

CBOC Member Eric Tsai's questions (10/14/16) and responses (in red):

In regards to the IT project, the four Priority 1A projects came in at a construction cost of \$13.81/ while the current projects are coming in at \$19.20/sq. ft. I was told the 1A projects did not meet the PSA requirements but the costs were not lower due to the PSA as all companies have to pay prevailing wages.

There were many variables that impacted the price per square footage, as illustrated in the presentation given at the September 21, 2016, CBOC meeting, and later, at the September 28, 2016, Board meeting. Here is a link to the Board meeting presentation:

[http://www.boarddocs.com/ca/fremont/Board.nsf/files/ADZUH97C19DE/\\$file/IT%20Upgrade%20Board%20Report%209.28.pdf](http://www.boarddocs.com/ca/fremont/Board.nsf/files/ADZUH97C19DE/$file/IT%20Upgrade%20Board%20Report%209.28.pdf)

1. Of the four 1A projects, how many of the winning bids would have met the PSA requirements?

The successful bidder on all four 1A projects has engaged in PSA projects for other districts in the past, including Hayward Unified School District.

2. How many of those companies referenced above submitted bids for the current IT projects?

The contractor on the 1A projects did not submit a bid on the current IT projects, but one of the other bidders did bid again and was awarded a contract.

3. Was there any indication the PSA played any role in firms who submitted bids for the 1A projects deciding not to submit bids for the current projects?

We cannot speculate on the reasons any particular firm chose to not to submit a bid.

4. Can you briefly explain the difference between prevailing wage and PSA? I understand PSA requires companies to only use unions but if they had to pay prevailing wages regardless of the PSA, what difference does it make?

A Project stabilization agreement (PSA), sometimes referred to as a project labor agreement (PLA), is an agreement usually entered into between a project owner or developer (including public agencies) and several building trade unions. It is designed to govern employer-employee relations of the general contractor and all sub-contractors. The goals of the District's PSA are: 1) to provide for local hiring, 2) contain costs, and 3) give the District flexibility in management of projects; as well as prevent labor stoppages and other disruptions.

The prevailing wage rate is the mandated minimum wage for a particular type of work paid on public works projects.

Prevailing wages must be paid to all workers employed on a public works project when the public works project is over \$1,000.

On a side note, can I review the contract between the District and School Facility Consultants?

The School Facility Consultants' contract is with Vanir Construction Management, Inc., and not with the District.

Additional Questions (10 22/16):

1. In the January 2016 CBOC minutes, it says PLA will be one of the future meeting topics. Has the PSA topic been discussed as an agenda item at a CBOC meeting prior to or after adoption of the PSA?

Under "Future Meetings" the topics listed are suggestions, and subject to change. As of today, a PLA/PSA has not been a CBOC agendized item.

However, it was discussed under oral and written communications. At the 10/7/15 meeting, Eric Christen, Coalition for Fair Employment in Housing; and John Loudon, California Construction Group; and Gabriel Singh, 3D Datacom, attended. The first two guests "urged the CBOC to weigh in against the use of a PLA."

Additionally, prior to that meeting, the CBOC received an email (9/16/15) about a PLA from Nicole Goehring, with Board President Desrie Campbelled copied.

The 10/7/2015 CBOC minutes state:

"This topic (PLA) is not on the agenda therefore it is not open for discussion. The board will be looking at this on October 28. **The CBOC does not feel this falls under the jurisdiction of the committee.**"

In the December 2, 2015, minutes, Bryan Gephardt reported out to the CBOC that the Board took action to move forward with a PLA and was told that staff will be making a presentation to the CBOC once the PLA has been drafted.

The PSA has now been drafted and approved by the Board. The first projects to be covered by the PSA are just in the bid and award phase, so this would be appropriate timing to add this item to a future agenda.

2. What were the costs to implement the PSA and what are the anticipated costs to manage it? Are these costs paid out of Measure E funds?

The costs for implementation were primarily for our side of the negotiating team, which included an attorney and the consultants whom we have hired to monitor this program. The costs for negotiating the agreement were \$30,000 for an attorney, and \$5,075 for our PSA administrator. We have a contract with the PSA administrator of \$125,280 for the management of the program. These costs are not paid from Measure E. They are paid through Career Technical Education funding.