

**LEGAL DEPARTMENT MEMORANDUM  
12-31**

**DATE:** May 3, 2012

**TO:** Honorable Mayor and Members of City Council

**FROM:** Kenneth R. Krushenski, City Attorney

**SUBJECT:** SALES TAX DISBURSEMENT TO THE CITY OF OAK RIDGE –  
LETTER FROM SCHOOLS ATTORNEY CHARLES CAGLE DATED  
OCTOBER 7, 2011

**OAK RIDGE HIGH SCHOOL CONSTRUCTION/RENOVATION PROJECT –  
APPROXIMATELY \$67 MILLION TOTAL DEBT**

This Memo is a follow up to Legal Department Memorandums 12-03 and 12-05 which were provided to Council in January of this year.

Attached for Council's review are the following documents:

**EXHIBIT A:** Council Resolution 4-51-04 approved by Council on April 19, 2004. This Resolution required that *“prior to formal action by City Council to pursue funding for the Oak Ridge High School renovation project, the Oak Ridge Board of Education shall submit to the Mayor and Members of City Council a formal, written request for funding to support the project.”*

**EXHIBIT B:** Letter dated November 21, 2005 from Dr. Thomas E. Bailey, Superintendent of Schools, to Mr. Jim O'Connor, City Manager, which stated among other things that *... “on November 22, 2005 the Oak Ridge Board of Education will hold a special meeting to review re-design plans for the Oak Ridge High School.”* Also - *“we anticipate that your City financial model supporting the project will also be discussed at that time as part of the decision process on moving the project forward to construction”*

**EXHIBIT C:** Minutes of the Oak Ridge Board of Education Special Meeting on November 22, 2005. Discussion of the High School Project is contained on pages 1-6. Discussion of the City's Financing Plan, as prepared and submitted by Steve Jenkins and City staff, begins on page 6.

**EXHIBIT D: Letter dated November 23, 2005 from Dr. Thomas E. Bailey, Superintendent of Schools, to Mr. Jim O'Connor, City Manager, which confirms the actions taken and passed by a 5-0 vote by the Board of Education at the November 22, 2005 Special Meeting.**

This information is presented to Council for review. If any Council member has any questions or comments, please give me a call.

  
Kenneth R. Krushenski

**Attachment**

cc: Mark S. Watson, City Manager  
Janice E. McGinnis, Finance Director

**RESOLUTION**

WHEREAS, Thomas, E. Bailey, Superintendent of Oak Ridge Schools, has submitted a letter to the City Manager, dated April 14, 2004, regarding the need for renovation of the Oak Ridge High School; and

WHEREAS, said letter indicates that the Oak Ridge Board of Education at its meeting of April 13, 2004 approved proceeding with Option B, *21<sup>st</sup> Century School at Existing Site*, as contained in the Oak Ridge High School Planning Study presented by Heery International, Inc.; and

WHEREAS, said Option B includes renovation of existing buildings at the Oak Ridge High School as well as demolition of existing buildings and construction of new facilities; and

WHEREAS, the maximum cost for funding Option B is projected to be \$58,000,000.00; and

WHEREAS, it is imperative to proceed expeditiously with investigation of methods to fund the Oak Ridge High School renovation project if actions are to be taken in time to meet the deadline for placing questions on the ballot for the August 5, 2004 county general election.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCILMEN OF THE CITY OF OAK RIDGE, TENNESSEE:

That the City Manager is hereby directed to investigate methods for funding the renovation of the Oak Ridge High School in accordance with Option B, *21<sup>st</sup> Century School at the Existing Site*, as contained in the Oak Ridge High School Planning Study presented by Heery International, Inc., in an amount not to exceed \$58,000,000.00.

BE IT FURTHER RESOLVED that prior to formal action by City Council to pursue funding for the Oak Ridge High School renovation project, the Oak Ridge Board of Education shall submit to the Mayor and Members of City Council a formal, written request for funding to support the project.

This the 19th day of April 2004.

APPROVED AS TO FORM AND LEGALITY:

Keith R. Kuschenski  
City Attorney

David R. Bradsher  
Mayor

Jacquelyn J. Bernard  
City Clerk



OAK RIDGE SCHOOLS  
304 NEW YORK AVENUE  
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Dr. Thomas E. Bailey  
Superintendent  
email: [tbailey@ortn.edu](mailto:tbailey@ortn.edu)

November 21, 2005

Mr. Jim O'Connor  
City Manager of the City of Oak Ridge  
P.O. Box 1  
Oak Ridge, TN 37830

Dear Jim,

On November 22, 2005, the Oak Ridge Board of Education will meet in a special meeting to review the redesign plans for the Oak Ridge High School. At that session, it is anticipated that a significantly reduced bid price, project scope, and contracting approach will be evaluated and approved for implementation. In anticipation of that action, I am requesting, through this letter, that an additional agenda item (ORHS Project Update) be placed on your November 28, 2005 City Council work session. A school system representative will be made available to discuss the redesign concept, price, and contract strategy to the City staff and Council. We anticipate that your City financial model supporting the project will also be discussed at that time as part of the decision process on moving the project forward to construction.

Please give me a call if you have any questions on this request. I look forward to a meaningful discussion with you and the City Council on the 28<sup>th</sup> of November.

Sincerely,

Thomas E. Bailey, Ed.D.  
Superintendent of Schools

TEB:gw

NOV 21 2005  
2005 NOV 21 F 3:01

CITY MANAGER

EXHIBIT B

*Dist. to Council*

**OAK RIDGE SCHOOLS**  
Oak Ridge, Tennessee

OAK RIDGE CITY CLERK  
2005 NOV -5 A 7:58

**OAK RIDGE BOARD OF EDUCATION**  
**SPECIAL MEETING - NOVEMBER 22, 2005**  
Conference/Seminar Room - School Administration Building  
2:00 p.m.

A special meeting of the Oak Ridge Board of Education was held on Tuesday, November 22, 2005, in the conference/seminar room of the School Administration Building. Members of the Board present were: Mr. John W. Smith, Jr., Chairman, Ms. Angi Agle, Mr. Dan DiGregorio, Mr. Keys Fillauer, and Ms. Jennifer Richter. Also present were: Dr. Thomas Bailey, Superintendent of Schools, Dr. Dale Dobbs, Assistant Superintendent of Schools, Ms. Karen Splinter, Director of Business and Support Services, and other staff members.

**I. CALL TO ORDER**

The Chairman called the meeting to order at 2:00 p.m., and stated its purpose as one Item for Action, Approval of Revisions on the Construction Document for the New Oak Ridge High School from Messer Construction (lowest bidder).

**II. ITEM FOR ACTION**

**A. Approval of Revisions on the Construction Document for the New Oak Ridge High School from Messer Construction (lowest bidder)**

The Superintendent recommended the Board of Education approve the revised bid proposal and modification in contract to CM at risk. The Board of Education will issue a notice to proceed to Messer Construction on the project unless the Oak Ridge City Mayor, David Bradshaw, advises the Chairman of the Board of Education, John W. Smith, Jr., before December 5, 2005 of any funding issues to be resolved by the City of Oak Ridge. Copies of a letter from the Superintendent to Mr. Jim O'Connor, City Manager of the City of Oak Ridge, revisions for ORHS Partial Floor Plan - Areas A&B, Partial Main Level Floor Plan - Area A, Partial Gym Level Floor Plan - Area A, Partial Gym Level Floor Plan - Area B; Partial Main Floor Plan - Area F, North Elevation @ Existing Gym, South Elevation @ Gym Lobby, and Section/Elevation @ Entry Lobby, were attached to the agenda materials.

**Ms. Richter moved for approval of the Superintendent's recommendation. Seconded by Mr. DiGregorio.**

The Superintendent recalled that at the last Board meeting, the Board had charged that a meeting with Messer Construction be scheduled to look at reductions and costs

**EXHIBIT C**

in trying to reduce the price of the project due to the overbid. Mr. Greg Peirce of Herry International, Project Manager, explained that he had met with Messer Construction (low bidder) on November 10, 2005. He said a list had been developed of where it was thought costs could be reduced on the project. He pointed out that following that meeting, time was allowed for Messer Construction to put pricing on those approved items and for DLR to develop some design revisions. Mr. Peirce noted that because the magnitude of the over run was great enough, it was felt that not only small cost reduction items had to be looked at, but also to look at some redesign as well.

Mr. Peirce explained that on Friday, November 18, a meeting was held again to review the cost revisions, that hopefully would be accepted to bring the bid down from the original number. He pointed out that 3.5 million dollars were found in cost reductions/value engineering by looking at different items. He said Heery's experience has been that the contractor always has a lot of good suggestions, because they see the reality in the markets. He pointed out that most of the suggestions had been generated by Messer from their subcontractors on where the subcontractors thought they could save money. Mr. Peirce said the substitutions were not made easily, but they were fairly easy in terms of substitutions of one manufacturer for another for items that were less expensive.

Referring to the Lead requirements, Mr. Peirce explained that Lead Certification was still being anticipated, but it would not be Silver Certification. He said waterless urinals, electric sensor flush, and lavatory controls have been taken out; this compromised a Lead point in the certification, but approximately \$90,000 has been saved in those items. He pointed out that by changing drain pans from stainless steel to galvanized construction resulted in a savings of over \$400,000, and taking some equipment down from a premium grade efficiency to a standard grade efficiency also resulted in savings. He referred to the curved wall in the classroom in the Learning Center, and said the mason had suggested a significant amount of money in labor could be saved (\$60,000 to \$70,000) by making the wall from straight segments instead of one continuous curve. Mr. Peirce noted that the visual screens on the rooftop equipment were eliminated, as well as the pizza oven, the site and landscape construction were looked at; the brick on the brick faced walls were eliminated and now concrete has been substituted.

Mr. Peirce pointed out that three quarters of a million dollars were saved in finish modifications, i.e., standard grades were used in colors for items such as a solid surface counter top, window sill materials; there were not as many color selections there, but money was saved by doing this. He said costs were saved by eliminating the vinyl wall covering in the administrative area; approximately \$180,000 was saved by going to a lower grade in vinyl competition tile. Paint and carpet selections were looked at, i.e., final selections were pending, but different manufacturers and

different specification levels were being looked at to get the cost down. Mr. Peirce pointed out that there were significant savings in purchasing acoustic tiles by changing the manufacturer and going to a different pattern in quite a few areas; there was also a change in the grid that would hold the acoustic tiles. He explained that approximately \$400,000 was saved in audio/video systems due to their costs being in two different budgets. Mr. Peirce noted that 3.3 million dollars have been saved in the accumulated totals in those items.

Ms. Richter referred to the Quality Level Reductions, and going from stainless to galvanized, and inquired whether or not galvanized pieces would last. Mr. Peirce answered that the best material to use would be stainless steel, but it was also very expensive; the standard was to use the galvanized materials. He explained that this was reviewed with Mr. Barth, from a maintenance point of view, and it was felt that it was worth doing for the resulting savings. The Chairman commented that the project has gone from a custom to a standard selection; custom over a premium cost.

Referring to Scope Reductions, Site and Landscape Construction, Mr. Fillauer pointed out that prior to the bid going out, one of the areas cut back was in landscaping. He said it was now cut back again, and asked for clarification. Mr. Peirce replied that it was the same as was seen in the documents before it went to bid. It was not what the full plan had been in the original schematic design, because a significant amount of money has been cut from there.

The Superintendent pointed out that the Board was seeing things that have been accepted as reductions, but there were items that were also rejected. The Chairman explained that when the bids were opened, there were a number of things to review and to prioritize in reducing costs. He said some of the items made sense to reduce, and some items did not, because the Board wanted a quality school to be built for the 21<sup>st</sup> Century. He explained that the Superintendent had a list of those items, and said he wanted to make sure that the members of the Board understood that it was not just making a list of items that added up to 3.3 million dollars, it was a struggle.

Mr. DiGregorio asked if any of the reductions affected the educational environment. Mr. Peirce answered that he was happy to say no, none of the reductions compromised programming in anyway. A discussion on cosmetic issues took place. The Superintendent pointed out that when this process had started, the members of the Board had directed him and other key personnel, to go back and negotiate with one caveat in mind, and that was not to compromise the educational program and the instructional integrity in delivering 21<sup>st</sup> Century education.

Mr. Jim French, DLR, explained that when the design reductions were looked at, the question was where to look that would not compromise the education process in the school, and the answer kept coming back to the gym lobby. He said it was not because the gym lobby was not important, because it was. He pointed out that it was a large space, and would still be a large space, it would function very well, but there

would be some cost reductions. Mr. French referred to Partial Main Level Floor Plan - Area A, and noted that this was the option being recommended to the Board; the floor plan was decreased by about 2,500 sq. ft., which was a positive move, because it would help with the security and the ticketing of the lobby, it would become a large kiosk within this large space. Mr. French pointed out that a concern had been how close part of the project was being built to the existing building, which would require a lot of shoring during construction. He explained that Messer felt that the triangle shape of the lobby did need to maintain itself; it was a triangle because there were three different places/connections coming into this lobby, which made it difficult to go to anything else other than this concept. He said it was decided to place all of the program area inside the triangle. Mr. French explained that included the display for the Hall of Champions, ticketing, and concessions.

Referring to the current lobby, Mr. French explained that Messer had said that it would better to demolition it, and then to remodel. He said it would still be a very large space; the structure would just be simplified. Referring to the Competition Gym, Mr. French noted that it has remained the same, and was in a perfect location. He said what was being proposed was to take the square footage from the concession stands and the display areas and to put them inside the box.

Referring to the lower level, Mr. French explained that the hallway was straightened out, which simplified the structure; cost savings was mainly just in the structural savings. He pointed out that the training room and the four coaches' offices have been moved inside the building; fitness training has been moved to where the weight room multi-purpose room had been. He said the square footage of about 3,300 was still maintained for the weights, i.e., approximately 1,100 sq. ft. (30-35% increase) bigger than what was currently there.

Mr. French explained that the location of the cheerleaders' dressing and locker rooms had to be relocated, and was flipped with the boys' locker room. He said the Student Store has been moved back to the Commons area; it would be in a high traffic area, and should work very well.

Mr. Fillauer recalled that previously when cuts were made in other gymnasium projects, a number of things were lost, the one thing being storage. He pointed out that some things have been moved around and additional spaces have been taken up, and wondered if the people working in those areas would ask what happened to all of the storage. Mr. French replied that was a tough question to answer, because there never was enough storage. He said it may happen although no storage areas in the Competition Gym, and all of the locker rooms would still have their own storage, i.e., boys and girls' basketball, and soccer, and if it was a new locker room, storage was provided. He pointed out that it was believed the storage was the size currently in the district today; all sports programs would have adequate storage.

Mr. Peirce noted that the total construction budget and target number prior to going out to bid was \$40,935,000. He pointed out that Messer Construction's bid for the 100% construction documents before any of the revisions was \$50,545,000. He said the cost reduction items totaled \$3,500,000, the drawings represented another \$310,000, i.e., gymnasium - training room moved inside and was included in cost reduction items. He explained that was another \$140,000, which totaled \$450,000 in terms of those configurations were spread into the two pieces. Mr. Peirce said that would make the revised construction award prize of \$46,735,000, and that was the number Messer Construction was now looking at if the Board accepted the recommendations. He pointed out that additional funding of \$5,800,000 was needed.

Mr. Peirce said one of the things he would like to recommend was to go to a construction management form of contract. He explained that Messer had made an offer that it was felt had no downside. He said Messer was willing to take that revised number of \$46,735,000 and guarantee it to Herry as a guaranteed maximum price under a construction management agreement. He pointed out that the primary difference from a lump sum or a hard-bid contract was if savings were found during the course of buying this project out with all of the subcontractors, those savings would return to the School Board. Mr. Peirce said the reality was that a very large portion of the subcontracts would be committed very quickly so there would not be the opportunity for savings.

Referring to the reason for going to a lump sum versus a construction management was a timing issue, Mr. Peirce said. He explained that traditionally, what happened was that a construction management (GMP) was typically higher than a lump sum. He commented that it was fortunate that Messer was willing to treat the same number both ways, i.e., if it went to a lump sum it would be \$46,735,000, or if it went to construction management (GMP), it would be the same \$46,735,000. Mr. Peirce noted that it may give some potential for savings in the future, and also from a timing point of view. He explained that traditionally, construction management was used when there was a big hurry, and there was not time to develop documents.

Mr. Peirce explained that because of going to a construction management contract, Messer would guarantee that as a maximum based on these drawings, the School Board would be protected as an upset maximum at that number. He said the same protection would be had under a lump sum, but there was also now a mechanism to develop the designs, and to work with Messer in order to finalize those designs to not exceed that price. He pointed out that would allow the project to move ahead.

The Chairman asked if there were any roof-line changes in any of the designs that were not discussed yet. Mr. French answered yes, the only change was that a positive roof would be looked at instead of the barrel vault that was on the gymnasium; some people referred to it as a flat roof. He pointed out that the height of the gymnasium was not lowered at all, because there was the large scoreboard in the middle of it; the difference was in the structural system.

Mr. DiGregorio asked if the change in the structural system was in the cost savings. Mr. French responded that it was built into the \$310,000 cost savings. He explained that accurate drawings would be given to Messer on how that would be changed, and then they would price it again. He said a little bit more money could have been saved if the height of the gymnasium was brought down by 3' to 5', but that may compromise things; the roof height was left much the same, and it was a less expensive structural system. Mr. DiGregorio asked if that would compromise the strength of the roof in any way. Mr. French replied no.

Referring to the phasing aspects, the Chairman inquired whether any had been modified. Mr. Peirce replied no, not if the schedule was to be followed.

Mr. Peirce said a recommendation to move ahead, and approval of the suggestions for the reductions in cost were being sought today. He explained that they would like to suggest the ability to go to a Notice To Proceed, which would allow Messer to begin committing funds with their subcontractors. He said they want to lock those prices down; not only was there a window to lock down prices, but there also was a window to get under construction. Mr. Peirce explained that hopefully, construction could get started by mid-December. He said by the end of the month they would be mobilized and working, and that was the amount of time needed to get the Second Phase of the Learning Classroom done in time to start moving students in to maintain that complicated phasing plan in place to keep everybody on track.

The Superintendent noted that the timeline was critical. He explained that Mr. Mike Messer had said in order to get this thing under contract, ground had to be broken in January. He said there would be a major problem if it was not done in that time frame.

### **Financing**

The Chairman commented that when this project was started, the Board knew that the community was behind it 110%. He said it was also known that the Education Foundation, businesses, DLR, Heery, and City Council all were partners in this effort. He commended Messer Construction for stepping forward and putting their efforts in helping to make this work has shown the Board that they would be a partner in this project; it would be a partnership effort to get the school completed. The Chairman pointed out that the next step would be the financing. He recalled that City Council had developed the financial model to move forward with the previous figure. He said the Superintendent has been working with the City Manager and staff in trying to figure where to go from here.

The Superintendent pointed out that the Board and staff was charged with designing a building that would serve the educational program, and that has been done. He said

it was significant to note, that a bid that was 25% over was now cut to approximately 14% over, which spoke volumes for Messer and the subcontractors working with the Board. He commended Messer Construction for spending a lot of time in putting a very thorough package together.

The Superintendent explained that a discussion had taken place of what to do, including rebidding this project again. He said there was no reason to think anything would be better by waiting, or rebidding the project than what was on the table now; if anything it may be worse. He explained that if this was not done in the time frame discussed, the process would have to be started all over again with no guarantee of any funding situation being better than what was before the Board and City now. The Superintendent commented that there may be a minimum delay of a year before going into contract if this was delayed. He said he and the Board were very concerned about Building "A" that was somewhat compromised right now.

Referring to the funding package/model, the Superintendent said it was put together by the City, and that was why the motion spoke to the fact that if the Board approved the recommendation, they felt comfortable in saying that this would be a building that would be a good building, a building that would serve students well for the next 50 years, and that the Board of Education was recommending to proceed with a Letter of Intent. He explained that would be based on the Mayor advising the Chairman of the Board before December 5, 2005 as suggested by the City staff. He said that was why the recommendation read the way it did.

The Chairman clarified that if this was approved this afternoon, it would go before City Council, at least in letter format. He said City Council had a work session scheduled on Monday, November 28, 2005. He reiterated that the Superintendent has been working with City staff, and Mr. Jim Webster, School Attorney, has reviewed the process that the Board needed to go through.

Ms. Agle asked if the Board would be going into any "gray" areas by issuing a Notice to Proceed, even though it was known that the bid was over the original budget. She also inquired whether or not City Council gave a constraint on the amount not to be exceeded. Mr. Webster explained that he was not speaking on behalf of City Council, but said he has met with the finance staff of the City. He pointed out that the recommendation as presented to the Board has been discussed with the City staff, and they were comfortable with the recommendation as presented by the Superintendent to the Board.

The Chairman noted that this recommendation was not a recommendation to issue a Notice to Proceed, at this point. He said a Notice to Proceed would not be issued if the Board heard from Mayor Bradshaw by December 5, 2005. Mr. Webster pointed out that the City staff would like to see the action of the Board, and has said by

waiting until December 5, and if there were concerns from the City, that would allow the City adequate time to express those concerns through Mayor Bradshaw to the Chairman. The Superintendent clarified that if the Board did not hear on any of the issues by December 5, it would mean that the funding model was appropriate for the project. He explained that Mr. Jenkins and staff, had put together that funding model based on what the Board has and what had been done today. He said if that did not work, and it was his job to say whether or not it would work, it would mean that a redesign had to be done again, and another year and a half would go by.

Ms. Richter commented that it was the School Board's job to do what it has done, and that was to show a need for this building, a way to do it had been found, it has been designed, and it was now at a particular price. She explained that the Board's job now was to present to City Council what the Board believed it needed, and it was their job to consider it and to decide whether or not to fund it. Ms. Richter said it seemed to her that the Board has the information it needs to proceed today, with the Board's recommendation as it was.

Mr. Fillauer said he agreed, but the first question each Board member would be asked after this meeting was what would it cost the taxpayers of the community after spending 5.8 million dollars more than the original cost. The Chairman commented that the Board did not have an answer yet. Ms. Richter pointed out that the only comments she has had from citizens were their support to have this building built, basically, no matter what. She added that they believed in the building, they believed in going forward, and they wanted to see it done now. She said she thought the first comment would be that they were glad to see it moving forward. Mr. Fillauer explained that based on the fact that when the bid went over, he has not heard one negative comment, and when someone did comment, it was directed toward completion; not to compromise what had been offered, and to find a way to make it work.

Mr. Andy Marathe, 121 Westlook Circle, asked what kind of contingency was built into these figures. The Superintendent replied that the in-progress contingency was 2.1 million dollars, e.g., 5%. Mr. Marathe questioned that if the construction management concept was used, and there were some unforeseen circumstances in which the costs went up, what were the advantages or disadvantages by going to a fixed lump sum dollar price versus construction management. Mr. Peirce answered that the advantage here was that there was a completed set of documents, so the protection was exactly the same; the protection you have against increases in price was based on the quality of those documents. Mr. Webster pointed out that it was not the classic construction management approach Mr. Peirce had spoken of, in which the contractor still bore responsibility for the subcontractors who worked under his contract. He explained that in true construction management, each contractor has a contract with the owner directly, and there was not a person with overall responsibility. He said this school system had previously had a school built under the construction management approach, and for people with a long memory, that was not

the approach that would be followed in this case. Mr. Peirce added that there was only one contract that the school would have and that was with Messer Construction, and they would be responsible for all subcontractors; it would be the exact same guaranteed surety that you would have under a lump sum contract.

Mr. Andy Lorenz, Messer Construction, explained that his personnel have been looking at this project for months. He said they did not want to do anything that would jeopardize the building, and they want to be part of it, and were excited to be part of it. He pointed out that there was one important fact that went beyond the contractual limits and parameters between lump sum and construction management. He pointed out that construction management takes down a wall or a barrier between a contractor and the owner and the designer. He said it brought everybody together as a team.

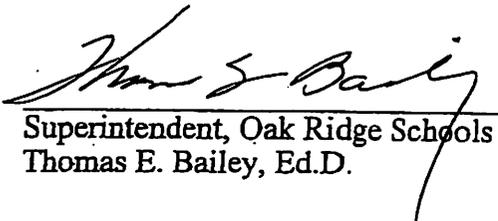
Mr. Marshall Whisnant, 1039 W. Outer Drive, said he had run into Dr. Bill Fox, a University of Tennessee Professor, who many say was the finest economist in the United States. He pointed out that Dr. Fox was very enthusiastic about what the Board and the community has been up to in the renewal of ORHS. He said he, himself, shared in that enthusiasm, and thought it was wonderful. He congratulated all parties involved in this process.

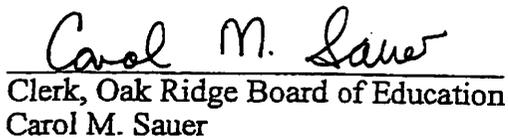
**The motion carried 5-0.**

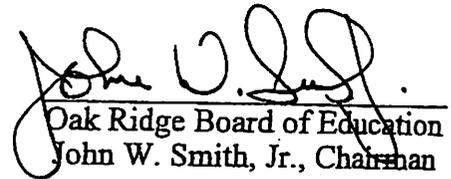
The Chairman said the Board appreciated the efforts that everyone has put in over the last few weeks to reach this point to move it forward, or at least to move it before the City Council. He pointed out that it was clear that the community was still behind the project, and hopefully, they would be with what has been approved today. He said he appreciated everyone's comments.

**ADJOURNMENT**

The Chairman adjourned the meeting at 3:30 p.m.

  
\_\_\_\_\_  
Superintendent, Oak Ridge Schools  
Thomas E. Bailey, Ed.D.

  
\_\_\_\_\_  
Clerk, Oak Ridge Board of Education  
Carol M. Sauer

  
\_\_\_\_\_  
Oak Ridge Board of Education  
John W. Smith, Jr., Chairman

1/3/06  
Date Approved



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Dr. Thomas E. Bailey  
Superintendent  
email: [tbailey@ortn.edu](mailto:tbailey@ortn.edu)

November 23, 2005

Mr. Jim O'Connor  
City Manager  
City of Oak Ridge  
P.O. Box 1  
Oak Ridge, TN 37831

Dear Jim,

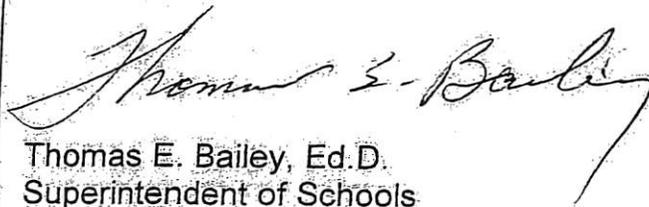
At the Special Called Board of Education meeting yesterday, (November 22, 2005), the Board approved the following recommendation:

"The Board of Education approves the revised bid proposal and modification in contract to CM at risk. The Board will issue a notice to proceed to Messer Construction on the project unless the Oak Ridge City Mayor, David Bradshaw, advises the Chairman of the Board of Education, John W. Smith, Jr., before December 5, 2005 of any funding issues to be resolved by the City of Oak Ridge."

As I understand it, the City Council will review this recommendation at their upcoming work session on Monday, November 28. A school system representative will be present to discuss any redesign concepts, price, and contract strategy with City staff and City Council.

Please contact me if you need any additional information.

Sincerely,



Thomas E. Bailey, Ed.D.  
Superintendent of Schools

EXHIBIT D