.** Prequalification is not required for this Contract under Public Contract Code section 20111.6.

**ARTICLE 14. 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 \$1,000,000 per occurrence for bodily injury, personal injury, and property damage, and the amount of automobile liability insurance shall be \$2,000,000 per accident for bodily injury and property damage combined single limit.

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

**ARTICLE 15. 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.

**ARTICLE 16. EXECUTION OF OTHER DOCUMENTS.** The Parties to this Agreement shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of the Contract.

**ARTICLE 17. EXECUTION IN COUNTERPARTS.** This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy, or an original, with all signatures appended together, shall be deemed a fully executed Agreement.

**ARTICLE 18. BINDING EFFECT.** Contractor, by execution of this Agreement, acknowledges that Contractor has read this Agreement and the other Contract Documents, understands them, and

**ARTICLE 19. 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 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 for the County of Santa Cruz, 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.

**ARTICLE 20. AMENDMENTS.** The terms of the Contract shall not be waived, altered, modified, supplemented, or amended in any manner whatsoever except by written agreement or change order signed by the Parties and approved or ratified by the Owner's Governing Board.

**ARTICLE 21. 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.

**ARTICLE 22. WRITTEN NOTICE.** Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm or to an officer of the corporation for whom it was intended, or if delivered at or sent by registered or certified or overnight mail to the last business address known to the person who gives the notice.

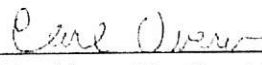
**ARTICLE 23. TERMS NOT DEFINED.** Capitalized terms used in this Agreement that are not otherwise defined have the same meaning as in the General Conditions.


**ARTICLE 24. 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.

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**CONTRACTOR:**

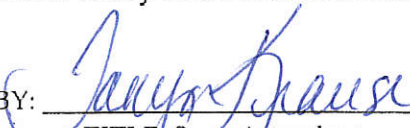
**C. Overaa & Company**

BY:   
TITLE: President, Vice President, or Chairman

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

**OWNER:**

**Scotts Valley Unified School District**

BY:   
TITLE: Superintendent

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**

**SCOPE OF WORK**

Scotts Valley Unified School District

Scotts Valley Middle School Campus Modernization Project  
At Scotts Valley Middle School

The Total Sublease Amount is based on the plans, specifications, drawings, and design packages prepared by Cody Anderson Wasney Architects, Inc., architects for the Owner. The detailed Scope of Work is set forth in said plans, specifications, drawings, and design packages approved by the Division of State Architect as Application No. 01116046, which are incorporated herein by this reference.

The scope of the Contract does not include any alternative items from the proposal.

{SR241849}

Modernization Project  
School

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Scotts Valley Middle School Campus  
at Scotts Valley Middle

***EXHIBIT B*** - Lease-Leaseback Agreement

Scotts Valley Unified School District

Scotts Valley Middle School Campus Modernization Project  
At Scotts Valley Middle School

The Parties have no items to specifically list as being excluded from the Scope of Work.

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***EXHIBIT C*** – Lease-Leaseback Agreement

Scotts Valley Unified School District

Scotts Valley Middle School Campus Modernization Project  
At Scotts Valley Middle School

**General Conditions**

{SR241849}

*Modernization Project  
School*

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at Scotts Valley Middle*

***EXHIBIT D-*** Lease-Leaseback Agreement

Scotts Valley Unified School District

Scotts Valley Middle School Campus Modernization Project  
At Scotts Valley Middle School

The following document is Contractor's proposal submitted in response to the Owner's Request for Sealed Proposals for the Project.

{SR241849}

Modernization Project  
School

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**EXHIBIT E – Lease-Leaseback Agreement**

Scotts Valley Unified School District

Scotts Valley Middle School Campus Modernization Project  
At Scotts Valley Middle School

**SKILLED AND TRAINED WORKFORCE COMPLIANCE DECLARATION**  
(Education Code §17407.5 and Public Contract Code §§2600-2602)

Owner: Scotts Valley Unified School District

Contract: Scotts Valley Middle School Campus Modernization Project  
Scotts Valley Middle School  
Scotts Valley, Santa Cruz County, California

The undersigned declares:

I am the \_\_\_\_\_ of \_\_\_\_\_, the "Contractor" on the Project identified above. I hereby certify that during the month of \_\_\_\_\_ [month], \_\_\_\_\_ [year], there were a total of \_\_\_\_\_ workers employed by \_\_\_\_\_ [insert "Contractor" or the name of a subcontractor] in the apprenticeable occupation of \_\_\_\_\_ [description of the apprenticeable occupation] (see definition of "apprenticeable occupation" in Article 10 of the Lease-Leaseback Agreement between the Contractor and the Owner for this Project ["Agreement"]), and these workers performed a total of \_\_\_\_\_ hours of work within this apprenticeable occupation. I certify that all of these workers in this apprenticeable occupation are either skilled journeypersons (as defined in Article 10 of the Agreement) or apprentices registered in an apprenticeship program approved by the Department of Industrial Relations (DIR), and that all of these hours performed in this apprenticeable occupation were performed by such skilled journeypersons and apprentices.

I also certify as to either Section A, B, or C for this apprenticeable occupation and \_\_\_\_\_ [insert "Contractor" or "this subcontractor"]:

**[Check applicable box below:]**

☐ A. Exemption from Percentage Compliance

Of the above total number of hours of work performed by workers employed by \_\_\_\_\_ [insert "Contractor" or the name of a subcontractor] in this apprenticeable occupation this month (see {SR241849} \_\_\_\_\_ Lease-Leaseback Agreement

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first paragraph above), \_\_\_\_\_ (\_\_\_\_) were performed by skilled journeypersons, which is less than the statutory threshold of ten (10) hours, thus compliance with the statutory graduation percentage is excused.

☐ B. Percentage Compliance by Number of Workers

1. Of the above total number of workers employed by \_\_\_\_\_ [insert "Contractor" or the name of a subcontractor] in this apprenticeable occupation this month (see first paragraph above), \_\_\_\_\_ were apprentices registered in an apprenticeship program approved by the DIR.

2. Of the above total number of workers employed by \_\_\_\_\_ [insert "Contractor" or the name of a subcontractor] in this apprenticeable occupation in this month, \_\_\_\_\_ were skilled journeypersons (as defined in Article 10 of the Agreement). Included in these skilled journeypersons are the following:

- \_\_\_\_\_ [insert numeral] who are graduates of an apprenticeship program for the applicable occupation (as defined in Article 10 of the Agreement); and
- \_\_\_\_\_ [insert numeral] who are not graduates of an approved apprenticeship program for this apprenticeable occupation, but (a) no apprenticeship program had been approved by the DIR before January 1, 1995, for this apprenticeable occupation ; **and** (b) these workers commenced working in this apprenticeable occupation before DIR approval of an apprenticeship program for that occupation in the county in which the Project is located.

The combined number of skilled journeypersons listed in the two preceding bullet points is 30% or more of the total number of skilled journeypersons identified in the first sentence of this Section B.2., with no more than half of this percentage requirement being satisfied by the number of skilled journeypersons listed in the second bullet point. The figure of "30%" in the preceding sentence will increase to 40% effective January 1, 2018, 50% effective January 1, 2019, and 60% effective January 1, 2020.

☐ C. Percentage Compliance by Number of Hours

1. Of the above total number of hours of work performed by workers employed by \_\_\_\_\_ [insert "Contractor" or the name of a subcontractor] in this apprenticeable occupation this month (see first paragraph above), \_\_\_\_\_ hours were performed by apprentices registered in an apprenticeship program approved by the DIR.

2. Of the above total number of hours of work performed by workers employed by \_\_\_\_\_ [insert "Contractor" or the name of a subcontractor] in this apprenticeable occupation in this month, \_\_\_\_\_ hours were performed by skilled journeypersons (as defined in Article 10 of the Agreement). Included in these hours are the following:

- \_\_\_\_\_ [insert numeral] hours performed by graduates of an apprenticeship program for the applicable occupation (as defined in Article 10 of the Agreement); and
- \_\_\_\_\_ [insert numeral] hours performed by skilled journeypersons who are not graduates of an approved apprenticeship program for this apprenticeable occupation, but (a) no apprenticeship program had been approved by the DIR before January 1, 1995, for this apprenticeable occupation ; **and** (b) these workers commenced working in this apprenticeable

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occupation before DIR approval of an apprenticeship program for that occupation in the county in which the Project is located.

The combined hours of work performed by skilled journeypersons listed in the two preceding bullet points is 30% or more of the total number of hours of work performed by skilled journeypersons identified in the first sentence of this Section C.2., with no more than half of this percentage requirement being satisfied by the hours performed by skilled journeypersons listed in the second bullet point. The figure of "30%" in the preceding sentence will increase to 40% effective January 1, 2018, 50% effective January 1, 2019, and 60% effective January 1, 2020.

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]

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