

May 10, 2023

Mr. Phillip Francis
Asst. Superintendent of District Services
Livonia Public Schools
15125 Farmington Road
Livonia, MI 48154

RE: 2021 Bond Program
Construction Contingency Approval
Phase 1A: LCTC Renovations and Robotics Addition

Dear Mr. Francis:

This letter provides an update from Plante Moran Cresa (PMC) on the assignment to help Livonia Public Schools (LPS) establish a construction contingency for the Project listed above. The Bond Team — collectively, PMC, Clark Construction Co., TMP Architecture, Inc., and LPS administration and staff — is recommending the Board approve additional construction contingency funds for this Project.

Historically, requests for construction contingency have ranged from 6% to 10% of the hard construction costs, varying based on the complexity, duration, and budget limitations of each of the projects. For the LCTC/Robotics Project, 7% (\$745,493) contingency was initially requested in the effort to reduce impacts to the budget. However, due to unforeseen site conditions and design challenges encountered to-date, the remaining balance of the approved contingency is now approximately \$125,199 which could potentially be exhausted prior to the completion of the Project.

With several months of work still to accomplish, the team is **requesting an additional 2% contingency in the amount of \$213,000**. This additional contingency will allow the project to avoid schedule delays should additional issues arise without the appropriate funds being unavailable. The intent is to use these funds only as necessary to complete the Project within its current intended scope. Any unused funds will be fully refunded to the owner's contingency within the bond program.

The Bond Team is available at the Board's convenience to answer any questions regarding the recommendation of the Bond Team. Please direct all questions through me via email at brian.weber@plantemoran.com.

Sincerely,

PLANTE MORAN CRESA

Mr. Phillip Francis
Livonia Public Schools

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Brian Weber
Vice President

Enclosures: Clark Construction Co. Recommendation Letter