

Good evening Mr. Fendley, Board Members, Dr. Smith and Ms. Elliott. As Chairwoman of the Civic Federation Schools Committee, I'm presenting our recommendations on the CIP. Our report is also posted on the Federation website at CivFed.org.

First, we thank Mary Beth Chambers and Clarence Stukes for their responses to our questions; they were a great help.

We have 3 main points:

First, we concur in your decision, after we raised the question, not to fund \$8.3 million in relatively short-term major maintenance projects with bond funds. Those projects were expected to last only 10 -12 years, and APS policy is to use bond funds only for projects that will last about 20 years. Otherwise, the taxpayers continue to pay interest on projects 8 or 10 years after they're not being used.

Second, the Superintendent's original proposal to put Wakefield design money in the 2010 bond and construction money in the 2012 bond was appropriate, and it is unwise to move those bond referenda up to the 2008 and 2010 bonds.

The debt service we are taking on prevents us from starting Wakefield construction until at least 2013. Designing the building three or four years before then just gives time for the plans to become outdated and require costly revisions. New technologies or materials may become available, our educational specifications may change, and then the plans will have to be redone.

And our experiences with long lead-times between bond approval and actual construction have been very unhappy -- Reed School, Shirlington Library, Cherrydale Fire Station, North Tract. Don't add Wakefield to that sad list.

Third, "project creep" has continued to create cost increases at Yorktown, even after final designs were complete. And our history has been that cost estimates at the concept phase -- like \$157 million for Wakefield -- are far below the actual final price tag. On average, about 41% below due to changes in the scope of work. Since we are talking about \$157 million for Wakefield, that means the ultimate price tag could be as much as \$220 million. You must begin to exercise some discipline and restraint.

As it is, at \$157 million for Wakefield and \$110 million for Yorktown, the school system's operating budget will barely have enough for 2.25% COLAs for staff in 2010 and 2011 -- and that's leaving no additional money to address OPEB or expand any of the new initiatives you've begun.

We urge you to scale back the architectural or esthetic parts of project designs if necessary to make these costs more reasonable. And whatever your other choices are, to leave enough money in the operating budget to keep staff pay competitive and resolve our OPEB liability. Thank you.