



There has been some inaccurate information in our community about Prior Lake-Savage Area Schools' (PLSAS) relationship with our facilities consultant Nexus Solutions, and we want to share the facts surrounding this partnership.

Key points to note:

- Nexus helped the district complete \$34.8 million in building projects - during a time of recession - without an increase to taxpayers.
- Our building projects were completed on time and on budget.
- Prior to the building projects, the district underwent a Request for Proposal (RFP) process, a contract review was conducted by our attorney and a community forum was held.

Initially in 2012, Nexus was contacted to help the district address two key facilities challenges: space needs due to increased enrollment and maintenance of aging buildings. Our goal in working with Nexus was to use the financial resources available to us without going to our taxpayers to ask for additional dollars to complete these projects and we met that goal.

Although school districts are not required to hold public bidding for consulting work, our district did undergo an RFP process and interviewed two companies prior to the start of any building projects. ICS and Nexus submitted proposals and were interviewed by the Facilities Committee on May 17, 2012. Nexus was selected based on its detailed energy, operational and financial analysis, financial expertise that could save taxpayers' dollars, data-driven planning, engineering expertise and sole-source accountability.

Prior to the School Board approving the first project with Nexus, a contract review was conducted by our attorney and the district held a public community forum. During the forum, the district was praised for bringing forward a plan that could create more space at the high school and make improvements to our aging buildings, without increasing taxes.

Our first contract with Nexus was unanimously approved by the School Board on July 16, 2012. Under that contract, Nexus helped us plan, design and manage major building projects such as a 15-classroom addition at Prior Lake High School, renovate school entrances for security, and complete deferred maintenance items such as roof, water and heating plant replacements in our buildings, to name a few. For each of these projects, a formal bid process was conducted and approved by the School Board prior to the district moving forward with the construction of the projects.

All of the projects were completed on time, on budget, with no increase to the school district's levy while protecting the capital investment of our community. The total program costs for this work totaled \$34.8 million. For these projects, Nexus and its sub-consultants (Wold Architects, Anderson-Johnson Architects, Wenck Construction (formerly Bossardt) and several other companies), were paid a total of \$5.3 million for professional services. This amount is well within industry standards.

A second project where we have utilized Nexus is with energy improvements. PLSAS entered into an agreement with Nexus to make energy improvements such as lighting efficiency, water conservation, temperature control improvements and backup generators, and help us save money in utility costs. Last school year, PLSAS saved \$265,573, which exceeded our guaranteed annual savings amount. Our utility cost per square foot is one of the lowest in Minnesota. Thanks to this cost avoidance, more dollars are being used in our classrooms.

Nexus does not control the scope or budget of any of the district's projects or proposals; the School Board does. The School Board has always reviewed and authorized all project line items and will continue to do so.

Finally, due to the failed referendum in May, 2016, no projects have been completed and Nexus has not received any payments for facilities planning related to the last referendum proposal.

The School Board and administration take their role as fiscal stewards of the community's resources very seriously. Nexus has helped the district navigate facilities challenges, realize energy savings and has been responsive to all of our concerns during these projects. At the same time, we have not increased the district's tax levy due to any of this work.

We are committed to being transparent in all that we do and invite you to email us with any questions you may have.

Sincerely,

Rich Wolf
School Board Chair
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Dr. Teri Staloch
Superintendent