

LETTER TO THE EDITOR

Questioning Nexus contract

To the editor:

This letter is about a government contract that could cost taxpayers millions in the Kiel Area School District (KASD).

Last April, after nearly two hours in closed session, the School Board voted 7-0 to approve an agreement with Nexus Solutions of Milwaukee. Good intentions don't justify a bad contract, and this one is really bad.

I'm one of the volunteers with BOSS (Building Oversight and Stewardship Society), a group of KASD taxpayers providing independent review of the district's facilities proposals.

BOSS Report #1 identifies six major problem areas in the Nexus contract. The report has been viewed by over 4,000 people at the "Kiel BOSS" Facebook page. I challenge anyone at KASD or Nexus to find inaccuracies in the report.

The central problem is simple. The company that decides what KASD should build or repair is also positioned to be paid to design

it and manage its construction. Nexus assesses our buildings, sets priorities, designs the financing and helps shape referendum strategy. If the district moves forward, it has agreed not to hire anyone else for that work.

As a Wisconsin licensed architect with over four decades of experience, I can tell you incentives are everything in construction contracts. I've routinely seen prices for the same project vary 30% between competing firms, and 50% or more isn't unusual. Competition is how owners capture those savings and minimize construction duration. KASD gave all that up.

Nexus is paid 7% to 8% of construction cost for design and 2% for construction management. On a \$50 million program, that's roughly \$4.5 to \$5 million. When contractors raise their prices, Nexus earns more too. If Nexus finds a brilliant way to save KASD money, its reward is less revenue. The incentives are backwards.

The contract never states Phase I's price. The district waived its right to terminate for convenience. Nexus even owns the building assessment taxpayers pay for.

The minutes show the board approved the agreement "as presented," with no changes. So, board members: did you fully understand these terms when you unanimously voted yes? If so, explain how they serve taxpayers. If not, you approved a major contract you didn't understand. There is no credible third answer.

For six more months KASD will spend taxpayer money to "educate" us about its April 2027 referendum. Weigh that information knowing who helped shape the strategy behind it, and who stands to get millions if it passes.

It's not too late. The board can renegotiate, or better yet ask Nexus to voluntarily exit. Then develop a long-term facilities financial plan. Then request proposals from professionals to define a scope of work we can afford. Then competitively bid that defined repair and construction work to get the best price. Nexus would be welcome to compete.

Now that the problems are public, will KASD keep pushing forward with the Nexus contract in place? Will KASD insist on paying out millions that could have stayed in taxpayers' pockets, or in our classrooms?

Matt Piper
Kiel

CHEERS AND JEERS

CHEERS to the Kiel EMTs, Police and Fire Department for assisting me Aug. 29 when I fell. All were kind, gentle and professional, lifting me into the ambulance and transporting me to St. Nicholas Hospital in Sheboygan.

—Rita Nigrelli, Kiel



With the observance of Fire Prevention Week being observed this week, **CHEERS** to all the area's firefighters, first responders and ambulance personnel!