

**AMENDMENT NO. 1 TO FACILITIES LEASE
BY AND BETWEEN
SAN RAFAEL CITY SCHOOLS AND JEFF LUCHETTI CONSTRUCTION, INC.**

This Amendment No. 1 to the Facilities Lease ("First Amendment") is made and entered into this 28th day of August 2018 ("Effective Date") by and between the San Rafael City Schools ("District") and Jeff Luchetti Construction, Inc. ("Developer") (collectively, the "Parties") as follows:

RECITALS

WHEREAS, the Parties entered into a Facilities Lease, dated as of December 20, 2017, pertaining to the Davidson Middle School Classroom Building New Construction ("Project") at the District's Davidson Middle School, located at 280 Woodland Ave. Ave., San Rafael, California 94901 (APN: 016-213-13), ("Project Site"); and

WHEREAS, the plans and specifications for Phase 1 of the Project, Increment 1: Site Work Increment 1 Project, have been completed and subcontractors provided bids thereto ("Site Work Increment 1"); and

WHEREAS, the Parties wish to amend and supplement the Facilities Lease to amend the Project's Guaranteed Maximum Price for the work bid to date.

NOW, THEREFORE, the Parties agree as follows:

Section I. First Amendment of Facilities Lease.

A. Exhibit C (Guaranteed Maximum Price and Other Project Cost, Funding, and Payment Provisions) to the Facilities Lease is amended and supplemented such that the existing Exhibit C is struck and replaced with the amended Exhibit C, which is attached hereto as **EXHIBIT "1"** and incorporated herein by this reference. All references to Exhibit C in the Facilities Lease shall mean and refer to Exhibit "1" hereto.

The Parties expressly acknowledge and agree that this amendment is intended to and does change payment provisions for the Project under the Facilities Lease, including, but not limited to, the amount of Tenant Improvement Payments and amount of Lease Payments.

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Section II. All Other Provisions Reaffirmed.

All other provisions of the Facilities Lease shall remain in full force and effect and are hereby reaffirmed. If there is any conflict between this First Amendment and any provision of the Facilities Lease, the provisions of this First Amendment shall control.

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 1 to the Facilities Lease to be executed by their respective officers who are duly authorized, as of the Effective Date.

ACCEPTED AND AGREED on the date indicated below:

Dated: _____, 2018

SAN RAFAEL CITY SCHOOLS

By: _____

Name: Michael Watenpaugh

Title: Superintendent

Dated: August 28, 2018

JEFF LUCHETTI CONSTRUCTION, INC.

By:  _____

Name: Jeff Luchetti

Title: President

EXHIBIT 1

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EXHIBIT C

GUARANTEED MAXIMUM PRICE AND OTHER PROJECT COST, FUNDING, AND PAYMENT PROVISIONS

1. Site Lease Payments

As indicated in the Site Lease, Developer shall pay One Dollar (\$1.00) to the District as consideration for the Site Lease.

2. Guaranteed Maximum Price

Pursuant to the Facilities Lease, Developer will cause the Project to be constructed for an amount to be determined after the Division of the State Architect ("DSA") approves the plans and specification for the Project ("Guaranteed Maximum Price").

2.1 Cost of the Work

The term Cost of the Work shall mean the costs necessarily incurred in the proper performance of the Work contemplated by the Contract Documents. Such costs shall be at rates no higher than the standard paid at the place of the Project except with the prior consent of the District. The Cost of the Work shall include only the items set forth in this Section 2 and approved by the District.

2.1.1 General Conditions

The General Conditions as set forth in **Attachment 1** hereto shall be included in a progress billing as incurred. Said rates shall include all costs for labor, equipment and materials for the items identified therein which are necessary for the proper management of the Project, and shall include all costs paid or incurred by the Developer for insurance, permits, taxes, and all contributions, assessments and benefits, holidays, vacations, retirement benefits, incentives to the extent contemplated in **Attachment 1**, whether required by law or collective bargaining agreements or otherwise paid or provided by Developer to its employees. The District reserves the right to request changes to the personnel, equipment, or facilities provided as General Conditions as may be necessary or appropriate for the proper management of the Project, in which case, the District shall be entitled to an adjustment to the cost of General Conditions based on the rates set forth in **Attachment 1**.

2.1.2 Subcontract Costs

Payments made by the Developer to Subcontractors (inclusive of the Subcontractor's bonding, if required, and insurance costs, which shall be included in the subcontract amount), which payments shall be made in accordance with the requirements of the Contract Documents.

2.1.3 Developer-Performed Work

Costs incurred by the Developer for self-performed work at the direction of District or with the District's prior approval, as follows:

2.1.3.1 Actual costs to the Developer of wages of construction workers, excluding all salaried and/or administrative personnel, directly employed by the Developer to perform the construction of the Work at the site.

2.1.3.2 Wages or salaries and customary benefits, such as sick leave, medical and health benefits, holidays, vacations, incentive programs, and pension plans of the Developer's field supervisory, safety and administrative personnel when stationed at the site or stationed at the Developer's principal office, only for that portion of their time required for the Work.

2.1.3.3 Wages and salaries and customary benefits, such as sick leave, medical and health benefits, holidays, vacations, incentive programs and pension plans of the Developer's supervisory or administrative personnel engaged at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

2.1.3.4 Costs paid or incurred by Developer for taxes, insurance, contributions, assessments required by law or collective bargaining agreements and for personnel not covered by such agreements, and for customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Subparagraphs 2.1.3.1 through 2.1.3.3.

2.1.3.5 Costs, including transportation and storage, of materials and equipment incorporated in the completed construction, including costs of materials in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the District's property at the completion of the Work or, at the District's option, shall be sold by the Developer. Any amounts realized from such sales shall be credited to the District as a deduction from the Cost of the Work.

2.1.3.6 Costs, including transportation and storage, installation, maintenance, dismantling and removal of materials, supplies, machinery and equipment not customarily owned by construction workers, that are provided by the Developer at the site and fully consumed in the performance of the Work; and cost (less salvage value) of such items if not fully consumed, whether sold to others or retained by the Developer. Cost for items previously used by the Developer shall mean fair market value.

2.1.3.7 Rental charges for temporary facilities, machinery, equipment, vehicles and vehicle expenses, and hand tools not customarily owned by construction workers that are provided by the Developer at the site, whether rented from the Developer or others, and the costs of transportation, installation, minor repairs and replacements, dismantling and removal thereof and costs of Developer's Project field office, overhead and general expenses including office supplies, parking, office equipment, and software. Rates and quantities of equipment rented shall be subject to the District's prior approval.

2.1.3.8 Costs of removal of debris from the site, daily clean up costs and dumpster charges not otherwise included in the cost of the subcontracts which exceeds the clean-up provided under the General Conditions.

2.1.3.9 Costs of that portion of the reasonable travel, parking and subsistence expenses of the Developer's personnel incurred while traveling and discharging duties connected with the Work.

2.1.3.10 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, if approved in advance by the District.

2.1.4 Allowances

Because it is impossible at the time of execution of the Facilities Lease to determine the exact cost of performing certain tasks, the Cost of the Work shall include the following Allowances for the Tasks/Work, to be negotiated prior to amendment and insertion of the Guaranteed Maximum Price, if necessary:

Task/Work	Allowance Amount
	TBD
	TBD
	TBD
Total Allowance Amount	TBD

The District shall have sole discretion to authorize all expenditures from the Allowances. The District shall process expenditures from the Allowances in the form of an Allowance Expenditure Directive ("AED"). The Allowances are included in the Guaranteed Maximum Price. Any unused Allowance or unused portion thereof shall be deducted from the Cost of the Work pursuant to **Exhibit D** to this Facilities Lease to the benefit of the District.

2.1.5 Miscellaneous Costs

2.1.5.1 Where not included in the General Conditions, and with the prior approval of District, costs of document reproductions (photocopying and blueprinting expenses), long distance telephone call charges, postage, overnight and parcel delivery charges, telephone costs including cellular telephone charges, facsimile or other communication service at the Project site, job photos and progress schedules, and reasonable petty cash expenses of the site office. Developer shall consult with District to determine whether District has any vendor relationships that could reduce the cost of these items and use such vendors whenever possible.

2.1.5.2 Sales, use, gross receipts, local business and similar taxes imposed by a governmental authority that are related to the Work.

2.1.5.3 Fees and assessments for permits, plan checks, licenses and inspections for which Developer is required by the Contract Documents to pay including, but not limited to, permanent utility connection charges, street use permit, street use rental, OSHA permit and sidewalk use permit and fees.

2.1.5.4 Fees of laboratories for tests required by the Contract Documents.

2.1.5.5 Deposits lost for causes other than the Developer's or its subcontractors' negligence or failure to fulfill a specific responsibility to the District as set forth in the Contract Documents.

2.1.5.6 Expenses incurred in accordance with the Developer's standard personnel policy for relocation and temporary living allowances of personnel required for the Work if approved in advance by District.

2.1.5.7 Where requested by District, costs or expenses incurred by Developer in performing design services for the design-build systems.

2.1.5.8 Other costs incurred in the performance of the Work if, and to the extent, approved in advance by District.

2.1.5.9 Costs due to emergencies incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and/or property.

2.1.5.10 Provided all other eligible costs have been deducted from the contingency and as part of the calculation of amounts due Developer for Final Payment, costs of repairing and correcting damaged or non-conforming Work executed by the Developer, Subcontractors or suppliers, providing that such damage or non-conforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Developer and only to the extent that the cost of repair or correction is

not recovered by the Developer from insurance, sureties, Subcontractors or suppliers.

2.1.6 Excluded Costs

The following items are considered general overhead items and shall not be billed to the District:

2.1.6.1 Salaries and other compensation of the Developer's personnel stationed at Developer's principal office or offices other than the Project Field Office, except as specifically provided in Subparagraphs 2.1.3.2. and 2.1.3.4.

2.1.6.2 Expenses of the Developer's principal office and offices other than the Project Field Office.

2.1.6.3 Overhead and general expenses, except as may be expressly included in this Section 2.

2.1.6.4 The Developer's capital expenses, including interest on the Developer's capital employed for the Work.

2.1.6.5 Costs that would cause the Guaranteed Maximum Price (as adjusted by Change Order) to be exceeded.

2.1.7 Developer's Fee

Five percent (5%) of the Cost of the Work as described in Section 2.1.

2.1.8 Bonds and Insurance

For insurance and bonds required under this Facilities Lease (exclusive of those required by Subcontractors, which costs are included in the subcontract amounts), that portion of insurance and bond premiums which are directly attributable to this Contract, which shall be calculated at a rate of one percent (1.5%) of the Cost of the Work for insurance, and one percent (1%) of the Cost of the Work for payment and performance bonds.

2.1.9 Contingency

2.1.9.1 The Increment 1 Site Work Only Guaranteed Maximum Price includes a Developer Contingency of two and one half percent (2.5%) of the Cost of the Work, plus \$100,000 of Developer Contingency transferred from Increment 2, as described in Section 2.1.1, 2.1.2, and 2.1.3 for potential additional construction costs including, unforeseen conditions that occur over the course of construction and/or scope gaps between the subcontract categories of the Work.

2.1.9.2 Developer has incorporated additional \$100,000 Contingency amount in Increment 1 while maintaining the overall project Developer Contingency at 2.5%. See Developer Bid Tabulation below.

2.1.9.3 The Contingency shall not be used without the agreement of the District.

2.1.9.4 The unused portion of the Developer Contingency shall be considered as cost savings and retained by the District at the end of the Project.

2.2 The Guaranteed Maximum Price will consist of the amounts to be identified in **Attachment 2** to this **Exhibit C**. Except as indicated herein for modifications to the Project approved by the District, Developer will not seek additional compensation from District in excess of Guaranteed Maximum Price. District shall pay the Guaranteed Maximum Price to Developer in the form of Tenant Improvement Payments and Lease Payments as indicated herein.

2.3 Total Payment

In no event shall the cumulative total of the Tenant Improvement Payments and the Lease Payments ever exceed the Guaranteed Maximum Price to be defined, as may be modified pursuant to **Exhibit D** to the Facilities Lease.

2.4 Changes to Guaranteed Maximum Price

2.4.1 The Parties acknowledge that the Guaranteed Maximum Price is based on the Construction Documents, including the plans and specifications, as identified in **Exhibit D** to the Facilities Lease.

2.4.2 As indicated in the Facilities Lease, the Parties may add to or remove from the project specific scopes of work. Based on these change(s), the Parties may agree to a reduction or increase in the Guaranteed Maximum Price. If a cost impact of a change is agreed to by the Parties, it shall be paid upon the payment request from the Developer for the work that is the subject of the change in accordance with the provisions of **Exhibit D**. The amount of any change to the Guaranteed Maximum Price shall be calculated in accordance with the provisions of **Exhibit D** to this Facilities Lease.

2.4.3 The Parties agree to reduce the Guaranteed Maximum Price for the unused portion of the Developer Contingency, if any.

2.4.4 Cost Savings

Developer shall work cooperatively with Architect, Construction Manager, subcontractors and District, in good faith, to identify appropriate opportunities to reduce the Project costs and promote cost savings. Any identified cost savings from the Guaranteed Maximum Price shall be identified by Developer, and approved in writing by the District. If any cost savings require revisions to the Construction Documents, Developer shall work with the District and Architect with respect to revising the Construction Documents and, if

necessary, obtaining the approval of DSA with respect to those revisions. Developer shall be entitled to an adjustment of Contract Time for delay in completion caused by any cost savings adopted by District pursuant to **Exhibit D**, if requested in writing before the approval of the cost savings.

2.4.5 If the District exercises its Purchase Option pursuant to this **Exhibit C**, any reduction in the Guaranteed Maximum Price resulting from that exercise of the Purchase Option, if any, shall be retained in full by the District and shall not be shared with the Developer.

2.4.6 If the Parties agree to a reduction or increase in the Guaranteed Maximum Price, the Loan Amount indicated in **Attachment 3** shall be adjusted accordingly and **Attachment 3** shall be amended prior to the commencement of Lease Payments.

3. Tenant Improvement Payments

Prior to the District's taking delivery or occupancy of the Project, the District shall pay to Developer an amount equal to the Guaranteed Maximum Price as modified pursuant to the terms of the Facilities Lease, including **Exhibit C** and **Exhibit D**, less the Lease Payments ("Tenant Improvement Payments"). Tenant Improvement Payments will be processed based on the amount of Work performed according to the Developer's Schedule of Values (**Exhibit G** to the Facilities Lease) and pursuant to the provisions in **Exhibit D** to the Facilities Lease, including withholding for or escrow of retention of five percent (5%) of the Guaranteed Maximum Price.

4. Lease Payments

Upon execution of the Memorandum of Commencement Date, the form of which is attached to the Facilities Lease as **Exhibit E**, the District shall commence making lease payments to Developer in accordance with the Schedule attached hereto as **Attachment 3**.

4.1 The Lease Payments shall be consideration for the District's rental, use, and occupancy of the Project and the Project Site and shall be made in monthly installments as indicated in the Schedule of Lease Payments attached hereto as **Attachment 3** for the duration of the lease term of one (1) year, with the first Lease Payment due ninety (90) days after execution of the Memorandum of Commencement Date.

4.2 The District represents that the annual Lease Payment obligation does not surpass the District's annual budget and will not require the District to increase or impose additional taxes or obligations on the public that did not exist prior to the execution of the Facilities Lease.

4.3 Fair Rental Value

District and Developer have agreed and determined that the total Lease Payments constitute adequate consideration for the Facilities Lease and are reasonably equivalent to the fair rental value of the Project. In making such determination, consideration has been given to the obligations of the Parties under the Facilities Lease and Site Lease, the

uses and purposes which may be served by the Project and the benefits therefrom which will accrue to the District and the general public.

4.4 Each Lease Payment Constitutes a Current Expense of the District

4.4.1 The District and Developer understand and intend that the obligation of the District to pay Lease Payments and other payments hereunder constitutes a current expense of the District and shall not in any way be construed to be a debt of the District in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the District.

4.4.2 Lease Payments due hereunder shall be payable only from current funds which are budgeted and appropriated or otherwise made legally available for this purpose. This Facilities Lease shall not create an immediate indebtedness for any aggregate payments that may become due hereunder.

4.4.3 The District covenants to take all necessary actions to include the Lease Payments in each of its final approved annual budgets.

4.4.4 The District further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the District for the actual amount of Lease Payments that come due and payable during the period covered by each such budget. Developer acknowledges that the District has not pledged the full faith and credit of the District, State of California or any state agency or state department to the payment of Lease Payments or any other payments due hereunder. The covenants on the part of District contained in this Facilities Lease constitute duties imposed by law and it shall be the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in this Facilities Lease agreed to be carried out and performed by the District.

4.4.5 The Developer cannot, under any circumstances, accelerate the District's payments under the Facilities Lease.

5. District's Purchase Option

5.1 If the District is not then in uncured Default hereunder, the District shall have the option to purchase not less than all of the Project in its "as-is, where-is" condition and terminate this Facilities Lease and Site Lease by paying the balance of the "Loan Amount" identified in **Attachment 3**, which is exclusive of interest that would have otherwise been owed, as of the date the option is exercised ("Option Price"). Said payment shall be made on or before the date on which the District's lease payment would otherwise be due for that month ("Option Date").

5.2 District shall provide to Developer a written notice no less than ten (10) days prior to the Option Date. The notice will include that District is exercising its option to purchase the Project as set forth above on the Option Date. If the District exercises

this option, the District shall pay directly to Developer the Option Price on or prior to the Option Date and Developer shall at that time deliver to District an executed Termination Agreement and Quitclaim Deed in recordable form to terminate this Facilities Lease and the Site Lease. District may record all such documents at District's cost and expense.

5.3 Under no circumstances can the first Option Date be on or before ninety (90) days after the Developer completes the Project and the District accepts the Project.

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ATTACHMENT 1

**PHASE 1 GENERAL CONDITIONS: Davidson Middle School Classroom Building New
Construction INCREMENT 1 SITEWORK ONLY**

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General Conditions - Monthly

Name: Davidson Middle School

Days to Complete
Months

30
1

Description	Quantities	Unit	\$/unit Labor	Labor	\$/unit Mat'l	Material	\$/unit Sub	Subcontract	Totals
Project Manager - 50%	2 wks		3,200	6,928	-	-	-	-	6,928
General Superintendent	4 wks		835	3,616	-	-	-	-	3,616
Superintendent	4 wks		3,200	13,856	-	-	-	-	13,856
Progressive Clean-up	4 wks		2,000	8,660	-	-	-	-	8,660
Truck	1 mo		-	-	-	-	1,600	1,600	1,600
Postage/Shipping	1 mo		-	-	-	-	20	20	20
Power Pole Monthly Rental - Job Cost	0 mo		-	-	-	-	200	-	-
Debris Boxes	2 ea		-	-	-	-	650	1,407	1,407
Telephone Monthly Charges	1 mo		-	-	-	-	100	100	100
Cell phone monthly	1 mo		-	-	-	-	300	300	300
Job Storage / Containers	1 mo		-	-	-	-	100	100	100
Drinking Water	1 mo		-	-	-	-	50	50	50
Office Trailer - Contractor	1 mo		-	-	-	-	600	600	600
Office Trailer - IOR/Owner - Job Cost if needed	1 mo		-	-	-	-	600	600	600
Jobsite Temp Water - Provided by District	0 mo		-	-	-	-	200	-	-
Jobsite Temp Heat - Job Cost	0 csf		-	-	-	-	50	-	-
Monthly Power Charges - Provided by District	0 mo		-	-	-	-	500	-	-
Temporary Fence - Job Cost	0 lf		-	-	-	-	8.00	-	-
Temporary Gates - Job Cost	0 ea		-	-	-	-	850	-	-
Temporary Toilets	1 mo		-	-	-	-	600	600	600
Office Supplies	1 mo		-	-	-	-	50	50	50
Final Cleaning - Job Cost	0 sf		-	-	-	-	0.75	-	- x3 months
Total General Conditions - Monthly				33,060	-	-	-	6,927	39,987 119,960.40
One Time Mobilization/Demobilization Charges									
Temporary Power Hookup - See Power Pole Ins	0 ea		-	-	-	-	-	-	-
Temp Power PG&E Connect - See Power Pole In	1 ea		-	-	-	-	1,000	1,000	1,000
Power Pole Install	1 ea		-	-	-	-	4,702	4,702	4,702
Telephone & Fax Hook-ups	1 ea		-	-	-	-	250	250	250
Trailer Transport	2 haul		-	-	-	-	3,980	7,960	7,960
Temporary Water Connect	1 ea		-	-	-	-	300	300	300
Banner	1 ea		-	-	-	-	250	250	250
Mobilization/Demobilization General Conditions									14,462 14,462
Job Costs - Excluded Above									
Power Pole Monthly Rental	3 mos		-	-	-	-	265	795	795
Temp Fence / Gates	1 ls		-	-	-	-	5725	5725	5725
Temp Barricades	4 ea		-	-	-	-	1200	4800	4800
Plan Reproduction	5 ea		-	-	-	-	300	1500	1500
									12,820 12820
General Conditions Total - 4 months									147,242

**PHASE 2 GENERAL CONDITIONS COSTS: Davidson Middle School Classroom
Building New Construction Project, Increment 2**



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ATTACHMENT 2

GUARANTEED MAXIMUM PRICE

The total Project Guaranteed Maximum Price ("GMP") shall be comprised of the Project phase GMPs, as set forth below. All references to "GMP" shall refer to the total Project Guaranteed Maximum Price. The Project phase GMPs are as follows:

Phase 1: Davidson Middle School Classroom Building New Construction Increment 1 Site Work Only GMP: \$1,009,387

			
Jeff Luchetti Construction, Inc.			
Estimate #:	1	Name:	Davidson Middle School
Bldg Area:	19,224	Site Area:	28,715
Loc:	San Rafael, CA	Date:	8/15/2018

No.	Description of Work	List Sub	Subs Names	Increment 1	Increment 2	Total
1	General Conditions		JLC	147,242	294,486	441,728
1a	Preconstruction Services		Precon Agreement	0	0	0
1b	Architecture Plans & Approvals		Design Services Agreement	0	0	0
1c	Construction Administration		JLM	0	30,050	30,050
1d	Survey		BKF	16,588	2,400	18,988
1e	Utility Locator			3,700	0	3,700
1f	Erosion Control		Oak Grove	8,800	2,500	11,300
2	Site Demolition		Oak Grove	included	0	0
2a	Earthwork (Grading, Paving)		Oak Grove	577,159	0	577,159
2b	Utilities		Oak Grove	included	0	0
2c	Landscaping			1,505	70,072	71,577
2d	Bioswale Soil and Planting			0	25,256	25,256
2e	Basalt Columns		Removed in VE	0	0	0
2e	Precast Concrete Pipe Seats		Added in VE	0	36,000	36,000
2f	Fencing			0	51,200	51,200
2g	Striping			0	2,500	2,500
3	Site Concrete			0	319,830	319,830
5	Site Rails			0	5,100	5,100
12	Site Furnishings - Benches			0	9,900	9,900
13	Modular - Classroom Building		JL Modular	0	8,060,760	8,060,760
26	Site Electrical			69,200	132,487	201,687
27	Low Voltage Systems			0	281,232	281,232
				0	0	0
	Subtotal			824,194	9,323,773	10,147,967
	Sales Tx 8.50%			0	0	0
	Total Cost			824,194	9,323,773	10,147,967
	Builders Risk 0.40%			3,297	37,295	40,592
	Overhead & Fee 5.00%			41,375	468,053	509,428
	Insurance 1.10%			9,558	108,120	117,678
	Bond 1.00%			8,784	99,372	108,157
	Contingency 2.50%			122,180	150,915	273,096
	Amount Bid			1,009,387	10,187,530	11,196,917

Phase 2:Davidson Middle Increment 1/Increment 2 Construction GMP:
[To be inserted]

ATTACHMENT 3
SCHEDULE OF LEASE PAYMENTS

Amortization Schedule

Loan Amount: 5% of GMP¹
Interest: 5% Annual
Term in Months 12
Payment
Frequency Monthly

<u>Payment #</u>	<u>Total Payment</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Balance</u>
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
Totals				

¹ As defined in Attachment 2, this refers to the total Project GMP.

Exclusions

- Permits and fees
- Cost of testing and inspections including Soils Testing for off-haul
- Off-haul of spoils assumes clean soils approved for export to a local dump site
- Removal or handling of contaminated and/or hazardous soils or material
- PG&E and utility fees
- Utility Meters
- New Utility applications and coordination
- Encroachment permit
- Generator power and fuel
- Increment 2
- Overtime, weekend or premium time
- SWPPP plan, monitoring and / or reporting
- Landscaping

Clarifications

- JLC has proposed a 2.5% contingency value on the cost of all work. The contingency is really needed during the Increment 1 work when there are chances for unforeseen conditions, but based on the value between increment 1 and 2 was too low. We have shifted \$100,000 of contingency from increment 2 to increment 1. The total contingency for the whole project remains 2.5%.