



THE SCHOOL DISTRICT OF
PHILADELPHIA

Facilities Update

School District Change Order Trends

- The construction industry standard for change orders is 5% for new construction and 8%-12% for renovation projects and projects with challenging schedules
- School District change order rate was below the industry standard until the Ben Franklin/SLA Project and the more aggressive inclusion of environmental scope during construction

FY18 and FY19 Change Order Information

Fiscal Year	Count	Requested Amount	Approved Amount	Negotiated Savings	Value of Contracts Awarded	Change Order Rate
FY 18	225	\$3,183,042	\$1,821,723	\$1,361,319	\$119M	1.5%
FY 19	270	\$5,224,125	\$4,450,579	\$773,546	\$122M	3.6%
FY 20	597	\$18,954,963	\$16,020,985	\$2,933,978	\$94M	17.0%
TOTAL	1093	\$27,362,130	\$22,293,287	\$5,068,843	\$335M	6.7%

Reasons for Change Orders

- **Design Error** - the result of an error in the drawings, an error in the specifications, or lack of coordinated drawings between the different disciplines - Architecture, Electrical, Mechanical, and Plumbing
 - *Example:* interactive board is shown on an incorrect wall
- **Design Omission** - occurs when scope of work, material, or labor is omitted from contract documents
 - *Example:* a classroom without a door
- **Unforeseen Condition** - a physical condition that could not be identified during the design process and differs materially from conditions ordinarily encountered or expected
 - *Example:* after demolishing a wall between two classrooms to create a new classroom, it is discovered that there are existing pipes and conduits that will have to be relocated
- **Owner Request (Request by School District)** - when an item is requested by the District to be added or removed from a project which would improve the project
 - *Example:* expanding the scope to include more abatement, adding lighting, changing a room layout, or renovating additional space

FY 2020 Change Order Trend

- The largest approved amount of change orders were due to Owner Requests
- This suggests the need for continued improvement and focus on:
 - Broader, better defined scope of work from design to construction
 - Early addition of comprehensive environmental work
 - Development of realistic schedules that are rigorously evaluated before bidding
 - Creation of project control systems to monitoring early warning signs

Reason	Total Approved	Approved Amount	% of Total Amount
Design Error	56	\$807,599	5.04%
Design Omission	120	\$2,003,044	12.5%
Unforeseen Condition	222	\$4,709,943	29.39%
Owner Request	199	\$8,500,399	53.06%
TOTAL	597	\$16,020,985	

Lead Safe School Program - June 2020

32	Full stabilization schools complete
26	Full stabilization schools to be completed by summer's end
25	Lead Safe repairs by summer's end (not full stabilization projects)
6	Lead Safe with no stabilization required
21	Schools built after 1978
110	Total lead safe or lead free by summer's end

***Program started June of 2018
\$12.2 million in FY20 -
\$4.2 Commonwealth, \$4.5 Capital
Funds and \$3.5 Operating***

Remaining Buildings - Lead Safe Program

12	Plaster building elementary schools
54	Block building elementary schools
48	Middle/High Schools
5	High Schools Built between 1970-1978
119	Total Buildings Remaining

Focus on elementary, priority to plaster construction

Summer 2020 Asbestos Abatement Program

- **40 projects underway or planned for completion by August 15, 2020**
 - 32 leveraging opportunity as part of capital project
 - Completion of projects addressed in 2020
 - 10 projects will remove all material from the building
 - \$8.8 million investment; \$6.8 from capital funds, \$2 million from operating budget
- **AHERA Inspections**
 - 47 complete since April 13, 2020 - 13 Schools with identified imminent hazards
 - Expect to complete 25-30 additional inspections prior to August 15, 2020
- **Additional Project Planning**
 - Coordinating with the PFT on the prioritization of additional projects
 - Work to be guided by:
 - Priority to repair/remove imminent hazards
 - Funding available in FY 21; ability to leverage capital funding
 - Contractor/inspection/testing capacity
 - Project logistics and schedule - impact on start of the school year, COVID-19 restrictions