

December 4, 2024

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

RE: 2021 Bond Program  
Construction Contingency Approval  
2024 Renovations

Dear Mr. Francis:

This letter provides an update from Plante Moran Realpoint (PMR) on the assignment to help Livonia Public Schools (LPS) establish a construction contingency for the Project listed above. The Bond Team — collectively, PMR, Clark Construction Co., French Associates, 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 2024 renovations, a 7% (\$1,125,731) contingency was initially requested in an effort to reduce impacts on the budget. However, due to unforeseen site conditions and design challenges encountered throughout the renovations, the Project's contingency was exhausted prior to the completion of the work.

The Team is requesting additional funds in the amount of \$150,000, bringing the total project contingency to approximately 8%. The Team is recommending LPS fund this additional contingency from the reallocation of unused contingencies and reimbursable costs on previously completed projects within the bond program, as detailed below.

Unused General Conditions and Contingencies from Previously Completed Projects	
LCTC/Robotics GCs	\$8,000
2024 LMC Furniture Contingency	\$76,000
2024 Move Management Contingency (Jackson/ECC)	\$21,000
2024 Abatement Contingency	\$56,000
<b>Total</b>	<b>\$161,000</b>

The intent is to use these funds only as necessary to complete the Project with the forecasted contractor changes. **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](mailto:brian.weber@plantemoran.com).

Sincerely,

PLANTE MORAN REALPOINT



Brian Weber  
Senior Vice President

December 03,2024

Mr. Brian Weber  
Senior Vice President  
Plante Moran Realpoint  
3000 Town Center, Suite 100  
Southfield, MI 48075



RE Livonia Public Schools 2024 Budget Contingency

Mr. Weber

As the summer 2024 construction program ends, we have experienced an influx of added cost requests. The issues are primarily related to correcting existing electrical, plumbing and mechanical systems. These corrections were not included within the scope of work of the original agreements. The items were noted on various inspection reports by the State of Michigan and required to be corrected. The State of Michigan also requested service platforms and safety rails on various school roofs surrounding existing roof top mechanical equipment.

Clark construction has been in contact with all contractors who performed work on the 2024 Summer Program. We have received all outstanding costs as those noted above plus a few miscellaneous items. We are confident we have captured all outstanding cost items up to December 1, 2024.

There remain a few continual requests for added work that have yet to have a value assigned or authorized.

The current project contingency has been exceeded by \$150,000.00 Please review with the Livonia Public Schools district as a request for additional Contingency funding to capture this overrun.

Jim Kaiser

Senior Project Manager  
Clark Construction.