



Finance & Operations Committee

April 7, 2022

MINUTES

Meeting called to order by Committee Chair: Kehoe 5:03 p.m.

Board of Education members present: Kehoe, Brooks, Christenson

District staff present: Merritt, Piesz, Kling, Gruszczynski, Jory

Citizen Representatives present: Roderique, Paton **Other Citizen(s):** none

Present: Derek Dinkeloo and Jen Maino from TMP Associates; Brian Gesaman from McCarthy & Smith; Bill Bowman from Great Northern Consulting; Gary Collins from Collins & Blaha

Public Comments - none.

Approval of Prior Meeting Minutes – March 17, 2022 – approved.

BP #EL-2 Furniture Purchase- Part 3 – Jen Maino and Derek Dinkeloo are here from TMP to present the third phase of the BP #EL-2 furniture purchases. This phase consists of furnishings for Special Ed rooms, ELL spaces, and Itinerant Offices at Bird and Smith. These are the same items we used for the EL-1 buildings. We are also ordering Maker Space storage units for the triplet buildings in BP EL-1 (Eriksson, Field, and Hulsing). The total cost of this order is \$78,147.82. Each of the EL-2 Buildings has a positive variance between the bond furniture budgets and the actual costs amounting to a total of \$376,035.95. Member Kehoe likes the process because we are buying as we have the need. Mr. Dinkeloo adds that the classroom furniture purchased in the Part One and Part Two cover the furniture that was included in the bond, and the savings from that purchase will allow us to furnish these additional spaces. The furniture vendors are saying there is a 12-14 week (?) lead time for delivery of these items at this time.

BP #HS-2 Re-Bids – Part 2 – Discussion/Update - Brian Gesaman from McCarthy & Smith is in attendance to present an update of the progress of bid awards related to the BP #HS-2 projects. On February 22, 2022 the Board of Education awarded contracts to Part 1 of the HS-2 awards. The remaining 9 bid divisions (Part 2) were re-bid due to no bids received or scope changes. Bids were opened for these bid divisions on March 25th, 2022 at 1:00 p.m. There was no bid at that time for Bid Division 107: Steel, and the bid division #120: Painting, only

one bid was received, so those two bid deadlines were extended to 4/8/22. We also asked for new bids on precast concrete, so we can establish a separate number for that portion of the work. We have reached out to precast concrete companies in the area to make sure they are aware of the re-bid. Steel and precast concrete are bid together because they are both "crane" work. It was good news that the Masonry re-bid came back about 11% lower than the first time around, other bid divisions came back higher than before mainly due to the increase in material costs.

Member Kehoe requests that going forward we provide totals for all of the bid packages, including EL-1, EL-2, furniture purchases, playgrounds, HS-1, and HS-2. We need a "running total" of all 2020 bond projects as we move forward. We are already talking about HS-3, EL-3, and MS-1. We need to prioritize all remaining projects to get a good idea of where we are and what is ahead.

Mr. Gesaman also shares that McCarthy & Smith have updated all of their Bidding Forms to include a request for identification to any "Special Business Enterprise Affiliations". This will help us to identify minority businesses, women-owned business, veteran-owned business, Detroit -based business, and others. They will also inquire whether a business is union or non-union. In the future we will be able to compile data about this category of bidders. They have also reached out to the Michigan Minority Supplier Development Counsel, and their affiliate MNDA. This organization may be able to assist in connecting us with more diverse bidders.

For Bid Package HS-2, Plymouth Natatorium and Multipurpose Room project. Mr. Gesaman relates the progress we have made with the bidding thus far. We originally received bids for this work in October, and we have awarded all but nine bid divisions. Those nine divisions were re-bid. Two of those bid divisions BD 107: Steel (no bids) and BD 120: Painting (one bid), were extended two weeks. Those are scheduled to be opened tomorrow, April 8, 2022. We take a look at the variances in the bids and the reasons behind them. Member Kehoe adds that as the bond work progresses we can and will make adjustments that could amount to future savings.

Member Kehoe asks about the timeline for the Band Room construction and the schedule of the parking lot work in that area. Ms. Piesz adds that we also need to look at the cash flow and when we will go out for the next series of bond funds. We need to prioritize the future bond projects, and coordinate that with the cash flow.

Consider Approval to Purchase Property at 14967 Pilot Drive

Attorney Gary Collins tells the committee that due diligence has been completed, and only the board approval remains. He feels that the purchase of this building is a wonderful opportunity for the district. Ms. Piesz shares a presentation with the committee that describes the events that have lead us to asking for the approval of the purchase of this property. We have completed the Due Diligence portion of the sale, and will take this request for approval to the full Board at the meetings on April 12 and April 26th. If approved we can sign a Purchase Agreement on April 27, 2022.

2022-2023 Budget Assumptions – Presentation/ Discussion

Ms. Piesz went before the committee regarding the 2022-23 Budget Assumptions in February, but this is the first time we have addressed the budget with the full board of education for this year. The presentation shows the state budget, and how much of that is allocated to the school aid fund, and then shows all of the sources of revenue that make up the school aid fund. We take a look at the enrollment projections, the foundation allowance, and the projected staffing.

Member Kehoe believes that we need to clarify the enhancement millage funds will be distributed according to the new legislation, and that will result in the district receiving about \$2M less.

Adjourned: **7:21 p.m.**