



### *Study Session Report*

TO: Board of Trustees and Superintendent

PRESENTED BY: Steve Dickinson, Assistant Superintendent - Administrative Services

BOARD AGENDA ITEM: Construction Model and Project Labor Agreement Discussions

BOARD MEETING DATE: October 9, 2013

---

#### **BACKGROUND**

The Rancho Campana High School is scheduled to be built and open for the Fall of 2015. This is an extremely tight construction schedule. The District and Board of Trustees need to discuss the construction delivery method. The Board has also expressed an interest in having local contractors and local workers on this project.

#### **ADMINISTRATIVE DISCUSSION**

There are several construction delivery methods including: multi-prime, general contract, lease lease-back, and design-build. Administration will lead a discussion on which method best meets the District's needs, keeping in mind balancing the three main components of a project - time, cost and quality.

The Board will also discuss and define its interest in local contractors and workers. Tony Skinner, of the Tri-Counties Building and Construction Trades Council, will be at the meeting to share his perspectives on Project Labor Agreements. The District will also share its perspectives.

#### **FISCAL IMPLICATION**

None.

#### **RECOMMENDATION**

Information Only.



***Report to the Board***

TO: Board of Trustees and Superintendent

PRESENTED BY: Steve Dickinson, Assistant Superintendent - Administrative Services

BOARD AGENDA ITEM: Update on Project Labor Agreement for the Construction of Rancho Campana High School

BOARD MEETING DATE: October 23, 2013

---

**BACKGROUND**

The Board has expressed an interest in having local contractors and local workers for the Rancho Campana High School construction project, scheduled to be built and open for the Fall of 2015.

**ADMINISTRATIVE DISCUSSION**

As a study session agenda item on October 9<sup>th</sup>, the Board discussed its interest in local work for this construction project and the possibility of using a Project Labor Agreement (PLA). The Board and administration continue to work with local building trades, on a possible PLA as well as research the impacts of PLAs and what is in the best interest of the OUHSD.

**FISCAL IMPLICATION**

None.

**RECOMMENDATION**

Information only.

## Under tight deadline, Oxnard Union looks to hire school contractor

By Wendy Leung

Thursday, October 24, 2013

With the Oxnard Union High School District trying to build a Camarillo school in time for the fall 2015 semester, the school board is selecting a contractor without going through the traditional bidding process.

The board Wednesday night unanimously approved a lease/lease-back plan to build Rancho Campana High School in Camarillo.

State law allows school districts to use this funding mechanism of leasing property to a contractor and then leasing it back. School officials estimate this method will increase the cost of the project about 5 percent.

Assistant Superintendent Stephen Dickinson, however, said this method will likely prevent the district from being charged for change orders, or unexpected, sometimes costly alterations to construction projects.

Typically, most public agencies go through a sealed, competitive bidding process when hiring a contractor. Agencies must accept the contractor with the lowest bid.

School officials say using the lease-back method instead will save the district two to five weeks of time.

"We are down to the wire," said Kate Diamond of HMC Architects, a company hired by the school district.

Any delays in making the tight deadline could put off the school opening for a year, which consultants say would raise the cost of the project.

The district has budgeted about \$60 million for the project, with about \$40 million for construction. The funding comes from Measure H, a \$135 million initiative approved by voters in 2004 to build two high schools and improve existing campuses.

"The whole intention of a lease/lease-back is for public agencies to build a relationship with a contractor to gain efficiencies," Dickinson said.

Though the district could still solicit proposals by interested contractors under the

lease/lease-back model, the board plans to hire S.C. Anderson, a Bakersfield-based construction company already hired to build two district swimming pools scheduled to be completed in February.

“We’re extremely pleased with their product,” Dickinson said. “They’re already vetted.”

Trustees are expected to make a decision on S.C. Anderson at a special meeting Tuesday.

In the next few months, the school board will make decisions related to Rancho Campana in order for groundbreaking to take place in February. On Nov. 20, trustees will consider a project labor agreement with the Tri-Counties Building and Construction Trades Council, which represents various construction unions in the region.

The board was split on signing a union agreement.

Trustee John Alamillo, one of two board members opposed to such an agreement, said it would raise costs 5 percent to 20 percent because the contractor will have to pay workers more and charge the school district more.

“I’m not sure we want to tie ourselves with another labor group,” Alamillo said.

Steven Weiner, executive secretary and treasurer for the tri-counties council, disputed that argument. Weiner said workers make prevailing wages on public projects with or without a labor agreement.

“I have never seen an independent study that says it raises the cost of the project, and I’ve never heard of a contractor that pays his workers more than he has to,” Weiner said.

The school board started considering a project labor agreement because it was looking for ways to ensure local workers are hired for school construction. Under the labor agreement, the school district may set percentage goals for local hires, but they would be goals, not guarantees.

Dickinson said hiring locally can be a goal set during negotiations between the district and contractor without a project labor agreement.

But Trustee Socorro Lopez Hanson said construction workers need their rights protected. Hanson joined Trustees Wayne Edmonds and Steve Hall in backing the labor agreement.

“In a perfect world, they would not need protection,” she said. “Unfortunately, we are not in a perfect world.”



© 2013 Scripps Newspaper Group — Online