

LEGISLATIVE FILE	
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Enactment Date	6/11/14



OAKLAND UNIFIED SCHOOL DISTRICT

Community Schools, Thriving Students

OAKLAND UNIFIED SCHOOL DISTRICT  
Office of the Board of Education  
June 11, 2014

To: Board of Education

From: Dr. Gary Yee, Acting Superintendent and Secretary, Board of Education  
By: Vernon Hal, Deputy Superintendent, Business Operations *VPH*  
Timothy E. White, Associate Superintendent of Facilities Planning & Management *[Signature]*

Subject: **Owner Contingency Construction Budget Transfer into Lease to Lease Back Agreements Pertaining to the Construction and Modernization of Sankofa at Washington Elementary School Project**

**ACTION REQUESTED**

Approval by the Board of Education of Resolution No. 1314-1139 Owner Contingency Construction Budget Transfer into Lease to Lease Back Agreements in the amount of \$250,000.00 for the Construction and Modernization of Sankofa at Washington Elementary School Project ("Project"), increasing the Guaranteed Project Cost (GPC), for reasons stated herein, from \$7,932,870.00 to \$8,182,870.00.

**BACKGROUND**

The Lease Leaseback delivery method construction documents, file I.D. # 12-1571, was approved by the Board of Education on June 13, 2012 in the amount of \$7,932,870. The Guaranteed Project Cost ("GPC") for the Project submitted by the Developer OVERAA/TURNER GROUP, JV ("Developer") was \$8,182,870, and contained a line item for owner contingencies ("Owner Contingency") in the amount of \$250,000. The Owner Contingency was inadvertently omitted from the GPC that was approved by the Board of Education. Staff is requesting that the Board of Education approve a transfer of funds from the existing budget for the Project to increase the GPC to include the Owner Contingency of \$250,000 that was omitted from the original GPC.

The redistribution of the Project budget will result in the following GPC and contingency changes:

Under Article 2.1.6 of Exhibit C to the Facilities Lease, the Owner Contingency is for the exclusive use of the District for additional owner generated Project costs and unforeseen conditions is listed as \$250,000. The transfer will increase the District Allowance from \$0 to \$250,000.

**RESOLUTION OF THE  
BOARD OF EDUCATION**

**OF THE OAKLAND UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO: 1314-1139**

**APPROVAL OF OWNER CONTINGENCY CONSTRUCTION BUDGET TRANSFER INTO LEASE TO  
LEASE BACK AGREEMENTS PERTAINING TO THE CONSTRUCTION AND MODERNIZATION OF  
SANKOFA AT WASHINGTON ELEMENTARY SCHOOL PROJECT**

**WHEREAS**, the Board approved (Resolution No. 1112-0757) (Enactment No. 12-1614) on June 13, 2012, the Lease Leaseback Method of Construction Delivery for the Construction and Modernization of Sankofa at the Washington Elementary School Site and authorized the execution of Site Lease Agreement, Facilities Lease Agreement and Other Acts Relating to the project ("the Project") with OVERAA/TURNER GROUP, JV ("Developer") for the Guaranteed Project Cost of \$7,932,870; and

**WHEREAS**, the Guaranteed Project Cost for the Project submitted by the Developer was \$8,182,870.00, and contained a line item for owner contingencies ("Owner Contingency") in the amount of \$250,000; and

**WHEREAS**, the Owner Contingency was inadvertently omitted from the Guaranteed Project Cost that was approved by the Board of Education on June 13, 2012.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the transfer of the Owner Contingency in the amount of \$250,000 into the Guaranteed Project Cost which will increase in the approved Guaranteed Project Cost from \$7,932,870 to \$8,182,870, as was the original intention of the parties.

**PASSED AND ADOPTED** by the Board of Education the Oakland Unified School District, this 11<sup>TH</sup> day of June, 2014, by the following vote:

**AYES:** Jody London, Jumoke Hinton Hodge, Anne Washington, Roseann Torres, Christopher Dobbins,  
Vice President James Harris and President David Kakishiba


**NOES:** None

**ABSTAINED:** None

**ABSENT:** None

**CERTIFICATION**

I, Gary Yee, Acting Superintendant and Secretary of the Board of Education of the Oakland Unified School District, Alameda County, State of California, do hereby certify that the foregoing Resolution was duly approved and adopted by the Board of Education of said district at a meeting thereof held on the 25<sup>th</sup> day of June, 2014, with a copy of such Resolution being on file in the Administrative Office of said District. *114*

  
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Gary Yee, Ed.D, Acting Superintendent and  
Secretary, Board of Education



**FISCAL IMPACT**

None, as the Owner Contingency that was contemplated under the original GPC is simply being transferred from the Project Budget to the Lease Leaseback Construction Budget.

**RECOMMENDATION**

Approval by the Board of Education of Resolution No. 1314-1139 Owner Contingency Construction Budget Transfer into Lease to Lease Back Agreements in the amount of \$250,000.00 for the Construction and Modernization of Sankofa at Washington Elementary School Project ("Project"), increasing the Guaranteed Project Cost (GPC), for reasons stated herein, from \$7,932,870.00 to \$8,182,870.00.



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