

Program progress update

Aug. 13, 2007

Introduction

The Bond Accountability Commission was created by the Cleveland Board of Education to monitor and report on the Cleveland Municipal School District's construction and rehabilitation program and the spending of Issue 14 funds. It has reviewed the design and construction progress of the first four of the program's nine segments and the budget status of the first three.

Information for this report was obtained primarily from the Construction Manager's monthly reports, the latest being for June 2007, and from interviews and correspondence with members of the school district's project team.

As the building program continues, the Bond Accountability Commission will provide further updates.

Overview

Overall, the program is behind schedule, and the district administration is making plans to catch up. That effort will be aided in part by the elimination of numerous schools from the originally planned program, a change required by the Ohio School Facilities Commission (OSFC) based on enrollment projections that foresee a need for fewer schools. Revision of the program's Master Plan, required before Segment 5 can begin, will be a crucial step.

In the meantime, none of the first four segments is complete.

Construction was completed on the final school in Segment 1, originally planned for 2002-2005, in June 2007. The school is to open in August. Demolition of a building remains to be done.

Segment 2, originally planned for 2003-2006, remains uncompleted, partly because of delays in securing real estate needed for some schools, and partly because of technological and other improvements that were not included in original designs and planning but were added later by the new district administration.

Bidding for Segment 3 schools (originally 2004-2007) is ongoing. All nine schools are scheduled for bidding completion by September 2007. Construction of some schools is under way.

Bidding on schools in Segment 4 (originally 2005-2008) is to occur February 2008 through March 2009.

The district's chief operating officer describes Segments 3 and 4 as behind by at least one year. He has expressed the intention of making up some of the time by having larger segments than originally defined and rapidly launching successive segments.

The first two segments are expected to run under budget targets by a total of about \$12.2 million, due to much less spending than planned on the Warm, Safe and Dry initiative, which began the program. Projections indicate that after Segment 3 the overall program will be about \$11 million over budget.

Whether a district's program is conducted on time and on budget is the result of complex interaction among school district administrators, the architect chosen for each school, the construction manager, the project administrator working for the Ohio School Facilities Commission and the OSFC itself.

The OSFC coordinates and participates in a review of architectural drawings for each phase of the program. According to the OSFC, each set of architectural drawings for a typical school building project is reviewed by an average of eight people from various firms (architectural, engineering, construction management, building inspection, technology, and furniture consulting) at least a dozen times. This multi-layer review process is intended to ensure quality without exceeding project budgets.

Glossary

The following terms are defined as used in this report:

Architect: Buildings are designed by architects selected by the local districts, subject to OSFC approval. Districts have the capability to design, within the limits of the OSFC's Ohio School Design Manual, buildings that meet the educational needs of their communities. The District and the architect may choose among an array of room types and sizes, building materials and styles, etc. The OSFC relies upon the Architect to select and specify Design Manual-compliant materials and systems of institutional quality, long-lasting building components and equipment, suitable for the intended purpose and affordable within the Project Agreement budget. Components should also perform well in terms of life cycle costs when operation and maintenance costs are considered. The architect is responsible for the documents that are developed during design and that are ultimately used for the construction of the project. After bids are opened, the project architect and the construction manager evaluate them and recommend award of the contracts to the Board of Education. Eleven months after a new or renovated school is occupied, an inspection of the building is conducted by the Architect and Construction Manager and deficiencies are listed. The Contractor is obligated to correct those deficiencies.

Construction Manager: The Cleveland-based joint venture of Ozanne-Hammond-Gilbane-Regency, selected by the Ohio School Facilities Commission, is responsible for scheduling, estimating, and providing overall coordination for the program's construction component. Employed by the OSFC but works closely with the CMSD administration.. Districts, with assistance from the construction manager, are responsible for bidding out all construction contracts. As part of the closeout process, the Construction Manager, with the assistance of the Architect, coordinate the construction contract closeout process. After all items on the Architect's list of items needing attention have been corrected, the Construction Manager, with the assistance of the Architect, process a Certificate of Contract Completion for approval by the OSFC's Project Administrator.

Construction Complete: Essentially the stage at which the building is deemed fit for occupancy and use as a school, though some work may remain to be done.

Closeout: A project is considered to have entered the closeout phase one month from the time that the School District takes occupancy of the building. At this point, the architect and Construction Manager work to ensure satisfactory completion of all contract and design requirements.

Master Plan: All participants in OSFC-funded programs are required to have a Master Facilities Plan approved by the OSFC. The plan includes the scope of

work and budget. While the budget includes a contingency for change orders and cost increases, the OSFC staff may recommend an amendment to change the scope and increase or decrease the budget. An amendment can be a scope adjustment (examples include an increase in the size or number of buildings due to an enrollment change or additional items to replace in a renovation project) or a cost increase (examples include a response to changes in market conditions, soil conditions, or contractor claims).

OSFC: The Ohio School Facilities Commission. Appointed by the Ohio governor, the OSFC oversees the entire construction and renovation program and supplies 68 percent of the funding for most of the work and materials.

Project Administrator: An OSFC employee who is the primary interface for the school district, the construction manager and the project's design professional. The administrator attempts to accommodate the needs of the school district within the framework of OSFC policies and procedures. Project administrators track, approve, and provide assistance at every phase of the project through multiple submittals of building design, construction, and eventually final closeout. These individuals also work with school district staff, architects, and construction managers on a day-to-day basis; performing such tasks as overseeing the preparation, reviewing, and auditing of quarterly requests for the disbursement of state funds, and insuring that project dollars are spent appropriately.

Project Agreement: The OSFC and the school district must enter a Project Agreement, a comprehensive document that defines the scope of work, the projected budget, and other issues, such as the requirement of a maintenance plan. Both the OSFC and the board of education must approve the Project Agreement.

Renovate, Build New: Generally the choices for disposition of a school building. The district, within certain financial limits, may elect to renovate an existing school building. It also may choose to demolish the building and replace it with a new one on the same site or a different one.

Swing Space: A building where students may attend classes while their original school is being renovated or replaced.

Warm, Safe and Dry: The first phase of Segment 1, it was intended, as the name implies, to ensure that all school buildings then in use met basic standards, whether or not they were later destined for demolition as part of the School Facilities Program.

Segment-by-Segment Report

Following is more-detailed information on the schools in each of the first four segments.

As illustrated by the charts included with each segment report, the administration has been forced to vary significantly from the original Master Plan regarding which schools are included in each segment, more so with each successive segment.

The size of some schools has been changed to accommodate OSFC-commissioned projections of declining enrollment. Some schools may have been omitted for the same reason.

Other factors behind these moves, reflected primarily by a Master Plan update undertaken in August 2006, include availability of real estate and availability of swing space.

Schools marked as on hold may be dropped from the portion of the program that is co-funded by the OSFC. That does not necessarily mean that those schools will be closed and/or demolished. Some of those may end up being renovated with only locally generated tax dollars or donations. Others could be operated indefinitely with little or even no renovation.

Changes from the original Master Plan are shown in boldface.

Although each segment was given a time frame in the original Master Plan, the actual target dates and budgets for each school are set as each segment is launched with a formal Project Agreement with the OSFC. The budget targets are adjusted during each project to accommodate changing circumstances or design changes.

When a target date for occupancy is missed, it does not necessarily mean that construction itself took too long. Construction may have started late because the design and/or bid process was delayed or took longer than expected.

Other possible factors include a design change after construction has begun, as was the case when the district administration upgraded technological and security features of schools in Segment 2.

Segment 1, includes the Warm Safe and Dry initiative at all schools, a new East High Gym and 7 new or renovated schools, plus demolition of the Woodhill-Quincy school.

Construction is now complete at all schools. The last, Miles Park Elementary School (ES), reached that milestone in June.

The other completed schools are John Hay High School (HS), John Adams HS, Successtech, A.J.Rickoff K-8, Memorial K-8, and Riverside K-8. Most are in the closeout phase, meaning some issues remain to be resolved.

- Miles Park is planned to be ready for classes in August 2007.
- For John Adams, outstanding contractor claims and what are described as masonry and steel deck issues are in mediation.
- Demolition of the former Woodhill-Quincy building was suspended upon discovery that it requires Cleveland Planning Commission approval because the building, though in poor condition, is considered architecturally significant. It was designed by a prominent architectural firm of the early 1900s in Cleveland, Hubbell & Benes. The approval is being pursued.

<u>2002 Master Plan</u>	<u>Original student capacity</u>	<u>Scope</u>	<u>Revised Master Plan</u>	<u>New student Capacity</u>	<u>New scope</u>	<u>Original occupancy target</u>	<u>Performance vs. target</u>
Segment schools, 2002-05	1						
Rickoff ES	720	new	Rickoff	720	new	Aug-05	plus 2m
Miles Park ES	722	new	Miles Park	650	new	Jul-05	plus 17m*
Adams HS	1,335	new	Adams HS	1,335	new	Aug-06	Met
Hay HS	1,056	renovate	Hay HS	1,232	reno	Jun-05	plus 11m
Memorial ES	631	new	Memorial	631	new	Aug-05	Met
Success Tech	400	renovate	Success Tech	400	reno	May-04	plus 1m
Riverside ES	436	new	Riverside	436	new	Aug-05	Met
East HS Gym			East High Gym			Nov-03	Met
Warner Demo			Warner Demo				
Woodhill/Quincy Demo			Woodhill/Quincy Demo				
Warm, Safe, Dry			Warm, Safe, Dry			Dec-05	Met

*Awaiting permanent occupancy permit

Segment 2, originally 13 schools, but cut to seven.

- Mary Martin K-8, Mary Bethune K-8, and Hannah Gibbons K-8 are complete and occupied. They remain in the closeout phase.
- Franklin D. Roosevelt K-8 additional improvements were to be completed in July, and the school is to be ready for classes in August 2007.
- Construction of Daniel Morgan K-8 and Warner K-8 was reported as completed in June, and they are to be ready for classes in August 2007. Demolition of the old Daniel Morgan is scheduled for this summer.
- Rhodes Phases 1-3 are complete and Phase 4 is under way. Rhodes work will require overtime and a second shift to have Phases 4 and 5a ready for the start of the 2007-08 school year.
- The originally scheduled Mound K-8, Wilson K-8, Westside Relief HS and Max Hayes HS were officially transferred to other segments, although the district administration said this spring that it no longer planned to build the Westside Relief HS.

<u>2002 Master Plan</u>	<u>Original student capacity</u>	<u>Scope</u>	<u>Revised Master Plan</u>	<u>New student capacity</u>	<u>new scope</u>	<u>Orig. occupancy target</u>	<u>Performance vs. target</u>
Segment 2 schools, 2003-06							
Warner ES	570	new	Warner	570	new	Jul-06	plus 10m*
Mound ES	459	new	Moved to Seg. 4	450	new		
Daniel Morgan ES	480	new	Morgan	480	new	Jul-06	plus 10m*
Martin ES	545	renovate	Martin	490	reno	Jul-06	plus 1m
Roosevelt ES	1,115	renovate	Roosevelt	1,115	reno	Jul-06	plus 5m* **
Gibbons ES	351	new	Gibbons	351	new	Jun-06	plus 2m
Bethune ES	400	renovate	Bethune	500	reno	Jun-06	plus 2m
Hayes HS	638	renovate	Moved to later Seg.	800	new		
Jefferson Relief ES	738	new	Moved to later Seg.	785	new		
Wilson ES	574	new	Moved to Seg. 3	574	new		
Rhodes HS	1,005	renovate	Rhodes	1,005	reno	May-07	plus 1m
West Side Relief HS	1,600	new	PUT ON HOLD			Jun-06	
Agassiz ES	605	new	PUT ON HOLD				
Total							

*Awaiting permanent occupancy permit **Work added to project still under way in June

Segment 3, originally 14 schools, reduced to 9 K-8s.

- Charles Mooney K-8 and Westside Relief HS were officially moved to future segments.
- Bids have been received for Garfield, Robinson G. Jones, Artemus Ward, Patrick Henry and Buhrer. East Clark, Wade Park, and Harvey Rice were to be bid in July/August. Willson bidding was delayed until fall; land acquisition was incomplete.
- Construction began in July on Ward and Jones. Garfield construction was to have started in June, but a surveyor error on land elevations used in construction drawings caused a delay until July. Winter weather will now be a factor in whether the school can open in August 2008 as planned.
- **Latest scheduled occupancy dates:** Aug. 2008, Garfield; Dec. 2008, Ward, Jones; Jan. 2009, Buhrer, Henry; spring 2009, East Clark, Wade Park, Rice, Willson.

<u>2002 Master Plan</u>	<u>Original student capacity</u>	<u>Scope</u>	<u>Revised Master Plan</u>	<u>New Student capacity</u>	<u>new scope</u>	<u>Orig. occupancy target</u>	<u>Performance vs. target</u>
Segment 3 schools, 2004-07							
Hart ES	797	new	PUT ON HOLD				
Hamilton Demo			PUT ON HOLD				
Kennedy HS	1,423	renovate	PUT ON HOLD				
Buckeye-Woodland Ireland ES Demo	573	new	Moved to later Seg. PUT ON HOLD				
Wade Park ES	501	renovate	Wade Park	501	new	Dec-08	plus 3m**
East Clark ES	576	new	East Clark	450	new	Dec-08	plus 3m**
Patrick Henry MS	481	new	Patrick Henry	450	new	Aug-08	plus 4m**
Howe ES Demo			PUT ON HOLD				
Buhrer ES	350	renovate	Buhrer	350	new	Dec-08	
Marin ES	1,197	renovate	Moved to later Seg.	873	reno		
Walton Demo			PUT ON HOLD				
Mooney ES	623	new	Moved to later Seg.	575	new		
Mooney Demo							
Garfield ES	426	new	Garfield	426	new	Aug-08	
Marshall HS	1,412	renovate	Moved to later Seg.	1,000	reno		
Jones ES	465	new	Jones	450	new	Aug-08	plus 4m**
Orr Academy 6-12	167	renovate	PUT ON HOLD				
			A. Ward (Seg 4)	450	new	Aug-08	plus 4m**
			Harvey Rice (Seg 9)	450	new	Dec-08	
			Westside Relief HS				Now on hold
			Willson (Seg 2)	574	new	Mar-09	

** original target already postponed

Segment 4, originally 15 schools, reduced to 11 K-8s. Three of those are being delayed pending decisions on swing space or other issues, and a site problem threatens to delay another. All are in the design phase. They are Adlai Stevenson, Anton Grdina, Charles Dickens, Charles Lake, Euclid Park, and George Washington Carver, Mound, R.H. Jamison, Audubon, Nathan Hale and Thomas Jefferson.

The Construction Manager's report says preliminary estimates indicate that implementing the designs will exceed the budget.

The OSFC project administrator says some of the designs available so far are similar to those for Segment 3, which is currently projected to run well over budget, due in part to more-costly aesthetic features. The project team is meeting with designers to determine what can be done to control costs and keep spending closer to the Project Agreement budget of \$145.4 million.

- Geothermal heating systems are being considered for six of the schools.
- A 10-foot-diameter sanitary/storm sewer running through the planned Mound site was found to be unable to support the weight of fill material and development that was to be placed over it. The sewer district is said to be unable to fix the problem soon, so the district is now seeking to buy property to the south to reconfigure the project. The extent of any delay is unknown.

On June 5, the district administration announced that work on three schools – Audubon, George Washington Carver and Nathan Hale – was being put on hold. Those schools were to have been demolished in the summer/fall and built new. For now, the demolitions will not occur and those schools are to remain open for the 2007-08 school year.

The district's chief operating officer indicated that the reason was lack of appropriate swing space.

As far as the project schedule, he said at the time that he could foresee no significant impact. He said his goal was to keep these buildings open for the coming school year, demolish them when it concludes and start construction next summer.

However, the latest Construction Manager's report shows the construction start for Hale delayed by nearly a year, to June 2009, and for Carver until May 2009.

The Construction Manager's reports confirm the swing space issue for Hale and Carver but say the issue for Audubon is "based on the community's desire to save the building and have renovations in lieu of a new building."

Students at Carver are to be moved to Benesch ES after the 2007-08 academic year. Swing space for the other two schools has yet to be determined.

- Charles Lake and Euclid Park are scheduled for demolition this fall to clear the way for construction of new schools. Charles Lake students may choose to attend Michael R. White, Empire or the newly renovated Franklin D. Roosevelt. Euclid Park students may choose to attend East Clark at Margaret Spellacy or Hannah Gibbons-Nottingham.

Parents of students in pre-kindergarten through Grade 2 will also have the option of enrolling them in one of the District's single gender academies opening in the fall.

The district administration said transportation will be available to students who must travel past a major intersection or who live two miles or more from their chosen school.

- Thomas Jefferson, already closed, is scheduled to be demolished this fall. It will be replaced with a new school.
- Corlett and Moses Cleaveland schools also are to be demolished this fall. They are not scheduled for replacement. The new Charles Dickens K-8 is to be built on the Corlett site.
- **Latest scheduled occupancy dates:** Aug. 2009, Jamison, Lake, Euclid Park; Dec. 2009, Stevenson, Grdina, Dickens, Audubon; spring 2010, Jefferson; Aug. 2010, Carver; Dec. 2010, Hale; pending, Mound.

<u>Original Segment 4, 2005-08</u>	<u>Enrollment Capacity</u>	<u>Scope</u>	<u>New Segment 4</u>	<u>New capacity</u>	<u>New scope</u>
Dickens ES	795	new	Dickens	450	New
Corlett Demo			Corlett Demo		
Revere ES	751	new	PUT ON HOLD		
Fulton ES	780	new	PUT ON HOLD		
South HS	1,314	renovate	PUT ON HOLD		
School of Arts 6-12	654	renovate	Moved to later segment		
MLK HS	820	renovate	PUT ON HOLD		
Roth ES	618	renovate	PUT ON HOLD		
Euclid Park	585	new	Euclid Park	351	New
Lake ES	351	new	Lake	350	New
Addams HS	602	renovate	PUT ON HOLD		
Ward ES	505	new	Moved to Segment 3		
Seltzer ES	423	renovate	Moved to later segment	423	
Harper ES	450	new	PUT ON HOLD		
Brooklawn 6-12	181	renovate	Moved to later segment	400	New
CLC Halle 4-12	140	renovate	PUT ON HOLD		
Hawthorne Demo			PUT ON HOLD		
	785	new	Jefferson (from Seg 7)	785	New
	459	new	Mound (Seg 2)	450	New
	687	new	Grdina (Seg 6)	625	New
	775	new	Audubon (Seg 7)	400	New
	754	new	Carver (Seg 6)	450	New
	706	new	Hale (Seg 5)	350	New
	1,112	new	Jamison (Seg 5)	450	New
			Cleveland Demo (Seg 5)		
	412	new	Stevenson (Seg 6)	350	New

Segments 5-9: These plans are subject to change in the ongoing revision of the Master Plan.

- On June 14, the district announced that Schools of Choice single-gender academies would open for fall 2007 on the West Side at Douglas MacArthur and Valley View, both schools that had been scheduled for demolition with no replacement.

On the East Side, the single-gender schools are to open at Warner and Kenneth W. Clement. The latter had been scheduled for renovation in Segment 9, but it was closed after the 2005-2006 school year and was cut from the program in the August 2006 update of the Master Plan.

The Ginn Academy, a school for at-risk males, is to be on the second floor of the district's Promise Academy charter school building, in the former Health Careers vocational high

school. Health Careers had been scheduled for renovation in Segment 7, but it was dropped in the August 2006 update.

Whether other schools will now be removed from the program to make way for inclusion of the above remains unclear and may not be resolved until the Master Plan is revised.

- The district has made tentative plans for a new Segment 10 consisting almost entirely of demolition of buildings no longer needed under the OSFC enrollment formula and of delayed options for high schools that currently would not qualify for co-funding by the OSFC based on enrollment projections.

Budget Performance

Budget targets for each school, like the completion targets, are set with each segment's Project Agreement. As time passes, the budget targets for each school vary more from the totals listed in the Master Plan of 2002. That is partly because the Master Plan did not account for inflation. Another reason is that the scope and design of each school is more precisely known at the segment launch than it was in 2002. Thus, the Master Plan figures for each school are listed in the chart below only as a point of reference.

Projected cost totals (the latest estimates of what will be spent) are available only for the first three segments.

The Project Agreement budget with approved and anticipated changes is subject to adjustment until a segment is concluded, as are the projected cost numbers. Such changes are especially likely in the case of Segment 3, which is still being bid.

As shown in the chart below, which is based on the Construction Manager's monthly report for June, Segment 1 is projected to be well under budget, due almost entirely to nearly a third of the Warm, Safe and Dry budget not being spent. Segment 2 is projected to be 6.1 percent over budget, and Segment 3 is projected to be over budget by 20.9 percent.

NOTE: In the chart, the architectural firm for each school is listed by the following codes: Richard L. Bowen & Associates (B); Robert P. Madison (M); Osborn (O); DOI Dickinson (D); CEDA (C); Illes (I); Burt Hill Kosar (K); Moody Nolan (N); Hayes Large (H); Irie Kynk Goss (G); DLZ (Z).

Master Plan	Original 2002 Master Plan co- funded estimate	Project Agreement co-funded budget with changes	Projected cost	Under / (over) Project Agreement budget
Segment 1				
Rickoff (D)	\$14,058,662	\$16,943,596	(\$17,419,212)	(\$475,616)
Miles Park (C)	\$14,095,938	\$16,521,921	(\$16,813,472)	(\$291,551)
Adams HS (C)	\$35,733,624	\$36,728,095	(\$37,911,331)	(\$1,183,236)
Hay HS (B)	\$25,826,668	\$34,749,207	(\$36,486,974)	(\$1,737,767)
Memorial (N)	\$12,573,930	\$14,615,213	(\$15,298,377)	(\$683,164)
SuccessTech (O)	\$7,990,764	\$7,990,764	(\$7,601,475)	\$389,289
Riverside (Z)	\$10,201,144	\$11,770,172	(\$12,237,656)	(\$467,484)
East High Gym (M)	\$6,221,336	\$6,221,336	(\$6,721,560)	(\$500,224)
Warner Demo	\$361,122	\$361,122	(\$347,207)	\$13,915
Woodhill/Quincy Demo (I)	\$685,286	\$685,286	(\$1,390,782)	(\$705,496)
Warm, Safe, Dry	\$95,110,391	\$78,941,202	(\$53,402,730)	\$25,538,472
John Adams Site LFI	\$0	\$0	(\$723,849)	(\$723,849)
Memorial demo LFI	\$0	\$0	(\$568,804)	(\$568,804)
Totals		\$225,527,914	(\$206,923,429)	\$18,604,485
Segment 2				
Warner (H)	\$11,886,101	\$15,348,461	(\$15,764,341)	(\$415,880)
Mound*	NA	\$40,278	(\$40,278)	\$0
Morgan (K)	\$10,375,797	\$13,042,017	(\$13,153,174)	(\$111,157)
Martin (K)	\$8,129,140	\$8,641,685	(\$8,861,691)	(\$220,006)
Roosevelt ((N)	\$11,163,323	\$14,232,255	(\$16,146,401)	(\$1,914,146)
Gibbons (N)	\$8,606,071	\$9,779,954	(\$10,442,447)	(\$662,493)
Bethune (K)	\$8,126,024	\$9,114,898	(\$9,688,544)	(\$573,646)
Hayes*	NA	\$822,484	(\$822,484)	\$0
Jefferson Relief*	NA	\$173,723	(\$173,723)	\$0
Willson*	NA	\$448,459	(\$555,669)	(\$107,210)
Rhodes (C)	\$18,538,861	\$22,943,915	(\$24,446,876)	(\$1,502,961)
West Side Relief*	NA	\$523,078	(\$917,794)	(\$394,716)
Willson Demo LFI		\$0	(\$317,112)	(\$317,112)
Totals		\$95,111,207	(\$101,330,534)	(\$6,219,327)
Segment 3				
Wade Park (K)	\$9,128,357	\$12,473,064	(\$15,130,119)	(\$2,657,055)
East Clark (C)	\$12,018,475	\$13,892,376	(\$14,432,630)	(\$540,254)
Patrick Henry ((B)	\$10,384,865	\$12,289,813	(\$16,840,482)	(\$4,550,669)
Buhrer (G)	\$5,530,906	\$9,977,906	(\$12,459,463)	(\$2,481,557)
Mooney*	\$12,527,769	\$292,103	(\$371,197)	(\$79,094)
Mooney Demolition		\$1,273,290	(\$1,135,381)	\$137,909
Garfield (B)	\$9,708,671	\$11,610,319	(\$14,409,377)	(\$2,799,058)
Jones (C)	\$10,126,234	\$11,764,356	(\$13,244,939)	(\$1,480,583)
A. Ward (C)	\$10,853,550	\$11,689,572	(\$13,589,356)	(\$1,899,784)
Rice (B)	\$15,321,601	\$13,683,580	(\$15,989,927)	(\$2,306,347)
Westside Relief HS*	NA	\$668,653	(\$1,115,446)	(\$446,793)
Willson (M)	\$11,906,629	\$12,099,809	(\$16,350,582)	(\$4,250,773)
Totals		\$111,714,841	(\$135,068,899)	(\$23,354,058)

*Moved to later segment, but expenses charged to this segment

Conclusion

The program is at a critical stage if it is to catch up to its original timetable. With local matching money available from Issue 14 insufficient to complete the School Facilities Program, it is crucial that, beginning with Segment 4, efforts be redoubled to limit spending where possible while ensuring a top-notch education for Cleveland's children.

Segment 3 was very late in starting, and postponements of scheduled occupancy dates before construction even starts suggest that catching up will be difficult.

Although Segment 4 work is getting under way closer to schedule, the delay of targeted completion for two schools until well after the segment's original end date and uncertainties over the site for a third school underscore the need to launch Segment 5 as soon as possible after the current Master Plan revision is resolved.

The timetable would not be so important were it not for the fact that in construction, delay is costly. The prices of labor and materials tend to rise with time. Thus the district will get more schools for its dollars if the program can get back on schedule.

As for sticking to the budget itself, it appears that good performance in the first two segments will be negated by Segment 3. If projections for the first three segments hold and if the Segment 4 budget is adhered to, the school district will have spent \$188.39 million of the \$335 million available from Issue 14 on the co-funded portion of the program. With \$29.12 million spent or owed as of June 30 for work that the OSFC does not co-fund, that would leave about \$117.5 million of Issue 14 money to fund the district's share of Segment 5 and beyond (not counting interest, premiums and non-bond proceeds).

Saving money where practical will ensure that as many schools as possible are completed before funding is exhausted.

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