

Program Progress Update 14

December 8, 2009

Introduction

This is the 14th in a continuing series of Bond Accountability Commission reviews of the design/construction and budget performance of the Cleveland Metropolitan School District's school facilities program funded by Issue 14. The report is based largely on the Construction Manager's monthly report for October 2009.

Overview

Segment status. All schools in **Segments 1 and 2** have been completed, as have eight of the nine **Segment 3** elementary schools. The last Segment 3 school could open for classes this January.

In **Segment 4**, work is under way at eight elementary schools. Of the remaining two, bids were received in October for one and are due for the other by year end.

Under the new Master Plan adopted last year, **Segment 5** is to have 11 schools, including four high schools. The School District received architectural and engineering design bids early this year but did not award the contracts. District officials have cited a desire to await consultant studies of school needs, done as part of the ongoing Strategic Development Initiative, before awarding the Segment 5 contracts, indicating the possibility that not all Segment 5 schools will be built as planned. The last word from the District was that the segment's architectural contracts would be awarded this year.

No site has been announced for Segment 5's new West Side High School.

The District will need to secure more money through a bond issue before the Ohio School Facilities Commission will co-fund Segment 5. (The OSFC pays two-thirds of most construction costs.) The Board of Education authorized the bond sale early this year, but District Administration now plans to issue the bonds next year, probably by fall.

Issue 14, approved in May 2001, authorized sale of \$335 million in bonds, of which \$55 million remains to be issued.

The District previously expressed the desire to begin design of the five currently planned **Segment 6** schools, all preK-8, in the second half of 2009. That plan is now on hold pending the outcome of the Strategic Development Initiative.

The strategic initiative and expected enrollment declines were cited as reasons for which the District curtailed **Warm, Safe and Dry** and **Facelift** improvements authorized earlier this year by the Board of Education. The Board authorized \$4.5 million in work; the District said it undertook projects for which \$2.73 million was authorized.

The OSFC will co-fund improvements made to schools that are used as “swing” sites at which students attend classes while their neighborhood school is being renovated or replaced; the District must pay the full cost of improvements made at non-Master Plan schools not used as swing sites. The District elected to wait for SDI results and Master Plan adjustments to make sure that some of the previously anticipated swing sites would still be needed. The District reported that work was done at Cranwood, Davis, Halle, Hawthorne, Kentucky, King, Lincoln-West, and Spellacy.

Budget performance. The estimated cost of Segment 3 is 23.37 percent above the budget outlined in the Project Agreement with the OSFC. Segment 4 total costs are projected to be 19.74 percent above the Project Agreement.

The above percentages reflect a comparison between the Project Agreement “face value” of a project and the projected actual costs as reported in the Construction Manager’s monthly “Segment Project Cost Report.” The Project Agreement budgets are based generally on the square footage of schools; they do not include change orders that arise from unforeseen conditions. They also do not include the cost of Locally Funded Initiative (LFI) work that the OSFC does not co-fund. However, some – but not all – of the LFI cost are included in the Status Report’s projected cost totals, making the Project Agreement overrun percentages several points higher. The cost of co-funded overruns is borne by the District and the OSFC.

It appears that the District will not be able to make Issue 14 – the major source of local matching funds for the construction program -- last through Segment 7 of the 10-segment program, as had been planned. The District will need to cut the equivalent of at least two elementary schools from Segments 5 through 7 of the Master Plan, according to current projections. However, if plans to spend interest earnings and federal technology reimbursements are thwarted, the shortfall could be six schools. Further LFI spending to repair schools not in the Master Plan will increase the shortfall.

An alternative to cutting schools from Segment 5-7 would be to request and win voter approval of additional bond-issuance authority before the start of Segment 7. The District previously estimated that it would need voter approval of an additional \$217 million in bonds to complete the final three segments of the 10-segment program, but if all sources of revenue are considered, the total need could be as low as \$188 million.

Segment-by-Segment Report

Segment 1: 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 building. The segment was projected as of Oct. 30, 2009, to be 8.71 percent under the Project Agreement budget, due almost entirely to underspending the Warm, Safe and Dry budget by more than \$25 million. All schools are operating. The Woodhill-Quincy demolition is indefinitely suspended because of concerns over its historical significance.

Segment 1 schools	student capacity	scope	Occupancy target	Performance vs. target	Budget w/changes	Projected spending	Under/(over) budget
Rickoff	720	New	Aug-05	plus 2m	\$16,943,596	(\$17,501,161)	(\$557,565)
Miles Park	650	New	Jul-05	plus 18m	\$16,900,933	(\$16,740,149)	(\$218,228)
Adams HS	1,335	New	Aug-06	Met	\$36,728,095	(\$37,686,571)	(\$958,476)
Hay HS	1,232	Reno	Jun-05	plus 11m	\$34,749,207	(\$36,705,174)	(\$1,955,967)
Memorial	631	New	Aug-05	Met	\$14,615,213	(\$15,418,676)	(\$803,463)
Success Tech	400	Reno	May-04	plus 1m	\$7,990,764	(\$7,372,636)	\$618,128
Riverside	436	New	Aug-05	Met	\$11,770,172	(\$12,351,201)	(\$581,029)
East High Gym			Nov-03	Met	\$6,221,336	(\$6,648,138)	(\$426,802)
Warner Demo					\$361,122	(\$347,207)	\$13,915
Woodhill Demo					\$685,286	(\$378,632)	\$306,654
Warm, Safe, Dry			Dec-05	Met	\$78,941,202	(\$53,403,931)	\$25,537,271
Adams Site					\$0	(\$723,850)	(\$723,850)
Memorial Demo					\$0	(\$609,236)	(\$609,236)
Totals					\$225,527,914	(\$205,886,562)	\$19,641,352

Segment 2: originally 13 schools, cut to seven. The segment, including non-budgeted LFI work, was projected as of the end of October to be 9.25 percent over the Project Agreement target. All schools are open.

Segment 2 schools, 2003-06	student capacity	scope	Occupancy target	Performance vs. target	Budget w/changes	Projected spending	Under/(over) budget
Warner	570	new	Jul-06	plus 10m	\$15,348,461	(\$16,027,289)	(\$678,828)
Mound*	450	new			\$40,278	(\$40,281)	(\$3)
Morgan	480	new	Jul-06	plus 10m	\$13,042,017	(\$13,631,197)	(\$589,180)
Martin	490	reno	Jul-06	plus 1m	\$8,641,685	(\$9,063,521)	(\$421,836)
Roosevelt	1,115	reno	Jul-06	plus 13m	\$14,232,255	(\$16,158,380)	(\$1,926,125)
Gibbons	351	new	Jun-06	plus 2m	\$9,779,954	(\$10,516,507)	(\$736,553)
Bethune	500	reno	Jun-06	plus 2m	\$8,902,994	(\$9,870,547)	(\$967,553)
Hayes HS*	800	new			\$822,484	(\$822,487)	(\$2)
Jefferson Relief*	785	new			\$173,723	(\$173,726)	(\$3)
Willson*	574	new			\$448,459	(\$591,862)	(\$143,403)
Rhodes	1,005	reno	May-07	plus 9m**	\$22,491,509	(\$25,050,579)	(\$2,559,070)
West Side HS*			Jun-06		\$523,078	(\$917,794)	(\$394,716)
Willson LFI Demo					\$0	(\$317,112)	(\$317,112)
Totals					\$94,446,902	(\$103,181,282)	(\$8,734,384)

*moved to other segment or put on hold

** school partially occupied during renovation

Segment 3: originally 14 schools, reduced to 9 K-8s. The segment, including non-budgeted LFI work, was projected at October's end to be 23.37 percent over the Project Agreement target.

- Now open for classes: R.G. Jones (4550 West 150th Street); Artemus Ward (4315 West 140th Street); Garfield (3800 West 140th Street); Patrick Henry (11901 Durant Ave.); Buhner (1600 Buhner Ave.); Wade Park (7600 Wade Park Ave.); East Clark (885 East 146th Street); Harvey Rice (2730 East 116th St.). Willson is to be completed this month.

Segment 3 schools, 2004-07	student capacity	scope	Occupancy target	Performance vs. target ***	Budget w/changes	Projected spending	Under/(over) budget
Wade Park	501	new	Dec-08	plus 6m	\$12,473,064	(\$15,474,099)	(\$3,001,035)
East Clark	450	new	Dec-08	plus 6m	\$13,892,376	(\$14,686,940)	(\$794,564)
Patrick Henry	450	new	Aug-08	plus 9m	\$12,289,813	(\$16,749,377)	(\$4,459,564)
Buhrer	350	new	Dec-08	plus 6m	\$9,977,906	(\$13,795,194)	(\$3,817,288)
Mooney*	575	new			\$292,103	(\$371,575)	(\$79,472)
Mooney Demo					\$ 1,273,290	(\$17,500)	\$ 1,255,790
Garfield	426	new	Aug-08	plus 7m	\$11,610,319	(\$15,269,029)	(\$3,658,710)
Jones	450	new	Aug-08	plus 5m	\$11,764,356	(\$13,849,871)	(\$2,085,515)
A. Ward	450	new	Aug-08	plus 5m	\$11,689,572	(\$14,059,077)	(\$2,369,505)
Harvey Rice	450	new	Dec-08	plus 7m	\$13,683,580	(\$16,651,840)	(\$2,968,260)
West Side Relief HS*					\$668,653	(\$1,358,860)	(\$690,207)
Willson / LFI demo	574	new	Mar-09	plus 9m	\$12,099,809	(\$15,535,594)	(\$3,435,785)
Totals					\$111,714,849	(\$137,818,956)	(\$26,104,115)

*moved to Segment 5

***reflects currently planned target

Segment 4: originally 15 schools, reduced to 10 pre-K-8s. The segment, including non-budget LFI costs, was projected as of the end of October to be about 19.74 percent over the Project Agreement target.

- Five of the schools (Nathan Hale, Euclid Park, Dickens, Stevenson and Grdina) are to have geothermal heating/cooling systems. Lake is to be designed with a conventional heating system that can be adapted to a geothermal source.
- Bids were received in October for the new Mound (5405 Mound Ave. in the Slavic Village area). Mound is intended to meet Silver certification standards under the Leadership in Energy and Environmental Design (LEED) program. LEED is an internationally recognized system providing third-party verification that a building was designed and built using strategies aimed at improving performance in energy savings, water efficiency, CO₂ emissions reduction, indoor environmental quality, and stewardship of resources.
- Foundations have been completed at Adlai Stevenson (3938 Jo Ann Drive). The focus for September was to include installation of load-bearing masonry and completion of geothermal-heating wells.
- The focus for November at Charles Dickens (3552 East 131st Street) was completion of site utilities, geothermal horizontal piping, bearing masonry and the start steel and decking for roof framing.
- At Euclid Park (off Ansel Road between Kosciuszko and Pulaski avenues), November's tasks were to include, metal siding, windows and doors, painting, ceiling grids, lighting, finished carpentry, flooring and site paving.
- Jamison (13905 Harvard Ave.) is getting finishing touches. The occupancy date has been moved up to January.
- Completion of site utility tie-ins and bearing masonry and gym roofing were on tap at George Washington Carver (2201 East 49th Street), as well as continuation of brick veneer work.

- The building permit for Anton Grdina (3050 East 77th Street) was issued in late July. The focus now is site preparation and remediation. The current Grdina is to be demolished in 2010, after the new one is built.
- At Nathan Hale (3588 Martin Luther King Jr. Drive), the focus for November was to be site utilities, completion of bearing masonry, geothermal horizontal piping and second-floor joists and decking as well as continuation of roof framing.
- Work on third-floor bearing masonry was continuing at Thomas Jefferson (3145 West 46th Street), as well as completion of steel beams and joists and decking in the gym and the second-floor classroom wing.
- Bid advertisement was delayed until this month for Charles Lake (9201 Hillock Ave.). After many months of problems with the original architect, the District replaced it.
- The Master Plan adopted in July 2008 deleted Audubon (3055 Martin L. King Jr. Drive) from Segment 4. Audubon is now scheduled to receive \$4.5 million in LFI improvements during Segment 10.
- Segment 4 designs are the program's first to specifically accommodate the District's universal Pre-Kindergarten strategy and the 20-1 student-teacher ratio specified in the District's contract with the Cleveland Teachers Union for kindergarten through third grade.
- **Latest scheduled occupancy dates:** January 2010, Jamison; August 2010: Carver, Euclid Park; January 2011: Dickens, Grdina, Stevenson, Jefferson, Hale; June 2011, Mound; August 2011, Lake.

Segment 4 schools, 2005-08	student capacity	scope	Occupancy target	Performance vs. target ***	Budget w/changes	Projected spending	Under/(over) budget
Dickens	450	new	Jul-09	plus 18m	\$12,494,986	(\$14,163,569)	(\$1,668,583)
Corlett Demo					\$306,983	(\$702,709)	(\$395,726)
Euclid Park	351	new	May-09	plus 15m	\$11,863,598	(\$14,491,716)	(\$2,628,118)
Lake	400	new	May-09	plus 27m	\$10,839,836	(\$14,368,087)	(\$3,528,251)
Jefferson	785	new	Aug-09	plus 17m	\$19,180,034	(\$18,430,709)	\$749,325
Mound	450	new	Aug-09	plus 22m	\$12,357,938	(\$16,631,615)	(\$4,273,677)
Grdina	540	new	Sep-09	plus 16m	\$15,353,878	(\$16,943,668)	(\$1,589,790)
Audubon*	450	new			\$0	\$0	\$0
Carver	450	new	Jun-09	plus 14m	\$12,573,569	(\$13,984,519)	(\$1,410,950)
Hale	400	new	Jul-09	plus 18m	\$11,003,699	(\$14,379,237)	(\$3,375,538)
Jamison	450	new	May-09	plus 8m	\$12,128,122	(\$14,562,232)	(\$2,434,110)
Cleveland Demo					\$531,655	(\$1,008,913)	(\$477,258)
Stevenson	450	new	Aug-09	plus 17m	\$10,805,208	(\$15,321,773)	(\$4,516,565)
Totals					\$129,439,506	(\$154,988,747)	(\$25,549,241)

*** reflects currently planned target

*deleted from co-funded Master Plan

Segment 5: The new Segment 5 approved as part of the revised Master Plan in July 2008 includes four high schools (including a K-12) and seven PreK-8 schools. As noted above, award of architectural contracts, once expected last spring, has been delayed pending District review of consultant studies of District facilities use and programs. The District reported receiving 16 bids.

District officials have said the planning scope for two specialty schools, Max Hayes vocational and Cleveland School of the Arts, will be contingent on the extent to which civic and business interests are able to provide money for amenities and facilities not eligible for OSFC co-funding.

The District currently lacks the construction money to complete Segment 5, so the OSFC will not co-fund the segment until the cash is on hand. However, the District issued \$15 million in notes in December 2008, allowing it contract for the start of design work. The District will be reimbursed for the normal OSFC share of costs once the District is able to raise the required additional funds. The District plans to do so in a \$55 million bond issue, probably by fall of 2010.

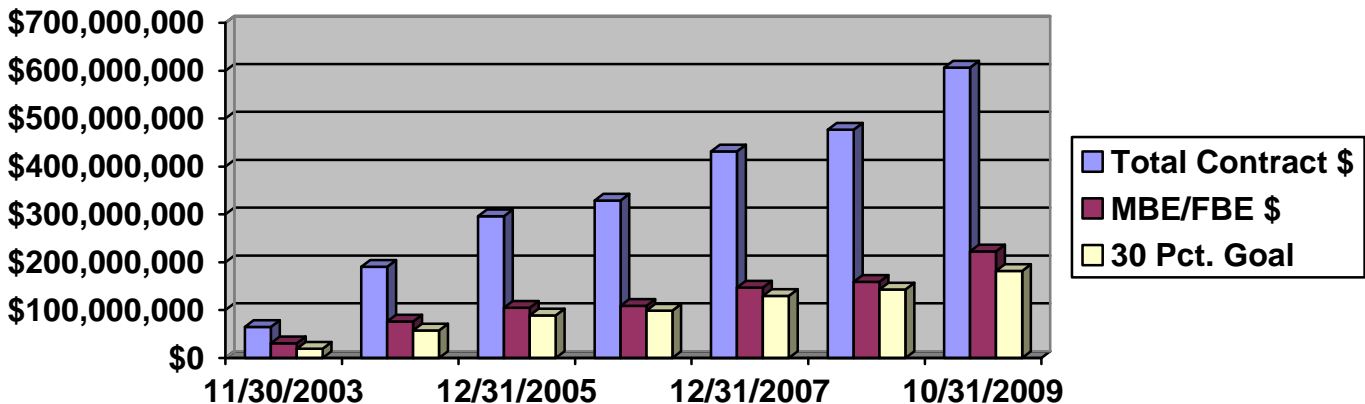
The current, tentative schedule for Segment 5 schools:

- Almira (1815 Larchmere Blvd.), Charles Mooney (3213 Montclair Ave.), Forest Hill Parkway (450 East 112th St.), Miles (11918 Miles Ave.), Orchard (4200 Bailey Ave.), and Paul L. Dunbar (2200 West 28th St.) elementary schools were scheduled for demolition this year to make way for new schools. Completion targets are now subject to the continued delay in awarding design contracts.
- The renovated Louisa May Alcott (10308 Baltic Road) preK-8 school was slated for completion in September 2011, but no class date has been set.
- The new Cleveland School of the Arts (2064 Stearns Road), Max Hayes (West 65th St. and Walworth), John Marshall (3952 West 140th St.), and West Side High (site to be determined) high schools are to be ready for classes in August 2013. The projected bid date is November 2010.

Community Inclusion

Contracting: The District’s goal for construction contracts is 30 percent participation by minority- or female-owned firms. As of Oct. 31, the District reported a 36.68 rate.

Reported DBE Contracting, Subcontracting



Workforce participation: The School District has set non-binding goals for workforce participation in the construction program as 20 percent for minorities, 5 percent for women, and 20 percent for District residents.

The project-by-project breakdown on the following pages shows that the goals have largely not been met for schools but have been exceeded on smaller projects for which the District has more discretionary authority in hiring.

CMSD Workforce Participation, Nov. 6, 2009

	Total Hrs	Min Hours		Fem Hours		CMSD Hours	
Warm, Safe, Dry							
WSD Group 1	24,060.63	8,015.25	33.31%	343.50	1.43%	5,502.00	22.87%
WSD Group 2	7,885.00	1,851.25	23.48%	718.00	9.11%	1,686.50	21.39%
WSD Group 3	17,442.00	2,512.00	14.40%	534.50	3.06%	3,362.00	19.28%
WSD Group 4	13,590.25	1,840.25	13.54%	568.50	4.18%	2,425.75	17.85%
WSD Group 5	19,095.50	3,095.00	16.21%	1,618.50	8.48%	4,019.50	21.05%
WSD Group 6	19,189.53	2,360.75	12.30%	748.00	3.90%	3,095.75	16.13%
WSD Group 7	11,016.00	1,917.00	17.40%	766.00	6.95%	2,111.50	19.17%
WSD Group 8	23,426.25	3,877.60	16.55%	312.00	1.33%	5,504.80	23.50%
WSD Group 9	21,993.75	6,723.50	30.57%	227.00	1.03%	4,026.50	18.31%
Totals	157,698.91	32,192.60	20.41%	5,836.00	3.70%	31,734.30	20.12%
Segment 1							
AJ Rickoff	115,099.20	27,894.00	24.23%	2,073.00	1.80%	23,541.25	20.45%
John Adams	238,712.20	54,597.25	22.87%	8,428.00	3.53%	47,384.75	19.85%
John Hay	275,094.30	69,513.75	25.27%	17,366.50	6.31%	65,169.50	23.69%
Memorial	93,363.57	20,678.22	22.15%	3,733.10	4.00%	18,573.35	19.89%
Miles Park	97,770.86	17,635.04	18.04%	3,505.50	3.59%	13,066.36	13.36%
Riverside	67,764.14	9,178.59	13.54%	2,859.00	4.22%	16,056.00	23.69%
SuccessTech Phase 1	3,372.50	131.50	3.90%	40.00	1.19%	762.50	22.61%
SuccessTech Phase 2	21,299.75	2,326.00	10.92%	871.00	4.09%	3,675.00	17.25%
East High Gym	37,682.05	6,882.50	18.26%	1,209.00	3.21%	7,056.00	18.73%
Woodhill-Quincy	1,628.75	1,511.25	92.79%	0.00	0.00%	991.75	60.89%
Totals	951,787.32	210,348.10	22.10%	40,085.10	4.21%	196,276.46	20.62%
Segment 2							
Warner	94,189.20	13,974.70	14.84%	1,784.50	1.89%	12,799.00	13.59%
Warner Sitework	81.00	21.50	26.54%	0.00	0.00%	15.00	18.52%
Daniel Morgan	79,444.25	13,188.00	16.60%	1,161.75	1.46%	9,974.75	12.56%
FDR	64,713.00	9,654.75	14.92%	4,891.00	7.56%	12,049.75	18.62%
Mary Martin	46,405.50	7,431.00	16.01%	1,385.00	2.98%	7,128.50	15.36%
Hannah Gibbons	54,967.75	11,160.75	20.30%	2,600.25	4.73%	9,386.25	17.08%
Mary Bethune	50,887.50	10,806.00	21.24%	3,462.25	6.80%	7,463.75	14.67%
James Rhodes	158,519.40	23,935.25	15.10%	7,067.00	4.46%	23,469.25	14.81%
Rhodes Garage	1,212.00	72.00	5.94%	32.00	2.64%	372.00	30.69%
Totals	550,419.60	90,243.95	16.40%	22,383.75	4.07%	82,658.25	15.02%

	Total Hrs	Min Hours		Fem Hours		CMSD Hours	
Segment 3							
Artemus Ward	93,564.52	11,344.07	12.12%	2,713.00	2.90%	15,410.99	16.47%
Buhrer	78,566.00	12,715.00	16.18%	3,614.00	4.60%	13,595.00	17.30%
East Clark	76,875.85	16,080.89	20.92%	1,034.25	1.35%	9,775.79	12.72%
Garfield	70,137.00	12,755.00	18.19%	2,254.75	3.21%	12,452.00	17.75%
Harvey Rice	91,709.25	16,084.00	17.54%	897.00	0.98%	11,753.75	12.82%
Patrick Henry	105,123.50	15,920.75	15.14%	3,224.50	3.07%	15,300.75	14.56%
RG Jones	85,407.88	12,522.57	14.66%	4,666.50	5.46%	9,678.15	11.33%
Wade Park	76,809.72	13,669.75	17.80%	1,984.00	2.58%	16,971.40	22.10%
Willson	66,804.50	18,852.00	28.22%	1,382.50	2.07%	13,425.75	20.10%
Totals	744,998.22	129,944.03	17.44%	21,770.50	2.92%	118,363.58	15.89%
Segment 4							
Moses Cleaveland	2,546.25	1,875.75	73.67%	0.00	0.00%	1,485.00	58.32%
Charles Lake	620.50	22.50	3.63%	0.00	0.00%	62.50	10.07%
Euclid Park	6,436.25	627.75	9.75%	0.00	0.00%	391.75	6.09%
Thomas Jefferson	21,304.50	3,251.00	15.26%	234.50	1.10%	1,910.50	8.97%
Jamison	53,445.50	9,215.25	17.24%	515.50	0.96%	11,336.25	21.21%
G.W. Carver	30,074.00	6,802.50	22.62%	519.00	1.73%	6,021.50	20.02%
Mound properties	1,013.75	278.50	27.47%	0.00	0.00%	233.00	22.98%
Nathan Hale	21,203.11	7,663.50	36.14%	39.00	0.18%	6,811.75	32.13%
Adlai Stevenson	10,999.00	2,237.00	20.34%	895.75	8.14%	1,549.50	14.09%
Charles Dickens	1,650.53	106.03	6.42%	0.00	0.00%	89.00	5.39%
Anton Grdina	1,911.00	174.50	9.13%	8.00	0.42%	203.50	10.65%
Totals	151,204.39	32,254.28	21.33%	2,211.75	1.46%	30,094.25	19.90%
Other projects							
Administration Bldg.	4,169.50	118.50	2.84%	19.00	0.46%	103.50	2.48%
Collinwood	15,781.00	1,422.00	9.01%	659.00	4.18%	2,058.50	13.04%
Facelift	32,520.50	17,211.00	52.92%	4,099.00	12.60%	19,159.50	58.92%
John Raper FERP	400.50	233.00	58.18%	0.00	0.00%	13.00	3.25%
McKinley FERP	386.75	214.50	55.46%	0.00	0.00%	0.00	0.00%
Alfred Benesch	2,822.00	1,159.50	41.09%	107.00	3.79%	1,094.50	38.78%
Bratenahl	9,270.25	1,198.50	12.93%	675.50	7.29%	1,750.25	18.88%
Giddings	980.00	366.50	37.40%	0.00	0.00%	201.50	20.56%
WSD 2008	4,846.00	1,151.00	23.75%	95.00	1.96%	1,615.00	33.33%
WS(2009 A.B. Hart	3,528.55	2,611.55	74.01%	0.00	0.00%	2,611.55	74.01%
WSD 2009 Almira	133.50	0.00	0.00%	0.00	0.00%	69.50	52.06%
WSD 2009 Davis	3,617.00	2,174.25	60.11%	405.50	11.21%	1,346.00	37.21%
WSD 2009 Pasteur	1,111.50	9.00	0.81%	0.00	0.00%	0.00	0.00%
WSD 2009 W. Wright	6,631.00	1,054.50	15.90%	390.00	5.88%	1,348.50	20.34%
WSD 2009 M. Spellacy	4,917.50	3,923.75	79.79%	226.50	4.61%	2,899.00	58.95%
WSD 2009 Lincoln-West	953.00	0.00	0.00%	0.00	0.00%	102.00	10.70%
Totals	92,068.55	32,847.55	35.68%	6,676.50	7.25%	34,372.30	37.33%

Questions? Contact us: bondaccountability@hotmail.com