



**MINUTES FOR THE BUILDING AND FINANCE COMMITTEE MEETING OF THE BOARD OF EDUCATION
OF KENILWORTH SCHOOL DISTRICT NO. 38, COOK COUNTY, ILLINOIS
542 ABBOTSFORD ROAD, KENILWORTH, ILLINOIS 60043
REMOTE VIA ZOOM LINK
THE 4TH DAY OF MARCH 2021**

Mr. Stephen N. Potter called the meeting to order at 9:00 a.m. The following Committee members answered as being present: Mr. Bill Graham, Mrs. Mia Casey-Sachs. Mr. John Gottschall and Mr. Stephen N. Potter.

Also present were Ms. Kate Donegan, Superintendent, Dr. Joseph Bailey, Business Manager, and Mrs. Julie M. Campanaro, Board Secretary. DLA representatives, Mr. Steven Wright and Ms. Tracy Biederstadt, Mr. Jack Hayes and Mark Winger of Frederick Quinn Construction Management.

Board of Education member Mr. Evan Lukasik, Board of Education joined the meeting at 9:02 a.m.

Director of Buildings Grounds, Mr. Moris Quijada and Community Member, Mrs. Katie Nahrwold joined the meeting after 9:10 a.m.

PUBLIC COMMENT

There was none.

Mr. Andrew Stone, Board member, joined the meeting at 9:07 a.m.

Mr. Potter reviewed the meeting agenda for the day. He noted the primary focus of the meeting is to discuss the JK/K construction work and budget with the intention of presenting the JK/K construction budget and plan at the March 15 Board meeting for approval. He added that additional work has been going on to present the overall budget and plan for the project, also with the intention of presenting it for discussion at the March meeting.

NEW BUSINESS

Discussion of Supplemental Savings Plan Employer Participation Agreement (TRS)

Mr. Potter invited Dr. Bailey to review this new savings plan offered by TRS. Dr. Bailey stated that the plan is similar to the 457B plan approved earlier in the year. TRS will manage the plan and the District's responsibilities are minor. Dr. Bailey stated that should the Board choose to offer this plan in addition to what is already available, they are also required to approve a corresponding resolution. He said that TRS had asked for a decision by the end of March and he was hopeful to present the plan to the Board at the March meeting for approval.

Discussion of Draft Construction Budget

Mr. Potter invited Mr. Jack Hayes, the Construction Manager, to lead the discussion. Mr. Hayes referred to a memo from DLA and Dr. Bailey regarding a few discussion points for the project.



- Brief Overview Presentation on Design Phases, Bidding and Cost Estimating
- Governance/Communication
 - Administration
 - Executive Committee
 - Building and Finance Committee
 - School Board
- Review of Concept Design Budget of Construction – entire project
- Review of Concept Design Master Project Budget (hard and soft costs) – entire project
- Review of In-Progress Design Update and detailed cost estimate for Summer 2021 JK-K project
- Review of Project Schedule
 - Milestone Dates for Board Review (Design Phase)
 - March 15th Board Approval to go out for Bid: Summer JK-K project

Dr. Lisa Metzger-Mugg arrived at 9:14 a.m.

Mr. Hayes reviewed the overall process of design phases, bidding and cost estimating. He spoke about a project's "Life Cycle". He explained this was just the flow of the overall project beginning with the design plan, through various layers of detail leading up to bidding. The design and cost estimates develop incrementally over time and become more detailed. Mr. Hayes reviewed the JK/K conceptual budget. In response to a Board members inquiry, he confirmed that the conceptual budget for the JK/K project discussed today would be finalized and ready to present to the Board for approval at the March 15 meeting.

Mr. Hayes reviewed the aspects of the construction project and their associated costs and concluded, noting the construction of the building and renovations is estimated at \$11.6 M and \$1.5M for site work. These figures do not include the contingencies for design work (10%) and construction (5%) that these contingencies will be added over the life of the project as we work through the different phases of design and various work and change orders are required. This brings the costs for the complete project to \$16 M.

Mr. Hayes stopped to entertain questions. He clarified there will be a more finalized budget for the JK/K renovation work for approval at the March meeting. This would be the only budget presented for approval at that meeting. He responded to concerns expressed about the need to continue to value engineer the project. He stated that there are checkpoints that this committee and the Board will have, when he will be able to present ideas for cost reduction and get feedback as the project moves through the different phases of design. He explained variables that affect costs like; soft costs for the design team, costs for exploration of the site, and allowances for change orders, which might provide opportunities for cost savings. The numbers presented are based on the design as it is now. As the construction manager, Mr. Hayes stated the estimated conceptual budget reflects his company's experience and knowledge. They are providing an educated opinion, informed by this experience on how the project will move forward and the impact on the budget. The Committee was grateful for the effort so far to be as cost effective as possible without cutting the programmatic plan and hoped for continued diligence in this area.

Mr. Hayes invited Ms. Tracey Biederstadt of DLA to discuss the JK/K renovation plans.

JK/Kindergarten Renovation Design



Ms. Tracey Biederstadt gave a presentation utilizing renderings of the planned renovations of the JK and Kindergarten (JK/K) spaces. She explained how representatives from DLA, teachers and administrators went on tours of schools to better visualize ways of implementing desired themes and flexible use of spaces. They met with teachers at a school in Des Plaines to see how they utilized their space and to obtain additional perspectives. Ms. Biederstadt discussed how the designs draw in the community aspect with references to the train station and the lake. The floor finishes planned are sustainable, durable and attractive and the color schemes used are timeless, and age appropriate. She emphasized how different aspects of the designs incorporate the guiding principles established early in the planning and may assist in adding LEAP points. There is an additional JK classroom planned for multiple uses. Ms. Biederstadt referred to a cost saving decision made regarding this space to defer the addition of the teacher collaboration/office space to the next phase. The work needed to complete the space would require exterior work that would have to be redone later the following summer so eventually the JK children may enter through the hub to their classrooms. Postponing this work avoids costly electrical, mechanical and plumbing rework. The Committee members discussed possible uses for the second classroom as a flexible space when completed. They also inquired about the impact this phase of work will have on lunchrooms where children eat in the 2021-2022 school year. Ms. Donegan stated the staff will have to be creative in finding space wherever possible but noted it would just be for the one year. The Committee requested Ms. Donegan have the renderings posted on the Master Facilities Plan page on the website, noting that they provide visuals the community can get excited over as the designs show exactly what is being done.

JK/K Construction Budget Discussion

Mr. Jack Hayes led the Committee through a discussion of the JK/K renovations construction budget presentation for approval by the full Board in March. He reminded the members that the budget shown today would be continually updated and finalized before the March Board meeting. He reviewed the work included in this first phase, selective demolition, carpentry, HVAC preparation, electrical work, concrete floor and so on to prepare for the work for Phase II. He stated the budget reviewed today entails labor only and not materials. The materials will be chosen later as the work progresses and the funds from this will be taken out of the design contingency fund. In all he stated the budget for the first phase would be \$550,000. Remaining areas at this point for value engineering design costs is minimal. Some possible budget savings could be in the finishes, such as avoiding custom colors, and in the selection of flooring and fixtures. He advised the committee members that there is a smaller construction contingency as well to be used as the project progresses. He told the Committee members that areas for more substantive value engineering might be found in larger decisions made in the ensuing phases.

Mr. Hayes responded to an inquiry about when the project will go out to bid and noted they were targeting March 22. He elaborated slightly on the bidding process and the Board asked Mr. Howard Metz, legal counsel, about the monetary threshold for requiring bids. Mr. Metz stated the Board must be mindful of their own policy threshold, which also coincides with the State's threshold of \$25,000. Typically, any contract over \$25,000 would require a public bid process, although the bidding threshold could increase to \$50,000 depending on the nature of the contract such as renovation or improvement contracts not involving an increase in square footage. Anything over \$50,000 will require a public bid. He told the Committee that they could determine their own criteria for companies submitting bids such as the lowest responsible bid, references, experience, on time on budget record, sustainability and diversity representation. He will work with the architect and the construction manager on setting criteria.



Mr. Potter discussed the materials to be included in the posting for the JK/K renovation budget item, under consideration for approval at the March 15, Board meeting. The Committee asked that the renderings identifying the elements of the plan that incorporate guiding principles and be displayed with the budget for the community to provide context and in support of transparency. A presentation before the vote for approval by the architect will also be important. Mr. Hayes recommended sharing the budget without unit numbers but final line items. He responded to the Committee members' concerns that the posting of a budget prior to the bid notice going out would not unfairly bias the bids submitted.

The Committee discussed future communications about the construction phases with a desire to keep the public informed through every phase. Quarterly construction briefs were suggested, outlining how the plan is incorporating guiding principles established from the onset, pulling in the flexible classrooms and the neighborhoods, universal design were possible, honoring history and utilizing sustainability elements. Ms. Donegan will invite Deb Keegan, the district's Communications Coordinator to attend the construction meetings to have firsthand knowledge on what is discussed, for her communication pieces. There was a suggestion from Ms. Biederstadt to use cooperatives for purchasing furniture and other finishes for a more expedited process than bidding. The Committee asked Mr. Metz for his guidance in this area. He stated that it is allowable to use approved cooperatives without a bid process provided they are a governmental agency. It is an exception to the school code, bidding requirement. Ms. Donegan stated she has worked with cooperatives before with success and the District benefited from competitive pricing. Mr. Metz commented that the Joint Purchasing Act is what actually controls cooperative purchasing and it does require that the cooperative go through a competitive solicitation process or a bidding process and then those competitive prices are accessible to member districts. The architects and the construction manager will assist and advise the District in this area.

Mr. Potter thanked all for the very productive discussion and commented on the strong collaboration between DLA, Frederick Quinn and the Administrators evident in today's presentation.

Draft Architect Contract Discussion

Mr. Potter introduced the DLA contract discussion commenting that the contract for architect services from DLA will be presented for approval at the March 15 Board meeting. He stated Dr. Bailey, Mr. Andrew Stone, Mr. Evan Lukasik and Mr. Howard Metz have been working on this together. The contract for DLA is providing 8.25% of the entire project as their fee. He noted that the remaining concern for the Mr. Lukasik and Mr. Stone is the issue that in prior similar sized contracts, DLA's fee was 8% of the project cost. They requested an explanation to the higher rate in this contract. He outlined the response from DLA that was threefold, first is the relative size of our contract, though it is large at \$19 million, it is less than the other two contracts they were compared to. The second reason given is KSD 38 required a higher level of maintenance than some other districts, with whom they have worked. DLA has been required to coordinate and present a number of times to our community and the Board providing numerous iterations of the project and a higher degree of service and intensity in support than in other districts. The third reason given was the complexity of the job. There are internal structural issues when working on an older school, and getting the systems and designs set in place in existing structures is more involved. The other projects with which we compared were for brand new construction.

Dr. Bailey gave his view of the contract and felt that while the contract is not final he feels it is close to being final. He expressed that working with DLA so far has been a pleasure. They have been professional



and responsive and have offered insights acquired over years of experience. He referred to some comparable contracts included in the packet and noted that the point of contention is the 8% vs. the 8.25%. He stated Mr. Howard Metz had reviewed the contract, and he was still working on further negotiations. Mr. Metz commented that he had not been able to get in touch with DLA's counsel yet but anticipated he would be speaking with them soon.

Mr. Potter inquired if the Committee wanted to adjourn to closed session to discuss the contract. There was no interest in doing so. There was a discussion about the possibility of utilizing a Good Manufacturing Practices (GMP) and if that had been what Mr. Metz had suggested at one point. Mr. Metz explained that a GMP is more of a construction management term that does not typically apply to the architect. He stated he did not suggest this type of agreement but one similar to what was worked out with Frederick Quinn, where based on a percentage of construction costs, but fixed at the time the final construction estimate is presented. Then have the contract based on either 8.25% or 8%, whatever the final determined percentage is, based on either the final construction estimate or the actual construction costs, whichever is less. Mr. Potter thanked everyone for a transparent and candid discussion and stated he felt that a contract will be worked out that is fair for all and presented for approval on March 15.

Mr. Howard Metz left at 10:27 a.m.

Outdoor Garden – Construction Update

Mr. Potter introduced the next topic for discussion and invited Mr. Bill Graham to lead the discussion. Mr. Graham was very excited to be a part of this Committee for the Master Facilities Plan (MFP). He has experience in this area and has found all those involved in sustainability to be motivated and enthusiastic. He introduced a discussion on a program called Community Solar. The program allows organizations that do not have solar panels on their physical plant, to participate in being green and potentially being awarded LEAD points. However, he investigated the program and we are not eligible based on the Kilowatts we use. The District is essentially too big for this program as we utilize far more kilowatts than what is covered in the program. Mr. Graham alerted the Committee members there are other programs that can be investigated further for LEAD points. Currently we are in the last year of a contract that Dr. Crystal LeRoy negotiated that is actually a very good deal for the District. The concept comes back to a purchasing consortium of public entities and realizing savings and the additional benefit of being a good citizen. We are buying our power through Next Era with a very good Kilowatt rate. As we approach the end of our contract, we can shop this around as a baseline for other contracts.

Mrs. Mia Casey Sachs mentioned the set up at Sunset Ridge, who had solar panels installed and they were able to find a way to have the installation funded through some sort of grant. Ms. Donegan agreed there are opportunities offered through the State that we should look into. She noted that at the last Sustainability Committee meeting, the group agreed to work toward LEAD certification. To that end, they created two subcommittees, one for grant writing and applications and the other to assist with the plans for the transplanting of the Outdoor Garden. There were a large number of volunteers for the Outdoor Garden plan but no volunteers stepped forward to investigate grants and grant applications. Ms. Donegan will continue to pursue this, with Tracy Biederstadt's assistance. She welcomed anyone who wanted to step in and help to do so. Mr. Potter suggested a follow up at the next Building and Finance meeting to look at the costs and benefits of the different levels of LEAD certification to insure these costs are encompassed in the overall construction budget.



Mr. Graham outlined the status on the plans for moving the plants and hard items from the Outdoor Classroom Garden. The Committee enlisted the help of Mr. Scott Byron, well known for his landscaping abilities. He agreed to join a virtual meeting to devise a game plan with resources that we are going to employ. There are plans on May 3 for anyone interested to come out and help inventory the plants as well as any physical items donated or built. Most of the physical structures in the garden have a community connection or uphold a particular concept that will be important to retain. The plants will have to be categorized by species so they can be moved to an appropriate site within the courtyards and new gardens. The group will also investigate the disposition method for the plants via donation to the Community. Transplanting cuttings and plants to a containerized vessel for a community member or family to maintain for a year and a half, and then re-plant them when construction is complete. The group is extremely sensitive to the significance of the outdoor classroom garden to so many who have shaped it over the years. Some plants might be able to remain where they are. Mr. Graham gave an example of the trail tree planted several years ago to commemorate how American natives would mark trails. Mr. Byron will bring a specialist specifically in those types of trees to determine the best situation. The timing for most of the transplanting will be in the fall when plants go dormant, allowing just the summer to prepare. Mr. Byron recommended the District employ a landscape architect to create a concept landscape plan. DLA has recommended a landscape architect they have worked with to assist in planning which plants are salvageable and where they can be transplanted on the new campus, perhaps the rooftop garden, and the courtyards and so on.

Mr. Potter thanked Mr. Graham, Ms. Donegan and the Sustainability Committee for taking on this ambitious task to preserve the heritage of the outdoor classroom garden.

Mr. Potter gave a brief update on the Intergovernmental Agreement (IGA) between the District and the Park District. The Park District crafted an IGA that contained aspects that were not acceptable for the school district. The IGA had been rewritten. They removed the penalty clause as well as the requirement for scheduled use by the park district of the school campus outside school hours. However, the Park District made it clear that having an IGA was a precondition for granting the school district use of Townley field for the haul road for construction and bore wells. Mr. Lukasik would prefer a Memorandum of Understanding (MOU) as opposed to an IGA but this has not been determined yet. Ms. Donegan said she had met with Mr. Kiawala and Mr. Wallace from the park district. They discussed spaces for use by the park district for summer programming and she will keep the BOE informed when they finalize these arrangements. She advised Mr. Kiawala and Mr. Wallace there would be no availability for use of the building nor the campus for programming during the summer of 2022 so they could plan accordingly.

OLD BUSINESS

Discussion of Consideration of a Resolution for Debt Certificate Issuance

Mr. Potter stated this item was in the agenda as a reminder that further discussion is needed on the topic of the Board passing a Resolution for Debt Certificate Issuance. He stated that as the Board goes through this next phase of the budget, particularly once a final full project budget is determined, and before we break ground, the Board will want to consider again whether or not, they want to authorize the district to issue debt certificates during the latter phases of the construction project. Ms. Elizabeth Hennessey, from



THE JOSEPH SEARS SCHOOL
Kenilworth School District No. 38 Board of Education

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Raymond James, recommended this action as best practices, several months ago. Dr. Bailey will once again run the models from Forecast Five that were used in the context of the approval of the MFP, to view District cash flow forecasting to make a determination if it is in the District’s best interest to authorize debt certificates. He anticipated having this conversation at the May 6 Building and Finance Committee meeting.

Mr. Potter inquired if there was any other business for discussion. Mr. Lukasik inquired about when the District will receive the CARES Act funding that Dr. Bailey had reported we were receiving. Dr. Bailey did not have a specific timeframe, as it would be dependent upon the State issuing the funds. Additionally, Mr. Lukasik observed that Cook County had extended the property tax deadline and he asked Dr. Bailey how this could affect the District’s finances. Dr. Bailey said that he did not anticipate any serious impact as many of the taxes are collected in escrow. He will look into this further to provide the Board with more information.

DISCUSSION/INFORMATION ITEMS

The Agenda items **February Financial Reports and the Minutes from February 4, 2021 Building and Finance Meeting**, were referenced and accepted as read. Mr. Potter asked that if there were any edits to the minutes to let him know. He will review them separately and provide Mrs. Campanaro with any edits to the minutes before she posts them.

PUBLIC COMMENT

There was no public comment.

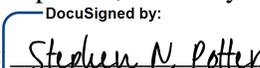
ADJOURNMENT

There being no further business, Mr. Potter entertained a motion to adjourn the meeting.

Mr. John Gottschall motioned to adjourn the meeting at 10:59 a.m. Mrs. Mia Casey Sachs seconded the motion.

The motion passed with all Ayes, and the meeting adjourned.

Attest for Distribution: 
Julie M. Campanaro, Secretary

Approved: 
Stephen N. Potter, Committee Chairperson

ATTEST 
Julie M. Campanaro, Secretary