

BOARD PACKET

NOVEMBER 12, 2018



Our Vision:
Champion Learning –
Develop, Educate, and Inspire!

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BOARD MEETING AGENDA

- A. ROLL CALL**
- B. MEETING & CLOSED SESSION MINUTES (10-22-2018)**
- C. APPROVAL OF AGENDA**
- D. SCHOOL PRESENTATIONS**
1. Dexter Community Foundation – Community Needs Assessment – Dr. Schumaker
- E. SUPERINTENDENT UPDATE**
- F. STUDENT REPRESENTATIVES UPDATE**
- G. PUBLIC PARTICIPATION:** *Persons who wish to address the Board may complete a Public Comment Card to be presented to the Board president at the beginning of the meeting. Each speaker is allotted a maximum of 5 minutes unless otherwise notified. Each speaker will be asked to announce his/her name and indicate if he/she represents any organization or agency. No person may speak more than once on the same subject during a single meeting. For further details see our policy on Public Participation at Board Meetings.*
- H. CONSENT ITEMS – none**
- I. ACTION ITEMS**
1. Policies - First Reading
2. Reschedule Board Workshop
3. Granger Contract Split
4. Capital Projects Funds Budget Revision
5. Tap Fees Agreement
6. MASB Board Member Certification
- J. DISCUSSION ITEMS**
1. Board Community Chats
2. New Construction Naming
3. Coding Course
- K. BOND UPDATE**
1. September Bond Report
2. October Bond Report
- L. PUBLIC PARTICIPATION:** *See Policy 0167.3*
- M. BOARD COMMENTS**
1. Athletics Committee Update
2. Policy Committee Update
3. Athletics Committee Update
- N. INFORMATION ITEMS**
1. Policy Minutes
2. Finance Minutes
3. Reproductive Health Minutes
4. Nice Job Notes
- O. CLOSED SESSION – none**

CALENDAR

- *Tuesday, November 13th – 11:30am**
KnowledgeWorks – DHS IST
- *Wednesday, November 14th – 4:00pm**
Athletics – Copeland
- *Tuesday, December 4th – 6:00pm**
Community Reads – CPA
- *Monday, December 10th – 7:00pm**
Board Meeting – Creekside
- *Monday, January 14th – 7:00pm**
Organizational Meeting

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BOARD NOTES
NOVEMBER 12, 2018

- A. ROLL CALL** – planned absences: Michael Wendorf
- B. MEETING MINUTES & CLOSED MEETING MINUTES (10-22-2018)**
- C. APPROVAL OF AGENDA**
1. Approval of Agenda. Board policy provides that the Superintendent of Schools shall prepare an agenda for all Board meetings as directed by the President of the Board of Education.
- * An appropriate motion might be, “I move that the agenda be approved as presented/amended.”
- D. SCHOOL PRESENTATIONS**
1. Dexter Community Foundation – Community Needs Assessment. DCF Co-Chair Julie Schumaker will share the results of their August 2018 community needs forum and Grantmaking Priorities for 2018-2021.
- E. SUPERINTENDENT UPDATE**
- Superintendent Chris Timmis is on a medical leave. Executive Director of Instruction Mollie Sharrar will update the Board on two on-going curricular projects: KnowledgeWorks, and Summit evaluation.
- F. STUDENT REPRESENTATIVES UPDATE**
- G. PUBLIC PARTICIPATION:** *Persons who wish to address the Board may complete a Public Comment Card to be presented to the Board president at the beginning of the meeting. Each speaker is allotted a maximum of 5 minutes unless otherwise notified. Each speaker will be asked to announce his/her name and indicate if he/she represents any organization or agency. No person may speak more than once on the same subject during a single meeting. For further details see our policy on Public Participation at Board Meetings.*
- H. CONSENT ITEMS – none**
- I. ACTION ITEMS**
1. Policies – First Reading. Your packet contains two packets of draft policies. The first includes bylaw 0143.1 (Public Expression of Board Members), policies 1421/3121/4121 (Criminal History Record Check), 4162 (Controlled Substance and Alcohol Policy for CMV Drivers etc.), 5111 (Eligibility of Resident/Nonresident Students), and 8321 (Criminal Justice Information Security). Packet two contains policy 2628 (State Aid Incentives), 5830 (Student Fund Raising), 6605 (Crowdfunding), 7530 (Lending of Board-Owned Equipment), 7530.02 (Staff Use of Personal Communication Devices), 7540.01 (Technology Privacy), 7540.02 (Web Accessibility, Content, Apps and Services), 7540.04 (Staff Technology Acceptable Use and Safety), 7542 (Access to District Technology from Personal Communication Devices), 7543 (Utilization of the District’s Website and Remote Access to the Network), 7544 (Use of Social Media), as well as the un-numbered School Naming Policy. These were reviewed by the policy committee at their August 8, 2018 and November 6, 2018 meetings and are presented this evening for first reading.

BOARD NOTES
NOVEMBER 12, 2018

- * An appropriate motion might be, "I move that the Board of Education approve the attached policies [except _____, if appropriate] for first reading."
- 2. Reschedule Board Workshop. At the October 22nd meeting, the Board scheduled a board workshop for November 26th, 2018. Due to the Superintendent's medical leave, this will need to be rescheduled. Monday, December 17th is an open date.
- * An appropriate motion might be, "I move that the Board of Education reschedule the Board Workshop for _____."
- 3. Granger Contract Split. Your packet includes an executive summary from CFO Sharon Raschke regarding a Granger Construction request to split the Construction Manager contract according to Series 1 and Series 2 work. This item is presented for action this evening.
- * An appropriate motion might be, "I move that the Board of Education authorize the Change Order and authorize the Agreement between Owner and Construction Manager, both dated August 30, 2018."
- 4. Capital Projects Budget Revision. Your packet contains an executive summary from CFO Sharon Raschke regarding a 2017 Capital Projects Fund Budget revision due to updated information and the change order outlined tonight's action item number 3. This item is presented for action this evening.
- * An appropriate motion might be, "I move that the Dexter Board of Education authorize the attached budget revision to the 2017 Capital Projects Fund."
- 5. Tap Fees Agreement. Your packet includes an executive summary regarding the City of Dexter's tap fee assessment for the addition to Cornerstone Elementary School.
- * An appropriate motion might be, "I move that the Board of Education authorize CFO Sharon Raschke to sign the attached tap fees agreement on behalf of the District."
- 6. MASB Board Certification Classes. Your packet includes program and registration information for the Michigan Association of School Boards Certification Classes happening December 6-8th in Waterford. The cost for classes is \$90 for half-day sessions and \$190 for full day courses. Barbara read has expressed interest in attending and would like the Board to authorize funds for any current or incoming member to attend.
- * An appropriate motion might be, "I move that the Board of Education authorize funds for registration and travel expenses for any interested current or incoming board member to attend the December MASB Board Certification classes."

BOARD NOTES
NOVEMBER 12, 2018

J. DISCUSSION ITEMS

1. Board Community Chats. Based on conversations with community members, Julie Schumaker has asked that the Board discuss options for regular, once- or twice-a-month opportunities for informal opportunities for one-two board members to be available to chat with people outside of meetings.
2. New Construction Naming. TBD
3. Coding Course. DHS will be presenting a coding class proposal for the 2019/2020 school year. Brian Baird is finalizing the proposal, taking it to the admin team for approval and scheduling a parent review in mid-late November. We are expecting to have this on the December agenda as an action item once the curriculum review process is complete. Executive Director of Instruction Mollie Sharrar will be present with more details.

K. BOND UPDATE

L. PUBLIC PARTICIPATION

M. BOARD COMMENTS

1. Facilities Committee Update
2. Policy Committee Update
2. Athletics Ad Hoc Committee Update

N. INFORMATION ITEMS

1. Policy Minutes
2. Finance Minutes
3. Reproductive Health Minutes
4. Nice Job Notes

O. CLOSED SESSION – none

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**DEXTER COMMUNITY SCHOOLS BOARD OF EDUCATION
MEETING MINUTES – OCTOBER 22, 2018**

A. ROLL CALL

Members Present: Ron Darr, Dick Lundy, Daryl Kipke, Rob Mitzel, Barbara Read, Julie Schumaker, Student Representatives Hollie Pastorino and Chad Robards

Members Absent: Michael Wendorf

Administrative & Supervisory Staff: Sharon Raschke, Mollie Sharrar, Barb Santo, Chris Timmis, Hope Vestergaard

DEA: John Heuser

DESPA: Louann Wing

Guests: Mara Greatorex, Greg Brand, Lonnie Huhman, Doug Marrin, Elise Bruderly, Joanne McGinnis, Daniel Alabr , Keely Tamer, Trish Machemer, Jason Owen-Smith

The meeting was called to order at approximately 7:02pm by Board Vice President Daryl Kipke.

- B. MEETING MINUTES** – Julie Schumaker made a motion to approve the meeting minutes from 10/8/2018. Dick Lundy seconded the motion. **Motion Carried (unanimous).**

C. APPROVAL OF AGENDA

Board policy provides that the Superintendent of Schools shall prepare an agenda for all meetings as directed by the President of the Board of Education. Rob Mitzel made a motion to approve the agenda as presented. Dick Lundy seconded the motion. **Motion Carried (unanimous).**

D. SCHOOL PRESENTATIONS – none

E. SUPERINTENDENT UPDATE

1. Superintendent Chris Timmis updated the board on several items:
 - a. Naming Process: The District is moving to steps 2 and 3 of the previously shared naming process: Community & Staff facilitated discussion.
 - b. Tungl Hearing 10/15/18: Since sentencing, Brian Tungl had paid approximately \$1900 to date towards his restitution for embezzlement. He was required to write a check for \$2,000 on the spot and must show significant progress toward his debt by the next hearing, January 14th, 2019.
 - c. KnowledgeWorks: KnowledgeWorks will visit November 12th and 13th (meeting with the Board 11/13 from 11:30am-1:00pm) to audit/evaluate our district curriculum and practices with the goal of improving personalized curriculum. November 28th – 30th, they will be doing surveys, focus groups, and walk-throughs as part of their information gathering process.
 - d. Dr. David Gleason will be doing staff training in the afternoon on December 4th and lead the Community Reads discussion that evening.

**DEXTER COMMUNITY SCHOOLS BOARD OF EDUCATION
MEETING MINUTES – OCTOBER 22, 2018**

- e. Michigan Competency Consortium/Marshall Plan: the group has cleared phase one. The project is coordinated with Apple, U of M's School of Education, KnowledgeWorks and MEA.
- f. Summit Evaluation: the District is still finalizing arrangements to evaluate the pilot program. We expect to have a final proposal from U of M CEDER any time now.
- g. SME Prime: the Superintendent, Mollie Sharrar, Rob Mitzel and Dick Lundy visited SME Prime's student showcase in Southfield last week. It is an applied engineering program that takes students through the process from concept to product. SME Prime provides the funding for the new program including equipment, training, and student scholarships.
- h. EMU: The Superintendent has been working with EMU to develop a new path to certification to train working paraeducators to become certified special education teachers.
- i. French and German exchange students are arriving this week for cultural exchange programs.
- j. Anti-bullying signs out in front of Creekside: these were created by Creekside students as part of a Summit project.

F. STUDENT REPRESENTATIVES UPDATE

- 1. Student representatives Chad Robards and Hollie Pastorino updated the Board on goings-on in the district.

G. PUBLIC PARTICIPATION

- 1. Keely Tamer read a prepared statement.
- 2. Daniel Alabré asked the Board to release the Title IX investigation results.
- 3. Jason Owen-Smith asked the Board to release the Title IX investigation results.
- 4. Laura Jones read a prepared statement.
- 5. Trish Machemer asked the Board to release the Title IX investigation results.

H. CONSENT ITEMS

Ron Darr made a motion to approve the following consent item. Julie Schumaker seconded the motion. **Motion Carried (unanimous).**

- 1. September Budget Report. The Board of Education accepted budget information for the month of September 2018.

I. ACTION ITEMS

- 1. Accept E4DS Donation. Julie Schumaker made a motion that the Board of Education accept the \$40,000 donation from E4DS. Rob Mitzel seconded the motion. **Motion Carried (unanimous).**
- 2. Accept Audit Report. Rob Mitzel made a motion that the Board of Education accept the 2017-2018. Julie Schumaker seconded the motion. **Motion Carried (unanimous).**
- 3. Principals Month Resolution. Rob Mitzel made a motion that the Board recognize October as Principals Month by resolution. Ron Darr supported the motion. **Motion Carried (unanimous).**

**DEXTER COMMUNITY SCHOOLS BOARD OF EDUCATION
MEETING MINUTES – OCTOBER 22, 2018**

4. Bid Package 11. Ron Darr made a motion that the Board of Education award contracts for the Wylie Elementary & Mill Creek Middle Schools Renovations and Additions to: Schiffer Masonry for masonry; B&A Structural Steel for structural and miscellaneous steel; Commercial Contracting Corporation for general trades; B&B Glass for aluminum, glass, and glazing; Goyette Mechanical for plumbing and HVAC; and Wiltse Electric for electrical, and assign them all to Granger Construction for management as detailed in the attached recommendation letter dated October 22, 2018. Dick Lundy seconded the motion. **Motion Carried (unanimous).**
5. Schedule Board Workshop. Rob Mitzel made a motion that the Board of Education schedule a workshop to work on student goals on November 26th, 7:00pm, at Copeland. Barbara Read seconded the motion. **Motion Carried (unanimous).**

J. DISCUSSION ITEMS

1. 5 Healthy Towns Letter. The Board discussed the financial implications for Dexter Community Schools pertaining to the City of Dexter's continued pursuit of legal action regarding the classification of the Dexter Wellness Center as a tax-exempt property.
2. Naming Process Policy Draft. The Board discussed the policy committee's draft policy regarding the naming of buildings and spaces.

K. PUBLIC PARTICIPATION – none

L. BOND UPDATE

1. The twin turf fields are in and are usable for practices. Lights are functioning and associated concrete paths are being completed.
2. The quad baseball fields are being seeded this week.
3. Staff are beginning to plan for the Bates move to the new construction in January.

M. BOARD COMMENTS

1. Facilities Committee Update. The committee will meet November 6th.
2. Policy Committee Update. The committee has a large stack of policies to get through and anticipates a new round from NEOLA soon.
3. Athletics Committee Update. The athletics committee sub-committee has been formed and will meet this week or next.
4. Barbara Read. Barbara asked for the district to consider offering the PSAT for all 11th grade students during school hours.
5. Rob Mitzel. Rob suggested adding the PSAT as a discussion item on a future agenda.
6. Daryl Kipke. Daryl noted that he would like any discussion of the PSAT or other testing to take a holistic approach.
7. Julie Schumaker. Julie noted that the Board's charge is to focus on policy issues rather than operational ones.

**DEXTER COMMUNITY SCHOOLS BOARD OF EDUCATION
MEETING MINUTES – OCTOBER 22, 2018**

N. INFORMATION ITEMS

1. Policy Minutes
2. Finance Minutes
3. Facilities Minutes
4. Nice Job Notes

O. CLOSED SESSION

1. At approximately 9:00pm, Rob Mitzel made a motion that the Board move into closed session to discuss a matter exempt from disclosure per OMA Section 8(h). Dick Lundy seconded the motion. **Roll Call Vote. Motion Carried (unanimous).**

At approximately 9:25pm, the Board returned to open session.

Rob Mitzel made a motion that the Board of Education release the attorney-client privilege for the Thrun Law Title IX investigation report dated February 23, 2018. Julie Schumaker seconded the motion. **Motion Carried (5-0, 1 abstention).** *This report is attached to these minutes.*

2. At approximately 9:27pm, the Dick Lundy made a motion that the Board move into closed session to discuss a matter exempt from disclosure per OMA Section 8(h). Julie Schumaker seconded the motion. **Motion Carried (5-0, 1 abstention).**

At approximately 10:12pm, the Board returned to open session.

3. The third closed session, Superintendent Evaluation, was pushed to another meeting due to the late hour.

At approximately 10:13pm, Julie Schumaker made a motion to adjourn the meeting. Rob Mitzel seconded the motion. **Motion Carried (unanimous).**

MINUTES/hlv

Robert Mitzel, Secretary
Board of Education

Dexter Community Schools
Board of Education
Executive Summary and Recommendation

Purpose:

To authorize a change order to the Agreement between Owner and Construction Manager, Granger Construction, dated August 9, 2017 for purposes of splitting the contract according to the issuance of the voter approved Series 1 Bonds (2017 School Building and Site) and Series 2 Bonds.

Explanation:

On December 21, 2017, the Board of Education approved the Agreement between Owner and Construction Manager for construction management services related to the August 8, 2017 voter approved ballot initiative for construction projects as described in the Application for Preliminary Qualification of Bonds, numbered SBL/81-050-4-K12-16-01.

The planned construction projects will be funded with two series of bonds. The 2017 School Building and Site Bonds were issued November 28, 2017. The second series will be issued sometime around 2022.

In order to minimize the cost of performance bonds against the project, it is the recommendation of Granger Construction that we split the Construction Manager contract according to Series 1 and Series 2 work. To accomplish this, Granger has proposed a Change Order against the Agreement dated August 9, 2017 and created a proposed new Agreement for Series 2 work.

There is a shift of some Construction Manager reimbursables and Construction Manager Fee from Series 2 to Series 1, but in total, the Change Order and Agreement for Series 2 work are consistent with our original agreement in terms of total construction costs and fees.

Recommendation:

It is recommended that the Board authorize the Change Order dated August 30, 2018 and the Agreement between Owner and Construction manager dated August 30, 2018.

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Change Order

Granger Construction Company
6267 Aurelius Road
Lansing, MI 48911

Change Order #: 1
Change Order Date : 8/30/2018

Contract:	1710- 00 Dexter Community Schools Bond 2017 7714 Ann Arbor St Dexter, MI 48130	Distribution	<input type="checkbox"/> Dexter Community Schools Bond 2017 <input type="checkbox"/> TMP Architecture, Inc. <input type="checkbox"/> Office <input type="checkbox"/> Other <input type="checkbox"/> Field
To (Contractor):	Granger Construction Company 6267 Aurelius Road Lansing, MI 48911		

You are directed to make the following changes in this Contract:

Project	ACO	Description	PCO Type	PCO	Contract Change
1710- 00	22	Deduct Phase 4 for transfer to a new project	COR	22	-11,121,858.00
Total For Change Order:					-11,121,858.00

See page 2 for details of revisions to the agreement

Not valid until signed by both the Owner and Architect. Signature of the Contractor indicates the Contractor's agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum was	52,175,095.00
The net change by previously authorized Change Orders was	0.00
The Contract Sum prior to this Change Order was	52,175,095.00
The Contract Sum will be decreased by this Change Order	-11,121,858.00
The new Contract Sum will be	41,053,237.00
The new Contract Completion date as of this Change Order will be 12/31/2022	

Authorized By Owner:
Dexter Schools
7714 Ann Arbor Street
Dexter, MI 48130

Accepted By Contractor:
Granger Construction Company
6267 Aurelius Road
Lansing, MI 48911

Architect/Engineer:
TMP Architecture, Inc.
1191 West Square Lake Road
Bloomfield Hills, MI 48302

By: _____
Date: _____

By: _____
Date: _____

By: _____
Date: _____

Granger Construction Company
6267 Aurelius Road
Lansing, MI 48911

Change Order #: 1
Change Order Date : 8/30/2018

Revise Agreement between Owner & Construction Manager for Certain portions, as assigned by the Owner to the Construction Manager, of the 2017 School Building and Site Bonds projects as described in the Owner's Application for Preliminary Qualification of the Bonds, numbered SBL/81-050-4-K12-16-01, dated March 27, 2017

- > To the paragraph above add "for Series 1 work. All Series 2 work shall be executed under a second agreement."
- >Article 6 paragraph 6.1 revise Construction Manager's Fee
 - from "One Million Twenty-Three Thousand Forty-One dollars (\$1,023,041)"
 - to "Seven Hundred Ninety-Nine Thousand Five Hundred Sixty-Six dollars (\$799,566) for Series 1 work."
- >Article 7 paragraph 7.2.2 revise Charges for Site Office and other Reimbursable Expenses
 - from "Five Hundred Nine Thousand Five Hundred Seventy- Four dollars (\$509,574)"
 - to "Four Hundred Sixty-Seven Thousand, Three Hundred Ninety-Nine dollars (\$467,399)"
- >Article 7 paragraph 7.2.2 revise not to exceed
 - from "One Million Nine Hundred Forty-Three Thousand Five Hundred Seventy dollars (\$1,943,570)"
 - to "One Million Seven Hundred Eighty-One Thousand One Hundred Nineteen dollars (\$1,781,119)"
- >Article 7 paragraph 7.2.2.4 revise Personnel Expense/Staff Reimbursables
 - from "One Million Four Hundred Thirty-Three Thousand Nine-Hundred Ninety-Six dollars (\$1,433,996)"
 - to "One Million Three Hundred Thirteen Thousand Seven Hundred Twenty dollars (\$1,313,720)"
- >Article 7 paragraph 7.2.7 revise Cost of Construction for insurance premiums
 - from "Forty-Nine Million Two Hundred Eight Thousand Four Hundred Eighty-Four dollars (\$49,208,484)"
 - to "Thirty-Eight Million, Four Hundred Seventy-Two Thousand Five Hundred Fifty-Two dollars (\$38,472,552)"
- >Article 7 paragraph 7.2.7 revise premiums are estimated at
 - from " One Hundred Ninety-Five Thousand Eight Hundred dollars (\$195,800)"
 - to "One Hundred Fifty-Three Thousand Six Hundred Twenty-Five dollars (\$153,625)"
- >Article 7 paragraph 7.2.7 revise Cost of Construction for Performance and Labor and Material Payment Bonds
 - from "Forty-Seven Million Six Hundred Twenty Thousand Three Hundred Thirty-Two dollars (\$47,620,332)"
 - to "Thirty-Seven Million Five Hundred Six Thousand Seven Hundred Fifty-Nine dollars (\$37,506,759)"
- >Article 7 paragraph 7.2.7 revise bonds are estimated at
 - from "Seven Hundred Sixteen Thousand One Hundred Twenty-Nine dollars (\$716,129)"
 - to "Five Hundred Sixty Thousand Forty-Seven dollars (\$560,047)"

AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER

THIS AGREEMENT, made as of the 30th day of August 2018, is between

the Owner: Dexter Community Schools
Board of Education
7714 Ann Arbor Road
Dexter, Michigan 48130

and the Construction Manager: Granger Construction Company
6267 Aurelius Road
P.O. Box 22187
Lansing, Michigan 48909

for the following Project:

Certain portions, as assigned by the Owner to the Construction Manager, of the 2017 School Building and Site Bonds projects as described in the Owner's Application for Preliminary Qualification of the Bonds, numbered SBL/81-050-4-K12-16-01, dated March 27, 2017 for Series 2 work.

The Architect: TMP Architecture, Inc.
1191 W. Square Lake Road
Bloomfield Hills, Michigan 48302

The Owner and the Construction Manager agree as set forth below.

ARTICLE 1 **THE CONSTRUCTION TEAM AND EXTENT OF AGREEMENT**

The CONSTRUCTION MANAGER accepts the relationship of trust and confidence established between the Construction Manager and the Owner by this Agreement. The Construction Manager covenants with the Owner to furnish the Construction Manager's best skill and judgment and to cooperate with the Architect in furthering the interests of the Owner. The Construction Manager agrees it will act in a fiduciary role in carrying out all its duties and responsibilities on behalf of the Owner; representing the Owner's sole best interests in all matters. The Construction Manager agrees to furnish efficient business administration and superintendence and to use the Construction Manager's best efforts to complete the Project in an expeditious and economical manner consistent with the interest of the Owner. The Construction Manager shall perform its services in a prompt manner in accordance with the standard of professional care and skill exercised by a construction manager of recognized experience and expertise in the construction of public school facilities contemplated by this Agreement. The Construction Manager shall be responsible for the degree of care and skill for all services provided pursuant to this Agreement, whether such services are provided directly by the Construction Manager, its employees, or agents, or by any consultant hired by the Construction Manager. Except with the Owner's knowledge and prior written consent, the Construction Manager shall not engage in any activity, or accept any employment, engagement, interest, or contribution that would reasonably appear to compromise the Construction Manager's judgment with respect to this Project.

1.1 The Construction Team: The Construction Manager, the Owner, and the Architect called the "Construction Team" shall work from the beginning of design through construction completion and equipping and furnishing of the Project. The Construction Manager shall provide leadership to the Construction Team on all matters relating to construction.

1.2 Extent of Agreement: This Agreement and all exhibits hereto represent the entire agreement between the Owner and the Construction Manager and supersede all prior negotiations, representations or agreements.

When Drawings and Specifications are complete, they shall be identified by amendment to this Agreement. This Agreement shall not be superseded by any provisions of the documents for construction and may be amended only by written instrument signed by both the Owner and the Construction Manager.

1.3 Definitions:

1.3.1 The Project is the total construction of each portion of Work to be performed under this Agreement.

1.3.2 The Work is that part of the construction that a particular Trade Contractor is to perform.

1.3.3 Day shall mean calendar day unless otherwise specifically designed.

1.3.4 General Condition Items as used in this Agreement shall be deemed to mean the reasonable cost actually incurred for the provision of facilities or performance of Work by one or more Trade Contractors or the Construction Manager for items which do not lend themselves readily to inclusion in one of the separate Trade Contracts. General Condition Items shall include only those items approved in writing by the Owner and actually incurred, based on a complete budget, listing individual categories and costs, and attached to this Agreement as Exhibit A. General Condition Items may include, with the Owner's approval, any of the following: security personnel, scaffolding, hoists, signs, safety barricades, water, cleaning, dirt chutes, cranes, sheds, preparation for ceremonies (including minor construction activity in connection therewith), temporary toilets, fencing, sidewalk bridges, first aid station, trucking, temporary elevator, special equipment, winter protection, temporary heat, water, electricity, temporary protective enclosures, temporary roads, messengers, installation of the Owner furnished items, post and planting, general maintenance, refuse disposal, bench marks and monuments, storage on-site and off-site of long lead procurement items and miscellaneous minor construction work when it is not feasible nor required by law for the Owner or the Construction Manager to secure competitive bids or proposals thereon. Any equipment procured during the Project, including office equipment, shall become the property of the Owner, including proceeds or credit from sale or return of any such equipment. General Condition Items will be invoiced to the Owner at actual cost (without markup) and the Construction Manager shall supply the Owner with such supporting information relating to General Condition Items as the Owner may reasonably request.

1.3.5 Construction Contingency shall mean a separately identified line item in the Project Budget which is not allocated to any particular item of the Cost of the Project (as hereinafter described). The Construction Contingency is established for the Owner's benefit as may be required for costs incurred in the performance of the Work from unforeseen causes or details. The Construction Manager shall review the Construction Contingency on a periodic basis (but no less frequently than monthly) and shall make appropriate reductions, if necessary, in the Construction Contingency as the Project progresses. The Project budget shall be appropriately adjusted to reflect any reduction in the Construction Contingency.

1.3.6 Project Construction Budget shall mean the budgeted dollar amounts for materials, labor, equipment, and other items necessary to construct, equip and furnish the Project, the General Condition Items necessary to support construction, the Reimbursable Expenses, technology, technology infrastructure, equipping and furnishing of the Project, the Construction Contingency, the Construction Manager's Fee and all other items and costs regarding the total Project development.

1.3.7 Project Schedule shall mean a computer generated, report designating Project activities in graphic and statistical formats, including design, procurement, construction, equipping, furnishing and occupancy time durations, activity linkages and dependencies, resource allocations such as personnel, volumes of construction, dollars or other measurements necessary to ascertain the expected completion and rate of completion for the Project.

1.3.8 Project Documents shall mean correspondence, files, records, transmittals and other Project documentation developed during the course of planning, design, procurement, construction and occupancy of the Project. Project Documents include the Contract Documents issued by the Architect and record documents of the

construction.

1.3.9 Reimbursable Expenses as used in this Agreement shall mean the reasonable costs actually incurred for transportation, traveling, moving, temporary subsistence and hotel expenses (see Exhibit A) of the Construction Manager, or its officers or employees, properly incurred in the discharge of duties connected with the Project (in accordance with the Construction Manager's standard personnel policy); telegrams, long distance telephone calls and telephone service at the site; facsimile, photocopying and reproduction charges; the cost of a job site computer, hardware, software, supplies; office expenses; and an office trailer. Reimbursable Expenses shall include only those items approved in writing by the Owner and actually incurred, based on a complete budget, listing individual categories and costs, and attached to this Agreement as Exhibit A. Any equipment purchased specifically for this project (i.e., not rented or leased), during the Project as a Reimbursable Expense shall become the property of the Owner upon completion. Reimbursable Expenses will be invoiced to the Owner at actual cost, without mark-up, and the Construction Manager shall supply the Owner with such supporting information relating to Reimbursable Expenses as the Owner may reasonably request.

ARTICLE 2

CONSTRUCTION MANAGER'S SERVICES

The Construction Manager will perform the following services under this Agreement, including those identified on the Responsibility Matrix attached hereto at Exhibit F, in each of the two phases described below, and in accordance with General Conditions or Supplementary Conditions as agreed upon by Owner, Construction Manager, and Architect. If there are any inconsistencies between this Agreement and the General Conditions or Supplementary Conditions, the terms of this Agreement shall govern.

2.1 Preconstruction/Design Phase

2.1.1 Consultation During Project Development: Schedule and attend regular meetings with the Architect during the development of conceptual and preliminary design to advise on site use and improvements, selection of materials, building systems and equipment. Provide recommendations on construction feasibility, availability of materials and labor, time requirements for installation and construction, and factors related to cost including costs of alternative designs or materials, preliminary budgets, and possible economies. For any remodeling, renovation or addition portions of the Project, while investigation of existing facilities shall remain primarily the obligation of the Architect, the Construction Manager shall conduct such investigation as is reasonably necessary for the Construction Manager to provide the services outlined in this Paragraph 2.1.

2.1.2 Scheduling: Develop a Project Schedule that coordinates and integrates the Architect's design efforts, the Owner's responsibilities, the Construction Manager's efforts under this Agreement and the efforts of the various Trade Contractors. A copy of the Preliminary Project Schedule is attached as Exhibit B to this Agreement. Update the Project Schedule as mutually agreed by the Owner and the Construction Manager (but not more frequently than monthly) incorporating a detailed schedule for the construction, equipping and furnishing, operations of the Project, including realistic activity sequences and durations, allocation of labor and materials, processing of shop drawings and samples, and delivery of products requiring long lead-time procurement. Include the Owner's occupancy requirements showing portions of the Project having occupancy priority.

2.1.3 Project Construction Budget: Prepare a Project Construction Budget in form and content satisfactory to the Owner as soon as major Project requirements have been identified, and update periodically for the Owner's approval. Prepare an estimate based on a quantity survey of Drawings and Specifications at the end of the Schematic Design Phase for written approval by the Owner as the Revised Project Construction Budget. Update and refine the Project Construction Budget for the Owner's written approval as mutually agreed by the Owner and the Construction Manager as the development of the Drawings and Specifications proceeds, and advise the Owner and the Architect if it appears that the Project Construction Budget will not be met and make recommendations for corrective action. The preliminary Project Budget is attached as Exhibit C.

2.1.4 Coordination of Contract Documents: Review the Drawings and Specifications as they are being prepared, recommending in writing alternative solutions whenever design details affect construction feasibility or schedules without, however, assuming any of the Architect/Engineer's responsibilities for design. Provide recommendations on relative feasibility of construction methods, availability of materials and labor, time requirements for procurement, installation and construction, and factors related to cost, including, but not limited to, costs of alternate designs or materials, and possible economies.

2.1.5 Construction Planning: Recommend for purchase and expedite the procurement of long-lead items to ensure their delivery by the required dates, and coordinate the schedule with the early preparation of portions of the Contract Documents by the Architect.

2.1.5.1 Make recommendations to the Owner and the Architect regarding the division of Work in the Drawings and Specifications to facilitate the bidding and awarding of Trade Contracts, allowing for phased design and construction, taking into consideration such factors as time of performance, availability of labor (including, specifically, opportunity for local labor and trades), overlapping trade jurisdictions, and provisions for temporary facilities. Provide an analysis of the types and quantities of labor required for the Project and review the availability of appropriate categories of labor required. Make recommendations for actions designed to minimize adverse effects of labor shortages.

2.1.5.2 Review the Drawings and Specifications with the Architect to eliminate areas of conflict and overlap in the Work to be performed by the various Trade Contractors and, in conjunction with the Owner, prepare prequalification criteria for bidders. Review the Drawings and Specifications and make recommendations as required to provide that: (1) the Work of the separate Trade Contractors is coordinated, (2) all requirements of the Project have been assigned to the appropriate Trade Contractor, (3) the likelihood of jurisdictional disputes has been minimized, and (4) proper coordination has been provided for phased design, construction, equipping and furnishing.

2.1.5.3 Establish bidding schedules. Assist the Architect in issuing bidding documents to bidders. Construct pre-bid conferences to familiarize bidders with the bidding documents, Project procedures and with any special systems, materials or methods. Assist the Architect with the receipt of questions from bidders, and with the issuance of Addenda. Develop Trade Contractor interest in the Project and as working Drawings and Specifications are completed, assist the Owner and the Architect in taking competitive bids on the Work of the various Trade Contractors. Prepare bid analysis and make recommendations to the Owner and the Architect for the award of contracts or rejection of bids. The Owner will award all Trade Contracts and then authorize the Construction Manager to enter directly into contracts with the Trade Contractor(s) pursuant to Article 4. Upon such authorization, Construction Manager shall promptly enter into contracts with the Trade Contractors.

2.1.5.4 Construction Manager shall ensure that the bidding procedure is in accordance with applicable statutes, including but not limited to MCLA 380.1267. Construction Manager shall also develop and maintain adequate records of the bidding procedure and bid awards to document compliance with said applicable statutes.

2.1.6 Equal Employment Opportunity: Determine applicable requirements for equal employment opportunity programs for inclusion in Project bidding documents and provide regular reporting to the Owner and the Architect on compliance with applicable requirements.

2.1.7 Value Engineering: Perform value engineering and life cycle analysis on building materials and systems, and make recommendations to the Architect and the Owner regarding such matters.

2.1.8 Functions: Provide the services of Functions, a division of the Construction Manager, as required to provide mechanical/electrical support and consultation in the design phase of the Project, in accordance with the Staff projections in Exhibit D.

2.1.9 (Deleted)

2.1.10 Furniture and Equipment: Coordinate with the Architect and the Owner in connection with the selection, procurement and installation of furniture, furnishings and related equipment to allow timely integration into the project.

2.1.11 (Deleted)

2.2 Construction Phase

2.2.0 The Construction Phase will commence with the award of the initial Trade Contract or purchase order and together with the Construction Manager's obligation to provide services under this Agreement, will end 30 days after final payment to all Trade Contractors.

2.2.1 Project Control: The Construction Manager shall provide administrative, management and related services as required to monitor and control the Work of the Trade Contractors and coordinate the Work and the General Condition Items with the activities and responsibilities of the Owner, Architect and Construction Manager to complete the Project in accordance with the Owner's objectives of quality, Project Schedule and Project Construction Budget.

2.2.1.1 The Construction Manager shall maintain a competent full-time staff at the Project site daily to coordinate and provide general direction and supervision of the Work and progress of the Trade Contractors on the Project, including enforcement of the Project Schedule and Cost Control.

2.2.1.2 Supervision. The Construction Manager shall permit only skilled and properly trained staff to manage, supervise and/or perform the Work. The key members of the Construction Manager's staff shall be persons acceptable to the Owner and identified in Exhibit D attached hereto. The key members of the Construction Manager's staff shall not be changed without the written consent of the Owner, unless such person becomes unable to perform any required duties due to death, disability or termination of employment with the Construction Manager. If a key member is no longer capable of performing in the capacity described in Exhibit D, the Owner and the Construction Manager shall agree on a mutually acceptable substitute.

2.2.1.3 The Construction Manager shall establish on-site organization and lines of authority in order to carry out the overall plans of the Construction Team.

2.2.1.4 The Construction Manager shall establish procedures for coordination among the Owner, Architect, Trade Contractors and Construction Manager with respect to all aspects of the Project and implement such procedures.

2.2.1.5 The Construction Manager shall schedule, conduct and document progress meetings at least monthly, at which Trade Contractors, Owner, Architect and Construction Manager can discuss jointly such matters as procedures, progress, problems and scheduling. The Construction Manager shall prepare minutes of those meetings and promptly distribute copies to all parties in attendance and to the Owner.

2.2.1.6 The Construction Manager shall provide regular monitoring of the Project Schedule as construction progresses. The Construction Manager shall identify potential variances between scheduled and probable completion dates. The Construction Manager shall review schedule for Work not started or incomplete and recommend to the Owner, Architect and Trade Contractors adjustments in the schedule to meet the scheduled completion date. The Construction Manager shall provide monthly summary reports to the Owner, the Architect and all affected Trade Contractors of each monitoring, document all changes in the Project Schedule and deliver the Revised Project Schedule to all such parties.

2.2.1.7 The Construction Manager shall determine the adequacy of the Trade Contractors' personnel and equipment and the availability of materials and supplies to meet the Project Schedule. The Construction Manager shall recommend courses of action to the Owner and relevant Trade Contractors when requirements of a Trade

Contract are not being met (with a copy to the Architect).

2.2.2 Physical Construction: The Construction Manager shall provide all supervision, services, utilities, etc., as Reimbursable and General Conditions Expenses defined in Article 7 which are necessary for the completion of the Project which are not provided by either the Trade Contractors or the Owner.

2.2.3 Cost Control: The Construction Manager shall develop and monitor an effective system of Project cost control. The Construction Manager shall revise and refine the initially approved Project Budget, incorporate approved changes as they occur, and develop cash flow reports and forecasts as needed. The Construction Manager shall identify variances between actual and budgeted or estimated costs and advise Owner and Architect whenever projected cost exceeds budgets or estimates. The Construction Manager shall provide the Owner and the Architect with monthly summary reports relating to cost control. After the Construction Manager enters into contracts with the Trade Contractors, the Construction Manager shall assume full responsibility to the Owner for the completion of the Trade Contracts within the price set forth in the Contracts, subject only to Change Orders approved by the Owner.

2.2.3.1 The Construction Manager shall maintain cost accounting records on authorized Work performed under unit costs, actual costs for labor and material, or other bases requiring accounting records. The Construction Manager shall afford the Owner access to these records and preserve them for a period of seven (7) years after final payment.

2.2.4 Change Orders: The Construction Manager shall develop and implement a system for the preparation, review and processing of Change Orders. The Construction Manager shall recommend necessary or desirable changes to the Owner and Architect, review requests for changes, submit recommendations to the Owner and the Architect, and assist in negotiating Change Orders.

2.2.5 Payments to Trade Contractors: The Construction Manager shall develop and implement a procedure for the review, processing and payment of applications by Trade Contractors for progress and final payments, including, without limitation, receipt of sworn statements on a monthly basis, from the Construction Manager, Trade Contractors, known subcontractors of any tier and such other parties as the Owner may reasonably require.

2.2.6 Permits and Fees: The Construction Manager shall be responsible for obtaining all building permits and special permits for permanent improvements on behalf of the Owner, excluding permits for inspection or temporary facilities required to be obtained directly by the various Trade Contractors. The Construction Manager shall assist in obtaining approvals from all the authorities having jurisdiction.

2.2.7 Owner's Consultants: If required, the Construction Manager shall assist the Owner and the Architect in selecting and retaining professional services of a surveyor, testing laboratories and special consultants, and coordinate these services, without assuming any responsibility or liability of or for these consultants.

2.2.8 Inspection: The Construction Manager shall be responsible for the good and workmanlike performance of all construction performed on the Project. In this regard, the Construction Manager shall have the authority and responsibility to reject non-compliant Work and to require Trade Contractors to remove and correct all non-compliant Work. Construction Manager shall monitor and inspect the Work of the Trade Contractors to make sure there are no defects or deficiencies in the Work and that the Work is performed in a good workmanlike manner and conforms to all Contract Documents, including the Drawings, Specifications and Conditions of the Contracts (General, Supplementary, and other). The Construction Manager shall timely inform both the Owner and the Architect of any observed defects or deficiencies in the quality of workmanship of the various Trade Contractors. The Construction Manager's shall perform its supervision services in satisfaction of the requirements of Act No. 306 of the Public Acts of Michigan, 1937, as amended.

2.2.8.1 The Construction Manager will (1) implement for the Project a comprehensive, meaningful and effective safety program designed to encourage safe work habits and practices and reduce the occurrences of

accidents and injuries, and (2) require all Trade Contractors and employers on the Project to supplement the safety program supplied by the Construction Manager with a like program developed and put in place by each Trade Contractor and employer on the Project.

2.2.9 Document Interpretation: The Construction Manager shall refer all questions for interpretation of the documents prepared by the Architect, to the Architect.

2.2.10 Shop Drawings and Samples: In collaboration with the Architect, the Construction Manager shall establish and implement electronic procedures for expediting the Architect's processing and of review shop drawings, samples, and other submittals from Trade Contractors. The Construction Manager shall receive from the Trade Contractors and review all such submittals, coordinate them with the information contained in related documents, and transmit them to the Architect for its review and comment.

2.2.11 Reports and Project Site Documents: The Construction Manager shall record the progress of the Project. The Construction Manager shall submit written progress reports to the Owner and the Architect, no less frequently than monthly, including information on the Trade Contractors' Work, and the percentage of completion. The Construction Manager shall keep a daily log including, construction quality control daily reports available to the Owner and the Architect. The Construction Manager shall receive and maintain secure files for Project Documents, including certificates of insurance. The Construction Manager shall provide Project files to the Owner upon Project completion. The Construction Manager shall photograph and/or videotape the progress of the Project on a regular basis and shall provide copies of all photographs and/or videotapes to the Owner.

2.2.11.1 The Construction Manager shall maintain at the Project site, on a current basis: records of all necessary Contracts, Drawings, samples, purchases, materials, equipment, maintenance and operating manuals and instructions, and other construction related documents, including all revisions. The Construction Manager shall obtain data from Trade Contractors and maintain a current set of record Drawings (as-builts), Specifications and operating manuals. These records may be electronic files. At the completion of the Project, the Construction Manager shall deliver all such records to the Architect for review, processing and delivery to the Owner.

2.2.12 Substantial Completion: The Construction Manager shall assist the Architect in determining Substantial Completion of the Work or designated portions thereof and prepare for the Architect a list of incomplete or unsatisfactory items and a schedule for their completion.

2.2.13 Start-Up: With the Commissioning Agent, the Owner's maintenance personnel and the Architect's Engineers, the Construction Manager shall direct the checkout of utilities, operations systems and equipment for readiness and assist in their initial start-up and testing by the Trade Contractors.

2.2.14 Final Completion: The Construction Manager shall assist the Architect in determining final completion and provide written notice to the Owner and Architect that the Work is ready for final inspection. The Construction Manager shall secure and transmit to the Owner required guarantees, warranties, affidavits, releases, bonds, waivers, keys, manuals, and maintenance stocks.

2.2.15 Warranty: The Construction Manager warrants that all materials and equipment included in the Work will be new, unless otherwise specified, and that such Work will be of good quality, free from improper workmanship and defective materials and in conformance with the Drawings and Specifications. With respect to the same Work, the Construction Manager further agrees to correct of all Work defective in material and workmanship for a period of one year from the Date of Substantial Completion or for such longer periods of time as may be set forth with respect to specific warranties contained in the trade sections of the Specifications. The Construction Manager shall collect and deliver to the Owner any specific written warranties given by others. The obligation of Construction Manager to warrant and correct defective workmanship and materials in this Paragraph 2.2.15 shall continue after final payment, acceptance of the Work, and termination of the contract. The designation of the period of one year as a warranty period does not relieve Construction Manager or any Trade Contractor of obligations to perform the Work as required by the Contract Documents.

2.2.16 Furniture and Equipment: The Construction Manager shall provide coordination with the Owner as necessary for the timely installation of all moveable equipment and furniture for the Project.

2.2.17 Post-Occupancy Inspection: As a part of Construction Manager's warranty obligation, approximately 270 days after the Date of Substantial Completion of the Project, the Construction Manager shall inspect the Project and identify portions of the Project requiring correction, pursuant to the warranties provided in this Agreement and/or in the Trade Contracts. The Construction Manager shall coordinate such inspection with the Architect and shall review and implement the recommendations set forth in the report prepared by the Architect.

2.3 Additional Services

2.3.1 At the request of the Owner, the Construction Manager will provide the following additional services upon written agreement between the Owner and Construction Manager defining the extent of such additional services and the amount and manner in which the Construction Manager will be compensated for such additional services. Additional services shall include the following items:

2.3.2 Services related to investigation, appraisals or valuations of existing conditions, facilities or equipment, or verifying the accuracy of existing drawings or other Owner-furnished information beyond the designated Project sites, except as specifically noted elsewhere in this Agreement.

2.3.3 Services related to Owner-furnished equipment, furniture and furnishings which are not a part of this Agreement.

2.3.4 Services for tenant or rental spaces not a part of this Agreement.

2.3.5 Except as required in Paragraph 2.2.13, obtaining or training maintenance personnel or negotiating maintenance service contracts.

2.3.6 Services related to technology and security equipment management, procurement, or installation.

ARTICLE 3 **OWNER'S RESPONSIBILITIES**

3.1 The Owner shall provide full information in a timely manner regarding requirements for and limitations on the Project, including the Owner's program, other objectives, schedule, constraints and criteria, special equipment, systems, and site requirements.

3.2 The Owner shall designate a representative who shall be fully acquainted with the Project and has authority to issue and approve the Project Budget, authorize Change Orders, render decisions promptly and furnish information expeditiously subject to parameters set by the Owner. The Construction Manager acknowledges that the Owner is a public body and that in certain instances, the only party authorized to act on the Owner's behalf will be the Dexter Community Schools Board of Education. In such instances, the Owner's authorized representative shall consult with the Board of Education and shall communicate the Board of Education's response to the Construction Manager.

3.3 The Owner shall retain an Architect for design and to prepare Construction Documents for the Project. The Architect's services, duties and responsibilities are described in the Agreement between the Owner and the Architect, a copy of which will be furnished to the Construction Manager. The terms of any modification to the Agreement between the Owner and the Architect shall also be furnished to the Construction Manager.

3.4 The Owner shall furnish for the site(s) of the Project, to the extent required, all necessary surveys describing the physical characteristics, soil reports and subsurface investigations, legal limitations, utility locations, and a legal description.

3.5 The Construction Manager shall assist the Owner in securing, and the Owner shall pay for, all soils and sedimentation permits, building permits, special permits, environmental permits and other permits set forth as General Condition Items. The Owner shall secure and pay for necessary approvals, easements, assessments and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

3.6 The Owner shall furnish such legal services as may be required by the Owner for providing the items set forth in Paragraph 3.5, and such auditing services as the Owner may require.

3.7 The Construction Manager will be furnished, as an approved charge by the Owner to General Condition Items, one (1) set of reproducible Drawings and Specifications in an agreed electronic file format for execution of the Work and the Construction Manager will make copies of Drawings and Specifications reasonably necessary for the execution of the Work by the Trade Contractors.

3.8 The Owner shall provide the insurance for the Project as provided in Paragraph 11.4. The Construction Manager shall provide payment and performance bonds as provided in Paragraph 16.2, and the Owner shall pay for the associated premiums as an approved charge to General Condition Items.

3.9 The services, information, surveys and reports required by the above paragraphs or otherwise to be furnished by other consultants employed by the Owner, shall be furnished with reasonable promptness without expense to the Construction Manager and the Construction Manager shall be entitled to rely upon the accuracy and completeness thereof.

3.10 The Owner shall be under no duty to inspect, observe or investigate the Project; however, if the Owner becomes aware of any fault or defect in the Project or non-conformance with the Drawings and Specifications, the Owner shall give prompt written notice thereof to the Construction Manager. The Owner's failure or omission to provide such notice shall not relieve the Construction Manager from its responsibilities under this Agreement.

3.11 The Owner shall furnish, prior to commencing work and at such future times as may be requested, reasonable evidence satisfactory to the Construction Manager that sufficient funds are available and committed for the entire cost of the Project. Unless such reasonable evidence is furnished, the Construction Manager is not required to commence or continue any Work, or may, if such evidence is not presented within a reasonable time, stop the Project upon 15 days' notice to the Owner. The failure of the Construction Manager to insist upon the providing of this evidence at any one time shall not be a waiver of the Owner's obligation to make payments pursuant to this Agreement nor shall it be a waiver of the Construction Manager's right to request or insist that such evidence be provided at a later date.

3.12 The Owner shall communicate with the Trade Contractors only through the Construction Manager.

3.13 The Owner shall be responsible for the removal, encapsulation, transportation, and disposal of any existing hazardous material, including without limitation, any asbestos or asbestos-related products as may be required in connection with the Project. Construction Manager shall coordinate Project activities with the Owner's work required for the abatement of such hazardous material by the trade contractor.

ARTICLE 4 **TRADE CONTRACTS**

4.1 Bids for the Project Work to be done by the various Trade Contractors shall be taken by the Owner in accordance with applicable statutes, including but not limited to MCLA 380.1267. The Owner shall award or reject bids after consultation with the Architect and the Construction Manager. However, in no case will the Owner award a contract to any entity who has failed to meet the Construction Manager's Owner-approved written pre-qualification criteria. The Construction Manager shall be authorized to enter into the Trade Contracts

directly with the Trade Contractors to whom the Owner has awarded contracts. Upon such authorization, the Construction Manager shall promptly enter into the contracts with the Trade Contractors.

4.2 All construction shall be performed under Trade Contracts authorized by the Owner. The form of Trade Contracts to be entered into by the Construction Manager and Trade Contractor(s), including the General and Supplementary Conditions to the Construction Contracts, shall be prepared by the Construction Manager in compliance with statutory requirements established by the State of Michigan and contracting policies of Owner, and satisfactory to both the Owner and the Construction Manager.

4.3 Construction Manager shall assume and accept all obligations and responsibilities of the Owner under the bid and the bid documents in the Trade Contracts, pursuant to which the Trade Contractors shall perform the work and/or provide the materials contemplated in the bid and bid documents. The Construction Manager shall assure that the Trade Contracts shall be fully and timely performed, for the benefit of the Owner, subject to the Owner's obligation to pay the Construction Manager all costs incurred under such Trade Contracts. Such Trade Contracts shall identify the Owner as a third-party beneficiary. The Owner shall be furnished payment and performance bonds in the amount of 100% for each portion of the Work to be performed under the Trade Contracts. The Construction Manager shall obtain appropriate guarantees and warranties from the Trade Contractors running directly to the Owner; provided, however, the foregoing shall in no way limit or excuse the Construction Manager's obligations pursuant to Subparagraph 2.2.15.

4.4 The Construction Manager shall be responsible to the Owner for acts and omissions of the Construction Manager's officers, agents and employees, Trade Contractors performing Work under a Contract executed by the Construction Manager, and such Trade Contractor's officers, agents, employees, Subcontractors and suppliers.

ARTICLE 5 SCHEDULE

5.1 The services to be provided under this Agreement shall be in general accordance with the Project Schedule as it may be modified from time to time by the Construction Manager pursuant to changes in the Project Schedule approved in writing by the Owner.

5.2 The Date of Substantial Completion of the Project, or designated portion thereof, shall be the date upon which construction is sufficiently complete in accordance with the Drawings and Specifications, and all approvals have been issued so that the Owner can reasonably occupy or utilize the Project, or designated portion thereof, for the use for which it is intended. Warranties called for by this Agreement or by the Drawings and Specifications shall commence on the Date of Substantial Completion of the Project or designated portion thereof.

5.3 If the Construction Manager is delayed at any time in the progress of the Project by any act or neglect of the Owner or the Architect or by any employee of either, or by any separate contractor employed by the Owner, or by changes ordered in the Project by the Owner, or by labor disputes (other than those involving Construction Manager's personnel), fire, unavoidable casualties or any causes beyond the Construction Manager's reasonable control, the Date of Substantial Completion shall be extended by Change Order for a reasonable length of time; provided that, if the Construction Manager shall fail to make a written request to the Owner for such an extension within thirty (30) days of the event giving rise to the delay, the Construction Manager shall have waived its right to any extension as a result of such event.

ARTICLE 6 CONSTRUCTION MANAGER'S FEE

6.1 In consideration of the performance of the Contract, the Owner agrees to pay the Construction

Manager in current funds as compensation for his services a Construction Manager's Fee of Two Hundred Twenty-Three Thousand Four Hundred Seventy-Five dollars (\$223,475), which shall be paid in equal monthly installments as shown on Exhibit E, which may be adjusted to reflect changes in the project schedule.

6.2 Adjustments in Fee shall be made as follows:

6.2.1 There will be no fee adjustment for changes within original Project Budget (including contingency) and Project Schedule. However, if there are significant changes to the Project scope, thereby exceeding the Project Construction Budget or affecting the Project Schedule, including close out functions, there will be an equitable adjustment in the Construction Manager's Fee, Reimbursables and General Condition Items to compensate the Construction Manager for increased expenses as demonstrated by the Construction Manager and agreed to by the Owner.

6.2.2 Subject to Paragraph 6.2. 1, for delays in the Project not the fault or responsibility of the Construction Manager as provided in Paragraph 5.3, there will be an equitable adjustment in the Construction Manager's Fee and General Condition Items to compensate the Construction Manager for its increased expenses.

6.2.3 The Construction Manager shall be paid an additional pro rata fee as per Paragraph 6.2.2 of the construction cost if the Construction Manager is placed in charge of the reconstruction of any insured or uninsured loss to the Project; provided that in regard to any uninsured loss such loss arises through no fault of the Construction Manager.

6.3 Included in the Construction Manager's Fee are the following:

6.3.1 General operating expenses of the Construction Manager's principal office(s).

6.3.2 Any part of the Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Project.

6.3.3 Overhead or general expenses of any kind, except as may be expressly included in Article 7.

ARTICLE 7 **COST OF THE PROJECT**

7.1 The term Cost of the Project shall mean charges for services provided by the Construction Manager and costs necessarily incurred in the Project during either the Preconstruction/Design Phase or Construction Phase, and paid by the Construction Manager. Such costs shall include the items set forth below in this Article 7.

7.1.1 The Owner agrees to pay the Construction Manager for the Cost of the Project as defined in Article 7. Such payment shall be in addition to the Construction Manager's Fee stipulated in Article 6.

Cost Items; The following items shall be included in the Cost of the Project:

7.2.1 If agreed to in advance by the Owner (as evidenced by a written agreement), wages paid for trade labor in the direct employ of the Construction Manager in the performance of his Work under applicable collective bargaining agreements, or under a salary or wage schedule agreed upon the Owner and Construction Manager, and including such welfare or other benefits, if any, as may be payable with respect thereto.

7.2.2 Charges for Site Office and other Reimbursable Expenses (including premiums for all insurances described in Paragraph 7.2.7) actually incurred not to exceed Forty-Two Thousand One Hundred Seventy-Five dollars (\$42,175) as shown in Exhibit A; provided, however, the total of all Reimbursable Expenses including Site Office Reimbursable Expenses and Personnel Expense/Staff Reimbursables described in Paragraph 7.2.2.4, and all costs for all performance, labor and material bonds described in Paragraph 7.2.7 shall not exceed One Hundred Sixty-Two Thousand Four Hundred Fifty-One dollars (\$162,451). All savings in expenses shall revert to the Owner.

7.2.2.1 Personnel Expense of those employees stationed at the field office, in whatever capacity employed.

7.2.2.2 Personnel Expense at the hourly rate of employees in the home or regional office performing the functions of the construction supervision (including project executive), estimating, scheduling, purchasing, cost control, legal and safety, times the number of hours expended performing the function for the Project.

7.2.2.3 Personnel Expense/Staff Reimbursables is defined as the gross cost of salaries (including salary, insurance, and benefits) of the Construction Manager's employees engaged in performing the services under this Agreement, as identified in Exhibit D or as agreed to in writing by the Owner and the Construction Manager.

7.2.2.4 The total of Personnel Expense/Staff Reimbursables shall not exceed One Hundred Twenty Thousand Two Hundred Seventy-Six dollars (\$120,276) as shown in Exhibit D unless agreed to in writing by written change order approved by the Owner and the Construction Manager.

7.2.2.5 The Construction Manager shall submit with each application for payment such information as the Owner shall reasonably require, to determine the nature and scope of services for which reimbursement for Personnel Expense is being requested.

7.2.3 Cost of all materials, supplies and equipment incorporated in the Project, including costs of transportation and storage thereof.

7.2.4 Payments made by the Construction Manager to Trade Contractors for their Work performed pursuant to contract under this Agreement, including the cost of any Trade Contractor payment and performance bonds.

7.2.5 Cost, including transportation and maintenance, of all materials, supplies, equipment, vehicles, temporary facilities and hand tools not owned by the workmen, which are employed or consumed in the performance of the Work by the Construction Manager, and cost less salvage value on such items used but not consumed which remain the property of the Construction Manager.

7.2.6 Rental charges of all necessary machinery and equipment, exclusive of hand tools, used at the site of the Project, whether rented from the Construction Manager or other, including installation, repairs and replacements, dismantling, removal, costs of lubrication, transportation and delivery costs thereof, at rental charges consistent with those prevailing in the area, which are employed in the performance of the Work by the Construction Manager.

7.2.7 Cost of the premiums for all insurance (including general liability and umbrella) which the Construction Manager is required to procure by this Agreement or is deemed necessary by the Construction Manager and agreed to in writing by the Owner, shall be four-tenths percent (0.40%) of the Cost of Construction of Ten Million Seven Hundred Thirty-Five Thousand Nine Hundred Thirty-Two dollars (\$10,735,932) which premiums are estimated at Forty-Two Thousand One Hundred Seventy-Five dollars (\$42,175). Costs for Performance and Labor and Material Payment Bonds shall be provided shall be one and one-half percent (1.50%) of the Cost of Construction of Ten Million One Hundred Thirteen Thousand Five Hundred Seventy-Three dollars (\$10,113,573) which bonds are estimated at One Hundred Fifty-Six Thousand Eighty-Two dollars (\$156,082).

7.2.8 Sales, use, gross receipts or similar taxes related to the Project imposed by any governmental authority, and for which the Construction Manager is liable.

7.2.9 Permit fees, licenses, tests, royalties, damages for infringement of patents and costs of defending suits therefor, and deposits lost for causes other than the Construction Manager's negligence. If royalties or losses and damages, including costs of defense, are incurred which arise from a particular design, process, or the product of a particular manufacturer or manufacturers specified by the Owner or Architect, and the Construction Manager has no reason to believe there will be infringement of patent rights, such royalties, losses and damages shall be paid by the Owner, but in no case shall they be the responsibility of the Construction Manager.

7.2.10 Losses, expenses or damages to the extent not compensated by insurance or otherwise, including settlement of Trade Contractor claims or disputes, unless it is the result of the Construction Manager's negligence or willful or wanton acts.

7.2.11 The cost of corrective or warranty work provided such work results from causes other than the negligence or willful or wanton acts of the Construction Manager, or the failure of the Construction Manager to carry out its obligations and responsibilities under this Contract.

7.2.12 Cost of General Condition Items shown in the Project Construction Budget as approved in writing by the Owner.

7.2.13 Cost incurred due to an emergency affecting the safety of persons and property.

7.2.14 Legal costs reasonably and properly incurred by the Construction Manager in the discharge of its duties under this Agreement, other than legal costs arising from disputes between the Owner and the Construction Manager, which costs shall be the responsibility of each party for their own representation.

7.2.15 Cost of storage of Project records beyond seven (7) years after Project completion.

ARTICLE 8 **CHANGES IN THE PROJECT**

8.1 The Owner, without invalidating this Agreement, may order Changes in the Project within the general scope of this Agreement consisting of additions, deletions or other revisions, in which case the Construction Manager's Fee and the Date of Substantial Completion shall be adjusted as mutually agreed in writing by the Owner and Construction Manager. All such Changes in the Project shall be authorized by Change Order.

8.1.1 A Change Order is a written order to the Construction Manager signed by the Owner or its authorized agent issued after the execution of this Agreement, authorizing a Change in the Project or the method or manner of performance and/or an adjustment in the Project Budget, the Construction Manager's Fee, or the Date of Substantial Completion. Each adjustment in the Project Budget resulting from a Change Order shall clearly separate the amount attributable to the Cost of the Project and the Construction Manager's Fee.

8.1.2 If unit prices are stated in the Agreement or subsequently agreed upon, and if the quantities originally contemplated are so changed in a proposed Change Order or as a result of several Change Orders that application of the agreed unit prices to the quantities of Work proposed will cause substantial inequity to the Owner or the Construction Manager, the applicable unit prices and Project Budget shall be equitably adjusted.

8.1.3 Should concealed conditions encountered in the performance of the Work below the surface of the ground or should concealed or unknown conditions in an existing structure be at variance in a material fashion with the conditions indicated by the Drawings, Specifications, or Owner-furnished information or should unknown physical conditions below the surface of the ground or should concealed or unknown conditions in an existing structure of an unusual nature, differing materially from those ordinarily encountered and generally

recognized as inherent in work of the character provided for in this Agreement, be encountered, the Project Budget and the Date of Substantial Completion shall be equitably adjusted by Change Order upon claim by either party made within thirty (30) days after the first observance of the conditions; provided, however, the Construction Manager's failure to make a timely claim shall result in the Construction Manager waiving its right to any adjustment as a result of such event.

8.2 Claims for Additional Cost or Time

8.2.1 If the Construction Manager wishes to make a claim for an extension in the Date of Substantial Completion, he shall give the Owner written notice thereof within thirty (30) days after the Construction Manager has knowledge of the occurrence of the event giving rise to such claim. Claims arising from delay shall be made within thirty (30) days after the Construction Manager has knowledge of the event giving rise to the delay. No such claim shall be valid unless so made. Any change in the Project Budget or Date of Substantial Completion resulting from such claim shall be authorized by Change Order.

8.3 Minor Changes in the Project

8.3.1 The Architect will have authority to order minor Changes in the Project not involving a change in Trade Contract amount, an adjustment in the Project Budget or an extension of the Date of Substantial Completion and not inconsistent with the intent of the Drawings and Specifications. Such Changes may be effected by written order approved in writing by the Owner, and shall be binding on the Owner and the Construction Manager. Any Changes involving a change in Trade Contract amounts shall require approval of the Owner by authorized Change Order.

8.4 Emergencies

8.4.1 In any emergency affecting the safety of persons or property, the Construction Manager shall act, at the Construction Manager's discretion, to prevent threatened damage, injury or loss. Any increase in the Project Budget or extension of Date of Substantial Completion claimed by the Construction Manager on account of emergency work shall be determined as provided in this Article.

ARTICLE 9 **DISCOUNTS**

All discounts for prompt payment shall accrue to the Owner to the extent the Cost of the Project is paid directly by the Owner or from a fund made available by the Owner to the Construction Manager for such payments. To the extent the Cost of the Project is paid with funds of the Construction Manager, all cash discounts shall accrue to the Construction Manager. All trade discounts, rebates and refunds, and all returns from sale of surplus materials and equipment, shall be credited to the Cost of the Project. The Construction Manager shall not obtain for its own benefit any discounts, rebates or refunds in connection with the Work prior to providing the Owner with ten (10) days' prior written notice of the potential discount, rebate or refund, and an opportunity for the Owner to furnish to the Construction Manager funds necessary to obtain such discount, rebate or refund on behalf of the Owner.

ARTICLE 10 **PAYMENTS TO THE CONSTRUCTION MANAGER**

10.1 The Construction Manager shall submit monthly to the Owner a sworn statement together with such supporting documentation as the Owner may require showing in detail all moneys paid out, costs accumulated or costs incurred on account of the Cost of the Project or Reimbursable Expenses during the previous month and the amount of the Construction Manager's Fee due as provided in Article 6. Such statement shall include requests for payment on account of Changes in the Project which have been properly authorized by a Change Order. Payment

by the Owner to the Construction Manager of the statement amount less retainage as hereinafter provided, shall be made within fifteen (15) days after it is submitted, and in accordance with the Architect's Certificate for Payment. The Owner shall withhold from each monthly payment an amount equal to ten percent (10%) on account of each Trade Contractor payment. At such time as each Trade Contractor's Work is fifty percent (50%) complete, no further retainage will be withheld, provided, in the Owner's and Construction Manager's opinions, the Trade Contractor is performing satisfactorily.

10.1.1 The Construction Manager shall maintain detailed statements, including without limitation, payroll records, receipted invoices, check vouchers, and any other evidence demonstrating costs incurred by the Construction Manager on account of the Cost of the Project, which records shall be available for the Owner's examination and copying at cost to the Owner during regular business hours for a period of not less than seven (7) years after substantial completion of any phase of the work.

10.2 Final payment for each phase of the work constituting the unpaid balance of the Cost of the Project and the Construction Manager's Fee shall be due and payable thirty (30) days after final completion each phase of the Project.

10.3 The Construction Manager shall promptly pay all the amounts due Trade Contractors or other persons with whom the Construction Manager has a Trade Contract upon receipt of any payment from the Owner, the application for which includes amounts due such Trade Contractor or other persons. Before issuance of final payment, the Construction Manager shall submit satisfactory evidence that all payrolls, material bills and other indebtedness connected with the Project have been paid or otherwise satisfied. Along with each Application for Payment, Construction Manager will submit proof of payments made to all current Trade Contractors and suppliers.

10.4 If the Owner should fail to pay the Construction Manager within fifteen (15) days after the time the payment of any undisputed amount becomes due, then the Construction Manager may, upon seven (7) additional days' written notice to the Owner and the Architect, stop the Project until payment of the amount owing has been received.

10.5 Payments due but unpaid for a period of fifteen (15) days from the date due in Paragraph 10.1 shall bear interest of one half (1/2%) percent per month, (6%) per annum; provided, however, in no event shall interest be due and payable by the Owner to the Construction Manager, any Trade Contractor or any other party on any of the sums properly retained by the Owner, pursuant to any of the terms or provisions of the Contract Documents.

10.6 At the time of submittal of the final application for payment, if any good faith claims or disputes (supportable in accordance with the Contract Documents) exist between the Owner and the Construction Manager, such claims or disputes shall be identified in writing and excepted from the terms of the releases to be then delivered; provided, however, that final sworn statements and waivers of statutory bonds must be provided with respect to all Work, labor and materials, including any unresolved claims. When such claims are resolved, final unconditional releases shall be delivered as a condition of payment with respect to such amounts.

10.7 The Owner shall not be obligated to make payment to the Construction Manager under this Agreement, if any one or more of the following conditions exist:

10.7.1 The Construction Manager is in material default of any of its obligations under this Agreement or otherwise is in material default under any of the Contract Documents.

10.7.2 Any part of such payment is attributable to Work which is defective or not performed in accordance with the Drawings and Specifications, as determined by the Architect; provided, however, payment shall be made as to that part of the Work which is performed in accordance with the Drawings and Specifications and is not defective.

10.7.3 The Construction Manager has failed to make payments promptly to any Trade Contractor or for material or labor used in the Work for which the Owner has made payment to the Construction Manager.

10.7.4 Any part of such payment is attributable to Work with respect to which any party has filed a claim or with respect to which the Owner has been notified of a claim or dispute or has received reasonable evidence indicating the existence of such a claim or dispute.

10.8 The Construction Manager shall furnish to the Owner a consent of surety and/or such other documentation as the Owner shall reasonably require with respect to the release of any retained funds and/or final payment.

ARTICLE 11 **INSURANCE, INDEMNITY AND WAIVER OF SUBROGATION**

11.1 Indemnity

11.1.1 The Construction Manager shall indemnify, defend and hold Owner, its board members, officers, employees and agents, harmless from and against any and all claims, losses, damages, and causes of action, including any judgments which may be entered against them, arising out or in connection with the Project, the performance of the Construction Manager's services in connection with the Project, or the performance of any Trade Contractor's service in connection with the Project. Construction Manager's obligation to defend, indemnify, and hold harmless Owner as described above shall not include those matters in which the claim arises out of allegations of the sole negligence of Owner, which indemnification is prohibited by MCLA 691.991, as amended. The Construction Manager shall cause each Trade Contractor to agree to indemnify and defend the Owner and the Construction Manager and hold them harmless from all claims for bodily injury and property damage that may arise from the operations of such Trade Contractor's operations. Such provisions shall be in form satisfactory to the Construction Manager and the Owner.

11.1.2 The Owner shall cause any other contractor who may have a direct contract with the Owner to perform construction or installation work in the areas where Work will be performed under this Agreement, to agree to indemnify the Owner and the Construction Manager and hold them harmless from all claims for bodily injury and property damage (other than property insured under Paragraph 11.4) that may arise from that contractor's operations. Such provisions shall be in a form satisfactory to the Construction Manager.

11.2 Construction Manager's Liability Insurance

11.2.1 Construction Manager will maintain the following insurance: broad form comprehensive (including explosion, collapse and underground coverage), general liability, operations and premises liability (including elevator liability), independent contractor's protective liability, complete operations and product liability (maintained in effect for a period of three years after the date of final payment), personal injury liability, broad form property damage liability endorsement, and blanket contractual liability insurance, which shall be written on an occurrence basis for not less than the following limits of liability, or any limits required by law, whichever is greater:

- a) Worker's Compensation at the statutory limits and Employers Liability with a policy limit of not less than One Million Dollars (\$1,000,000).
- b) Commercial General Comprehensive Liability with policy limits of not less than Five Million Dollars (\$5,000,000) for each occurrence and in the aggregate for bodily injury and property damage.
- c) Business Automobile Liability covering owned and rented vehicles operated by the Construction Manager with policy limits of not less than One Million Dollars (\$ 1,000,000) for each occurrence and Two Million Dollars (\$2,000,000) in the aggregate for bodily injury and property damage.

- d) Products and Completed Operations – Same limits as above for 3 years, commencing with issuance of final Certificate of Payment.
- e) Professional Liability covering the Architect’s negligent acts, errors and omissions in its performance of professional services with policy limits of not less than Two Million Dollars (\$2,000,000) per claim and in the aggregate.
- f) Excess Umbrella Liability \$50,000,000.00 which is supplemental to the coverage amounts in 11.2.1 a) through e) above.

Prior to the commencement of any Work, the Construction Manager shall file with the Owner valid certificates of insurance and amendatory riders or endorsements to the Construction Manager’s insurance policies, all in form and substance satisfactory to the Owner, naming the Owner and its board members, officers, agents and employees or other persons or entities with an insurable interest designated by Owner as additional named insured thereunder. All endorsements or amendatory riders shall indicate that as to the additional named insureds, there shall be severability of interests under the insurance policies for all coverages provided under such insurance policies. The certificates and amendatory riders or endorsements shall clearly indicate the specific coverage and shall contain a provision requiring the giving of written notice to Owner at least thirty (30) days prior to the cancellation, non-renewal or material modification of any such policies (as evidenced by return receipt of United States certified or registered mail). The Construction Manager shall require all Trade Contractors to provide the same insurance in amounts satisfactory to the Construction Manager and Owner, and provide evidence of such coverage to the Construction Manager and shall be provided to the Owner upon request.

11.3 Owner’s Liability Insurance

11.3.1 The Owner shall be responsible for purchasing and maintaining his own liability insurance and, at its option, may purchase and maintain such insurance as will protect Owner against claims which may arise from operations under this Agreement.

11.4 Insurance to Protect Project

11.4.1 The Owner shall maintain a builder’s risk insurance in the amount sufficient to insure potential losses at any given time during the work. The Construction Manager shall provide cash flows and consult with the Owner to advise of the recommended amount of coverage as each phase of work begins. This insurance shall include as named insured the Owner, the Construction Manager and its Trade Contractors, and shall insure against loss from the perils of fire, extended coverage, and shall include “all risk” insurance for physical loss or damage including, without duplication of coverage, at least theft, vandalism, malicious mischief, transit, collapse, flood, earthquake, testing, and damage resulting from defective design, workmanship or material. The policy shall include any required construction temporary conditions and equipment damaged under any covered event. The Owner will be responsible for any co-insurance penalties or deductibles. The Construction Manager and Trade Contractors shall be named as additional insured under the Owner’s property insurance covering any building construction underway and its contents.

11.4.1.1 If the Owner finds it necessary to occupy or use a portion or portions of the Project prior to Date of Substantial Completion thereof, such occupancy shall not commence prior to a time mutually agreed to by the Owner and Construction Manager and to which the insurance company or companies providing the property insurance have consented by endorsement to the policy of policies. This insurance shall not be canceled or lapsed on account of such partial occupancy. Consent of the Construction Manager to such occupancy or use shall not be unreasonably withheld.

11.4.2 The Owner shall purchase and maintain such boiler and machinery insurance as may be required or necessary. This insurance shall include the interests of the Owner, the Construction Manager and the Trade Contractors.

11.4.3 The Owner shall purchase and maintain such insurance as the Owner deem necessary to protect the Owner and Construction Manager against loss of use of Owner's property due to those perils insured pursuant to Subparagraph 11.4. 1.

11.4.4 The Owner shall, if requested by the Construction Manager, provide valid certificates of insurance for all policies with the Construction Manager before an exposure to loss may occur. Copies of any subsequent endorsements will be furnished to the Construction Manager. The Construction Manager will be given thirty (30) days notice of cancellation, non-renewal, or material modification.

11.5 Property Insurance Loss Adjustment

11.5.1 Subject to the terms of the applicable insurance coverage, any insured loss shall be adjusted with the Owner and the Construction Manager and made payable to the Owner and Construction Manager as their interests may appear.

11.5.2 Subject to the terms of the applicable insurance coverage, upon the occurrence of an insured loss, monies received will be distributed in accordance with the agreement of the parties in interest, or in the absence of such agreement, in accordance with the dispute resolution provisions pursuant to Article IS.

11.6 Waiver of Subrogation

11.6. 1 The Owner and Construction Manager waive all rights against each other, Trade Contractors and their Trade Subcontractors for damages caused by perils covered by insurance provided under Paragraph 11.4, except such rights as they may have to the proceeds of such insurance held by the Owner and the Construction Manager as trustees. The Construction Manager shall require similar waivers from all Trade Contractors and their Trade Subcontractors.

11.6.2 The Owner and Construction Manager waive all rights against each other and the Trade Contractors and their Trade Subcontractors for loss or damage to any equipment used in connection with the Project covered by any property insurance. The Construction Manager shall require similar waivers from all Trade Contractors and their Trade Subcontractors.

11.6.3 The Owner waives subrogation against the Construction Manager, Trade Contractors, and their Trade Subcontractors on all property and consequential loss policies carried by the Owner on adjacent properties and under property and consequential loss policies purchased for the Project after its completion.

11.6.4 If the policies of insurance referred to in this Paragraph require an endorsement to provide for continued coverage where there is a waiver of subrogation, the Owners of such policies will cause them to be so endorsed.

ARTICLE 12 **TERMINATION OF THE AGREEMENT AND OWNER'S** **RIGHT TO PERFORM CONSTRUCTION MANAGER'S OBLIGATIONS**

12.1 Termination by the Construction Manager

12.1.1 If the Project, in whole or substantial part, is stopped for a period of thirty consecutive days under an order of any court or other public authority having jurisdiction, or as a result of an act of government, such as a declaration of a national emergency making materials unavailable, through no act or fault of the Construction Manager, or if the Project should be stopped for a period of thirty days by the Construction Manager for the Owner's failure to nine any undisputed payment due under this Agreement, then the Construction Manager may, upon seven days' written notice to the Owner and the Architect, and during which period the Owner fails to perform such obligation, terminate this Agreement and recover from the Owner payment for all work executed,

the unpaid balance of the Construction Manager's Fee earned to date, and for any proven loss sustained upon any materials, equipment, tools, construction equipment and machinery, reasonable cancellation charges.

12.2 Owner's Right to Perform Construction Manager's Obligations and Termination by the Owner for Cause

12.2.1 If the Construction Manager fails to perform any of the Construction Manager's obligations under this Agreement, the Owner may, after seven days' written notice during which period the Construction Manager fails to perform such obligation, terminate this Agreement and/or make good such deficiencies and recover from the Construction Manager any loss, damage or expense sustained by the Owner as a result of such failure to perform or termination.

12.2.2 If the Construction Manager is adjudged a bankrupt, or if the Construction Manager makes a general assignment for the benefit of its creditors, or if a receiver is appointed on account of the Construction Manager's insolvency, or if the Construction Manager persistently or repeatedly refuses or fails, except in cases for which extension of time is provided, to supply enough properly skilled workmen or proper materials, or if the Construction Manager fails to make proper payment to Trade Contractors or for materials or labor, or persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise is guilty of a violation of a provision of the Agreement, then the Owner may, without prejudice to any right or remedy and after giving the Construction Manager and the Construction Manager's surety, if any, seven days' written notice (during which period the Construction Manager fails to cure the violation) terminate the employment of the Construction Manager and take possession of the site and of all materials, equipment, tools, construction equipment and machinery thereon owned by the Construction Manager and may finish the Project by whatever reasonable method the Owner may deem expedient. In such case, the Construction Manager shall not be entitled to receive any further payment until the Project is finished nor shall he be relieved from his obligations assumed under Article 6.

12.3 Termination by Owner – Without Cause

12.3.1 If the Owner terminates this Agreement other than pursuant to Subparagraph 12.2.1, 12.2.2 or Subparagraph 12.3.2, the Owner shall reimburse the Construction Manager for any unpaid Cost of the Project due the Construction Manager under Article 7, plus the unpaid balance of the Construction Manager's Fee through the date of Termination in an amount as will increase the total of all payments on account of the Construction Manager's Fee to a sum which bears the same ratio to the Construction Manager's Fee as the Cost of the Project at the time of termination bears to a reasonable estimated Cost of the Project when complete. The Owner shall also pay to the Construction Manager fair compensation for demonstrated demobilization or other costs reasonably incurred by the Construction Manager in the interests of the Project and as agreed to by the Owner.

12.3.2 After the completion of the Preconstruction/Design Phase, if the final cost estimates make the Project no longer feasible from the standpoint of the Owner, the Owner may terminate this Agreement and pay the Construction Manager that portion of the Construction Manager's Fee in the amount then due in accordance with Subparagraph 6.1 plus any costs incurred pursuant to Article 7.

ARTICLE 13 **ASSIGNMENT AND GOVERNING LAW**

13.1 Neither the Owner nor the Construction Manager shall assign their respective interests in this Agreement without the prior written consent of the other.

13.2 This Agreement shall be governed by the law of the State of Michigan.

ARTICLE 14
MISCELLANEOUS PROVISIONS

14.1 It is expressly understood that the Owner shall be directly retaining the services of the Architect.

14.2 Notwithstanding anything contained herein, it is expressly understood that the Construction Manager's intellectual rights in the Construction Manager's project control systems, including without limitation, those relating to estimating, scheduling, purchasing, cost reporting, and project engineering systems, and all modifications, additions, or alterations thereto, are and shall remain the sole property of the Construction Manager.

14.3 It is expressly understood that in the event the Construction Manager incurs legal or other professional fees in the process of pursuing or defending a claim, suit or dispute with a Trade Contractor directly relating to the Project, then such fees shall be reimbursable to the Construction Manager as a cost of the Project pursuant to Article 7, unless such claim, suit or dispute is a result of negligence or willful misconduct of the Construction Manager.

14.4 Notwithstanding the event of any claim, dispute, or other matter in question arising out of or relating to this Agreement or the breach thereof, the Construction Manager shall carry on the Work and the Owner shall continue to make payments in accordance with this Agreement.

ARTICLE 15
DISPUTE RESOLUTION

15.1 The Owner and the Construction Manager agree to make a good faith effort to resolve any disputes arising under this Agreement in accordance with the following provisions:

15.1.1 The Construction Manager will not stop or delay performance of the Work because of the existence of a dispute between such parties or as the result of the failure to achieve final resolution of any such dispute. The Construction Manager will proceed to complete the Work in accordance with the Drawings and Specifications and in accordance with the Project Schedule.

15.1.2 The Owner and the Construction Manager agree to attempt to resolve all disputes which have been timely preserved in accordance with the following procedures:

15.1.2.1 The Owner's authorized Representative, the Architect and the Project Manager shall meet to review the underlying facts giving rise to the dispute and the proposed resolution thereof. If the parties agree on the method of resolving such dispute, such method shall be embodied in a written agreement signed by the Owner and the Construction Manager and a Change Order, if necessary, shall be prepared and executed.

15.1.2.2 If the Owner and the Construction Manager are unable to resolve any dispute in accordance with Clause 15.1.2.1 above, the Superintendent of Schools, or other designated person of the Owner and the Chief Executive Officer of the Construction Manager shall meet to review the underlying facts giving rise to the dispute and the proposed resolution thereof. If the parties agree on the method of resolving such dispute, such method shall be embodied in a written agreement signed by the Owner and the Construction Manager and a Change Order, if necessary, shall be prepared and executed. The written agreement may include matters relating to consolidation or joinder of related claims.

15.1.2.3 If the Owner and the Construction Manager are unable to resolve any dispute in accordance with the provisions in Clause 15.1.2.1 or 15.1.2.2 above, the President of the Board of Education of the Owner and the Chief Executive Officer of the Construction Manager shall meet in an attempt to identify a method of dispute resolution otherwise satisfactory to such parties, including, without limitation, arbitration, mediation or mini-trial. Absent such an agreement, the Owner or the Construction Manager shall be free to commence an action to

enforce any or all remedies under this Agreement and available in law or equity to such party.

15.1.3 The Owner and the Construction Manager acknowledge and agree that, absent a written agreement providing for the resolution of a particular dispute, all negotiations and statements made in the course of such negotiations and discussions may not be used for any other purpose, including, without limitation, proof of admissions of liability or for any other evidentiary purposes. No negotiations or discussions undertaken pursuant to this Paragraph IS. 1 shall constitute a waiver of, or be deemed to prejudice, the Owner's or the Construction Manager's rights under this Agreement, except to the extent specifically stated in a written agreement executed by both parties as to a particular dispute.

15.2 In the event of an arbitration arising out of, or relating to this Agreement, Owner reserves the right to insist that the arbitration hearing be conducted in the general area where the Owner's principal place of business is located.

ARTICLE 16 **OTHER CONDITIONS OR SERVICES**

16.1 The Construction Manager shall furnish the Owner with Payment and Performance Bonds (labor and material) each in an amount equal to 100% of the Construction Cost of the Project.

16.2 Typical General Condition Items will be identified in the Project Construction Budget. The Construction Manager will furnish the Owner with a list of all General Conditions Items that are not included in the Trade Contractor's bid packages.

16.3 The Construction Manager shall provide full time, on-site field supervision during the Construction Phase. The Construction Manager shall make available the services of those such individuals to provide the services defined as Basic Services or needed in the course of the Project to complete the Project as described in this Agreement. Prior to initial assignment and in the event that any individual is discharged, dies, is disabled or is promoted to take on a substantially different responsibility, the Construction Manager shall promptly submit to the Owner a qualification and experience resume' of the person(s) proposed as replacement(s) and shall furnish replacement(s) upon agreement or request by the Owner.

16.4 The Construction Manager shall not issue any Change Orders to Trade Contractors unless such Change Orders are within the project budget approved by the Board of Education. If changes are required within the approved project budget, the Construction Manager shall prepare change orders for approval of the Superintendent (or designee) in writing, along with the Construction Manager's certification that the individual project can still be completed within the Board approved project budget. Should this certification not be provided, the Construction Manager shall submit such request to the Superintendent for review of the Board of Education. The Construction Manager is authorized to issue field orders in an amount not to exceed \$20,000, if in its professional opinion an issue is urgent as to potentially cause delay to the schedule of the project. The Construction Manager must advise the Superintendent of Schools or designee, gain verbal authorization and confirm in an email the same day the not to exceed value of such a field order. These field orders shall be included within the next written change order authorized by the Owner.

16.5 The Construction Manager shall inspect the Work of the Trade Contractors on the Project as it is being performed until final completion and acceptance of the Project by the Owner to fulfill Construction Manager's responsibilities and obligations under Paragraph 2.2.8 and to assure that the Work performed and the materials furnished are in accordance with the contract documents and that Work on the project is progressing in accordance with the Project Schedule. In the event that the quality control testing should indicate that the Work, as installed, does not meet the requirements of this Project, the Architect shall determine the extent of the Work that does not meet the requirements and the Construction Manager shall direct the Trade Contractor(s) to take appropriate corrective action, and advise the Owner of the corrective action.

16.6 The Construction Manager represents and warrants to the Owner that the Construction Manager is financially solvent and possesses sufficient experience, licenses, authority, personnel and working capital to complete the services required under this Agreement.

16.7 The Construction Manager represents and warrants to the Owner that the Construction Manager has visited the sites for the Projects, and has thoroughly familiarized itself with the local conditions under which the services required under this Agreement are to be performed.

16.8 The Construction Manager shall cause all of its employees, agents, contractors and consultants, and shall further cause all Trade Contractors and all of their employees, agents, contractors and consultants, and anyone working directly or indirectly under any of such parties, to comply with the laws of the State of Michigan prohibiting smoking on public school grounds.

16.9 In providing services under this Agreement, Construction Manager shall be acting in the capacity of an independent contractor.

16.10 Construction Manager shall insure that the Work complies with the Contract Documents and all applicable construction-related laws, ordinances, codes, rules, and regulations.

16.11 In addition to any other responsibilities of Construction Manager under this Agreement, Construction Manager shall be responsible for those services as indicated on the Responsibility Matrix attached as Exhibit F. If there is any inconsistency between this Agreement and the Responsibility Matrix, this Agreement shall prevail over and supersede the Responsibility Matrix.

16.12 Owner shall have the right to remove portions of the Project (as described in Owner's Application for Preliminary Qualification of the Bonds, numbered SBL/81-050-4-KI2 -16-01, dated March 27, 2017) from this Agreement. In the event the Owner removes a portion or portions of the Project Construction Manager's compensation shall be adjusted to exclude the portion or portions of the Project removed from this Agreement. Owner shall also have the right to add work to the Project. In the event Owner adds work to the Project, Construction Manager's compensation shall be adjusted to include the work added to the Project.

Owner:

Construction Manager:

DEXTER COMMUNITY SCHOOLS

GRANGER CONSTRUCTION COMPANY

By: _____

By: _____

Its: President Date: _____

Its: President Date: _____

By: _____

By: _____

Its: Secretary

Its: Witness

EXHIBIT A
TO AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER

GENERAL CONDITION ITEMS

Item Description	Original Budget	Series 1 Budget	Series 2 Budget
A.01 Performance Bond	\$ 716,129	\$ 560,047	\$ 156,082
A.02 Environmental Assessment	\$ -	\$ -	\$ -
A.03 Surveys	\$ -	\$ -	\$ -
A.04 Geotechnical Engineer	\$ -	\$ -	\$ -
A.05 Materials Testing	\$ -	\$ -	\$ -
A.06 Roof Testing +	\$ -	\$ -	\$ -
A.07 Mechanical Commissioning	\$ -	\$ -	\$ -
A.08 Document Reproduction	\$ -	\$ -	\$ -
A.09 Permits & Fees	\$ -	\$ -	\$ -
A.10 Miscellaneous	\$ 196,029	\$ 156,643	\$ 39,386
Subtotal General Conditions	\$ 912,158	\$ 716,690	\$ 195,468
B.01 CM Fee	\$ 1,023,041	\$ 799,566	\$ 223,475
B.02 General Liability Insurance	\$ 195,800	\$ 153,625	\$ 42,175
B.03 CM Site Office Reimbursable	\$ 150,124	\$ 150,124	\$ 0
B.04 Preconstruction Reimbursable	\$ 100,000	\$ 100,000	\$ 0
B.05 CM Staff Reimbursable	\$ 1,433,996	\$ 1,313,720	\$ 120,276
B.06 Owner Agent	\$ 63,650	\$ 63,650	\$ 0
Subtotal CM Services	\$ 2,966,611	\$ 2,580,685	\$ 385,926
Total CM GCs & Services	\$ 3,878,769	\$ 3,297,375	\$ 581,394

EXHIBIT B
TO AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER
PRELIMINARY PROJECT SCHEDULE

Phase Four – Alternate Renovations and Sitework at all buildings

Planning, Schematics & Design (Pre-Construction) To be determined. Estimated 2021

Construction - Phase 4 To be determined. Estimated 2021

EXHIBIT C
TO AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER

PRELIMINARY PROJECT BUDGET

Projected CM Managed Cost Summary		Series 1 Bonds Issued 11/2017	Series 2 Bonds to be Issued 2021- 2022
	Total	Series 1 Phases 1, 2 & 3	Series 2 Phase 4
Construction Costs			
Project #01: New Elementary School	\$ 21,871,604	\$ 21,871,604	\$ -
Project #02: Cornerstone Elementary School	\$ 1,628,981	\$ 1,628,981	\$ -
Project #03: Wylie Elementary School	\$ 3,236,902	\$ 1,780,799	\$ 1,456,103
Project #04: Creekside Intermediate School	\$ 5,098,653	\$ 1,795,813	\$ 3,302,840
Project #05: Mill Creek Middle School	\$ 5,024,640	\$ 3,292,280	\$ 1,732,360
Project #06: Dexter High School	\$ 8,710,776	\$ 6,266,605	\$ 2,444,171
Project #07: Alternative Education	\$ 158,258	\$ 158,258	\$ -
Project #08: Bates Early Elementary	\$ 586,113	\$ 118,323	\$ 467,790
Project #09: Jenkins Early Childhood Center	\$ 616,713	\$ 319,422	\$ 297,291
Project #10: Copeland Administration Building	\$ 552,422	\$ 209,039	\$ 343,383
Project #11: Transportation Building	\$ 1,000	\$ -	\$ 1,000
Project #12: Proctor House	\$ 1,000	\$ -	\$ 1,000
Project #13: Naylor House	\$ 1,000	\$ -	\$ 1,000
Project #14: Avery House	\$ 1,000	\$ -	\$ 1,000
Project #15: Reallocated Construction	\$ 131,270	\$ 65,635	\$ 65,635
General Conditions Costs	\$ 912,158	\$ 716,690	\$ 195,468
Construction Manager Services	\$ 2,966,611	\$ 2,580,685	\$ 385,926
SUBTOTAL CM Responsibility	\$ 51,499,101	\$ 40,804,134	\$ 10,694,967
Loose Furnishings & Equipment	\$ -	\$ -	\$ -
Technology Equipment (All Phases)	\$ 675,994	\$ 249,103	\$ 426,891
A/E Services	\$ -	\$ -	\$ -
Project #07: Alternative Education	\$ -	\$ -	\$ -
Land Purchases (All Phases)	\$ -	\$ -	\$ -
Bus Purchases (All Phases)	\$ -	\$ -	\$ -
Reallocated Owner	\$ -	\$ -	\$ -
Election and Issuance Costs	\$ -	\$ -	\$ -
Projected Interest Earnings	\$ -	\$ -	\$ -
SUBTOTAL Owner/CM Responsibility	\$ 675,994	\$ 249,103	\$ 426,891
TOTAL Project Cost / Phase	\$ 52,175,095	\$ 41,053,237	\$ 11,121,858
TOTAL Project Costs			\$ 52,175,095

Note 1: Construction Manager to provide management services for portion of security and infrastructure elements of technology shown above.

EXHIBIT D
TO AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER

KEY PERSONNEL

Staff Member	Title	Hours	Rate	Total Cost
Jerald Brand	Project Executive	376	\$ 95.00	\$ 35,720
Greg Brand	Senior Project Manager	1,298	\$ 70.00	90,896
To Be Assigned	Const. Superintendent 1	4,286	\$ 68.00	291,448
To Be Assigned	Const. Superintendent 2	1,200	\$ 68.00	81,600
Michael Nowosad	Project Manager	4,629	\$ 68.00	314,772
To Be Assigned	Project Manager Phase 4 (2022 assumed)	1,542	\$ 78.00	120,276
To Be Assigned	Project Engineer 1	4,183	\$ 48.00	200,784
To Be Assigned	Project Engineer 2	1,880	\$ 48.00	90,240
Beth Kromis	Project Coordinator	4,560	\$ 38.00	173,280
Brian Goodman	Corporate Safety Director	111	\$ 75.00	8,325
Amy Baldwin	Project Accountant	249	\$ 45.00	11,205
Becky O'Callaghan	Architectural Estimator	103	\$ 65.00	6,695
Rich Corona	Systems Engineer-Functions	103	\$ 85.00	8,755
		24,520		\$ 1,433,996

Note 1: The hourly rates shown shall be equitably adjusted between the parties should the scope or schedule of the project change materially.

Note 2: The Owner and Construction Manager have agreed that project management services are included for phase 4 work, but supervision and other on-site (field) staffing will be developed equitably as an additional service to this agreement, once the scope and timing of the work are further developed by the Owner and Construction Manager.

EXHIBIT E
TO AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER
SCHEDULE OF MONTHLY PAYMENTS TO CONSTRUCTION MANAGER

Construction Manager fee to be paid as follows:

- 20% of fee shall be paid for preconstruction phase services in equal monthly installments
- 80% of fee shall be paid for construction phase services in equal monthly installments

Staffing and general conditions costs shall be paid monthly as expended, not to exceed staffing budget shown on Exhibit D

See Approved Budget for all Construction Manager general conditions estimated costs.

See Approved Budget for all project related general condition costs

EXHIBIT F
TO AGREEMENT BETWEEN OWNER, CM AND ARCHITECT

RESPONSIBILITY MATRIX

PROJECT TEAM:

Owner: Dexter Community Schools
 Architect: TMP Architecture, Inc.
 Construction Manager: Granger Construction Company

INTRODUCTION:

The following matrix lists functional tasks assigned to the members of the Dexter Community Schools Project Team. Tasks are listed by category and general sequence. Some tasks are clarified by endnotes.

RESPONSIBILITY MATRIX

	Owner	A/E	CM	Endnote
TEAM SELECTION	1	0	2	
Initiate Project	1	0	0	
Owner Selects CM	1	0	2	
Owner Selects AE	1	1	1	
Establish Team Responsibilities	1	1	1	
Establish Fees	1	1	1	
Execute Contractual Agreements	1	1	1*	
Establish Communication Procedures				
BOND CAMPAIGN				
Develop Owner's Program	1*	0	1	
Establish Owner's Budget	1	0	1	(1)
Establish Budget Guidelines and Controls	1	0	1*	
Analyze Program vs. Budget	1	0	1*	
Develop Hazardous Material Program	1	0	2	
Establish Site Requirements	1	0	2	
Conduct Site Evaluation	0	0	2	
Conduct Utilities Evaluation	0	0	2	
Develop Preliminary Project Master Schedule	1	0	1*	
Establish Preliminary Occupancy Schedule	1	0	1	(2)
Develop Preliminary Cash Flow Schedule	0	0	1	
Study Financial Feasibility	1	0	2	
Conduct Financing Studies	1	0	1	
Submit Necessary State or Federal Fund Applications	1	0	2	
Board's Review & Approval of Bond Application	1	0	2	
Obtain State Approval of Bond Application	1	0	1*	
Fund Raising Promotion, Bond Campaign	1	2	2	
Obtain Financing & Invest Funds	1	0	2	
SCOPE VALIDATION & SCHEMATIC DESIGN				
Study Spatial Relationships	2	1	2	
Prepare Functional and Flow Diagrams (N/A)	0	1	0	
Recommend Basic Materials & Systems	2	1	2	
Coordinate with Governmental Agencies and Utility companies	2	1*	1	(3)
Update Project Master Schedule	1	1	1*	

	Owner	A/E	CM	Endnote
Update Occupancy Schedule	1	2	1	
Prepare Detailed Design Schedule	2	1*	1	(4)
Complete Scope Validation Design Packages (schematic design.)	0	1	0	
Develop Schematic Estimate	0	2	1	
Analyze Estimate (Program/Budget/Estimate)	2	1	1*	
Refine Program (Relating to Bond Scope/Budget/Estimate)	1	1*	1	
Scope Validation Report	0	1*	1	
Retain Special Consultants	1	1	2	
Board's Review and Approval of Schematic Design & Estimate (Schematic Phase may be combined with Design Development Phase with Owner approval)	1	2	2	
DESIGN DEVELOPMENT				
Review, evaluate and integrate Survey & Soils Testing data/ recommendations	0	1	2	(5)
Prepare Site Plan	0	1	0	
Evaluate Architectural Component & System Alternates	0	1	2	
Evaluate Structural Systems	0	1	2	
Evaluate Mechanical, Electrical & Data Systems	0	1	2	
Prepare Outline Specifications	0	1	2	
Prepare Commissioning Scope to engage Commissioning Agent (CxA)	0	1	2	
Coordinate Cx Plan with design	0	1	2	
Initiate Preliminary Utility Co. Review	2	1	2	
Complete Design Development Documents	0	1	0	
Prepare Design Development Estimate	0	2	1	
Analyze Estimate (Program/Budget/Estimate)	2	1	1*	
Conduct Value Engineering Analysis	0	1	1	(6)
Finalize Selection of Components & Systems	1	1*	2	
Design Development Report	0	1*	1	
Board's Review & Approval of Design Documents & Estimate	1	2	2	
Obtain Authorities with Jurisdiction & Agency Approvals	2	1	2	(7)
Obtain State Agency Approval	2	1	2	(7)
Obtain Dept. of Natural Resources Approval if Necessary	2	1	2	(7)
Prepare Local Planning or Zoning Board Approvals if Necessary	2	1	2	(7)
Update Master Schedule	1	1	1*	
Prepare Preliminary Construction Schedule	2	2	1	
Identify Long-Lead Purchase Items	0	2	1	
Prepare Long-Lead Purchase & Phased Construction Documents	0	1	2	
Bid and Purchase Long-Lead Items	2	2	1	
Evaluate Labor & Trade Contractor Market	0	0	1	
Establish General Conditions	2	2	1	
Update Cash Flow Schedule	0	0	1	
Establish Reporting & Accounting Procedures	2	2	1	
CONSTRUCTION DOCUMENTS				
Prepare Construction Plans & Technical Specifications	0	1	0	
Implement Phased Construction, if Applicable	2	2	1	
Review Construction Plans & Technical Specifications	2	1*	1	(8)
Final Government Agency Review Approval	2	1	2	
Final Insurance Requirements Review	1*	2	1	
Finalize Owner Occupancy Schedule	1	2	1*	
Coordinate Commissioning Plan with final specifications	2	1	2	

	Owner	A/E	CM	Endnote
Prepare Project Manual	0	2	1	(9)
Establish Contract Conditions	2	2	1	(10)
Determine Bid Divisions of Work	0	2	1	
Update Construction Schedule	2	2	1	
Prepare Trade Contractor Bid Lists	2	2	1	
Review Trade Contractor Bid Lists	1	1	1*	
Update Cash Flow Schedule	2	0	1	
Construction Document Report	0	1*	1	
Board's Approval of Construction Documents & Schedule	1	2	1	
BIDDING AND AWARDING				
Advertise for Trade Contractor Bids	2	0	1	
Place Legal Ads for Bidding and post on DMB website	1*	2	1	
Distribute Bidding Documents	0	0	1	
Obtain Builders Risk Insurance	1*	0	1	(11)
Conduct Trade Contractor Pre-Bid Conference	0	2	1	(12)
Prepare & Distribute Addenda	0	1	1*	
Receive & Tabulate Trade Contractors' Bids	2	2	1	(13)
Evaluate Bids for Specification Compliance	0	1	1*	
Evaluate Bids and Make Award Recommendations	2	1	1*	
Conduct Pre-Award Conferences	2	1	1*	
Evaluate Cost of Project as Bid	2	2	1	
Update Construction & Master Schedule	0	0	1	
Board's Review & Approval of Trade Contracts	1*	2	1	
Issue Notice to Proceed	1	0	1*	
Develop Detailed Construction Schedule	0	0	1	
Set Disbursement Schedules	0	0	1	
Issue Trade Contracts	1	0	1*	
CONSTRUCTION				
Mobilization for Construction	0	0	1	
Verify & Monitor Insurance & Bond Requirements	2	2	1	
Provide Full Time Field Coordination & Reporting	0	0	1	
Establish Beneficial Occupancy Schedule	2	2	1	
Review/inspect & Monitor Trade Contractors' Work	0	2	1	
Review/inspect for Conformance to Design	0	1	2	
Interpret Plans & Specifications	0	1	2	
Evaluate Progress & Update Construction Schedule	0	2	1	
Process Shop Drawings & Sample Control	0	2	1	
Check & Approve Shop Drawings & Samples	0	1	2	
Approve Trade Contractor Progress Payments	1	1	1*	(14)
Disperse Payments to Contractors	2	0	1	
Provide Project Cost Controls	0	0	1	
Conduct Job Meetings	0	2	1	
Prepare & Process Proposal Requests & Const. Change Directives	0	1	2	(15)
Prepare & Process Change Documents	0	1	1*	
Review & Approve Change Documents	1*	2	1	(16)
Administer Safety Program	0	0	1	
Administer Quality Control Program	0	2	1	(17)
Maintain Electronic Record Drawings	0	2	1	
Coordinate Owner Occupancy Schedule	1	2	1	
Participate in Commissioning Meetings	2	1	1*	

	Owner	A/E	CM	Endnote
CLOSE OUT & OCCUPANCY				
Prepare Punch List	0	1	1*	
Coordinate Completion of Punch List	0	2	1	
Certify Substantial Completion	2	1	2	
Obtain Final Approval from Agencies with Jurisdiction	0	1	2	
Conduct Demonstration on Systems & Equipment	1	1	1	(18)
Start-Up & Recommended Maintenance	1	2	1	
Submit/Review Operation Manuals & Warranties	0	1	1*	
Inspect for Final Compliance with Documents	2	1	2	
Perform Final Accounting	0	0	1	
Determine Final Payments	1	1	1*	
Coordinate Work under Guarantee	0	2	1	
Provide Continuing Consultation in Post Occupancy	0	1	1	
Owner's Acceptance	1	0	0	

RESPONSIBILITY MATRIX ENDNOTES

- (1) The Owner establishes limits of expenditures; the construction manager develops breakdowns of total cost.
- (2) The Owner sets the desired occupancy based on the construction duration anticipated by the construction manager.
- (3) Following consultation with the Owner, the architect/engineer coordinates governmental agency and utility company plan reviews as required and assisted by the construction manager during design. Roles will be reversed during construction.
- (4) The architect/engineer set their production schedules based on the overall project milestones established by the construction manager. Architect/engineer is responsible to meet the design schedule.
- (5) The architect/engineer defines the necessary surveys and soil tests to properly execute his work, which is contracted and paid for by the Owner to the survey and testing agency.
- (6) The construction manager recommends cost effective alternate systems for analysis by the architect/engineer with joint concurrence in recommending systems to the Owner for approval.
- (7) The architect/engineer will submit all required drawings, specifications, transmittals, applications and fees to the appropriate governing agencies after approval from the Owner. Owner to reimburse fees to architect/engineer.
- (8) The Owner reviews plans and specifications for program requirements, construction manager reviews for cost and duration control.
- (9) Construction manager to prepare description of work for each trade and equipment contractor in accordance with the architect/engineer's specifications.
- (10) Construction manager to initiate trade contract conditions to be reviewed and approved by the Owner.
- (11) Builders Risk Insurance obtained by Owner or Construction Manager if so directed by Owner.
- (12) Chaired by construction manager with architect/engineer in attendance for questions and drafting of addenda.
- (13) Owner receives bids, assisted by the construction manager at a public bid opening, with architect/engineer in attendance.
- (14) Construction manager prepares payment application, and along with architect/engineer approves certification for payment to trade contractors at joint meeting and submits summary to Owner for approval of payment.

- (15) Architect/engineer prepares proposal requests and construction change directives by trade or equipment contractors and submits to construction manager for distribution.
- (16) Architect/engineer and construction manager approve pricing, and Owner approves expenditure.
- (17) Architect/engineer establishes quality control plan in technical specifications and construction manager implements the plan.
- (18) Contractors to conduct demonstration to Owner with architect/engineer and construction manager in attendance.

Dexter Community Schools
Board of Education
Executive Summary and Recommendation

Purpose:

To authorize a revision to the 2017 Capital Projects Fund Budget due to updated information and the change order to the Agreement between Owner and Construction Manager, Granger Construction, dated August 9, 2017 for purposes of splitting the contract according to the issuance of the voter approved Series 1 Bonds (2017 School Building and Site) and Series 2 Bonds.

Explanation:

On February 12, 2018, the Board of Education adopted a budget for the 2017 Capital Projects Fund based on current information at the time.

Due to some updates to account numbers and the shift of some Construction Manager reimbursables and Construction Manager Fee from Series 2 to Series 1 as a result of the Change Order, it would be appropriate to do a budget revision at this time.

Once approved by the Board, administration will have authority to execute the planned objectives of the 2017 Capital Projects Fund. All purchases will be made in accordance with Board Policy and school law.

Recommendation:

It is recommended that the Board of Education authorize the attached budget revision to the 2017 Capital Projects Fund.

Dexter Community Schools 2017 Capital Projects Fund						
Account	Description	Facility(COA) Description	Program(COA) Description	Budget Series 1	Budget Series 2	Total Budget
47-0151-0000-000-0000-00000	Investment Earnings	District	-	\$51,115.00	\$25,574.00	\$76,689.00
47-0153-0000-000-0000-00000	Fair Mkt Adj on Investment	District	-	\$0.00	\$25,574.00	\$25,574.00
47-0192-1000-000-0000-00000	ERATE Reimb	District				
47-0199-0000-000-0000-00000	Other Misc Revenues					
47-0591-0000-000-0000-00000	Proceeds from issuance of bonds	District	-	\$50,605,000.00	\$17,770,135.00	\$68,375,135.00
47-0591-1000-000-0000-00000	Capital Projects Prem/Disc On Issue	District	-	\$3,431,075.00	\$0.00	\$3,431,075.00
Total Revenue				\$54,087,190.00	\$17,821,283.00	\$71,908,473.00
	Bonds Issued of the 2017 Bond Vote			\$53,934,864.75	\$17,770,135.25	\$71,705,000.00
47-1231-4910-000-0000-00000	PUR Oth Services (Election)	District	-	\$19,078.00	\$0.00	\$19,078.00
47-1252-3150-000-0000-00000	PUR Mgmt Svc (Financial Advisor)	District	-	\$0.00		\$0.00
47-1252-3190-000-0000-00000	PUR Oth Service (Issuance costs)	District	-	\$195,607.00	\$181,573.00	\$377,180.00
47-1252-3510-000-0000-00000	PUR Advertisement (Notices)	District	-	\$0.00		\$0.00
47-1252-4910-000-0000-00000	PUR Oth Services	District	-	\$0.00		\$0.00
47-1252-7410-000-0000-00000	OTH Dues/Fees	District	-	\$0.00		\$0.00
47-1259-3190-000-0000-00000	PUR PFM Investment Fees	District		\$30,000.00		\$30,000.00
47-1259-3990-000-0000-00000	PUR Ins/Bnd Prem	District	-	\$0.00	\$0.00	\$0.00
47-1259-7310-000-0000-00000	OTH Bond Issuance Costs	District	-			\$0.00
123x-125x - Owner Issuance Costs	District Managed			\$244,685.00	\$181,573.00	\$426,258.00
47-1261-3910-000-0000-00000	PUR Prop/Liab Ins	District	-	\$11,106.00		\$11,106.00
1261 - Operating Buildings Services	District Managed			\$11,106.00	\$0.00	\$11,106.00
47-1271-6450-000-0000-09078	CAP Equip-Deprec (Bus Cameras)	Transportation	-	\$100,000.00	\$0.00	\$100,000.00
47-1271-6610-000-0000-09078	CAP Buses-Deprec	Transportation	-	\$1,550,000.00	\$2,315,000.00	\$3,865,000.00
1271 - Pupil Transportation Service	District Managed			\$1,650,000.00	\$2,315,000.00	\$3,965,000.00
47-1284-3190-000-0000-00000	PUR Oth Service	District	-	\$0.00	\$0.00	\$0.00
47-1284-6450-000-0000-00000	CAP Equip-Deprec	District	-	\$2,291,949.00	\$4,467,989.00	\$6,759,938.00
1284 - Non-Instructional Technolog	District Managed			\$2,291,949.00	\$4,467,989.00	\$6,759,938.00
47-1284-6450-000-0000-00214	CAP Equip-Deprec	Wylie	-	\$94,500.00	\$55,500.00	\$150,000.00
47-1284-6450-000-0000-00913	CAP Equip-Deprec	High School	-	\$142,000.00	\$58,000.00	\$200,000.00
47-1284-6450-000-0000-02362	CAP Equip-Deprec	Jenkins	-	\$7,800.00	\$7,200.00	\$15,000.00
47-1284-6450-000-0000-02949	CAP Equip-Deprec	Alternative Ed	-	\$14,000.00	\$0.00	\$14,000.00
47-1284-6450-000-0000-04609	CAP Equip-Deprec	Creekside	-	\$3,000.00	\$27,000.00	\$30,000.00

Dexter Community Schools 2017 Capital Projects Fund						
Account	Description	Facility(COA) Description	Program(COA) Description	Budget Series 1	Budget Series 2	Total Budget
47-1284-6450-000-0000-08039	CAP Equip-Deprec	Mill Creek	-	\$94,500.00	\$55,500.00	\$150,000.00
47-1284-6450-000-0000-08040	CAP Equip-Deprec	Cornerstone	-	\$30,000.00	\$0.00	\$30,000.00
47-1284-6450-000-0000-08989	CAP Equip-Deprec	Bates=New El	-	\$250,175.00	\$0.00	\$250,175.00
47-1284-6450-000-0000-09078	CAP Equip-Deprec	Transportation	-	\$0.00	\$0.00	\$0.00
47-1284-6450-000-0000-09931	CAP Equip-Deprec	Copeland	-	\$0.00	\$0.00	\$0.00
47-1284-6450-000-0000-03354	CAP Equip-Deprec	Bates Early El	-	\$7,200.00	\$22,800.00	\$30,000.00
1284 - Non-Instructional Technolog Granger Managed				\$643,175.00	\$226,000.00	\$869,175.00
47-1451-3190-000-0000-00000	PUR Oth Service	District	-	\$0.00	\$0.00	\$0.00
47-1451-6110-000-0000-00000	CAP Land	District	-	\$100,000.00	\$0.00	\$100,000.00
1451 - Site Acquisition Services District Managed				\$100,000.00	\$0.00	\$100,000.00
47-1452-6310-000-0000-00000	CAP ImpOthThanBldg	District	-	\$0.00	\$0.00	\$0.00
47-1452-6310-000-0000-00214	CAP ImpOthThanBldg	Wylie	-	\$52,403.00	\$384,288.00	\$436,691.00
47-1452-6310-000-0000-00913	CAP ImpOthThanBldg	High School	-	\$185,000.00	\$740,000.00	\$925,000.00
47-1452-6310-000-0000-02362	CAP ImpOthThanBldg	Jenkins	-	\$177,305.00	\$0.00	\$177,305.00
47-1452-6310-000-0000-02949	CAP ImpOthThanBldg	Alternative Ed	-	\$100,000.00	\$0.00	\$100,000.00
47-1452-6310-000-0000-04609	CAP ImpOthThanBldg	Creekside	-	\$273,350.00	\$73,350.00	\$346,700.00
47-1452-6310-000-0000-08039	CAP ImpOthThanBldg	Mill Creek	-	\$500,625.00	\$96,875.00	\$597,500.00
47-1452-6310-000-0000-08040	CAP ImpOthThanBldg	Cornerstone	-	\$809,511.00	\$0.00	\$809,511.00
47-1452-6310-000-0000-08989	CAP ImpOthThanBldg	Bates=New El	-	\$612,000.00	\$0.00	\$612,000.00
47-1452-6310-000-0000-09078	CAP ImpOthThanBldg	Transportation	-	\$0.00	\$0.00	\$0.00
47-1452-6310-000-0000-09931	CAP ImpOthThanBldg	Copeland	-	\$0.00	\$83,974.00	\$83,974.00
47-1452-6310-991-0000-00913	CAP ImpOthThanBldg	High School	Athletics	\$2,000,000.00	\$108,000.00	\$2,108,000.00
47-1452-6310-991-0000-04609	CAP ImpOthThanBldg	Creekside	Athletics	\$500,000.00	\$500,000.00	\$1,000,000.00
47-1452-6310-991-0000-08039	CAP ImpOthThanBldg	Mill Creek	Athletics	\$0.00	\$0.00	\$0.00
47-1452-6310-000-0000-03354	CAP ImpOthThanBldg	Bates Early El	-	\$0.00	\$82,500.00	\$82,500.00
1452 - Site Improvement Services Granger Managed				\$5,210,194.00	\$2,068,987.00	\$7,279,181.00
47-1453-3190-000-0000-00000	PUR Oth Service (unallocated professional)	District	-	\$608,267.00	\$0.00	\$608,267.00
47-1453-3190-000-0000-00214	PUR Oth Service	Wylie	-	\$101,930.00	\$83,345.00	\$185,275.00
47-1453-3190-000-0000-00913	PUR Oth Service	High School	-	\$351,176.00	\$136,970.00	\$488,146.00
47-1453-3190-000-0000-02362	PUR Oth Service	Jenkins	-	\$20,588.00	\$19,162.00	\$39,750.00
47-1453-3190-000-0000-02949	PUR Oth Service	Alternative Ed	-	\$6,840.00	\$0.00	\$6,840.00
47-1453-3190-000-0000-04609	PUR Oth Service	Creekside	-	\$79,107.00	\$218,495.00	\$297,602.00
47-1453-3190-000-0000-08039	PUR Oth Service	Mill Creek	-	\$182,158.00	\$95,849.00	\$278,007.00
47-1453-3190-000-0000-08040	PUR Oth Service	Cornerstone	-	\$196,442.00	\$0.00	\$196,442.00
47-1453-3190-000-0000-08989	PUR Oth Service	Bates=New El	-	\$835,024.00	\$0.00	\$835,024.00

Dexter Community Schools 2017 Capital Projects Fund						
Account	Description	Facility(COA) Description	Program(COA) Description	Budget Series 1	Budget Series 2	Total Budget
47-1453-3190-000-0000-09078	PUR Oth Service	Transportation	-	\$0.00	\$0.00	\$0.00
47-1453-3190-000-0000-09931	PUR Oth Service	Copeland	-	\$5,236.00	\$8,600.00	\$13,836.00
47-1453-3190-901-0000-00000	PUR Oth Service (Architect Reimb)	District	Other Program	\$109,000.00	\$0.00	\$109,000.00
47-1453-3190-991-0000-00214	PUR Oth Service	Wylie	Athletics	\$0.00	\$0.00	\$0.00
47-1453-3190-991-0000-00913	PUR Oth Service	High School	Athletics	\$0.00	\$0.00	\$0.00
47-1453-3190-991-0000-04609	PUR Oth Service	Creekside	Athletics	\$0.00	\$0.00	\$0.00
47-1453-3190-991-0000-08039	PUR Oth Service	Mill Creek	Athletics	\$0.00	\$0.00	\$0.00
47-1453-3190-997-0000-00214	PUR Oth Service	Wylie	Aquatics	\$0.00	\$0.00	\$0.00
47-1453-3190-997-0000-00913	PUR Oth Service	High School	Aquatics	\$0.00	\$0.00	\$0.00
47-1453-3190-000-0000-03354	PUR Oth Service	Bates Early El	-	\$7,717.00	\$30,507.00	\$38,224.00
1453 - Architecture & Engineering S				\$2,503,485.00	\$592,928.00	\$3,096,413.00
47-1455-6220-991-0000-00913	CAP Non-Prop Exp/Bldgs	High School	Athletics	\$0.00	\$0.00	\$0.00
47-1455-6220-000-0000-02949	CAP Non-Prop Exp/Bldgs	Alternative Ed	-	\$677,754.00	\$0.00	\$677,754.00
47-1455-6220-991-0000-04609	CAP Non-Prop Exp/Bldgs	Creekside	Athletics	\$0.00	\$0.00	\$0.00
47-1455-6220-991-0000-08039	CAP Non-Prop Exp/Bldgs	Mill Creek	Athletics	\$0.00	\$0.00	\$0.00
47-1455-6220-000-0000-08989	CAP Non-Prop Exp/Bldgs	Bates=New El	-	\$21,009,429.00	\$0.00	\$21,009,429.00
1455 - Building Acquisition	Granger Managed			\$21,687,183.00	\$0.00	\$21,687,183.00
47-1456-6220-000-0000-00000	CAP Non-Prop Exp/Renovation Bldgs	District	(Realloc 600k lab)	\$600,000.00	\$0.00	\$600,000.00
1456 - Building Renovation and Ad				\$600,000.00	\$0.00	\$600,000.00
	District Managed					
47-1456-3190-000-0000-00000	PUR Oth Service (Construction Mgr Fee)	District	-	\$799,566.00	\$223,475.00	\$1,023,041.00
47-1456-3190-901-0000-00000	PUR Oth Service (Construction Mgr Reimb)	District	Other Program	\$1,781,119.00	\$162,451.00	\$1,943,570.00
47-1456-3190-907-0000-00000	PUR Oth Service (CM General Conditions)	District	Other	\$716,690.00	\$195,468.00	\$912,158.00
47-1456-6220-000-0000-00000	CAP Non-Prop Exp/Renovation Bldgs	District Reallocat	-	\$65,635.00	\$65,635.00	\$131,270.00
47-1456-6220-000-0000-00214	CAP Non-Prop Exp/Renovation Bldgs	Wylie	-	\$1,633,896.00	\$1,016,315.00	\$2,650,211.00
47-1456-6220-000-0000-00913	CAP Non-Prop Exp/Renovation Bldgs	High School	-	\$3,939,605.00	\$1,538,171.00	\$5,477,776.00
47-1456-6220-000-0000-02362	CAP Non-Prop Exp/Renovation Bldgs	Jenkins	-	\$134,317.00	\$290,091.00	\$424,408.00
47-1456-6220-000-0000-02949	CAP Non-Prop Exp/Renovation Bldgs	Alternative Ed	-	\$0.00	\$0.00	\$0.00
47-1456-6220-000-0000-04609	CAP Non-Prop Exp/Renovation Bldgs	Creekside	-	\$419,463.00	\$2,702,490.00	\$3,121,953.00
47-1456-6220-000-0000-08039	CAP Non-Prop Exp/Renovation Bldgs	Mill Creek	-	\$2,697,155.00	\$1,579,985.00	\$4,277,140.00
47-1456-6220-000-0000-08040	CAP Non-Prop Exp/Renovation Bldgs	Cornerstone	-	\$789,470.00	\$0.00	\$789,470.00
47-1456-6220-000-0000-08989	CAP Non-Prop Exp/Renovation Bldgs	Bates=New El	-	\$0.00	\$0.00	\$0.00
47-1456-6220-000-0000-09078	CAP Non-Prop Exp/Renovation Bldgs	Transportation	-	\$0.00	\$1,000.00	\$1,000.00
47-1456-6220-000-0000-09079	CAP Non-Prop Exp/Renovation Bldgs	Shield Rd Houses	-	\$0.00	\$3,000.00	\$3,000.00
47-1456-6220-000-0000-09931	CAP Non-Prop Exp/Renovation Bldgs	Copeland	-	\$209,039.00	\$259,409.00	\$468,448.00
47-1456-6220-997-0000-00214	CAP Non-Prop Exp/Renovation Bldgs	Wylie	Aquatics	\$0.00	\$0.00	\$0.00

Dexter Community Schools 2017 Capital Projects Fund						
Account	Description	Facility(COA) Description	Program(COA) Description	Budget Series 1	Budget Series 2	Total Budget
47-1456-6220-997-0000-00913	CAP Non-Prop Exp/Renovation Bldgs	High School	Aquatics	\$0.00	\$0.00	\$0.00
47-1456-6220-000-0000-03354	CAP Non-Prop Exp/Renovation Bldgs	Bates Early El	-	\$111,123.00	\$362,490.00	\$473,613.00
1456 - Building Renovation and Ad Granger Managed				\$13,297,078.00	\$8,399,980.00	\$21,697,058.00
47-1459-6450-000-0000-00000	CAP Equip-Deprec	District		\$82,062.00	\$0.00	\$82,062.00
47-1459-6450-000-0000-00214	CAP Equip-Deprec	Wylie	-	\$282,023.00	\$221,667.00	\$503,690.00
47-1459-6450-000-0000-00913	CAP Equip-Deprec	High School	-	\$340,667.00	\$541,333.00	\$882,000.00
47-1459-6450-000-0000-02362	CAP Equip-Deprec	Jenkins	-	\$0.00	\$15,000.00	\$15,000.00
47-1459-6450-000-0000-02949	CAP Equip-Deprec	Alternative Ed	-	\$14,000.00	\$0.00	\$14,000.00
47-1459-6450-000-0000-04609	CAP Equip-Deprec	Creekside	-	\$124,513.00	\$190,667.00	\$315,180.00
47-1459-6450-000-0000-08039	CAP Equip-Deprec	Mill Creek	-	\$326,300.00	\$427,000.00	\$753,300.00
47-1459-6450-000-0000-08040	CAP Equip-Deprec	Cornerstone	-	\$160,333.00	\$183,667.00	\$344,000.00
47-1459-6450-000-0000-08989	CAP Equip-Deprec	Bates=New El	-	\$883,190.00	\$0.00	\$883,190.00
47-1459-6450-000-0000-09078	CAP Equip-Deprec	Transportation	-	\$0.00	\$0.00	\$0.00
47-1459-6450-000-0000-09079	CAP Equip-Deprec	B&G	-	\$0.00	\$0.00	\$0.00
47-1459-6450-000-0000-09931	CAP Equip-Deprec	Copeland	-	\$0.00	\$0.00	\$0.00
47-1459-6450-000-0000-03354	CAP Equip-Deprec	Bates Early El	-	\$0.00	\$110,000.00	\$110,000.00
47-1459-6450-956-0000-00214	CAP Equip-Deprec	Wylie	PP Music	\$6,000.00	\$9,000.00	\$15,000.00
47-1459-6450-956-0000-00913	CAP Equip-Deprec	High School	PP Music	\$120,000.00	\$180,000.00	\$300,000.00
47-1459-6450-956-0000-04609	CAP Equip-Deprec	Creekside	PP Music	\$40,000.00	\$60,000.00	\$100,000.00
47-1459-6450-956-0000-08039	CAP Equip-Deprec	Mill Creek	PP Music	\$80,000.00	\$120,000.00	\$200,000.00
47-1459-6450-956-0000-08040	CAP Equip-Deprec	Cornerstone	PP Music	\$6,000.00	\$9,000.00	\$15,000.00
47-1459-6450-956-0000-08989	CAP Equip-Deprec	Bates=New El	PP Music	\$6,000.00	\$9,000.00	\$15,000.00
47-1459-6450-919-0000-00214	CAP Equip-Deprec	Wylie	Food Services	\$50,000.00	\$0.00	\$50,000.00
47-1459-6450-919-0000-00913	CAP Equip-Deprec	High School	Food Services	\$170,000.00	\$0.00	\$170,000.00
47-1459-6450-919-0000-04609	CAP Equip-Deprec	Creekside	Food Services	\$50,000.00	\$0.00	\$50,000.00
47-1459-6450-919-0000-08039	CAP Equip-Deprec	Mill Creek	Food Services	\$70,000.00	\$0.00	\$70,000.00
47-1459-6450-919-0000-08040	CAP Equip-Deprec	Cornerstone	Food Services	\$5,000.00	\$0.00	\$5,000.00
47-1459-6450-919-0000-08989	CAP Equip-Deprec	Bates=New El	Food Services	\$5,000.00	\$0.00	\$5,000.00
47-1459-7410-000-0000-00000	OTH Dues/Fees	District	-	\$0.00	\$0.00	\$0.00
1459 - Building Improvement Serv District Managed				\$2,821,088.00	\$2,076,334.00	\$4,897,422.00
47-1459-3170-000-0000-00000	PUR Legal Svc	District	-	\$50,000.00	\$20,000.00	\$70,000.00
47-1459-3170-907-0000-00000	PUR Legal Svc (Issuance Portion)	District	-	\$62,874.00	\$27,126.00	\$90,000.00
47-1459-3180-000-0000-00000	PUR Audit	District	-	\$10,000.00	\$5,000.00	\$15,000.00
47-1459-3190-000-0000-00000	PUR Oth Service	District	unallocated	\$319,166.00	\$0.00	\$319,166.00
47-1511-7330-000-0000-00000	OTH Payments for Premiums and Discounts	District	-	\$0.00	\$0.00	\$0.00

Dexter Community Schools 2017 Capital Projects Fund						
Account	Description	Facility(COA) Description	Program(COA) Description	Budget Series 1	Budget Series 2	Total Budget
1459-1511 - Other Facility Acquisiti	District Managed			\$442,040.00	\$52,126.00	\$494,166.00
	Total Expenses			\$51,501,983.00	\$20,380,917.00	\$71,882,900.00
	Issuance and Other Costs			\$697,831.00	\$233,699.00	\$931,530.00
	District Managed Project Total			\$10,664,353.00	\$9,685,950.00	\$20,350,303.00
	Granger Managed (includes Alt Ed excludes \$600,000 of 2008 Bond)			\$40,837,630.00	\$10,694,967.00	\$51,532,597.00

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Dexter Community Schools
Board of Education
Executive Summary and Recommendation

Purpose:

To authorize the City of Dexter Tap Fee assessment of \$192,000 and payment terms for the addition to Cornerstone Elementary School.

Explanation:

The City of Dexter assessed a tap fee of \$192,000 for the addition to Cornerstone Elementary School. We are not a new commercial development or industrial development and we are not a developer. The charges were greater than what we planned for in the bond application and greater than what we paid for Cornerstone, Mill Creek and Dexter High School combined.

The Board of Education formally requested a reduction in the tap fee. The City of Dexter denied the request. The City of Dexter would not release the water meter until the agreement was signed and construction of the addition was being held up.

The attached agreement authorizes the payment of \$192,000 Tap Fee assessment to the City of Dexter to be paid 10% immediately, 10% one year from now, and the balance two years from now. The agreement must also be approved by the City Council. It is being presented at their November 12 meeting.

Recommendation:

It is recommended that the Board of Education discuss the Multi-year Tap Fee Payment Agreement for the addition to Cornerstone Elementary School.

City of Dexter
Tap Fee Payment Policy
Adopted March 26, 2018

This policy shall serve as an explanation of the City's position on the payment of tap fees over a multi-year period.

New Commercial Development or Industrial Development

Any new commercial development or industrial development within the City with a total tap fee of \$32,000 or more may request the payment of this tap fee over a multi-year period as described below:

- 1/3 due prior to issuance of the final zoning compliance or upon purchase of a water meter, if applicable
- 1/3 due on the one year anniversary of first payment
- 1/3 due on the second anniversary of first payment

As this is a deviation from the adopted Tap Fee Resolution (19-2006) the requesting party should provide an explanation of the need for the deferral when making the request.

The party responsible for payment of the tap fee will be invoiced no less than 20 days prior to the anniversary date of the first payment. If the payment is not made by the anniversary date, the City may suspend water service to the location.

A signed agreement between the City and the party responsible for payment of the tap fee outlining the terms of the multi-year payment agreement will be required at the time of the issuance of the final zoning compliance, or upon purchase of a water meter, if applicable.

Incremental Tap Fee for Existing Commercial Structure

Any existing commercial structure that is enlarged or the use of which is altered so as to incur an incremental tap fee of more than \$8,000 may request the payment of the tap fee be included in the bi-monthly water bill, as described below:

- Five (5) years on a bi-monthly water bill
- If the business closes or the tenant leaves before the tap fee is paid, any amount that has been paid will become a credit on the location.

As this is a deviation from the adopted Tap Fee Resolution (19-2006) the requesting party should provide an explanation of the need for the deferral when making the request.

A signed agreement between the City and the party responsible for the payment of the incremental tap fee, outlining the terms of the bi-monthly water bill payment agreement shall be required prior to the issuance of final zoning compliance.

**Multi-Year Tap Fee Payment Agreement for
New Commercial Development or Industrial Development**

In accordance with the City of Dexter Tap Fee Payment Policy adopted on November 14, 2011, as amended, Dexter Community Schools (name of party responsible for payment of tap fee and individual contact information) located at 7714 Ann Arbor St. is requesting that the required tap fee payment be made in installments over a 3-year period accordance with the following schedule:

Date of First Payment: 12/1/2018 \$19,200

One Year Anniversary of First Payment: 12/1/2019 \$19,200

Second Year Anniversary of First Payment: 12/1/2020 \$153,600

The tap fee calculation as determined by the City's Tap Fee Resolution, is _____ REU's. The amount of the tap fee payment each year shall be _____ for a total of \$192,000.

The City will send an invoice to the above stated address no less than 20 days before the payment of the tap fee is due. The undersigned acknowledges that if the payment is not made by the stated deadline water service to the property may be suspended.

This agreement is signed this 1st day of November, 2018

City Manager Signature

City Manager Print Date

Sharon Raschke
Party Responsible for Payment of Tap
Fee Signature

Sharon Raschke 11/1/2018
Responsible Party Print Date

It is the intent of Dexter Community Schools to take Board action on this agreement at its regular meeting of the Board of Education on November 12, 2018.

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BOARD MEMBER CERTIFICATION (CBA) CLASSES



MASB
MICHIGAN ASSOCIATION
OF SCHOOL BOARDS

DEC. 6 – 8, 2018 • OAKLAND SCHOOLS, WATERFORD

Coordinate all registrations through your district office. One registration form for each participant.

Registrations by Nov. 29, 2018 greatly appreciated.

Name of school district _____

Registrant Name _____

Registrant Email _____

Registrant Cell Phone (day-of contact) _____

District Contact Name _____

District Contact Email _____ District Contact Phone _____

Dietary restrictions/allergies _____

Guest Name (\$40/day per guest; Includes breakfast and lunch) _____

Guest dietary restrictions/allergies _____

Check here to receive text message updates from MASB about upcoming events and CBA opportunities. Standard text messaging rates may apply.

PAYMENT INFORMATION

Payment is appreciated at time of registration.
(A \$25 service fee will be added to any balance due after Dec. 6, 2018.)

CREDIT CARD

VISA MASTERCARD Exp. Date _____

Account Number _____

Name As It Appears On Card _____

Signature _____

INVOICE

Invoice school district (a \$25 billing fee will be applied)

Attn: _____

CHECK

Check enclosed made payable to MASB Check # _____

Check to follow registration faxed in advance

MAIL TO:

MASB Business Office
1001 Centennial Way, Ste. 400 Lansing, MI
48917-8249

FAX TO:

517.327.0776

CANCELLATIONS

No refunds are given for cancellations within seven days of the event; walk-ins accepted per-space availability; substitutions may be made in lieu of cancellations. All cancellations must be submitted in writing and will be charged a \$25 cancellation fee. Registration questions? Call Mary McCarthy at 517.327.5918 or email mmccarthy@masb.org.

SPECIAL ACCOMMODATIONS

Registrants requiring special assistance should contact Angel Davis at 517.327.5926 or adavis@masb.org.

THURSDAY, DEC. 6

6 – 9 P.M.

		FEES	
CBA 104	Basic School Law	\$90	
CBA 105	Curriculum and Instruction	\$90	
CBA 260	Public Speaking	\$90	
SE2	Superintendent Evaluation: Instrument-Specific Training	\$90	

FRIDAY, DEC. 7

8:30 – 11:30 A.M.

CBA 102	Policy	\$90	
CBA 295	Advanced Leadership 1	\$90	
CBA 327	Ethics in Action	\$90	

8:30 A.M. – 3:15 P.M.

CBA 101	Fundamentals of School Board Service	\$180	
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12:15 – 3:15 P.M.

CBA 106	Community Relations Leadership	\$90	
CBA 296	Advanced Leadership 2	\$90	
CBA 345	Data Dashboards for Board Members	\$90	

3:30 – 6:30 P.M.

CBA 103	Basic School Finance	\$90	
CBA 109	Data-Informed Decisionmaking	\$90	
CBA 223	Parliamentary Procedure	\$90	
CBA 261	Advocacy for Public Education	\$90	

SATURDAY, DEC. 8

8:30 – 11:30 A.M.

CBA 107	Labor Relations	\$90	
CBA 246	Advanced Community Relations	\$90	
CBA 341	Data: Foundations 1	\$90	

8:30 A.M. – 3 P.M.

CBA 101	Fundamentals of School Board Service	\$180	
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NOON – 3 P.M.

CBA 108	Navigating the Legislative Process	\$90	
CBA 276	Board/Superintendent Relations	\$90	
CBA 297	Effective Board Meetings	\$90	

GRAND TOTAL

POLICIES

Guests are required to be preregistered by a registrant in order to participate in programming and meal events. A guest is defined as a spouse, significant other, family member or friend of registrant. School board members and school district staff are not eligible to register as "guests." Guests are not eligible for education credit or SCECHs. MASB reserves the right to CANCEL any classes. Registration and attendance at or participation in an event constitutes an agreement by the registrant to MASB's use and distribution of the attendee's image or voice in photographs, videotapes, electronic reproductions and audiotapes of such events.

For full guest policy information, visit bit.ly/oaklandcbas.

OAKLAND SCHOOLS

BOARD MEMBER CERTIFICATION (CBA) CLASSES • DEC. 6 – 8, 2018

Abbreviated Board Member Certification (CBA) Class Descriptions

CBA 101: Fundamentals of School Board Service

Whether you're recently elected or a board veteran, Fundamentals of School Board Service provides both a broad overview of a school board member's role in school district governance and explores key aspects of school board work.

CBA 102: Policy

Teaches the necessary skills and knowledge for establishing policy.

CBA 103: Basic School Finance

The first portion of this course deals with the current State School Aid Act and its importance to local boards of education. The second portion explores development and monitoring phases of a local district's budget.

CBA 104: Basic School Law

Provides board members an overview of the school code governing Michigan school districts.

CBA 105: Curriculum and Instruction

Introductory course provides board members with an understanding of the changing world, components of an effective curriculum delivery system and the board's role in curriculum, instruction and assessment to enable student achievement.

CBA 106: Community Relations Leadership

Learn the basics of building strong community support for schools and education.

CBA 107: Labor Relations

Board members will become acquainted with the nature and language of labor relations and public schools.

CBA 108: Navigating the Legislative Process

Participants will get a detailed account of the legislative process, learn lobbying techniques and get an overview of current legislative issues.

CBA 109: Data-Informed Decisionmaking

This introductory course provides board members with clarification about the different types of data for the strategic, tactical, administrative and operational roles of boards and districts.

CBA 223: Parliamentary Procedure

If your board says it uses Robert's Rules of Order as its parliamentary procedure, this is the course to actually learn how and get all of your questions answered by an experienced board member and parliamentarian.

CBA 246: Advanced Community Relations

Learn how new approaches and media options will help you connect with and engage your target audiences while building trust.

CBA 260: Public Speaking

This course focuses on effective oral communication for school leaders. Learn to speak with confidence and to use persuasive communication techniques to express leadership. Practice and receive feedback in a safe and comfortable environment.

CBA 261: Advocacy for Public Education

Learn to speak with confidence and to use persuasive communication techniques to express leadership.

CBA 276: Board/Superintendent Relations

Learn practical strategies on how to develop or improve board/superintendent relations, including tips for communication, how to "agree to disagree" appropriately and to operate together in an effective manner.

CBA 295: Advanced Leadership 1

Part one of this activity-based program is designed to enhance board members' understanding and practice of the principles of effective governance.

CBA 296: Advanced Leadership 2

A continuation of CBA 295, participants leave with tips, techniques and tools to immediately apply in their districts. This is a course that would be equally valuable to superintendents. Come as a team!

CBA 297: Effective Board Meetings

This course introduces attendees to practical strategies and techniques that will lead to effective and productive meetings.

CBA 327: Ethics in Action

Provides an analysis of real-life ethics scenarios and a deeper understanding of ethical board conduct.

CBA 341: Data First: Foundations 1

Teaches how data can be organized and presented in a clear format that the public and other stakeholders can understand.

CBA 345: Data Dashboards for Board Members

Learn information on how districts can create a data dashboard for school boards. This course will also cover tips on how to use key data to monitor student achievement and assistance to boards in the use of key data for directing policy-level decisions.

SE2 – Superintendent Evaluation: Instrument Specific Training

Participants will delve into how to use the instrument effectively and will be led through the process of the compilation and presentation of the evaluation. Note: This Tool-Specific Training session fulfills state training requirements.

For full CBA descriptions, visit masb.org/cbas.

**Dexter Community Schools Board of Education
Policy Committee
October 18, 2018**

Minutes

Convened 4:00 p.m.

Present: Barbara Read by phone (chair), Rob Mitzel, Dr. Timmis, Barb Santo.

Absent: Ron Darr.

Public Comments: none.

Barbara asked Rob to lead the discussion. The committee drafted a building naming policy to take to the full board at the next board meeting.

Adjourned at 5:00 p.m.

Dexter Community Schools Board of Education
Policy Committee @ Copeland Administration Building
Nov 6, 2018
Minutes
Convened 4:02 p.m.

Present: Barbara Read (chair), Ron Darr, Rob Mitzel, Barb Santo.
Public Comments: none.

Although the naming policy was supposed to be a first reading at the previous board meeting, it was not, so we will bring it forward on Monday as a first reading.

The committee discussed the following policies and prepared them for the board meeting:

2628 - State Aid Incentives
5830 - Student Fund-Raising
6605 Crowdfunding
7530.02 - Technology
7530 - Technology
7540.01 V1 and ~~7540.01 V2~~ -- Technology Privacy - we recommend Version 1
7540.02 - Web Accessibility
7540.04 - Technology Use
7540 - Social Media
7542 - Access to District Resources with PCDs
7543 - Website Access
7544 - Social Media
Naming Policy (unnumbered)

The following policies will be discussed further in committee:

9700 - Relations with Special Interest Groups
2623 - Student Assessment

Regarding personal communication devices in the possession of children at school and on the bus, we discussed parent concerns about the potential of children sharing pornographic images on their phones with other young students at school, and the need to educate them of the potentially serious consequences. Children who are shown pornographic images or videos need to know which adults they can tell and that it is not their fault they saw them. Protective policies are already in place, but it may be worth educating students and parents about them.

We will schedule a meeting for the last week of November and would like to invite the student reps to attend so we can get their feedback on some policies having an impact on high school students.

Public comments: none.

Committee comments: none.

Adjourned at 5:20 p.m.

**Dexter Community Schools
Finance Committee
Meeting Minutes
September 24, 2018**

Board Members

Present – Daryl Kipke (by phone), Dick Lundy, Julie Schumaker

Staff Committee Members

Present – Jessica Baese, John Heuser, Sharon Raschke, Chris Timmis

Others Present – None

Other Community Present – None

Meeting convened at 4:30 pm.

Audience Participation

None.

Approval of Minutes

A motion was made by Dick Lundy and supported by John Heuser to approve the finance committee meeting minutes of August 27, 2018. Approved.

Discussion Items

1. Other revenue opportunity advertising signs

The committee discussed the proposed lease of school land for the placement of advertising signage. The committee suggested locations that may be supportable.

2. Process for requests to add additional sports

The committee discussed the financial parameters for requests to add additional sports. The finance committee requested that the athletics ad hoc committee complete its work to create a model for a fair and equitable athletics program. The finance committee further commented that the athletics ad hoc committee should operate under the assumption that there would be no increase in the General Fund subsidy. A motion was made by Dick Lundy and supported by Daryl Kipke to reaffirm that the finance committee will not recommend putting additional financial resources into athletics at this time. Approved.

3. Dexter Wellness Center property tax refunds

Sharon Raschke presented the impact of the Dexter Wellness Center property tax exemption appeal. The City of Dexter has denied the property tax exemption of the Dexter Wellness Center since 2014 and the denials have been overturned by the Courts through multiple appeals. Dexter Community Schools will be required to refund the City of Dexter approximately \$631,228 (or more as interest is continuing to accrue) in order that the City refund the Dexter Wellness Center. As of March 2018, there was a total computed refund of \$379,681 for 18.000 mills non-primary residence operating taxes from General Fund with an additional \$48,157 (or more) interest; \$180,616 refund of 8.500 mills of debt taxes from the Common Debt Fund with an additional \$22,772 (or more) interest. Of this, \$379,681 will ultimately be refunded by the State School Aid Fund.

4. Financial reporting structure discussion

This topic was deferred.

Meeting adjourned at 5:30 pm.

Reproductive Health Advisory Committee
October 29, 2018
Meeting Minutes

1. In attendance: Sarah Tchoryk, Kim Kirkey, David Teddy, Savanna Moody, MacKenzie Gabriel-Lazette, Tory Sparks, Lisa Judge
2. Need half of committee to be parents not employed by school board. School newsletter - need 1 more parent - David will ask administrators
3. MiPHY results? Crystal has middle school, David will get high school results from Molly
4. Would like to develop an at-a-glance scope and sequence - Crystal will send sheets document to other health ed teachers - add info about LGBTQ & Gender identity
5. Kim - will share folder with rhac documents
6. Kidpower.org website with curriculum
- 7, Pre/post tests for teachers to evaluate reproductive health retention
8. Request Sex-Ed pd time for next year
9. Established Goals:
Curriculum review? Didn't review last year
Special needs students curriculum - speak with Shalon to find out more about curriculum
LGBTQ & Gender Identity curriculum - Tory recommended MOASH tool kit - ask for curriculum from Tory
Consent education
Later...Parent survey
10. Meeting schedule - Nov 26, Jan 28, March 18, May 20 at 6:30 at Mill Creek Media Center
11. Adjourn



Dexter Community Schools

Nice Job Notes

OCTOBER 2018

Carlos Alanis	Debbie Gallaher	Julie Liskiewicz	Macy Selecman
Vicki Allie	Jackie Gariepy	Ryan Maki	Kristi Shaffer (4)
Julia Arbour (2)	Diana Gignac	Deb Marsh (2)	Mollie Sharrar (3)
Emily Arbour	Stacey Girbach	Joe Martin	Stacy Shields
Zane Aridi	Sue Gowen	John McCaig	Cheri Sing (3)
Jamie Aumend	Rob Grams	Lisa Melvin	David Sinopoli (2)
Jessica Baese (2)	Amy Grant	Sarah Meyers	Ryan Spencer
Nancy Baldus	Natalie Hanlon	Jen Miceli	John Sperendi (2)
Julie Bassett	Katie Heikkila (2)	Marianne Mutschler (2)	Shelly Sprague
Tara Basso	John Heuser	Anne Nakon	Squall Staff
Mike Bavineau (4)	Leslie Hite (3)	Kelli Nowaczck	Kim Steptoe
Ryan Bruder	Chris Hoelscher (2)	Jackie Paddock	Hannah Stewart
Ashleigh Bunten	Don Holiday	Natalie Park (3)	Neil Stinebaugh (2)
Kiersten Butler	Marty Hoogerhyde (2)	Brett Pederson (2)	Lauren Straub
Matt Caves	Bill Ivan	Renee Petik	DHS Debate Students
Becky Cudini	Brandy Jacobs	Stacey Plott	Tech Team
Cheryl Darnton (3)	Hannah Jacobsen-harm	Ann Pregont (3)	David Teddy
Trevor Davidson	Jill Jastren (3)	Mark Rakowski (3)	Chris Timmis
Business Department	Roger Johnson	Sharon Raschke	Karen Touchstone
Transportation Dept	Vicki Juback	Rase Reilly	Lesley Tracy
Melanie Dever	Molly Kalick (2)	Melanie Reyes	Anna Vess (4)
Jaime Dudash	Amara Karapas	Karen Rozema	Hope Vestergaard (2)
Hallie Dunham	Stacey Keeler	Deb Sakowski	Gerrod Visel (3)
Ethan Dunn	Susan Kemble	Barb Santo (2)	Dara Wandyg (2)
Lisa Dunn	Beau Kimmey (3)	Laura Sarver	Faith Wesorick
Nicole Durbin	Laura Krinock	Laura Saulles	Angie Williams (2)
Jessica Elkin	Katherine Kuzma	Maggie Scheurer	Tricia Winder
Jason Elmy (3)	Nate Lamb	Kaitlin Schmoekel	Colleen Winder
Leanne Engle	Mary Leach	Brian Schuler	Julia Wineman (3)
High School F&N	Jessica Leonard	Steve Schuler (2)	Stacey Wing
Sarah Fisk	Nicole Leonard	Brian Schuler (2)	Crystal Zurek (2)
Josh Friendly	susan Lickert	Chris Schwartzenberger	
Todd Fry (2)	Zach Lindke	Angie Scott	
Trina Gale (3)	Kristen Linn	Dewey Scott	

OCTOBER TOTAL = 186

RUNNING TOTAL = 36120