

**SCHOOL DISTRICT OF THE CITY OF ROYAL OAK
1123 Lexington Boulevard
BOARD OF EDUCATION
MINUTES OF THE
SPECIAL MEETING**

**DECEMBER 6, 2007
5:00 P.M.**

PRESENT: President Gary Briggs, Vice President Christine Hartwig, Secretary Kevin McLogan, Treasurer Michael Hartman, Trustee Deborah Anderson, Trustee Lisa Bradford and Trustee Daniel Champagne

ALSO PRESENT: Superintendent Thomas Moline, Executive Director Business and Technology Services G. Anders Linell, Executive Director Business and Personnel Services John Schwartz, Executive Director Student Services Carol Hansen, Executive Director Administrative Services Cheryl Goodgine

ALSO PRESENT: Building & Site Committee Members: Shannon Hulswit, Bruce Anderson, David Pacifico, Ed Pilcher, Alex Rucinski, Bill White and Art Watson; from Kingscott and Skanska: Kent Phinney, Mark Paulus, Rick Corona, Mike Schlenke, Jim Cole, Jim Shankin; also present: John Piccolo, Greg Worthington, Tim Kay, Jerry Burgess, Jeff Knaggs and Cecilia Boyer

1. Opening of Meeting - Mr. Briggs called the meeting to order at 5:04 p.m.
2. Building & Site Projects Update
 - 2.1 Bond Project Budget Recap/Update

Bond program budget information was provided. Change orders were provided prior to the meeting. The current variance from the original budget is estimated at \$3,977,322. The original contingencies allowed 8% at the high school, 10% at the middle school and 6% at Northwood. Included is \$1,041,998 contingency for the remainder of the project.

- 2.2 Discuss Reasons for Added Costs

Mr. Corona, Mr. Paulus, Mr. Cole, Mr. Phinney and Mr. Schlenke explained several scenarios of expansion of scope with the building programs and change orders. Examples at the high school are the Bus Loop, Detention Basin, Athletic Field, Security, Boilers, Fencing/Gates and most importantly are the non-anticipated mechanical costs totaling approximately \$2.5 million. Examples at the middle school are the Kitchen Servedy Upgrade, Windows, Refinishing of the Terrazzo Floors, Drywall/Plaster Repair and Pool work.

Additional costs included State inspections and Local inspections with additional requirements.

Overtime costs at the high school, with two shifts during the summer also factored into cost overruns.

2.3 Discuss Options for Reducing Project Budget

Options for reducing the Bond project budget were discussed.

Skanska representatives are reviewing the actual costs of projects that went out to bid with contractors, for comparison and possible adjustment from the estimated costs.

Mr. Cole recommended utilizing break times during the school year, whenever possible, to continue work and avoid overtime costs during the summer.

Items that have not been completed in the high school and the new Northwood building will be reviewed for possible reductions in costs or possible elimination.

Additional information will be provided to the Building & Site Committee for their meeting on December 19 and to the Board by the December 13 Board Meeting. This information will include a listing of what contributed to the costs with the expansion of scope and an itemized listing of cost overruns in relation to the original Bond.

Mr. Cole stated that specific approval will be obtained before any implementation of changes.

Dr. Moline stated that he would like the information researched by a third party. He will obtain information on this and provide it to the Board by the December 13 Board meeting.

3. Opportunity for Citizens to Speak - No one spoke at this time.
4. Board Comments – No one spoke at this time as there was discussion during items 2.1, 2.2 and 2.3.
5. Adjournment - The meeting was adjourned at 7:29 p.m.

Respectfully submitted,

Kevin McLogan
Secretary, Board of Education