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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

May 10, 2023
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Brian Weber
Vice President

Enclosures: Clark Construction Co. Recommendation Letter



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Livonia Public Schools – Phase # 1 Bid Package No. 3 Livonia Public Schools Career Technical Center/ Robotics

5/9/2023

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

Re: Livonia Public Schools – 2021 Bond Program
Request for 2% additional Contingency
Phase # 1 Bid Package # 3 – LCTC /Robotics

Dear Mr. Francis,

The Construction of the Robotics addition as well as interior renovations have been progressing at Livonia Career Technical Center. During the Construction schedule there have been several costly changes that have occurred with some unforeseen conditions and design changes to adapt to the existing building, that are not typical. Furthermore, the initial letter of recommendation included 7% contingency which is on the lower end of the typical request ranging from 6%-10%. Below are some of the major changes that have absorbed the contingency.

Key changes for request for additional contingency.

- 1) Bulletin # 1 – Costs associated with upgrading and extending the existing water main. Specifically, adjustments to the in-ground structure that houses the water valve and method to tapping the water main, additional fittings/routing to adapt to the site layout, and additional footage of pipe and fittings. This cost was approximately \$50,000.
- 2) Bulletin # 2 – The bulk of this change was structural steel revisions in the robotics area, and steel change at the perimeter edge of the existing buildings and to accommodate the new canopy between the two buildings. This cost was approximately \$95,000.
- 3) Bulletin # 2R – Electrical lighting control changes combining new and existing buildings. This cost was approximately \$95,000.
- 4) PCO # 152 – Upon construction of the new portal frames it was discovered the existing CMU masonry wall at the east elevation of the building was not structurally sound, and for safety reasons and long-term integrity, was decided by the team to remove and rebuild the perimeter wall of this elevation. This cost was approximately \$90,000.
- 5) Bulletin # 3 and # 4 - This was a combination of field conditions and design improvements for the expansion detail along the intersection of new and existing buildings to ensure proper drainage and the life of the roof warranty. This cost was approximately \$70,000.
- 6) Coordination of new structural steel in conflict with existing mechanical equipment and electrical services within the existing classrooms. Removal and reinstallation of the mechanical and electrical system was required to properly serve the classrooms. This cost was approximately \$50,000.



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Approximate subtotal for these major changes \$450,000

Below is a recap of the current forecasted contingency usage.

Board approved Contingency - 7%	\$745,493
Approved changes to date	\$567,094
Forecasted changes	\$122,906
Remaining contingency	\$52,499
Recovered trade contractor allowances	\$72,700
Total remaining available funds	\$125,199

Clark Construction is recommending the Board award an additional \$213,000 (2%) contingency to the project. Any unused contingency funds will be returned to the Livonia Public Schools contingency.

Sincerely,

Andrew J. Holewinski

Andrew J. Holewinski
 Clark Construction Company



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