

REQUEST FOR PROPOSALS (“RFP”)

Construction Services for Lease-Leaseback Project Delivery

November 5, 2021

Perris Union High School District

Responses must be received on November 29, 2021, no later than 3:00 p.m.

Perris Union High School District (“District”) invites proposals from firms, partnerships, corporations, associations, persons, or professional organizations to enter into an agreement with the District to provide preconstruction and construction services as more particularly described in **Exhibit A** (“Project”) pursuant to Education Code section 17406 et seq. and to provide a “turnkey” Project to the District.

Questions regarding this Request for Proposals (“RFP”) must be directed to the District’s Director of Purchasing at the email address below by **November 19, 2021**. Questions will only be answered in writing via addenda posted for all to review at the same time. Interested firms or persons must submit their proposals, which shall not exceed **fifty (50) single-sided pages**, as described below, with three (3) sealed hard copies of requested materials to:

Sylvia Hinojosa
Director of Purchasing, Business Services Office
155 E. 4th Street
Perris, CA 92570
951.943.6369 Ext. 80231
sylvia.hinojosa@puhsd.org

This RFP is neither a formal request for bids, nor an offer by the District to contract with any party responding to this RFP. The District reserves the right to reject any and all responses. The District also reserves the right to amend this RFP as necessary. All materials submitted to the District in response to this RFP shall remain property of the District.

Event	Date
Advertisement of RFQ/RFP	November 5th and 12th
Prequalification Applications Due	November 19th
Deadline for Proposers’ Questions re RFQ/RFP	November 19th
District Issues Responses to Proposers’ Questions	November 24th
RFQ/RFP Proposals Due	November 29th
District Issues Notice of Intent to Award	December 6th
Board Approval of Contract	Appx. December 15th

District invites qualified firms to submit proposals with respect to the Project described herein and potential future projects consistent with those described in **Exhibit A**.

In general, the firm(s) selected as a result of this process (“Firm”) will provide a proposal to the District to perform the work required for the Project and thereafter work cooperatively with the District Board, staff and consultants, the architect of record and design team, and the Project inspectors, to facilitate the timely completion of the Project.

The District wishes to retain a Firm that has the financial strength, management, and expertise to assist the District with delivering the Project within the proposed schedule. The District reserves the right to choose individual members of the Firm or the entire Firm.

A. Description of Project

The Project for which the District is seeking responses will include the District's Project as more specifically described in **Exhibit A**, attached hereto.

B. Description of Preconstruction Services

The successful contractor may be requested to perform services related to scheduling, value engineering, and design and constructability review:

- Firm shall work with District staff and architect to develop an overall construction budget and construction schedule.
- Firm shall assist the District with providing plans and specifications for the building(s) to be constructed.
- Firm shall assist the District by providing detailed and ongoing evaluations of the Project, including the plans and specifications (the "Plans and Specifications"), detailed construction budget cost projections, Project schedule and phasing requirements, analysis of the District's overall Project budget, Project constructability reviews of Architect's work, leadership, and participation in youth and community involvement efforts, and implementation of community benefits and local work force options and opportunities. Such evaluations shall include alternative approaches to design, development, and construction of the Project.
- Firm shall attend regular meetings during Project design, development, and document production phases between Architect, Construction Manager, and the District, and any other applicable consultants of the District, as required.
- Firm shall assist with considering operating or maintenance costs with respect to selecting systems (mechanical, electrical, lighting, bell/intercom, etc.) for the Project. Firm will provide life cycle costing analyses as requested toby District.
- Firm shall perform services related to scheduling a detailed analysis of both the preliminary and the final Plans and Specifications and provide the District with value engineering, and design and constructability review. and recommendations regarding scope and budget of the Project, suggested value engineering items, long lead purchases, and a plan for revising the Plans and Specifications to the extent necessary to achieve the District's goals and objectives, including Project completion dates.
- Firm shall assist the District in obtaining all local and state licenses, permits, requirements, and approvals including, but not limited to, approval from the Division of the State Architect ("DSA"), approval from the Office of Public School Construction ("OPSC"), and compliance with requirements of the California Environmental Quality Act ("CEQA").
- Firm shall work with District's legal counsel to prepare necessary agreements for completion of the Project.
- Firm shall provide construction cost estimates at the following design milestones: Schematic Design, Design Development, and 50% Construction Documents.

- Firm shall provide budget tracking during the course of design to determine the cost impact of the development of the design and scope changes.
- During the Construction Document phase of the design, the contractor shall coordinate the work of the design build subcontractors.
- Firm shall negotiate with the District a Guaranteed Maximum Price for the construction of the Project which shall become the basis for the lease agreements.
- Firm shall perform any other services ordered by the District to facilitate the timely and cost effective completion of the Project.

C. Agreement Structure

District will lease the applicable site to the contractor and require the contractor to construct improvements on the site.

The lease will include a financing component for the project either through third party financing or by extension of the term of the lease beyond the duration of the construction for a period mutually agreeable to the parties (likely between 6 months and 2 years).

The District will have the ability to occupy the site during the financing period, and a portion of the construction cost due to the contractor will be paid as lease payments during the financing period. Financed amounts shall be subject to a mutually agreeable financing charge. The agreement will permit the District to pay the financed amounts early, and at any time after project completion.

D. Prequalification Requirement

In order to be awarded a contract for the Project or any portion thereof, the successful Firm must be prequalified pursuant to the District's policies and procedures. In addition, and as further set forth below, the Firm will be responsible for the prequalification of any mechanical, electrical, plumbing, or iron/steel subcontractors.

Proposers must submit prequalification applications **not later** than ten (10) working days prior to the RFQ/RFP response deadline. However, proposers are encouraged to submit prequalification packets as soon as possible, as a submission ten (10) working days prior to such deadline will not guarantee timely prequalification. It is the responsibility of each proposer to ensure that it is prequalified **not less than** five (5) working days prior to the deadline for RFQ/RFP submissions.

A copy of the District's prequalification questionnaire is available online through PQ Bids at: <https://pqbids.com/perris/>

E. Education Code Section 17407.5

Firms must comply with the requirements set forth in Education Code section 17407.5 and Public Contract Code §§ 2600, et seq. pursuant to AB 566 to provide a "skilled and trained workforce."

F. Prevailing Wage

Firm shall comply with the provisions of the Labor Code pertaining to payment of the generally prevailing rate of wages and apprenticeships or other training programs. The Department of Industrial Relations has made available the general prevailing rate of per diem wages in the locality in which the work is to be performed for each craft, classification, or type of worker needed to execute the contract, including employer payments for health and welfare, pension, vacation, apprenticeship, and similar purposes. Copies of these prevailing rates are available to any interested party upon request and are online at <http://www.dir.ca.gov/DLSR>.

The Firm and all subcontractors shall pay not less than the specified rates to all workers employed by them in the execution of the contract. It is the Firm's responsibility to determine any rate change.

The schedule of per diem wages is based upon a working day of eight (8) hours. The rate for holiday and overtime work shall be at least time and one half.

G. Labor Compliance Monitoring

The Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations. In accordance with Labor Code § 1771.1, all bidders, contractors, and subcontractors working at the site shall be duly registered with the Department of Industrial Relations at the time of bid opening and at all relevant times. Proof of registration shall be provided to all such contractors prior to the commencement of any work.

H. Submittal Requirements

All responses should include the following items in the order set forth below:

1. Cover Letter
2. Table of Contents
3. Project Specific Proposal

The District's Project is set forth in detail in **Exhibit A**. For the Project:

- Provide your proposed fee in the form provided in **Exhibit B**, for the Project. Include a not-to-exceed fee for preconstruction services billed at hourly rates; also include a Construction Services Fee expressed as a percentage of the total final project cost. What this means is that Firms are requested to propose a percentage fee – for example, 10% of the total final project cost. In that example, if the total final project cost is \$10,000,000, then the Firm's fee would be \$1,000,000. That fee includes overhead, profit, and all costs, including, but not limited to, insurance, bonds, labor, and general conditions. Note that this is a preliminary fee proposal, and will be updated and finalized as a Guaranteed Maximum Price later.
- Specify the warranty period included in this estimate, and any warranty restrictions.
- Describe your experience with projects similar to those being considered by the District.
- Provide specific examples of similar projects you have completed using a Lease-Leaseback delivery method, and state whether you were able to return any unused contingency to the District.
- Describe how you would determine pricing for the project.

4. Firm Information

- Name, address, and brief history of the Firm. Please include any former names of the Firm and the number of years the Firm has participated in construction as a general.
- Your Department of Industrial Relations Registration Number.
- Organizational chart of the Firm.
- A description of the Firm and its organizational structure. Resumes of personnel to be involved with the Project should be included, including their school construction experience. Upon engagement, any change in personnel must be approved by the District. The Firm shall be responsible for any additional costs incurred by the engagement of a change in personnel.
- Provide the volume of construction in dollars for each of the past five (5) years.
- Provide a statement regarding the Firm's availability, experience, and personnel resources.
- Provide a statement on financial resources, bonding capacity, and insurance coverage.
- Provide a claims statement: Submit a statement indicating any and all suits or claims in which the Firm or its personnel were involved in any way with litigation regarding construction projects within the past five (5) years.
- Contractor license number and whether license has been revoked or suspended in the last five (5) years.
- Provide evidence of signatory's authority to sign for Firm.
- Location of nearest local office and main office, if different.

5. Relevant Experience

- Description of the Firm's experience with respect to the areas of school or similar construction over the past five (5) years. Specifically, please provide:
 - A list of the ten most relevant projects your Firm has been involved with for the past five (5) years where the total project value exceeded \$1,000,000.00. Within that list:
 - Identify the projects involving public and private schools;
 - Provide a contact name and number for the owners and indicate which key Firm personnel worked on each project. List those areas where subconsultants will be required and where the Firm has in-house expertise. Provide resumes of persons providing each of these services and for key personnel assigned to the Project.
 - Include examples of other similar project assignments on the part of the Firm.
 - List projects your Firm has successfully completed that have some or all of the following obstacles, including the creative solutions from the Firm on how these obstacles were overcome:

- A very aggressive schedule;
- Significant budgetary restrictions.
- Be prepared to expand upon the following in interviews:
 - what you did to accommodate the complexity of the project,
 - the needs of the clients on site,
 - minimize inconveniences, and
 - maximize their safety.

I. Description of District Needs and Project Administration

1. General Information

The design for the Project shall be submitted to the Division of the State Architect.

Firms submitting responses **must be prequalified** pursuant to Education Code section 17406 and Public Contract Code section 20111.6. Prequalification takes place **in advance of submitting a response**, and prequalification applications are available online through PQ Bids at: <https://pqbids.com/perris/>

The District intends to select the Firm that best meets the District's needs to perform the development and construction services as described in this RFP. The Firm will be the District's representative in relation to any trade contractors hired by the Firm, and will ensure compliance with the Project plans.

In addition to constructing the Project, the Firm's responsibilities include, but are not limited to:

- Value engineering,
- Procurement of long lead materials and products,
- Facilitating meetings with members or representatives of the school community with an interest in the Project,
- Master scheduling the Project per preliminary master schedule, milestones established by the District, and
- Budgeting for the Project.

2. "Lease-Leaseback" Structure

Any agreement reached will conform to the statutory framework for the lease/leaseback delivery method (Education Code section 17406 et seq.).

The Firm may be asked to perform a constructability review, develop cost estimates, review the Project plans and specifications, develop specific cost reduction strategies to address budgetary constraints maximizing the value to the Project of those cost reduction efforts, develop a guaranteed maximum price, and participate in development of the Project schedule.

3. Financing

The Firm will be responsible for financing a portion of the construction of the Project (e.g., five or ten percent of the total payments). During construction, the District shall pay tenant improvement payments. Once the Project is complete, the Firm shall lease the facilities constructed back to the District for a pre-determined monthly lease payment amount. The lease will include an early termination payment option for the District.

4. Preliminary Services (Preconstruction Services)

Selected firm may be required to provide preconstruction services work under the direction of the District staff and/or District appointed representative(s).

5. Construction Services

Selected firm will perform the construction phase of the Project, acting as a general contractor pursuant to Site and Facilities Lease Agreements and may contract with separate subcontractors to perform the various trades comprising the entire scope of work, consistent with the contract documents.

6. District Project Management Description

The District's Board of Trustees will be responsible for making final decisions, but the District's Superintendent or designee will be responsible for day-to-day decisions.

7. Guaranteed Maximum Price ("GMP")

- a. The District will require an open book policy with the Firm and its construction team.
- b. With the open book policy, the District will expect to have access to all subcontractor bids, value engineering back-up, contingency breakdown and tracking documents, general conditions breakdown and tracking documents, and contractor fees.
- c. The Firm will be required to provide at minimum three subcontractor bids for any and all work when possible. In appropriate circumstances, the District will have discretion to waive this requirement. Should the Firm self-perform any work, the Project team will evaluate the benefit of this to the Project, and other bids may be required, as determined by the District.
- d. The Firm will select subcontractors in accordance with Education Code section 17406. Specifically, the following subcontracting procedures shall be applicable to this work:
 - Proposals do not need to identify all subcontractors who will be used. However, contractors may identify subcontractors who will be used. The identification must be clear. All subcontractors that are identified in the proposal shall be afforded the protections of the Subletting and Subcontracting Fair Practices Act (Public Contract Code Section 4100 et seq.).
 - For subcontractors *not* identified in the proposal, the successful proposer shall proceed as follows in awarding construction subcontracts with a value exceeding one-half of one percent (0.5%) of the price allocable to construction work:
 - (i) Provide public notice of availability of work to be subcontracted in accordance with the publication requirements applicable to the competitive bidding process of the school district (once per week for two weeks in a newspaper of general circulation), including a fixed date and time on which qualifications statements, bids, or proposals will be due.
 - (ii) Establish reasonable qualification criteria and standards.
 - (iii) Award the subcontract either on a best value basis or to the lowest responsible bidder. This process may include prequalification or short-listing. This process shall not apply to

subcontractors listed in the original proposal. Subcontractors awarded construction subcontracts using this process shall be afforded all the protections of the Subletting and Subcontracting Fair Practices Act.

e. The GMP shall be submitted with spreadsheets showing full breakdown of costs. This breakdown will include a full itemization of costs associated with General Conditions for the Project. As back up, the Firm will submit spreadsheets to show subcontractors that were contacted, subcontractors who responded, and a low bid subcontractor list. All subcontractor bids received shall be included with the low bidder marked clearly as being selected.

8. Assurances

By submitting a response, the Firm acknowledges each of the following items and confirms that it will be willing and able to perform these items:

- The Firm shall be available to provide services that relate to the organization and development of the Project prior to the start of construction, including the following:
 - Site Evaluation
 - Plan Review
 - Design Team Meetings
 - Value Engineering
 - Detailed Construction Critical Path Method (“CPM”) Scheduling
 - Consult with District staff in relation to the existing site. The Firm should make site visits, as needed to review the current site conditions. During this evaluation, the Firm may make recommendations relating to soils investigations and utility locations and capacities, in order to minimize unforeseen conditions.
 - Provide plan review and constructability services with an emphasis on ensuring that the Project can be completed within the established schedule and within the available budget.
 - Attend meetings in District with the Architect and the design team as needed.
 - Provide a detailed analysis of all major Project systems with an emphasis on possible value engineering possibilities.
 - Produce detailed construction CPM schedules to be incorporated into the Project documents including identification of the Project critical path and agency approvals.
- Preliminary and Detailed Estimates: provide preliminary construction estimates using like-kind construction costs. Upon receipt of the Project plans, provide detailed construction estimates showing the values of all major components of the Project.
 - Construction Planning: Plan the phases and staging of construction, staging areas, temporary fencing, office trailer placement, access, etc. as required.

- Method and Strategic Plan: Describe your proposed method and strategic plan.
- Other services: Any other services that are reasonable and necessary to control the budget and schedule.
- Construction Services
 - Project Accounting and Management Systems: In concert with District representatives, develop the Project accounting and budget management systems. A process of up-to-date costs will be necessary. During construction, monthly reporting will be required.
 - Management of Project: Administer and coordinate on a daily basis the work of all trade contractors the Firm hires to work on the Project. Enforce strict performance, scheduling, and notice requirements. Document the progress and costs of the Project. Report proactively on potential schedule impacts. Recommend potential solutions to schedule problems.
- Work cooperatively with District, and the design team, and all of the Firm’s trade contractors to ensure the Project is delivered on time and within budget.
- Coordinate and attend weekly job site meetings and prepare and circulate minutes. Evaluate and process payment applications and verify progress. Evaluate and process change order requests if the Firm intends to seek reimbursement from the District.
- Evaluate and track requests for information (“RFIs”) and responses. Advise District as to status and criticality of RFIs. Evaluate and track submittals, substitutions and change orders. Work with District, and the design team to develop lists of incomplete or unsatisfactory work (“punchlists”).
- Submit necessary reports to state authorities, including DSA verified reports. Ensure that all other Project participants submit necessary documentation.
- Contractors must comply with requirements to provide a “skilled and trained workforce,” as set forth by the Education and Public Contract Codes.

9. Relationship to Outside Governmental Agencies

Depending upon the scope of work, Firm may be required to assist the District in working with various outside governmental agencies, including but not limited to, the following as applicable: City or County Planning Commissions and Departments, the Department of Toxic Substances Control, the regional water quality control board, the regional air quality management district, the California Department of Education, the Division of the State Architect, the State Allocation Board, and the Office of Public School Construction. Firm shall discuss its experience with each of these agencies.

10. Conflict of Interest

Firm shall certify that no official or employee of the District, nor any business entity in which an official of the District has an interest, has been employed or retained to solicit or assist in the procuring of the resulting construction agreement, nor that any such person will be employed in the performance of any construction agreement without immediately divulging of this fact to the District.

11. Assignment

Any construction agreement resulting from this RFP and any amendments or supplements thereto shall not be assignable by the successful Firm either voluntarily or by operation of law without the written approval of the District.

J. District's Selection Criteria and Scoring

The District will select the successful proposal based on the criteria below. The District shall assign a numerical score to each criteria on a scale listed after each criteria below (e.g., 0-10 points, etc.), based on evaluations of the responses and information received from contractors. The total shall be the best value score. The District will select the firm with the highest best value score. If the District and said firm cannot agree on contract terms, then the District shall select the next highest best value score and so on. The District reserves the right to reject all proposals. The scored criteria are:

1. Price. (0-60 points)
2. Technical expertise (including qualifications, past performance record, and experience). (0-20 points)
3. Strength of key personnel dedicated to project. (0-10 points)
4. Presence, knowledge, and understanding of local environment, including but not limited to city / county approval processes. (0-10 points)
5. Safety record. (0-10 points)
6. Design / value engineering approach. (0-10 points)
7. Project methods, approach, and organization, including methods for making up time. (0-10 points)
8. Financial background, stability, and experience with project financing. (0-10 points)
9. Ability to self-perform and which trades. (0-10 points)
10. Responsiveness to RFP. (0-10 points)

The District, in its sole discretion, may elect to interview Firm(s) or simply score submittals and make a selection.

A review and selection committee that the District intends to be composed of key personnel from within and outside the District will review and evaluate all submitted documents and information received per this RFP and the interview, if applicable.

Submittals will be opened privately to assure confidentiality and avoid disclosure of the contents to competing respondents prior to and during the review, evaluation and negotiation processes. However, to the extent that the submittals are public records under California law, the submittals may be released to the public if requested by members of the public.

Submittals will be reviewed for responsiveness and evaluated pursuant to established objective criteria, with particular attention to, without limitation, each respondent's qualifications, demonstrated competence in like construction, and the Firm's ability to integrate its personnel with the District's staff and consultants.

If a selection is made, it will be to the most qualified respondent with whom the District is able to successfully negotiate the terms and conditions of the required agreement documents.

Final selection of a Firm, terms and conditions of any and all agreements and authority to proceed with noted construction services, shall be at the discretion of the District.

If the District is unable to successfully negotiate a satisfactory agreement with terms and conditions the District determines to be fair and reasonable, the District may then commence negotiations with another firm until an agreement is reached or determination is made to reject all submittals.

K. Protests

A proposer may protest an award if he/she believes that the award was not in compliance with law, Board policy, or this RFQ/RFP's specifications. A protest must be filed in writing with the District Superintendent or designee within five (5) working days after receipt of notification of the intent to award the contract and shall include all documents supporting or justifying the protest. A proposer's failure to file protest documents in a timely manner shall constitute a waiver of his/her right to protest the award of the contract, and shall also constitute a failure to exhaust any available administrative remedy and bar any further action.

The District reserves the right to reject all irregularities or inconsistencies and the right to reject all proposals for any or no reason.

Exhibit A

Description of the Project

Name: Paloma Valley High School, Campus Improvements Project

Anticipated Project Cost/Budget: \$33,000,000.00

Project Description Phasing:

This project will include the construction of an addition to an existing building to create a new Administration Building, the construction of a Multi-Purpose Room/Culinary Program Building, the remodeling of the existing Administration/Library Building, reconfiguration and improvements to the Student Parking lot and student pick-up/drop off lane, the addition of a new traffic signal and related street improvements in front of the campus.

Construction phasing and scheduling of this project will be coordinated between PUHSD and the selected Contractor.

Project Schedule: The District desires to commence construction on this project in mid-2022 and complete the project approximately twenty-two (22) months thereafter.

Exhibit B

Fee Proposal

For the price proposal portion of the best value analysis, the District will evaluate, as discussed below, the not-to-exceed “Preconstruction Services Fee” combined with the percentage-based “Construction Services Fee” to determine the “Total Price Proposal.”

Preconstruction Services. The District will permit contractors to bill for preconstruction services on an hourly basis at mutually agreed upon rates set forth in the lease-leaseback instrument. Contractors should express their Preconstruction Services Fee as a not-to-exceed amount for preconstruction services on all projects described in **Exhibit “A.”**

Construction Services Fee.

1. Contractors should express their Construction Services Fee *as a percentage* to be applied to the sum of all “Base Construction Costs” which shall include (a) all subcontracts to be awarded by contractor for the Project, plus (b) all costs for materials and supplies for the Project. Contractors’ Construction Services Fee percentages shall be applied to each of the projects described in **Exhibit A** and any District-directed additional work. For purposes of evaluating contractor price proposals, the District will apply the percentages provided to a *hypothetical Base Construction Costs* amount of Seven Million Dollars (\$33,000,000).
2. After the completion of preconstruction services, selection of subcontractors, and any required DSA approval of the Plans and Specifications, contractor shall provide the District with objectively verifiable information of its costs to perform the work and a written rationale for the proposed GMP. Contractor’s written rationale shall detail the Base Construction Cost for the Project. The product of the actual Base Construction Cost, multiplied by the percentage offered by the contractor in its proposal for its Construction Services Fee, shall set the Construction Services Fee. The ultimate GMP shall be the sum total of the Base Construction Cost and the Construction Services Fee.
3. For clarity and avoidance of doubt, the Construction Services Fee should cover all sums the contractor will seek to recover that are not Base Construction Costs, including but not necessarily limited to:
 - a. General conditions and general requirements, including but not limited to temporary facilities, utilities, structures, fences, dust control, scheduling, safety, scaffolding, and SWPPP.
 - b. Overhead and profit.
 - c. Supervision of subcontractors and suppliers and other management responsibilities.
 - d. Anticipated materials, equipment, and employee/labor (including but not limited to wages, salaries, and benefits) costs for work performed by contractor.
 - e. All bonds and insurance, including but not limited to payment and performance bonds.

Price Proposal

1. Preconstruction Services Fee (not-to-exceed fee for preconstruction services billed at hourly rates):

\$ _____

2. Construction Services Fee (percentage calculated out to three (3) decimal places):

_____ % x (\$33,000,000 Hypothetical Base Construction Cost) =
\$ _____

3. Total Price Proposal (sum of items 1 + 2) =

\$ _____