

## Are you ready for your next Construction project?



**Alliance of Schools for Cooperative  
Insurance Programs (ASCIP)  
November 15, 2011  
Moderator – Russ O'Donnell  
ASCIP's Chief Operating Officer**



## Are you ready for your next Construction project?

- ▶ We will hear from experts in the field of school construction regarding financing, architectural design, contractors, construction management and insurance regarding Design Build and Lease Leaseback delivery methods.



## Presenters

- ▶ Tony Hsieh, Managing Director/Manager of Public Finance at Keygent Financial
- ▶ Paul Westberg, Architect at Westberg & White
- ▶ Sharon Suarez, Partner at Orbach, Huff & Suarez LLP
- ▶ Mark Mardock, Executive Vice President at McCarthy Construction
- ▶ John Chino, Area Senior Vice President at Arthur J. Gallagher



## Are you ready for your next Construction project?

Tony Hsieh  
Managing Director/Manager  
of Public Finance  
Keygent Financial



## What is a General Obligation Bond?

- ▶ A general obligation (“GO”) bond is a common method of debt financing used by California school districts to finance capital projects.
  - Funds are available when bonds are issued.
  - Lowest borrowing cost of any debt financing technique available to school districts.
  - Debt service on bonds (principal and interest) is paid from taxes levied on assessed value of properties within school district boundaries.
  - Property tax can only be used to repay bonds, not for pay-as-you-go purposes.
  - No encroachment on district general fund.
  - Requires approval of district’s registered voters.



## Types of GO Bond Elections

2/3

Proposition 39

	2/3	Proposition 39
Board Approval Threshold	♦ Simple majority of members present.	♦ Two-thirds of total members.
Voter Approval Threshold	♦ Two-thirds	♦ 55%
Election Dates	♦ Any Tuesday.	♦ Statewide primary, general, special, or regularly scheduled local elections.
Use of Bond Proceeds	♦ Acquisition or improvement of real property only. ♦ No furnishings or equipment.	♦ Construction, reconstruction, rehabilitation or replacement of school facilities. ♦ Furnishings and equipment. ♦ Acquisition or lease of real property.
Accountability Measures	♦ None	♦ Citizens Oversight Committee. ♦ Annual audits.
Annual Tax Rate Limits per \$100,000 of Assessed Value	♦ None	♦ \$30 for elementary and high school districts. ♦ \$60 for unified school districts. ♦ \$25 for community college districts.



## GO Bond Program Variables

There are six variables districts must consider when formulating bond programs and issuing bonds.

- District Bonding Capacity:
  - Statutory limit on amount of GO bonds that can be issued.
- Interest Rates:
  - Impacts amount of bonds that can be issued at a fixed tax rate.
- District Assessed Value and Projected Growth:
  - Taxable base for determining amount of bonds that can be issued at a fixed tax rate.
  - Projected growth impacts bond issuance schedule and issuance amounts.
- Tax Rates:
  - Estimated to registered voters as part of bond measure.
  - Based on assessed value, bond issuance schedule and issuance amounts.
- Authorization Amount:
  - Principal amount of bonds approved by District voters.
  - Usually split up into several issuances based on facility needs and bond program assumptions.
- Structure of Bonds:
  - Length of bond repayment.
  - Use of current interest bonds, capital appreciation bonds or convertible capital appreciation bonds.



## Sample Nov. 6, 2012 Election Timeline

Activity	Timing
Develop or update District facility needs assessment to identify and prioritize potential bond projects.	Currently - June 2012
Assemble bond team, including District personnel, financial advisor, bond counsel, pollster and strategist .	Currently - June 2012
Determine all available sources of capital improvement funds, including State funds, capital fund reserves, donations, developer fees, and bond proceeds.	Currently - June 2012
Begin community outreach to educate voters on District's facility needs.	Currently & Ongoing
Identify issues within the community that could impact the bond election.	Currently - June 2012
Conduct voter opinion survey (if required).	June 2012
Adjust community messages based on voter opinion survey.	June 2012 - July 2012
Identify community leaders to serve on campaign committee.	July 2012
Finalize bond projects list, election amount, estimated tax rates, and draft ballot language.	July 2012
<b>Adopt resolution, including tax rate statement, calling for bond election (must be received by County Registrar of Voters by August 10, 2012).</b>	July 2012
Prepare impartial analysis (bond counsel, county counsel) and pro-ballot argument (committee, campaign consultant) for voter pamphlet.	Aug 2012
Fund raising by bond committee.	Aug 2012 - Oct 2012
Conduct active "Yes on" campaign.	Aug 2012 - Oct 2012
Election.	November 6, 2012
Certify election results.	December 2012
Issuance of bonds.	February 2013

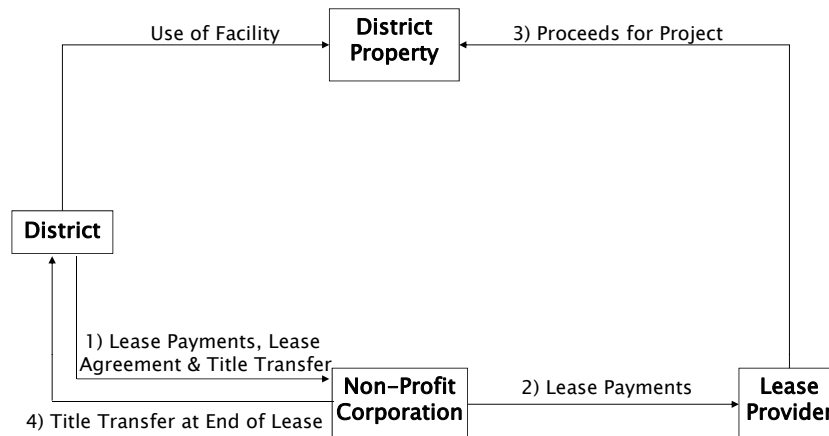


## What is a Certificate of Participation/Lease?

- ▶ A Certificate of Participation (COP)/lease is a common method of borrowing typically used to construct/acquire real or personal property.
  - The District enters into a lease and makes lease payments.
  - Proceeds are used to construct/acquire real or personal property.
  - Property title is transferred back to the District at the end of the lease.
  - Higher cost of borrowing when compared to GO Bonds due to General Fund versus property taxes as source of repayment.
  - Impacts general fund.
  - No voter approval required.
  - Maximum term of useful life of property, up to 40 years.

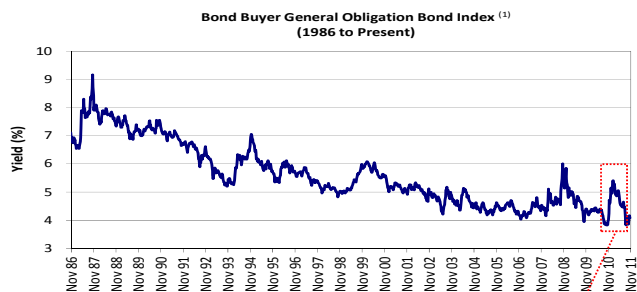


## Lease Diagram



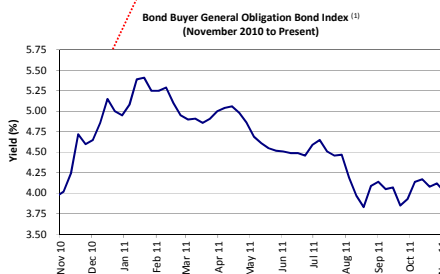
## Current Market Conditions

Municipal bond interest rates have recently experienced significant volatility but are generally near their historical lows.



(1) Index reflects average yield to maturity of a sample of 20 general obligation bonds with 20-year maturities rated Aa2 by Moody's Investors Service and AA by Standard & Poor's.

Source: The Bond Buyer & Bloomberg.



## Are you ready for your next Construction project?

Paul Westberg  
Architect  
Westberg & White

## Construction Funding for Delivery Systems in the mid-1980's

- ▶ State was funding 100% for both Growth and Modernization.
- ▶ \$400 million State Bonds (which seemed more than enough at the time).
- ▶ Lack of knowledge by most districts on how to access funds at State and create eligibility.
- ▶ Very few Local GO Bonds at this time (San Francisco Unified was one of the first but spent all their monies on only half their sites).
- ▶ Master Plans were suggested by State to define expenditures per site.



## Construction Funding for Delivery Systems in the mid-1980's

- ▶ District's started to understand how to get a piece of the pie at the State and thus cause State Bond amounts to rise quickly from millions to billions.
- ▶ Demand outstretched the State's ability to fund this the "Match" came into play.
- ▶ Modernization      60/40
- ▶ Growth                50/50
- ▶ Approximately 6,800 school sites in California and most qualified and were in need of modernization.



## Construction Funding for Delivery Systems in the mid-1980's

- ▶ Major Growth and also Logistical changes in inner State demographics caused high demand for “New Schools”.
- ▶ Last Major Bond at State level (approximately \$26 billion) caused a real economic shift in “How we build Schools”.
- ▶ Too much money chasing too few contractors.
- ▶ Southern California bid climate goes completely upside down when LAUSD is bidding work (more money than God).



## Construction Funding for Delivery Systems in the mid-1980's

- ▶ Material prices for public work competing with private sector demands as well as overseas demand (China).
- ▶ Master Plans becoming immediately out of date.
- ▶ Select CM/PM for change in construction delivery method.
- ▶ Architects really don't know exactly what the Bid Day price will be (hated Tuesday/Thursday at 2 pm).
- ▶ Multiple Prime (capturing existing subs that are part of the contractor's existing Team).



## Construction Funding for Delivery Systems in the mid-1980's

- ▶ GC with sub multiple prime (small subs not able to Bond for projects thus need wrap around by GC).
- ▶ CM at Risk, etc.
- ▶ And Now "TODAY".



## Are you ready for your next Construction project?

Sharon Suarez, Esq.  
Partner  
Orbach, Huff & Suarez LLP

Mark Mardock  
Executive Vice President  
McCarthy Construction



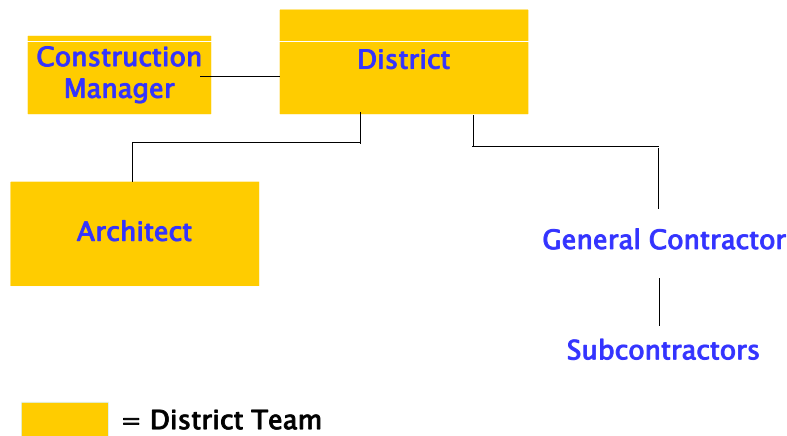
## Design-Bid-Build – General Contractor

### Bid Limits

- ▶ California school districts and community college districts must publicly bid contracts for construction projects over \$15,000 (Public Contract Code §20111 and 20651), unless there is an exception.
  - Drawbacks of Design-Bid-Build:
    - Contractor is selected by low public bid.
      - “It’s a very sobering feeling to be up in space and realize that one’s safety factor was determined by the lowest bidder on a government contract.” – Alan Shepard – May 1961, Project Mercury – first American in space.
    - Requires owner to manage both architect and contractor, who are often at odds.
    - No pre-construction services provided by contractor.
    - Owner has full exposure to change orders and claims.



## Design-Bid-Build – General Contractor



## "New Normal" in K-12 Market

- Influx of Contractors from Other sectors.
- Lower Construction Costs.
- Reduced Overhead and Profit.
- Bids Based on Greater Productivity.
- Focus on Backlog Volume Rather than Business Profitability.
- Predominance of Bid Protests.
- Contractors Taking the Work Below Cost.
- Greater Number of Claims.
- Performance Issues and Unpaid Bills.



## What "New Normal" Means to the District?

- Contractor with the Biggest Mistake Gets the Project.
- Higher Volume of Claims.
- Quality Issues with Contractors unfamiliar with DSA and School Construction.
- Contractor and Subcontractor Defaults.
- Schedule and Performance Issues.
- Increased Contractor Disputes and Bogus Change Orders.
- Increased Legal Issues.



## Managing Risks in Today's Market

- ▶ Consider Alternative Procurement Methods
  - Lease-Leaseback:
    - Preliminary Service Agreements for Preconstruction.
    - Collaborative Partnership.
    - Open Book GMP or Lump Sum.
    - Best Value Selection.
  - Design Build:
    - Early Price Certainty.
    - Multitude of Design Solutions.
    - Best Value Selection.



## Lease Leaseback

### LLB Exception

- ▶ Lease leaseback (“LLB”) is an exception that was enacted at a time when there was a shortage of money for school construction. Therefore, financing has historically been part of the arrangement, but not used much anymore.
  - Education Code §17406(a) – K-12:
 

*“...a school district, without advertising for bids, may let ... real property that belongs to the district if the [lease] requires the lessee ... to construct ... a building or buildings for the use of the school district.”*
  - Education Code §81335 – CCD:
 

*“...a community college district may let ... real property which belongs to the district if the [lease] requires the lessee ... to construct ... a building or buildings for the use of the community college district.”*



## Lease Leaseback – Recommended (Usual) Procurement Method

### Architect

- ▶ First, owner selects architect through RFP/RFQ to design project.

### Builder

- ▶ District selects builder through RFP/RFQ process.
  - Not required, but strongly recommended.
  - Criteria should include experience, qualifications and pricing (e.g., general conditions, fee, OH&P, etc.).

### PSA

- ▶ Owner enters into preliminary services agreement with builder.
  - Depends on status of design, etc.
  - Builder has an opportunity to provide input into the design.

### DSA

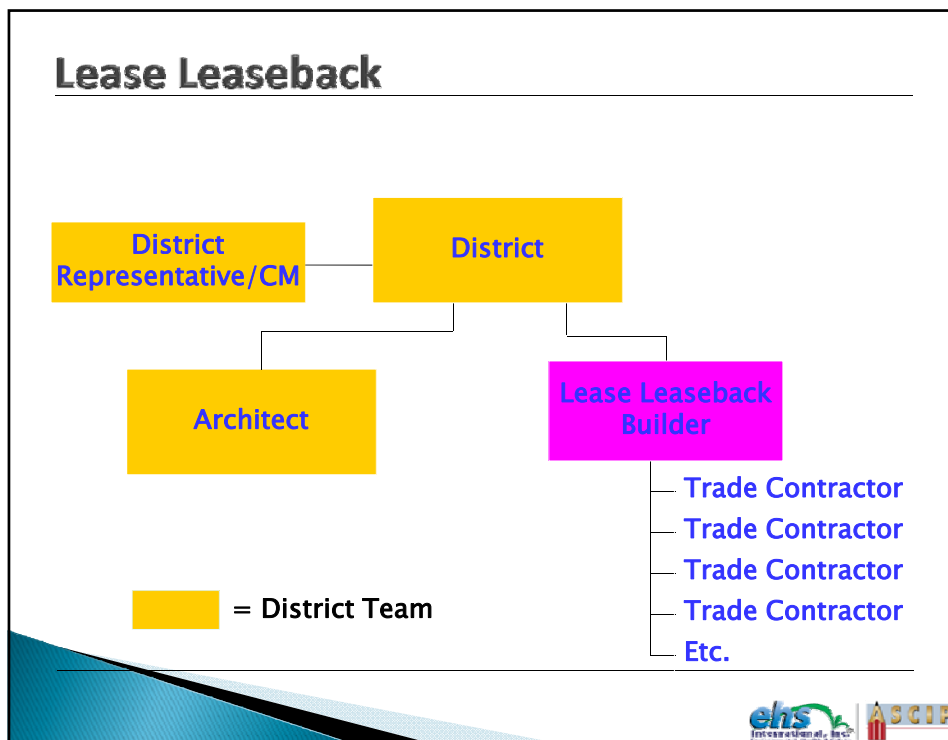
- ▶ Architect completes design and gets DSA approval.



## Lease Leaseback – Basic Structure

- ▶ **Site Lease** – District leases real property to a builder for \$1.
- ▶ **Facility Lease** – Builder constructs facility, then leases the facility back to the district. This is the “leaseback” component.
- ▶ District payments for construction costs:
  - Tenant improvement payments during construction.
  - Lease payments after construction.
- ▶ Title to the new facility vests in the District as lease payments are made.
- ▶ District makes lease payments for period of time and then has the option to make a balloon payment to builder to buy out the facilities lease.





## Lease Leaseback Contracts Are Still School District Public Works Contracts

**Builder Must Pay Prevailing Wages** (Ed. Code §17424 and §81350).

**Payment Bond Required:**

- ▶ Civil Code §3247: “Every original contractor to whom is awarded a contract by a public entity . . . in excess . . . of \$25,000 for any public work shall file a payment bond.”
- ▶ Require a performance bond too.

**DSA Approval Required:**

- ▶ Design documents must be approved by DSA before entering into agreements (Ed. Code §17402 and §81332).

**Field Act Compliance Required:**

- ▶ Construction is subject to all State approvals, including Field Act (Ed. Code §17421 and §81348).

## LLB Provisions That Must Be Considered

### Funding

- ▶ Most districts have construction funds available for their project. Those districts make “tenant improvement” payments during construction.
  - In those instances, critics have asserted that the lease is, in fact, a conventional construction agreement.
  - But, Section 17406 and 81335 do not state that the District’s payments be financed or that payment be deferred until the project is completed.

### Buy Out

- ▶ District must consider how quickly it will buy out the lease.
  - A 6-month required occupancy prior to a buy-out option is more commercially typical than a buy-out option on the first day of the district’s occupancy.
  - Districts have approved buy-out options at the time a “final payment” would be due under a standard construction contract (i.e., after 35 but no later than 60 days after Notice of Completion).



## Comparison of LLB with Design-Bid-Build

### Cost

- ▶ Cost of LLB contract may be higher than if publicly bid (e.g., builder has less incentive to reduce fee or overhead/profit amount).
- ▶ But, cost savings can be achieved:
  - Include cost in the RFP/RFQ as a qualifying factor.
  - Require builder to use the lowest bid for each trade contract, unless it can show to the District’s satisfaction why it wishes to use the second lowest bidder.
  - Require builder to solicit bids from local contractors.
  - Value engineering performed by builder during design should decrease cost of LLB contract.
  - Reduced role of construction management decreases overall project costs.



## Comparison of LLB with Design-Bid-Build

- ▶ **Quality**
- ▶ Increased quality due to:
  - Builder is selected based upon qualifications, experience and track record of successful DSA school construction.
  - Participation by builder during design should result in better overall project quality.
  - Builder takes on role of partner.
  - Reduces risk of change orders and delay claims.
  - Most LLB projects are completed on time.
- ▶ **Fairness and Openness**
  - RFP/RFQ process ensures open and fair selection.
  - "Open Book" communication.
- ▶ **Concerns**
  - Some sectors of building industry and State have voiced concerns related to LLB.



## Prudent Steps

- ▶ Construction cost should be in the ballpark of price if project had been competitively bid.
- ▶ Structure agreement so that it resembles a lease agreement as closely as possible.
- ▶ Pick a builder:
  - That has completed many previous LLB projects.
  - That has a solid track record of timely completion.
  - If possible, that the District has had good experience with.
- ▶ District can file a validation action after Governing Board approves a LLB contract.
  - Most Districts do not do this anymore.



## Design-Build

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### Design-Build Exception

- ▶ Design-Build (“D-B”) is an exception enacted for school districts in 2001, initially only for projects over \$10 million, now (since 2008) for both K-12 and CCD projects over \$2.5 million.



## Design-Build: K-12

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### Education Code §17250.10 et seq. – K-12:

*“ ... the governing board may enter into a design-build contract for both the design and construction of a school facility ... if the governing board makes written findings that use of the design-build process on the specific project under consideration will accomplish one of the following objectives: reduce comparable project costs, expedite the project’s completion, or provide features not achievable through the traditional design-bid-build method”.*



## Design-Build: CCD

### Education Code §81700 et seq. – CCD:

*“ ... the governing board may enter into a design-build contract for both the design and construction of a community college facility ... if the governing board makes written findings that use of the design-build process on the specific project under consideration will accomplish one of the following objectives: reduce comparable project costs, expedite the project’s completion, or provide features not achievable through the traditional design-bid-build method”.*



## Design-Build

- ▶ **Education Code §17250.20 and §81702(a):**
  - Board must make determination that D-B is in the best interest of the school district.
  - Cost of project must exceed \$2.5 million.
  - Board must evaluate both traditional D-B-B and D-B process in a public meeting.
  - Must make written findings as to cost reduction, expediting project completion and possible special project features.
  - Two types of D-B: “Low Bid” and “Best Value”.
    - “Best Value” provides more flexibility because it allows the owner to consider non-price factors in selecting the D-B entity.



## Design-Build (Best Value)

### Procurement Method

- ▶ **Single Design-Build Entity**
- ▶ Owner selects a pre-qualified design and construction entity through RFP process (Ed. Code §17250.25 and §81703):
  - Owner must pre-qualify D-B entities (Ed. Code §17250.25(b):
    - Demonstrated ability to perform the contract.
    - Must use DIR forms.
  - Owner selects D-B entity through RFP of pre-qualified D-B entities (Ed. Code §17250.25(a) and §81703 (b)):
    - Must include project description (scope, size, type, desired design character, performance specifications, preliminary plans prepared by a licensed architect and expected cost range).
    - RFP must specify methodology and rating/weighting of evaluating proposal.
    - RFP must specify procedure for final selection of D-B entity (Ed. Code §17250.25(c) and §81703(c)).



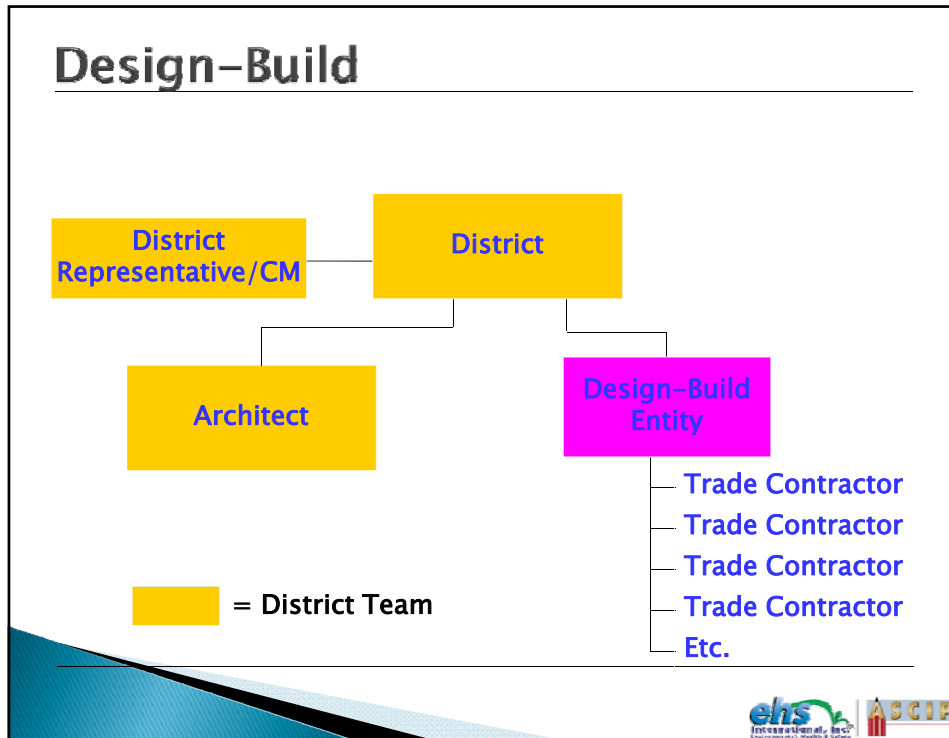
## Design-Build (Best Value)

### Procurement Method

#### Award of Contract



- ▶ Ed. Code §17250.25(c) and §81703(c):
  - D-B entities are ranked using established, published criteria from most advantageous to least advantageous.
    - Based on performance and other criteria set forth in the RFP including such things as design approach, life cycle costs, project features, and project functions.
  - Award is made to the responsible bidder whose proposal is determined to be the “best value” to the school district.
    - “Best value” is a value determined by objective criteria established by the school district that may include price, features, functions and life-cycle costs (Ed. Code §17250.15(a) and §81701(a)).
    - District is “strongly encouraged” to retain architect during construction to ensure proper project execution (Ed. Code §17250.35 and §81705(a)).





## Design-Build Contracts Are Still School District Public Works Contracts

- ▶ **D-B Entity Must Pay Prevailing Wages** (Ed. Code §17250.30(d) and §81704(d)).
- ▶ **Payment Bond Required**
  - Civil Code §3247: “Every original contractor to whom is awarded a contract by a public entity . . . in excess . . . of \$25,000 for any public work shall file a payment bond.”
  - Require a performance bond too.
  - Must use DGS forms of bonds (Ed. Code §17250.30(b) and §81704(b)).
- ▶ **DSA Approval Required**
  - Design documents must be approved by DSA before commencing construction (Ed. Code §17263 and §81133).
- ▶ **Field Act Compliance Required**
  - Construction is subject to all State approvals, including Field Act.
- ▶ **Retention**
  - Retention cannot exceed 5% (Ed. Code §17250.30(c)(4) and §81704(c)(4)).

## Comparison of D-B with Design-Bid-Build

### ▶ Cost

- Cost of D-B contract may be higher than if publicly bid because factors other than cost are considered.
- But, cost savings can be achieved:
  - Cost is a qualifying factor in the RFP.
- D-B entity must competitively bid the trade (Ed. Code §17250.30(c)).
  - Value engineering/cost effective design solutions meeting performance criteria can be implemented during design.
  - **Owner is not responsible for design errors.**
  - Reduced role of construction management/contract administration.
  - Early total price commitment.
  - Allows for expedited scheduling.



## Comparison of D-B with Design-Bid-Build

### ▶ Quality

#### ▶ Increased quality due to:

- D-B entity is selected based upon qualifications, experience and track record of successful D-B school construction.
- **Builder is involved in the design process.**
- Builder takes on more responsibility and therefore is more motivated to manage costs.
- Simplified contract administration.
- Certainty in performance/quality.
- Builder takes on role of partner.
- Reduced change orders and delay claims.
- Most D-B projects are completed on time.

#### ▶ Fairness and Openness

- RFP/pre-qualification process ensures open and fair selection.



## Advantages of Design-Build

- Provides Multiple Design Solutions.
- Limit Exposure to Claims.
- Higher Quality Contractors/Subcontractors.
- Certainty in Performance/Quality.
- Early Total Price Commitment.
- Maintains Competitive Pricing.
- Select Contractor as a Partner.
- Allows for Expedited Scheduling.



## Are you ready for your next Construction project?

Paul Westberg  
Architect  
Westberg & White



## Architects contribution and perspective on New Delivery Methods

- ▶ Not faced with “lowest responsive bidder”, which quite often means battles ahead.
  - Previously faced with “pre-qualification committees”, which could end in litigation.
- ▶ Greater Accountability amongst Team Members because Contractor and Architect start the project together.



## Architects contribution and perspective on New Delivery Methods

- ▶ Fewer changes to scope because of Owner’s reduced role during construction (decisions made by all early in the project design).
  - The Team does all the selection of materials, methods and aesthetic forms during the design process therefore value engineering will not be needed after construction documents are completed.
  - Integrated Project Delivery (IDP) – all Team members are contributing all professional capabilities at the start of the project.
  - Building Information Modeling (BIM) – Revit programmed construction documents for 3, 4, or 5 dimension documents used by Team.



## Architects contribution and perspective on New Delivery Methods

- ▶ Build it in Model Space before you build it in Real Space (3D) for visual walk through for Owner.
- ▶ Schedule Integration (4D).
- ▶ Cost Estimates (5D).



## Are you ready for your next Construction project?

John Chino  
Area Senior Vice President  
Arthur J. Gallagher



## Straight from the Headlines

▶ 2009

“California Workers’ Compensation Rate Increases Continue with SCIF Increase”.

(6/6/09 – CompNews Network)

▶ 2010

“Proposed 28% increase in Workers' Compensation rates blasted”.

(11/20/10 – LA Times)

▶ 2011

“California Workers’ Compensation bureau may recommend rate increase up to 40%”.

(4/4/11 SF Examiner)



## News from the Headlines Today!

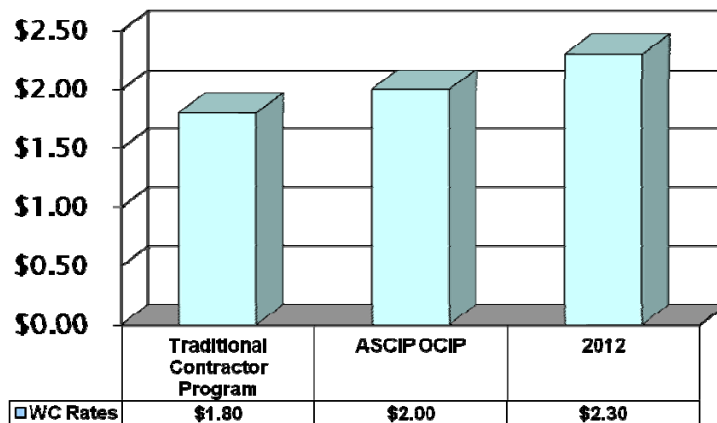
▶ **FLASH REPORT!**

▶ **Workers' Compensation Rates Increased 37% by Commissioner Jones.**

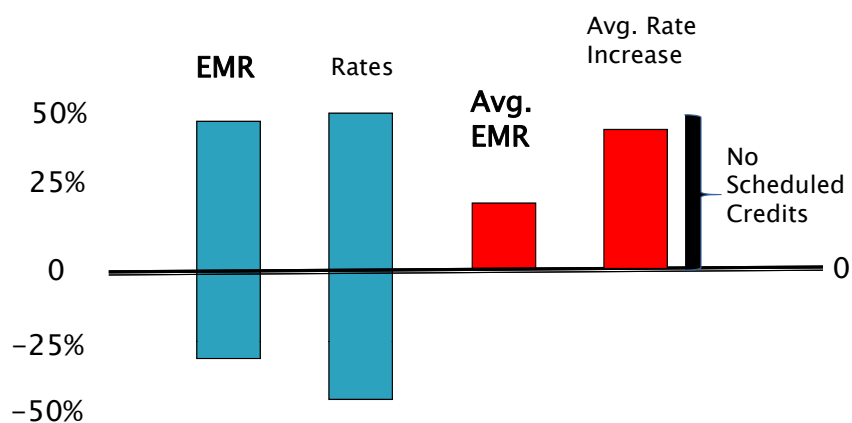
“Against a backdrop of a horrid economy and small businesses in trouble, California Insurance Commissioner Dave Jones today effectively approved a 37% increase in workers' compensation rates for 2012. The decision means California employers will pay a lot more for workers' compensation next year than they did last year.”



## WC Rate Comparison

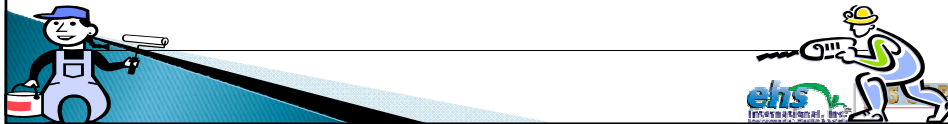


## Workers' Compensation Rate



## Traditional Insurance Program

- ▶ Contractors/Subs all have own insurance carriers.
- ▶ District/CM is responsible:
  - Manage insurance documents for contract compliance for all parties.
  - Verifying insurance/certificates/endorsements.
  - Track coverage certificates/endorsements at renewal.
  - Ultimate responsibility for accidents and injuries (deep pocket).
- ▶ Typical Challenges:
  - Insurance not in compliance with contract and/or lapse at renewal.
  - Insurance Rates are subject to market whims and change every year.
  - Finger pointing by various insurance carriers when a loss occurs.



## OCIP Concept

- ▶ Single insurance program – one major carrier.
- ▶ OCIP covers the entire construction project including district (owner), contractors, and all subs.
- ▶ OCIP Administrator responsibilities:
  - Enroll all contractors/sub-contractors for coverage.
  - Verify insurance/certificates/endorsements.
  - Ensure safety compliance with contractors.
  - Provide safety training and incentives.
  - Manage all claims and litigation arising from the project.



## OCIP Benefits

- ▶ Completes Projects Safely and On Time.
- ▶ Provides Broad Coverage and Deductible Limits.
- ▶ Offers access to WeTip, a safe means to report crime information for cash reward.
- ▶ Provides insurance fraud prevention through verification of enrolled subcontractors' certificates of insurance.
- ▶ Encourages Small and Local Business Participation.
- ▶ Supports Project Labor Compliance Efforts.
- ▶ Reduces the Potential for Cross-Litigation.
- ▶ Cost Savings.



## Broad Coverage & Dedicated Limits

### LIMITS PER PROJECT

◆ Workers' Compensation/ Employer's Liability	Statutory/\$26 million
◆ General Liability	\$27 million
◆ Breach of Contract (Defense Costs Only)	\$50,000
◆ Ten (10) Year Completed Operations	
◆ Crisis Intervention Coverage	\$100,000
◆ Builders' Risk	Included *
◆ Contractors Pollution Liability	\$5 million

\*ASCIP members have Builder's Risk coverage **while covered** under the ASCIP Property MOC. This coverage has a limit of \$50MM per occurrence. Optional excess Builder's Risk coverage should be considered for those projects greater than \$50MM.



## ASCIP OCIP Program Highlights

- ▶ Largest Rolling Scholastic OCIP in California.
- ▶ Approximately \$2 Billion in Total Active/Completed Project Values.
- ▶ 28 Member Districts Participating.
- ▶ 39% Loss Ratio as of March 2011.



## Cost Savings Example

### ◆ Modernization/New Construction Project

Hard Construction Costs*:	\$ 25,000,000
Project Duration:	TBD

\* Hard construction costs are the actual construction costs minus soft costs and insurance costs.

OCIP Premium:	\$625,000 (2.5% of Hard Cost)
Actual Contractor Insurance Cost:	\$750,000 (3% of Hard Cost)
Savings	\$125,000

Final Premium is based on Final Hard Costs including change orders.



## Are Cost Savings Real?

### Evaluating Costs Through the Bidding Process:

- ◆ Prepare construction bid language to include bidding net of insurance costs.
- ◆ Award bid to winning contractor.
- ◆ Winning contractor to provide insurance costs to construction project for all contractors/sub-contractors for comparison to OCIP cost. The general contractor or prime contractor will be required to submit their declaration pages for Workers' Compensation and General Liability.
- ◆ Construction project to proceed with or without OCIP program at District's discretion.



## Safety & Loss Prevention

- Loss control consultants are assigned to the project based on project size.
- Loss control manager provides incentives for safety i.e. free lunch, prizes, Z87.1 Safety Glasses.

100 Work Days With No Medical Claims –  
Lunch is on Us!



## Claims Management

- ▶ Claims management and oversight provided by the OCIP Administrator.
- ▶ Comprehensive registration methods to ensure workers on our District's site are covered.
- ▶ Clinics, claim forms and processes are approved prior to the start of construction.
- ▶ Workers' compensation and liability claims are handled by ONE insurer, thereby eliminating the "finger pointing" among insurers that takes place on a traditional project (reduces stoppages).



Address: http://www.cipworks.com/CIPworks/app/job/view\_overview.aspx?JobID=111

### JOB OVERVIEW PAGE

Jul 17, 2003    SPONSOR | PROGRAM | PROJECT | JOB | CONTRACTOR | CONTRACT | LETTERS | REPORTS | RESOURCES

Logout    michelen

#### Job - Pasadena Unified School District - Marshall Elementary School

Overview

**General Info**

**Job Name:** Pasadena Unified School District - Marshall Elementary School

**Job Short Name:** MRS261

**Job Type:** School

**Job Description:**

**Address:** 990 North Allen Avenue  
Pasadena, CA 91104

**Project Name:** Pasadena Unified School District

**Program Name:** ASCIP

**Sponsor Name:** Alliance of Schools For Cooperative Insurance Program

**Notes:** Site Code: 1101-5294Y

**Status:** Active

**Team Members**

Role	Team Member	Phone
Backup CIP Administrator	<input checked="" type="checkbox"/> Kerr, Alesa	(949) 349-9853
Backup CIP Administrator	<input checked="" type="checkbox"/> Matamoros, Mike	(949) 349-9800 x859
CIP Administrator	<input checked="" type="checkbox"/> Hines, Kelly D.	(949) 349-9056
CIP Administrator	<input checked="" type="checkbox"/> Heri, Michele	(949) 349-9857
Construction Manager	<input checked="" type="checkbox"/> Martinez, Carlos	(626) 296-6746 x335
Field Risk Control Contract	<input checked="" type="checkbox"/> Staal, Harvey	(626) 791-9445 x306
General Contractor	Hernandez, Adeline	(949) 263-8170
General Contractor	Kanlic, Jasmina	(949) 263-8170
General Contractor	Shari, Faisal	(626) 797-2439
Risk Control Director	<input checked="" type="checkbox"/> Beardsley, Bruce	(949) 759-8355
Wrap-Up Specialist	<input checked="" type="checkbox"/> Chino, John	(949) 349-9827

Job Status	Estimated	Form 1	Reported	Audited
<b>Start Date</b>	12/26/2000		2/1/2001	
<b>Completion Date</b>				
<b>Contract Value</b>	\$9,060,000	\$9,060,000	\$9,060,000	
<b>Payroll</b>	\$1,812,000	\$239,866	\$2,934,417	
<b>Job Hours</b>	72,480	75	70,788	
<b>Bid Deductions</b>		\$0	\$0	

**Risk Control Attributes**

Fall Protection Plan	Yes
Fencing	Yes
Full Time Safety Rep	Yes
OSHA 500 Training & Certification	Yes
Safety Incentive Program	Yes

Go to Job: -- Select A Job --

**CIPWORKS allows the OCIP team members to easily stay in touch. Click on a team member name and send them an email from your own email system.**

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# QUESTIONS

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**Are you ready for your next  
Construction project?**

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**Alliance of Schools for Cooperative  
Insurance Programs (ASCIP)  
November 15, 2011**

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