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USAID El Salvador Tropical Storm Ida Reconstruction Project

Annual Report 2015 and Work Plan 2016

This document was produced for revision by the United States Agency for International Development. The document was prepared by CDM Smith.

Contract No.: AID-EDH-I-00-08-00023
Order No.: AID-519-TO-12-00001

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Acronyms

ADF	African Development Foundation
ARCO	ARCO Ingenieros S.A. de C.V. (Schools Contractor)
CIVING	CIVING S.A de C. V. (San Antonio Bridge Contractor)
CDE	School Board
CE	School
COR	Contracting Officer's Representative
D-B	Design-Build
DAG	Dr. Adrian Garcia School
ECAC	Estimated Costs at Completion
EMPR	Environmental Mitigation Plan and Report
FAL	Dr. Francisco Antonio Lima School
FOVIAL	Road maintenance fund
GOES	Government of El Salvador
IAF	Inter-American Foundation
ITD	Incurred to Date
JMPL	Jose María Peralta Lagos Institute
LMIYII	Las Margaritas I y II School
LOE	Level of Effort
MARN	Ministry of Environment and Natural Resources
MCC	Millennium Challenge Corporation
MINED	Ministry of Education
MIREX	Ministry of Foreign Affairs
MIS	Management Information System
MOP	Ministry of Public Works
NTP	Notice to Proceed
ODA	Canton Ojo de Agua School
O&M	Operation and Maintenance
OMNI	Inversiones OMNI S. A. de C. V. (Acahuapa Bridge Contractor)
OPLAGEST	Office of Planning and Territorial Zoning
PHOC	Preliminary Handing Over Certificate
PGSG	Community involvement and gender plan
PPC	Pedro Pablo Castillo School
PMP	Performance Monitoring Plan
SSA	San Sebastian Abajo School
STP	Technical Secretariat of the Presidency
TOR	Terms of Referen
UCSF	Clinics, Health Centers
USAID	United States Agency for International Development
VAT	Value Added Tax
WC	Restroom/Toilet

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1 Summary

The United States Agency of International Development's (USAID) Tropical Storm Ida Reconstruction Project has, to date, successfully completed two bridges and two schools finished, with four schools under closeout processes and one clinic under construction. This last facility (the clinic) is behind schedule for 'substantial completion' on February 15, 2016.

In December 2015, USAID was notified by the Design-Build (D-B) School Contractor, ARCO Ingenieros S.A. de C.V. (ARCO), of its intention to discontinue works at Instituto Jose Maria Peralta Lagos (JMPL) due to security concerns that it could not resolve. USAID requested that CDM Smith prepare an audit report of the status of the facility's current condition.

On December 2, 2015, ARCO, who is also the D-B Clinic Contractor, received an amendment to their Clinic contract from USAID extending the contract completion date to February 28, 2016. The amendment also increased the fixed price of the contract by \$52,707.44 (from \$1,130,488.65 to \$1,183,196.09) due to differing site conditions and applicable indirect costs related to the time extension.

Two of the schools were substantially completed by the end of 2015. The remaining four schools were programmed to be completed by December 2015; however, the Contractor is currently resolving minor issues identified through field visits/reviews in order to meet the requirements for receiving Preliminary Handing Over Certificate (PHOC). Some of the remaining requirements for the school facilities include non-site related requirements, such as as-built drawings, operation and maintenance (O&M) manuals and O&M training. The completion date for the school centers contract is scheduled for February 16, 2016.

Stages of Completion

There are two important milestones during the stage of completion, established for each facility within the construction contract that we refer to in this report. The following is a brief explanation of the milestones:

Substantial Completion – facility can be occupied safely and the facility can function for its intended purpose; however, there might remain work to be completed that is documented during the site inspection. Upon obtaining a determination of Substantial Completion, a Preliminary Handing Over of the facility can occur.

Remedy of minor defects – Contractor period no longer than 28 day calendar to repair any defect and works identified.

2 Achievements of the Three Previous Quarters (January - September 2015)

2.1 First Quarter (January – March 2015)

Table 2-1 summarizes significant events from the first quarter reporting period.

Table 2-1. Significant Events during First Quarter

Date	Event
January 7, 2015	USAID held the Post Award Conference Meeting of the San Ildefonso Clinic with Contractor ARCO.
January 9, 2015	The Post Award Technical Orientation Meeting of the San Ildefonso Clinic was held at the CDM Smith's office..
January 13, 15, 20 and 27, 2015	Groundbreaking ceremonies were held at the following schools: (See Figure 2-1) <ul style="list-style-type: none"> • Dr. Adrián García (DAG), (Jan 13/15) • San Sebastián Abajo (SSA), (Jan 15/15) • Las Margaritas I and II (LMIYII), (Jan 20/15) • Cantón Ojo de Agua (ODA), (Jan 27/15)
January 14, 2015	The Inspection of Preliminary Reception was carried out in the presence of the USAID Acting Contractor Officer's Representative COR and resulted in the issuance of the PHOC on January 15, for the Acahuapa Bridge.
January 27, 2015	Inversiones OMNI S. A. de C. V. (Acahuapa Bridge Contractor) (OMNI) provided training on the Operations and Maintenance Manual to representatives of Ministry of Public Works (MOP) and FOVIAL for the Acahuapa Bridge (See Figure 2-2).
January 30, 2015	OMNI received official notice of the contractual term extension, providing an additional 40 days for a new project completion date of February 15, 2015.
January 30, 2015	CDM Smith recommended acceptance of the Final Design of CE Dr. Adrián García, noting that the drawings are still under review by the Vice-Ministry of Housing and Urban Development (since September 24, 2014), and that negotiations were recommended due to the elimination of a second door for each classroom.
February 5, 2015	Final issuance of Handing Over Certificate for the Acahuapa Bridge, following a joint field visit with USAID and OMNI representatives to verify that the list of defects had been addressed. The bridge's warranty period started as of this date.
February 8, 13, 18 and 27, 2015	Issuance of Notice to Proceed (NTP) for Construction by USAID for the following schools: <ul style="list-style-type: none"> • Dr. Adrián García, (Feb 08/15) • San Sebastián Abajo, (Feb 13/15) • José María Peralta Lagos, (Feb 18/15) • Pedro Pablo Castillo, (Feb 27/15) • Las Margaritas I and II, (Feb 27/15) • Francisco Antonio Lima, (Feb 27/15)
February 12, 2015	CDM Smith received a letter of exemption from taxes on the procurement of goods and on the provision of services for projects financed by USAID.
February 15, 2015	Expiration of contractual term of Acahuapa Bridge Feb 15/15; work and closing documentation was delivered before this date. It was originally contracted for an amount of \$4,954,833.02 on December 3, 2013. A first modification of reduction was signed on July 7, 2014, resulting in a new amount of \$4,800,880.00; and a second modification is signed on January 29, 2015. As a result, the final contract amount was \$ 4,623,444.33.
February 20, 2015	Suspension of Works due to tittle deed issues was lifted for CE Dr. Francisco Antonio Lima (FAL).
February 23, 2015	CDM Smith sent MINSAL the original Project Feasibility Resolution of the Construction Project of Health Center (UCSF) Santa Lucía Orcoyo.
February 24, 2015	CDM Smith recommended that USAID issue the Notice to Proceed (NTP) for the Final Design for UCSF San Ildefonso.
March 2, 2015	USAID requested a budget from CDM Smith for supervision services and closeout process of clinics and schools for the August-December 2015 period.

Achievements of the Three Previous Quarters

Date	Event
March 2, 2015	USAID issued ARCO the NTP for Final Design for UCSF San Ildefonso upon having complied with contractual requirements.
March 3, 2015	The Huizúcar Municipal Office issued the construction permit for Ojo de Agua School.
March 17 and 27, 2015	Groundbreaking ceremonies were held at the following schools: (See Figure 2-3) <ul style="list-style-type: none"> • Francisco Antonio Lima, (Mar 17/15) • Pedro Pablo Castillo, (Mar 27/15)
March 30, 2015	CDM Smith sent a letter that included the new budget (through July 31, 2015) and two budget scenarios (from August 1 to December 31, 2015). The first scenario included the USAID estimated facility completion dates; the second scenario included CDM Smith's estimated facility completion date, based upon the current status of facilities and estimations of the end of construction works and contract closings.
March 30, 2015	CDM Smith issued the technical recommendation for the issuance of the NTP to Mobilize to the Construction Site at UCSF San Ildefonso.
March 30, 2015	USAID authorized CDM Smith to disburse the rent payment for the venue where UCSF de San Ildefonso will operate during facility reconstruction. It was expected that the lease, with changes and clauses suggested by CDM Smith, would be signed on the second week of April, with payment proceeding after the lease signing.

Figure 2-1. Groundbreaking ceremony



Groundbreaking ceremony at Las Margaritas I y II School.



Groundbreaking ceremony in Ojo de Agua School.



Figure 2-2. Training on Operations and Maintenance Manual

OMNI delivered Acahuapa Bridge O&M manual training for FOVIAL and MOP.



Figure 2-3. Groundbreaking ceremony



2.2 Second Quarter (April - June 2015)

Table 2-2 summarizes significant events during the second quarter reporting period.

Table 2-2. Significant Events during Second Quarter

Date	Event
April 8, 2015	CDM Smith informed USAID that the drinking water cistern at Pedro Pablo Castillo (PPC) was not built according to an acceptable design. CDM Smith maintained the recommendation for the construction of independent walls for drinking water and rain water cisterns in order to better prevent pollutants from entering the drinking water cistern.
April 13, 2015	Regarding the additional costs claimed by ARCO at Pedro Pablo Castillo for "Different Site Conditions" (based on lack of consistency between the results of the geotechnical survey performed in the preliminary design and the additional geotechnical survey performed by ARCO), CDM Smith analyzed both surveys and informed USAID of the conclusion that there is no evidence of physical or underground latent conditions at the site that differ substantially from

Achievements of the Three Previous Quarters

Date	Event
	those indicated in the documents or in the contract. Further, there are no unknown physical conditions of an unusual nature that differ materially from those found, nor from conditions generally acknowledged as inherent to work on a D-B contract.
April 15, 2015	Because a modification was made in the design of the drinking water cistern of CE Pedro Pablo Castillo without USAID approval, USAID ordered ARCO to cease work due to lack of compliance with the final design.
April 24, 2015	USAID delivered to CDM Smith the additional costs information provided by ARCO for Ojo de Agua, Las Margaritas I and II, Pedro Pablo Castillo and Instituto Nacional José María Peralta Lagos to perform a cost rationalization analysis. CDM Smith carried out cost rationalization analyses of school centers that have different site conditions (Pedro Pablo Castillo, Ojo de Agua and Las Margaritas I and II).
April 27, 2015	ARCO delivered the final designs of the seven school centers.
April 30, 2015	Through Implementation Letter #11, USAID delivered to the Government of El Salvador (GOES) documentation of the preliminary design of five clinics.
May 5, 2015	Issuance of NTP to Mobilize to Construction Site for San Ildefonso Clinic.
May 5, 2015	CDM Smith delivered four CDs and a printed copy of the diagnosis studies and preliminary design drawings of Chantusnene School Center to USAID, to ultimately be delivered to GOES. (See Figure 2-4)
May 7, 2015	First Stone laying ceremony marked the beginning of construction of the San Ildefonso Community Family Health Unit. (See Figure 2-5)
May 7, 2015	CDM Smith delivered the final design, as-built drawings and quality control information of the Acahuapa Bridge to USAID, to ultimately be delivered to MOP.
May 13, 2015	Representatives of the Paracentral Region of MINSAL made physical delivery of UCSF San Ildefonso to the ARCO company, thus initiating a mobilization phase consisting of: <ul style="list-style-type: none"> • Construction of temporary facilities; • Demolition; and, • Disassembly. <p>On May 22, ARCO handed out the Site Delivery Document with a list of recoverable items and a photographic record.</p>
June 8, 2015	USAID issued the NTP to Construction for Cantón Ojo de Agua SC; the contractor started construction work the very same day.
June 8, 2015	OMNI sent to CDM Smith a copy of the report submitted to USAID, which detailed activities that were pending on the part of MOP. The report described the processes carried out by OMNI, such as rights of way and processes before public institutions during the construction of the bridge; and noted that no written statement was issued by MOP.
June 23, 2015	CDM Smith made a technical recommendation to USAID for a partial acceptance of the final design of UCSF San Ildefonso, stating that although final design documentation was not complete at this time (Contract No. AID-519-C-15-00001, Section C.1.1 "final design phase, Deliverables"); CDM Smith recommended that a partial acceptance for the final design be granted to ARCO.
June 26, 2015	USAID requested that CDM Smith prepare a proposal to extend the period of CDM Smith services through March 2016. This proposal was to be sent to USAID before July 10 and include a detailed budget, overview of previous expenses and monthly analyses, and cost projections through March 2016.

Figure 2-4. Delivery of Preliminary Designs



Figure 2-5. Groundbreaking ceremony



2.3 Third quarter (July - September 2015)

Table 2-3 summarizes significant events during the third quarter reporting period.

Table 2-3. Significant Events during Third Quarter

Date	Event
July 8, 2015	CDM Smith made a technical recommendation to USAID for the acceptance of the Final Design of the clinic.
July 9, 2015	USAID issued the NTP to Construction for UCSF San Ildefonso.
July 10, 2015	Per USAID’s request, CDM Smith delivered a proposal to extend CDM Smith services through March 2016.

Achievements of the Three Previous Quarters

Date	Event
July 20, 2015	CDM Smith sent USAID the final version of the recommendations document for claims submitted by ARCO pertaining to the different site conditions for the school centers.
July 20, 2015	Work stopped at José María Peralta Lagos School Center due to security problems.
July 23, 2015	CDM Smith received notice from USAID that CDM Smith's services would be extended from July 31, 2015 to August 31, 2015. CDM Smith's contract extension was necessary while negotiations were being resolved for ARCO's claims of different site conditions.
July 24, 2015	ARCO delivered the Different Site Conditions document for the San Ildefonso clinic.
July 27, 2015	ARCO received notice of extension of services until August 28, 2015. This extension was necessary while negotiations were resolved for ARCO's claims pertaining to different site conditions.
July 30, 2015	CDM Smith sent the following documents to USAID: <ul style="list-style-type: none"> • Rationale for different site condition costs for the San Ildefonso clinic; and, • CDM Smith's recommendations for the observations issued by MOP about the San Antonio Bridge.
August 12, 2015	CDM Smith made a technical recommendation to USAID for the full acceptance of the Final Design of UCSF San Ildefonso.
August 12, 2015	MOP sent a reply to the OMNI report about pending activities on the part of that Ministry at the Acahuapa Bridge. MOP presented a report prepared by Dirección de Planificación de la Obra Pública (DPOP) technicians, making observations and recommendations to address the issues (former gas station, spillway, Administración Nacional de Acueductos y Alcantarillados (ANDA) and Mrs. Clímaco) that would place MOP at risk of technical demands (lack of execution of work), as well as risk of legal matters that might lead to payments made to the owners of private land directly or indirectly affected by project execution.
August 17, 2015	CDM Smith performed a rationality analysis of the costs of different site conditions at the San Ildefonso clinic. Additionally, CDM Smith analyzed deadlines for the conclusion of work at the seven school centers, along with invoicing levels necessary to complete the school centers within the specified time frames.
August 14 and 21, 2015	CDM Smith met with CIVING S.A de C. V. (San Antonio Bridge Contractor) (CIVING) representatives (San Antonio Bridge contractor) and USAID to resolve the five San Antonio Bridge observations made by MOP. CIVING agreed to resolve the five observations of MOP, and submitted a report recommending actions to be carried out. These actions were reviewed and recommended for approval by CDM Smith.
August 17, 2015	CDM Smith met with OMNI representatives (Acahuapa Bridge contractor) and reviewed each one of the cases presented by MOP about the Acahuapa Bridge; it was agreed that OMNI can carry out either of the two alternatives submitted they submitted to resolve the issue of access to the former gas station on Las Minas Street.
August 31, 2015	CDM Smith received, from USAID, the amendment/modification to the contract extending the period of services until March 31, 2016.
September 1, 2015	Activities that had been suspended at the José María Peralta Lagos School Center due to security concerns resumed.
September 9, 2015	CDM Smith visited the San Antonio Bridge to verify that the observations made by MOP had been addressed. The work was carried out in accordance with CIVING's proposal.
September 10, 2015	The Municipal Office of Nuevo Cuscatlán sent a note to ARCO, informing them that given recent publications by El Diario de Hoy that accused them of deforestation, all current or future construction work was to be suspended as of that date in order to prevent deforestation in that municipality. Further, they stated that if the provision was not respected, corresponding environmental fines would be imposed. On September 11, CDM Smith representatives accompanied ARCO to a meeting at the municipal office, obtaining authorization to resume activities at the Pedro Pablo Castillo School Center.
September 28, 2015	CDM Smith detected differences between the floor material accepted and what was being installed at the San Sebastián Abajo School Center. It was requested that relevant measures be taken to correct this situation.
September 30, 2015	The Special Agent from the Office of the Inspector General-USAID gave a talk to the ARCO and CDM Smith team about fraud, squandering and abuse complaints that could occur in USAID-sponsored programs – as well as programs sponsored by the Inter-American Foundation (IAF), the African Development Foundation (ADF), and the Millennium Challenge Corporation (MCC) —stating that everyone is responsible for reporting suspected abuses.

3 Achievements of the Fourth Quarter of 2015

Table 3-1 summarizes significant events during the fourth quarter reporting period.

Table 3-1. Significant Events during Fourth Quarter

Date	Event
October 8, 2015	Work was suspended at IN José María Peralta Lagos due to new threats to the physical safety of workers and technical and administrative personnel of the contractor.
October 23, 2015	A special report was sent to USAID about the completion of work at San Sebastián Abajo school center. The report explained that according to the estimation of CDM Smith, the project will not be completed on November 5 th , 2015..
October 26, 2015	A “Traction Auditing” company hired by the Contractor performed a friction test and a friction coefficient report was prepared for the porcelain tile installed at San Sebastián Abajo and Las Margaritas I and II school centers. The report detailed that the specifications were not met by the by the installed porcelain tiles. ARCO proceeded to replace the material.
October 29, 2015	A special report was sent to USAID about the completion of work at Las Margaritas I and II school center. The report explained that according to the estimation of CDM Smith, the project will not be completed by the November 24 th , 2015.
November 5, 2015	CDM Smith issued the Preliminary Handing Over of the Works of San Sebastián Abajo school center; the work is considered substantially completed.
November 16, 2015	USAID notified ARCO about the 25 day extension to the contract for the San Ildefonso clinic as a function of the indirect costs.
November 18, 2015	USAID notified ARCO that the rain delay extension for the schools they had proposed was not approved, after analyzing the documentation submitted.
November 23, 2015	USAID sent a Cure Notice to ARCO regarding the restart of works at IN José María Peralta Lagos, allowing 12 days to prepare an action plan; otherwise, USAID may apply the default clause to terminate the contract.
November 27, 2015	CDM Smith issued the Preliminary Handing Over of the Works of Las Margaritas I and II school center; the work is considered substantially completed.
December 2, 2015	USAID issued Amendment no. 1 of the clinic contract, increasing the amount of the contract to a total of \$1,183,196.09 and defining the date for substantial completion of work as February 15, 2016, and the date of the contract as February 28, 2016.
December 2, 2015	At San Sebastián Abajo school center, the physical site work was considered completed after the observations about minor defects had been addressed.
December 4, 2015	CDM Smith issued a letter to notify USAID about the change in contract conditions and the estimated impact on the cost of the supervision services. The total estimated cost is an increase of \$27,641.00.
December 7, 2015	ARCO informed USAID of their decision to discontinue work at IN José María Peralta Lagos.
December 10, 2015	In compliance with clause FAR 52.245-5 “Government Property”, CDM Smith delivered to USAID the inventory of what has been acquired with the funds of the Tropical Storm Ida Reconstruction Project for their final disposition at the end of the project.
December 22, 2015	CDM Smith issued the Preliminary Handing Over of the Works of Dr. Adrián García school center; the work is considered substantially completed.
December 22, 2015	The contract term for the Francisco Antonio Lima school center expired. ARCO has not requested the <i>Preliminary Handing Over Certificate</i> and has not submitted an updated timetable of activities. CDM Smith estimates January 15, 2015 as a possible date to inspect the work for a substantial completion determination.
December 23, 2015	At Las Margaritas I and II school center, the physical site work was considered completed after observations about minor defects were addressed.
December 28, 2015	The contract term for Cantón Ojo de Agua school center expired. ARCO has not requested the <i>Preliminary Handing Over Certificate</i> and has not submitted an updated timetable of activities. CDM Smith estimates February 15, 2016 as a possible date to inspect the work for a substantial completion determination.

Date	Event
December 30, 2015	CDM Smith issued the Preliminary Handing Over of the Works for the Pedro Pablo Castillo school center; the work is considered substantially completed.

3.1 Status for Subproject Groups by Component

Table 3-2 summarizes the statuses of bridge, schools and clinic sub-projects, including the percentage of actual time spent against the programmed completion date on each sub-project.

Table 3-2. Status for Subproject Groups

Sub projects/Facilities		Start Date	Finish Date	Report Date	% of time spent	
Bridges	San Antonio	4-Jun-13	08-Aug-14	31-Dec-15	100.00%	Finished
	Acahuapa	07-Jan-14	15-Feb-15	31-Dec-15	100.00%	Finished
Schools	Dr. Adrián García	24-Sep-14	22-Dec-15	31-Dec-15	100.00%	Closeout
	Dr. Francisco Antonio Lima*	24-Sep-14	22-Dec-15	31-Dec-15	100.00%	Construction
	Cantón Ojo de Agua *	24-Sep-14	28-Dec-15	31-Dec-15	100.00%	Construction
	Pedro Pablo Castillo	24-Sep-14	11-Dec-15	31-Dec-15	100.00%	Closeout
	Cantón San Sebastian Abajo	24-Sep-14	5-Nov-15	31-Dec-15	100.00%	Closeout
	Instituto Nacional José María Peralta Lagos	24-Sep-14	18-Dec-15	31-Dec-15	100.00%	Works suspension
	Colonia Las Margaritas I y II	24-Sep-14	24-Nov-15	31-Dec-15	100.00%	Closeout
Clinic	San Ildefonso	6-Jan-15	15-Feb-16	31-Dec-15	88.64%	Construction

26-Aug-14, seven schools were awarded to ARCO Ingenieros

8-Dec-14, the clinic was awarded to ARCO Ingenieros.

26-Aug-15, ARCO received the modification No2 to their Schools contract, including time extension to February 16, 2016 and the new substantially completion date for each school are detailed in the table.

*: Substantially completion date are finished, but the construction works continue.

3.1.1 Clinic

The construction stage of the San Ildefonso clinic has been extended by USAID to February 15, 2016. **Table 3-3** presents clinic activities.

Table 3-3. Clinic Activities

Month	Activities
October 1, 8, 15 and 22 de 2015	Meetings were held between ARCO and CDM Smith to follow up on progress made in the Design-Build of the San Ildefonso clinic.
October 1 and 8, 2015	To further provide follow up to the progress in the Design-Build of the San Ildefonso clinic, MINSAL, Ministry of Foreign Affairs (MIREX) and Planing Technical Secretariat of the Presidency (STPP) were invited to meetings on October 1 and 8. However, no one attended the first meeting and the second one was suspended, because just removal material was pending, and this issue could be tracking by email.

Month	Activities
October 2, 2015	ARCO delivered monthly report no. 4, version 2 of social management and gender, and the change control table, which were received by mail on September 28. On October 2, CDM Smith approved the report.
October 6, 2015	ARCO delivered bi-weekly quality control report no. 7, version 2 and bi-weekly quality control report no. 9.
October 9, 2015	ARCO sent the bi-weekly quality control report no. 10 by email.
October 13, 2015	ARCO sent the social management monthly report no. 5 by email. On October 19, CDM Smith sent observations and requested the delivery with a cover letter.
October 22, 2015	ARCO delivered monthly report no. 5, version 2 of social management and gender of the San Ildefonso clinic. CDM Smith informed ARCO of its approval on November 4.
October 28, 2015	ARCO delivered bi-weekly quality control report no.11 (received by mail on October 26).
November 11, 2015	ARCO delivered social management monthly report no. 6, version 1 by email (received on November 6). CDM Smith sent observations on the report on November 20.
November 12 and 19, 2015	Meetings between ARCO and CDM Smith were held to follow up on the progress of the Design-Build of the San Ildefonso clinic.
November 16, 2015	ARCO delivered bi-weekly quality control report no. 12 by email (received on November 11).
December 3 and 18, 2015	A meeting was held with MINSAL to follow up on progress in the Design-Build of the San Ildefonso clinic.
December 7, 2015	ARCO sent version 1 of monthly social management and gender report no. 7 by email. CDM Smith sent observations on the report on December 16.
December 8, 2015	A follow up meeting was held with ARCO at the project site.
December 11, 2015	ARCO delivered version 2 of monthly social management and gender report no. 6 by email. CDM Smith sent its approval of the report on December 16.
December 17, 2015	MINSAL delivered copy of the list of equipment assigned to the clinic, which was acquired with USAID funds, and a photographic report. These items confirmed that certain equipment is stored in a warehouse of the Paracentral Health Region and that the remaining equipment is in use at the temporary clinic site.

Clinic Issues Tracker

October

A meeting was called for October 8, but MINSAL requested its cancellation. Email follow up regarding the pending issue of the removal of the materials resulting from the disassembly of the annex building was provided by MINSAL to USAID. The material was partially removed by MINSAL on October 26.

November

A meeting was called for November 27, but was later cancelled. Email follow up was provided regarding to the pending issue of the removal of the materials resulting from the disassembly of the annex building. A partial removal had been carried out on October 26 and the removal of the disassembly material was completed on November 13 and 14 by MINSAL, thus ending this pending issue.

December

Follow up meetings were held by MINSAL and CDM Smith on December 3 and 18. At the meetings, the following issues to be resolved were addressed:

- *Safeguarding of clinic equipment.*

Regarding the request of verification of safeguarding of the UCSF San Ildefonso equipment, on December 18, MINSAL delivered a document confirming that they are safeguarding the clinic equipment.

- *Extension of the lease term of the temporary location for the clinic operation.*

Regarding the clinic contract term extension from December 2, 2015 to February 28, 2016, MINSAL was informed that USAID would pay for the lease extension of the temporary location where the clinic operates. However, MINSAL did not supply the documents needed to develop the lease agreement extension by December. USAID is waiting documents from MINSAL to do the lease payment.

Progress in Clinic Work Carried Out

Due to the delay in the granting of construction permits, as well as the different site conditions, ARCO submitted documentation to request an extension of the construction period. This would require continued operations of the clinic at the temporary location beyond December. USAID has granted an extension to the ARCO contract until February 28, 2016. MINSAL needs to submit the documents required to process the payment of the extension of the lease term of the location where the clinic is temporarily operating.

During December, the contractor performed the following work:

External work: The contractor carried out earth-moving work; perimeter closing; construction of perimeter walls; construction of drinking-water and recycled water cistern slabs; septic tank upper slab; hydraulic installations (rain water collector); and electrical installations.

Buildings: At the main building, the contractor installed reinforcement steel and foundation concrete; reinforcement steel; formwork and concrete in columns and crossbeams; blocks modulation and placement of blocks in walls; placement of reinforcement steel, molding and concrete placement in crown beams and channel beams; preparation of metallic structures and placement of plates for roof structure; hydraulic installations and electrical installations.

In the annex building, the work carried out included the placement of concrete block in walls; the placement of reinforcement steel, molding, and the placement of concrete in ribs and crown beams; metallic structures (placement of plates for roof structure); hydraulic installations; and electrical and mechanical installations.

Figures 3-1 and 3-2 illustrate activities carried out during December with work schemes, followed by a photographic record.

Figure 3-1. Scheme of work carried out in hydraulic installations, external works. Shown in blue is the construction of septic tank; in green is the construction of drinking water cistern, and in red is the recycled water cistern.

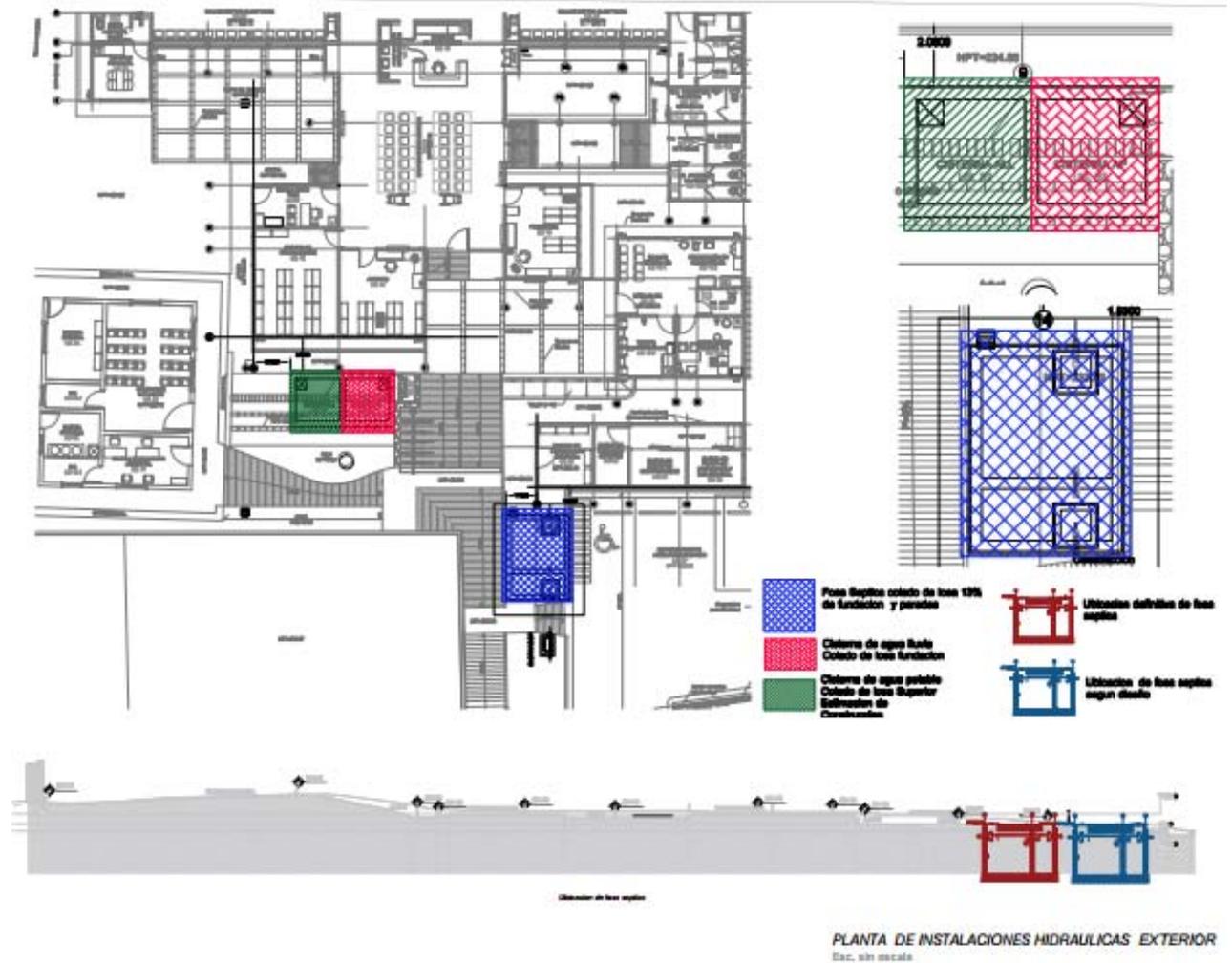


Figure 3-2. Scheme of work carried out in the annex building, construction of gables in walls.

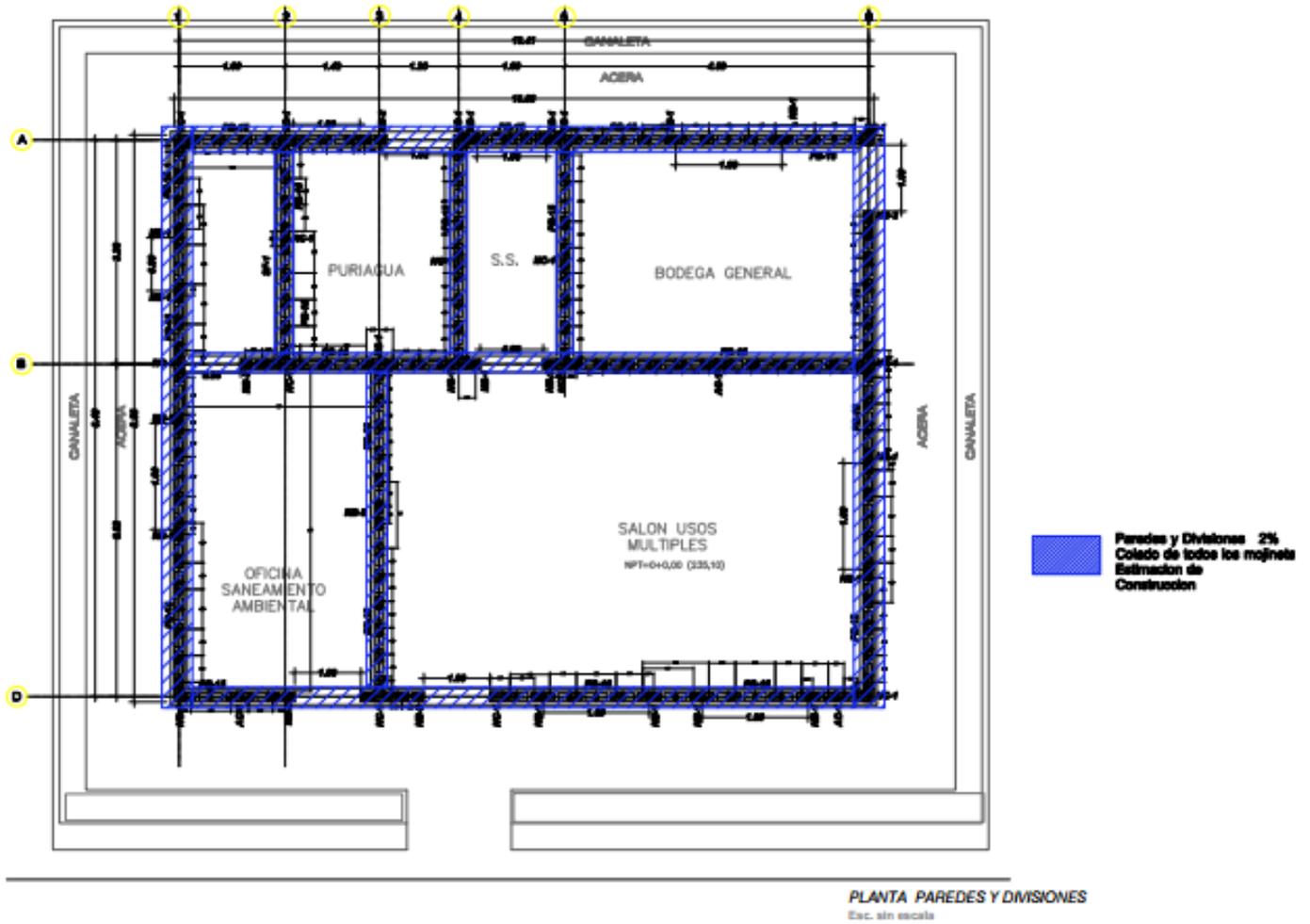


Figure 3-3. San Ildefonso Clinic

<p>Placement of concrete block in main building, southwestern sector.</p>	<p>Construction of main building crowning structure.</p>
	
<p>Construction of septic tank and foundation of module of booths for general services.</p>	<p>Construction of hydraulic concrete base for floor of main building.</p>
	
<p>Construction of project west side perimeter wall.</p>	<p>Wall finishes application (plaster and finish) of main building.</p>
	

Upcoming Activities at the Clinic

A general list of activities include:

- Placement of block in perimeter walls
- Placement of concrete in main building foundations
- Walls and partitions
- Ribs and reinforcement beams
- Crown beams and concrete channels
- Hydraulic installations
- Electrical installations
- Finishes
- Floors
- Roof metallic structure
- Roof cover
- Metallic work

3.1.2 Statuses of Schools

Table 3-4 summarizes the school’s progress under the project, followed by a narrative of key issues identified and addressed during the quarter. Photographic documentation of the work progress at the schools is also included.

Table 3-4. School Activities

Month	Activities
October 1, 8, 15 and 22, 2015	Meetings were held between ARCO and CDM Smith to follow up on progress in the Design-Build of the school centers.
October 2, 2015	CDM Smith sent ARCO observations of the monthly social management and gender reports received on September 24.
October 5, 2015	ARCO delivered the following: <ul style="list-style-type: none"> ▪ Curriculum vitae and commitment letters of Arq. Verónica Noemí Perla, who will be in charge of Quality Control at San Sebastián Abajo school center. ▪ A sample of cement paste brick from the “El Carmen” brick plant and the “La Piedra Rocosa” brick plant.
October 6 and 27, 2015	A meeting was held with Ministry of Education (MINED) to provide follow up on progress in the Design-Build of the school centers.
October 8, 2015	ARCO delivered the following: <ul style="list-style-type: none"> ▪ Social management and gender plan, version 2. CDM Smith sent ARCO the observations on October 21. ▪ Bi-weekly quality control report version 1 of: <ul style="list-style-type: none"> ○ Report no. 17 of Francisco Antonio Lima school center ○ Report no. 21 of IN José María Peralta Lagos, and of Las Margaritas I and II and Ojo de Agua school centers ○ Report no. 22 of Dr. Adrián García school center
October 12, 2015	ARCO delivered a sample of porcelain tiles being installed in school center hallways (Roma antica of Palo Rosa of 60 x 60 cms.). There was a difference between the porcelain tiles installed and the sample approved by CDM Smith, which ARCO stated comes from a different production facility. ARCO also stated that the porcelain tile being installed met the specifications of the Preliminary and Final Designs, which included the following attachments: <ul style="list-style-type: none"> ▪ Technical spec sheet of porcelain tile of Roma antica of 60 x 60 cms. ▪ Test results sheet of the “National Research Center of Testing Techniques for building Material Test Report.”

Achievements of the Fourth Quarter

Month	Activities
	<ul style="list-style-type: none"> ▪ Report sheet of determination of static friction coefficient. ▪ Report of lab essays of impact tests, absorption in boiling water, breaking load and abrasion from the Rivera Harrouch S.A. de C.V. laboratory.
October 13, 2015	<p>ARCO delivered the following:</p> <ul style="list-style-type: none"> ▪ Sample and technical spec sheet of Vitromex anti-slip flooring, beige colored, of 20x20 cms. for pre-school showers. ▪ The monthly social management and gender report, version 2 and observations tables of: <ul style="list-style-type: none"> ○ Report no. 9 of IN José María Peralta Lagos and Francisco Antonio Lima school center ○ Report no. 10 of San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers ○ Report no. 11 of Adrián García school center ▪ The bi-weekly quality control report no. 21, version 1 of San Sebastián Abajo and Pedro Pablo Castillo school centers.
October 16, 2015	<p>ARCO delivered a sample of the El Salvador flags to be installed in the seven school centers (an outdoor flag of 1.45 x 0.90 meters).</p>
October 22, 2015	<p>ARCO delivered the following information:</p> <ul style="list-style-type: none"> ▪ Digital copy of monthly social management and gender reports, version 1 of: <ul style="list-style-type: none"> ○ Report no. 10 of IN José María Peralta Lagos and Francisco Antonio Lima school center ○ Report no. 11 of San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers ○ Report no. 12 of Adrián García school center <ul style="list-style-type: none"> - CDM Smith sent observations to ARCO on November 4. ▪ Digital copy of bi-weekly quality control reports, version 1 of: <ul style="list-style-type: none"> ○ Report no. 18 of Francisco Antonio Lima school center ○ Report no. 22 of IN José María Peralta Lagos, San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua. ○ Report no. 23 of Adrián García school center ▪ Printed copy of the following information of Francisco Antonio Lima school center: Descriptive report and signed and sealed structural calculations (Sheets EST-01, EST-02, EST-03, EST-04, 01/02 and 02/02); signed and sealed architectural drawings (correlative sheets from 17/99 to 26/99); and change control record 15, corresponding to the filter box of the recycled water system and change in cistern orientation. Digital version was received on November 4. ▪ General change control record for chimneys in school centers.
October 26, 2015	<p>ARCO submitted the technical spec sheet and sample of anti-slip floor material, Quarzite Dawn of 50x50, as an alternative option for the floors of external hallways at San Sebastián Abajo school center. A friction coefficient test was performed on the floor installed in that school center.</p>
October 27, 2015	<p>A quality control closing protocol meeting was held at San Sebastián Abajo school center.</p>
October 29, 2015	<p>ARCO delivered the following:</p> <ul style="list-style-type: none"> ▪ Digital and printed copy of “as-built” drawings and operations and maintenance manual of the San Sebastián Abajo school center ▪ Social management plan, version 3 (CDM Smith sent approval on November 11) ▪ Printed copy of change control record of acrylic support material for PVC for indoor signs and sheet gauge for outdoor signs ▪ Samples of: indoor signs, 16-gauge aluzinc sheet, square tube with thickness of 1.53 for outdoor signs, signal fastening system, and fire extinguisher cabinet (the samples were for purposes of form and materials, not for dimensions) ▪ Technical spec sheet of fire extinguisher cabinet ▪ Printed copy of shop plan for spillway and well no. 4 of Jose María Peralta Lagos Institute. <p>CDM Smith sent comments on November 9, 11, 20 to the as-built drawings and the comments for the Operation and maintenance manual on December 16.</p>
October 30, 2015	<p>ARCO delivered a sample of the dumpsters to be supplied to the seven school centers.</p>
November 2015	<p>USAID requested that a detailed monitoring and control be maintained for the completion of school center projects; consequently, CDM Smith initiated the preparation of reports for each school center to evaluate the progress and to verify compliance with the programmed completion</p>

Achievements of the Fourth Quarter

Month	Activities
	dates (according to modification no. 2 of the ARCO contract) for specific periods 45, 30 and 15 days prior to the completion dates. Table 3-5 shows a detail of the reports prepared.
November 3, 2015	ARCO delivered the following for approval by CDM Smith: <ul style="list-style-type: none"> ▪ Technical spec sheet of outdoor lighting fixtures for the San Sebastián Abajo school center ▪ Technical spec sheet of Zementi gray color anti-slip flooring, 60x60, and sample of Zementi "Cool" color anti-slip flooring, 60x60, for San Sebastián Abajo school center
November 4, 2015	ARCO delivered the technical spec sheet of Zementi gray color anti-slip flooring, 60x60, which corresponds to the floor sample received on November 3.
November 5, 2015	ARCO delivered the technical spec sheet and sample of Zementi gray color anti-slip flooring, 60x60, for Las Margaritas I and II school center.
November 9, 2015	ARCO delivered version 1 of the following bi-weekly quality control reports: <ul style="list-style-type: none"> ▪ Report no. 19 of CE Francisco Antonio Lima ▪ Report no. 23 of: IN José María Peralta Lagos, CE San Sebastián Abajo, CE Las Margaritas I and II, CE Pedro Pablo Castillo and CE Ojo de Agua ▪ Report no. 24 of CE Adrián García
November 10, 2015	MINED was called to meetings on November 10 and 17 to follow-up on progress in the Design-Build of the school centers. However, they did not attend the meeting of October 17.
November 10, 2015	ARCO delivered a CD with version 2 of the following monthly social management and gender reports: <ul style="list-style-type: none"> ▪ Report no. 10 of IN José María Peralta Lagos and CE Francisco Antonio Lima ▪ Report no. 11 of: CE San Sebastián Abajo, CE Las Margaritas I and II, CE Pedro Pablo Castillo and CE Ojo de Agua ▪ Report no. 12 of CE Adrián García <p>CDM Smith sent their approval of these reports on November 20.</p>
November 12 and 19, 2015	Meetings were held between ARCO and CDM Smith to follow up on progress in the Design-Build of the school centers.
November 16, 2015	ARCO delivered the following: <ul style="list-style-type: none"> ▪ Digital and printed copy of "as-built" drawings and operations and maintenance manual of the Las Margaritas I and II school center ▪ Sample of toilet signs to be installed at all school centers <p>CDM Smith sent comments on December 30 to the as-built drawings and the comments for the Operation and maintenance manual on December 16.</p>
November 20, 2015	ARCO delivered the following reports: <ul style="list-style-type: none"> ▪ Monthly social management and gender report, version 1 of: <ul style="list-style-type: none"> ○ Report no. 11 of CE Francisco Antonio Lima ○ Report no. 12 of San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers ○ Report no. 13 of CE Adrián García <p>CDM Smith sent to ARCO observations on these reports on September 16.</p> ▪ Bi-weekly quality control report, version 1 of: <ul style="list-style-type: none"> ○ Report no. 20 of CE Francisco Antonio Lima ○ Report no. 24 of San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers, and of IN José María Peralta Lagos ○ Report no. 25 of CE Adrián García
November 26, 2015	ARCO delivered the technical spec sheet and a sample of the translucent sheet to be installed in the perimeter of the covered court at Pedro Pablo Castillo and Adrián García school centers.
December 1, 2015	MINED was called to meetings on December 1 and 16 to follow-up on progress in the Design-Build of the school centers. However, they attend to December 1 st but they did not attend the meeting on December 16 th .
December 1, 2015	ARCO sent a sample and technical spec sheet of the fire extinguisher cabinet to be installed at the school centers.
December 3, 2015	ARCO delivered the following information: <ul style="list-style-type: none"> ▪ Bi-weekly quality control report, version 1 of: <ul style="list-style-type: none"> ○ Report no. 21 of Francisco Antonio Lima school center

Achievements of the Fourth Quarter

Month	Activities
	<ul style="list-style-type: none"> ○ Report no. 25 of the San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers ○ Report no. 26 of Adrián García school center and IN José María Peralta Lagos ▪ Change control record of Pedro Pablo Castillo school center, record No. 30, regarding the change in the roof of the stairs module of the 6-classroom building
December 3,2015	<p>ARCO was called to a meeting on December 3 to follow-up on progress in the Design-Build of the school centers. However, for efficiency, ARCO requested that follow-up meetings be held on the work site, CDM Smith agreed, according to the following schedule:</p> <ul style="list-style-type: none"> ▪ Mondays : Pedro Pablo Castillo and Ojo de Agua school centers ▪ Tuesdays: Doctor Adrián García school center ▪ Wednesdays: Francisco Antonio Lima school center
December 8,2015	<p>ARCO started to submit digital and printed copies of “as-built” drawings and operations and maintenance manual of the Pedro Pablo Castillo school center, The final delivered was submitted on December 17.</p> <p>CDM Smith sent comments for the Operation and maintenance manual on December 16.</p>
December 9,2015	<p>ARCO delivered the following:</p> <ul style="list-style-type: none"> ▪ Flags to be installed at five school centers, for verification of addressed observations ▪ Digital and printed copy of as-built drawing complement of the Pedro Pablo Castillo school center.
December 11, 2015	<p>Representatives of USAID, ARCO and CDM Smith conducted a field visit to Pedro Pablo Castillo school center to validate the “Preliminary Handing Over of the Works”. Defects and unfinished work were found, which due to their nature and quantity did not allow the awarding of the preliminary acceptance of the work, according to Section H.2.8 of the contract. Minutes were prepared with the respective observations and ARCO must indicate a date when they consider that the work will be substantially completed, in order to program the inspection again and to validate the “Preliminary Handing Over of the Works”.</p>
December 15 and 18, 2015	<p>Representatives of ARCO and CDM Smith made a field visit to Las Margaritas I and II school center to carry out the “Final Handing Over of the Works”. Defects and unfinished work were discovered, the nature and quantity of which did not allow the awarding of the final acceptance of the work.</p>
December 15, 2015	<p>ARCO delivered the following information:</p> <ul style="list-style-type: none"> ▪ Digital and printed copy of “as-built” drawings and operations and maintenance manual of the Adrián García school center ▪ Change control records table and certification of the “as-built” drawing revision of Adrián García and Las Margaritas I and II school centers
December 16, 2015	<p>ARCO delivered digital and printed copies of “as-built” drawings and the operations and maintenance manual, a change control records table, and certification of the “as-built” drawing revision of Francisco Antonio Lima school center.</p>
December 17, 2015	<p>ARCO delivered digital and printed copies of “as-built” drawings and the operations and maintenance manual, a change control records table, and certification of “as-built” drawing revision of Pedro Pablo Castillo school center.</p>
December 18, 2015	<p>ARCO delivered the following information:</p> <ul style="list-style-type: none"> ▪ Monthly social management and gender reports: <ul style="list-style-type: none"> ○ Report no. 12, version 1 of Francisco Antonio Lima school center ○ Report no. 13, version 1 of the Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers ○ Report no. 14, version 1 of Adrián García school center <p>CDM Smith sent observations to them on December 29.</p> <ul style="list-style-type: none"> ▪ Bi-weekly quality control reports: <ul style="list-style-type: none"> ○ Report no. 22, version 1 of Francisco Antonio Lima school center ○ Report no. 26, version 1 of San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers ○ Report no. 27, version 1 of Adrián García school center and IN José María Peralta Lagos
December 21, 2015	<p>Representatives of ARCO and CDM Smith conducted a field visit to Pedro Pablo Castillo school center to carry out the “Preliminary Handing Over of the Works”. Defects and unfinished work were found, and due to their nature and quantity, the awarding of the preliminary acceptance of the work was not allowed according to Section H.2.8 of the contract. Minutes were prepared with the observations. In order to reschedule the inspection and to validate the “Preliminary Handing</p>

Month	Activities
	Over of the Works”, ARCO must indicate a date by which they believe the work will be substantially completed.
December 22, 2015	ARCO delivered digital and printed copies of “as-built” drawings and the operations and maintenance manual, a change control records table, and certification of the “as-built” drawing revision of Ojo de Agua school center.
December 30, 2015	ARCO delivered the following reports: <ul style="list-style-type: none"> ▪ Monthly social management and gender report, version 2 of: <ul style="list-style-type: none"> ○ Report no. 11 of Francisco Antonio Lima ○ Report no. 12 of Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua ▪ Bi-weekly quality control report , version 1 of: <ul style="list-style-type: none"> ○ Report no. 23 of Francisco Antonio Lima ○ Report no. 27 of Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua ○ Report no. 28 Adrián García and IN José María Peralta Lagos

Table 3-5 lists the seven reports prepared in November to evaluate the progress in the works. These were prepared with field information submitted by the resident engineers of the works, according to performance and the degree of progress of the works.

Table 3-5. School Center Progress Evaluation Reports

School Center	Date of delivery of report to USAID	Days before the completion of the project	Main comment
Las Margaritas I and II	11-Nov-15	15	CDM Smith estimated that the project will be substantially completed by the ending date established, November 24, 2015, except for a significant list of minor defects. However, it was not possible to accept it as substantially completed until November 27, 2015.
Pedro Pablo Castillo	11-Nov-15	30	CDM Smith estimated that the project will not be completed on the established date, December 11, 2015, with the most probable date being February 2, 2016.
Cantón Ojo de Agua	15-Nov-15	45	CDM Smith estimated that the project will not be completed on the established date, December 28, 2015, with the most probable date being March 19, 2016.
Instituto Nacional José María Peralta Lagos	18-Nov-15	30	CDM Smith estimated that five months were required from the date when work is resumed; therefore, the completion date cannot be determined.
Dr. Adrián García	22-Nov-15	30	CDM Smith estimated that the project will not be completed on the established date, December 22, 2015, with the most probable date being December 30, 2016.
Dr. Francisco Antonio Lima	22-Nov-15	30	CDM Smith estimated that the project will not be completed on the established date, December 22, 2015, with the most probable date being January 31, 2016.
Pedro Pablo Castillo	26-Nov-15	15	CDM Smith estimated that the project will not be completed on the established date, December 11, 2015, with the most probable date being January 17, 2016.
Cantón Ojo de Agua	30-Nov-15	30	CDM Smith estimated that the project will not be completed on the established date, December 28, 2015, with the most probable date being March 1, 2016.

Schools Issue Tracker

October

Two follow-up meetings were held in October; the first involved representatives of MINED, USAID and CDM Smith, and the second involved representatives of MINED, STP and CDM Smith. The following pending issues were reviewed in these meetings.

- *Security required at I.N. José María Peralta Lagos.*

MINED confirmed that there was a police presence at the work site and that security is provided from Monday to Friday, but not during weekends. Even so, on October 8, ARCO suspended construction work again due to threats received by their personnel. MINED mentioned that meetings had been held with the department committee and the CDE (School board) to seek alternatives to resolve the security situation. Given that security was only being provided part time, MINED was able to obtain full-time security upon request.

CDM Smith recommended that MINED contact USAID about this issue in order to reach an agreement with ARCO to continue the work.

- *Notice of “no construction” of electrical training facility for high school degree at I.N. José María Peralta Lagos.*

USAID notified MINED that the I.N. José María Peralta Lagos facility will not be built due to reasons of time and costs outside the scope of the project. MINED committed to notifying CDE and the principal of the school center.

- *Payment of municipal taxes for the acquisition of the occupation permit at C.E. San Sebastián Abajo.*

A letter was delivered to MINED from the Santiago Nonualco Municipal Office detailing the statement of account and the amount corresponding to municipal taxes, a total value of \$7,423.17.

MINED negotiated a new payment agreement with the Municipal Office and CDM Smith identified a MINED point of contact for ARCO to help them at Office of Planning and Territorial Zoning (OPLAGEST) with the occupation permit. This activity in process.

CDM Smith stated the importance of solving the issue of the tax payment, in order to prevent delays in the awarding of the Occupation Permit for CE Cantón San Sebastián Abajo, which is approaching completion.

- *Status of municipal taxes for the remaining School Centers in order to receive the Occupation Permit.*

MINED confirmed that they already have the information on municipal taxes for Cantón Ojo de Agua, Colonia Las Margaritas I and II and I.N. José María Peralta Lagos school centers. They committed to prepare a summary table with the statuses of the payments for all school centers. However, the CDM Smith had not yet to receive this table. This issue was in process.

- *Payment process at Quezaltepeque Municipal Office for the construction of rain water collector of Colonia Las Margaritas I and II school center.*

A letter was delivered to MINED by ARCO indicating that it is necessary to pay the amount of \$644.61 in order to receive the construction permit for the rain water

collector. MINED committed to address this matter of the payment. This issue in process.

November

The only follow-up meeting of November was held on the 10th, with representatives of MINED, STPP and CDM Smith participating. The meeting programmed for November 17 was rescheduled for November 24. However, it was suspended by MINED due to force majeure reasons and was rescheduled for December 1.

The following issues were addressed at the follow-up meeting:

- *Security required at Instituto Nacional José María Peralta Lagos.*

MINED commented that due to the new October 8 work suspension, meetings were held with the departmental committee and CDE to seek alternative solutions. MINED is still expecting the resumption of work by the Contractor to coordinate security. This issue in process.

MINED notified USAID of the increased security arrangements in order to reach an agreement for ARCO to continue with the work. On November 23, USAID sent a notice letter to ARCO, stating that ARCO had until December 7 to present a date when they plan to resume work, compose a Project Management Plan, and propose a new completion date.

- *Payment of municipal taxes for the acquisition of the occupation permit at San Sebastián Abajo school center.*

A letter was delivered to MINED from the Santiago Nonualco Municipal Office detailing the statement of account and the amount corresponding to municipal taxes, a total cost of \$7,423.17.

MINED requested a new payment agreement with the Municipal Office. The payment request made by MINED to the Ministry of Finance was to be submitted to the Municipal Office on December 2, 2015, but at the end of December had not been paid yet. Following that, MINED will notify ARCO that they can complete the occupation permit acquisition process in OPLAGEST. ARCO has proactively had the forms signed by the legal representative of MINED to speed up the process. This activity in process.

CDM Smith has pointed out repeatedly the importance of resolving the matter of tax payment in order to prevent delays in the acquisition of the occupation permit for the Cantón San Sebastián Abajo school center, where work has already been completed.

- *Status of municipal taxes for the remaining School Centers in order to receive the Occupation Permit.*

MINED provided the following information about the status of tax payments:

- Cantón Ojo de Agua school center: *MINED obtained the statements of account.*
- Colonia Las Margaritas I and II school center and Instituto Nacional José María Peralta Lagos: *MINED obtained the statements of account and made a partial payment.*

- Dr. Francisco Antonio Lima and Dr. Adrián García school centers: *MINED has the support of the city major and requested the coordination of MIREX before the VMVDU.*
- Pedro Pablo Castillo school center: *MINED has the support of the municipal office and there are no problems.*

CDM Smith reminded MINED that for the Colonia Las Margaritas I and II school center, the work ending date for is November 24; therefore, it is critical to complete the partial payment to provide follow-up to the occupation permit process in OPVSA. MINED committed to make the payment during the first days of December. This issue in process.

- *Payment process at Quezaltepeque Municipal Office for the construction of rain water collector of Colonia Las Margaritas I and II school center.*

Regarding the payment of the amount of \$644.61 for the acquisition of the construction permit for the rain water collector, MINED notified ARCO that the payment was made and that they have the payment document filed as of November 25. This issue is resolved.

ARCO will continue the process for the acquisition of the permit for the rain water collector. This issue is in progress.

December

The only follow-up meeting this month was held on December 1, with the participation of representatives of MINED, STP and CDM Smith.

The meeting programmed for December 16 was suspended by MINED due to reasons of force majeure and rescheduled for January 5.

The following issues to be solved were addressed at the follow-up meeting:

- *Security required at Instituto Nacional José María Peralta Lagos.*

MINED reported that due to the new October 8 work suspension, meetings were held with the departmental committee and CDE to seek alternative solutions. As a result, it was confirmed that security will be provided full-time by the Cavalry Regiment when construction work is resumed. However, they are still expecting the resumption of work on the part of ARCO for MINED to coordinate security. This issue in process.

USAID gave ARCO a deadline of December 7 to submit the date they plan to resume work, a new Project Management Plan, and the new proposed completion date. However, on that date, ARCO confirmed their intention of not resuming work; USAID is analyzing the alternatives.

- *Payment of municipal taxes for the acquisition of the occupation permit at San Sebastián Abajo school center.*

A letter was delivered to MINED from the Santiago Nonualco Municipal Office detailing the statement of account and the amount corresponding to municipal taxes, a total of \$7,423.17.

MINED mentioned at the meeting that they had paid municipal taxes through December through the Ministry of Finance. However, the Municipal Office of Santiago Nonualco did not have a record of receiving any payment and MINED has not disclosed the relevant supporting documentation. MINED urgently needs to solve this impasse as soon as possible so that ARCO can initiate the occupation permit process at OPLAGEST. The Cantón San Sebastián Abajo school center work was completed on December 2 and ARCO has intentions to charge the additional surveillance costs incurred in December to USAID, if the issue is not resolved quickly.

CDM Smith has pointed out repeatedly the importance of solving the matter of tax payment in order to prevent delays in the acquisition of the occupation permit.

- *Status of municipal taxes for the remaining School Centers in order to receive the Occupation Permit.*

In January, MINED will update the information that they provided in November about the status of municipal taxes, and all taxes issues does not significate difference to the ones reported in November.

CDM Smith reminded MINED that the Colonia Las Margaritas I and II school center would be completed in December. MINED made another partial payment in December. However, it is urgent to complete the payment of municipal taxes in order to start the occupation permit acquisition process at OPVSA. Issue in process.

- *Payment process at Quezaltepeque Municipal Office for the construction of rain water collector at Colonia Las Margaritas I and II school center*

MINED made the payment and ARCO completed the process in December. This issue resolved.

Progress in Work Carried Out at School Centers

The total completion of all school centers was scheduled for December. Although important progress has been made, only substantially completed work has been achieved in several cases. **Table 3-6** shows the contractual completion dates and the status of the school centers for the end of December.

Table 3-6. School Center Progress Evaluation Reports

School Center	Date of work substantially completed according to the contract	Actual Dates	Comments
Dr. Adrián García	22-Dec-15	22-Dec-15	ARCO obtained the <i>Preliminary Handing Over Certificate</i> , which means that the work is substantially completed.
Dr. Francisco Antonio Lima	22-Dec-15		In the construction phase; ARCO has not yet requested the <i>Preliminary Handing Over Certificate</i> or submitted an updated activities timetable. CDM Smith estimates January 15 as the probable date for the inspection of substantially completed work.
Cantón Ojo de Agua	28-Dec-15		In the construction phase; ARCO has not requested the <i>Preliminary Handing Over Certificate</i> and has not submitted an update activities timetable. CDM Smith estimates

School Center	Date of work substantially completed according to the contract	Actual Dates	Comments
			February 15 as the probable date for the inspection of substantially completed work.
San Sebastián Abajo	5-Nov-15	5-Nov-15 2-Dic-15	ARCO obtained the <i>Preliminary Handing Over Certificate</i> , which means that the work is substantially completed. CDM Smith verified the completion of minor defects.
Instituto Nacional José María Peralta Lagos	18-Dec-15		Work suspended since October 8, 2015. On December 7, ARCO stated their intention of not continuing construction work.
Las Margaritas I and II	24-Nov-15	27-Nov-15 23-Dic-15	ARCO obtained the <i>Preliminary Handing Over Certificate</i> , which means that the work is substantially completed. CDM Smith verified the completion of minor defects.

In field visits, CDM Smith still observes a lack of organization by ARCO on multiple work elements. The increased number of personnel provided by ARCO generates greater production and this, in turn, generates a greater need for quality control to keep products within the required standards. **Table 3-7**, below, provides a summary of physical progress.

Table 3-7. Summary of Percentages of Physical Progress at School centers (data updated to December 30)

SCHOOL CENTER	CONSTRUCTION PROGRESS
DAG	100%
FAL	85%
ODA	65%
PPC	100%
SSA	100%
JMPL	30%
LMIYII	100%

The following describes in greater detail the work carried out by the contractor in December at the different school centers.

Dr. Adrián García School Center

On December 22, 2015, ARCO obtained the *Preliminary Handing Over of the Works*, which means that the work is substantially completed.

External work: The contractor completed the slope formation; grass sowing; completion of hydraulic installations, ramps and floors; walls and perimeter walls; metallic work (storm fence); electrical installations; construction of court bleachers; concrete placement in covered court floor; and installation of equipment and signaling.

Buildings: The contractor completed the roof metallic structure installation work; installation of roof covering; installation of cement tile floor; electrical installations; hydraulic installations; special systems installations; voice and data; walls (placement of block in walls of WC module); plastering, finishes and veneers; installation of WC equipment and accessories; installations of furniture, doors and windows; and installation of handrails.

Figures 3-4 and 3-5 below provide an overview of the activities carried out during the month of the report with a photographic record.

Figure 3-4. Scheme of metallic work carried out; in black, installation of metallic guards in windows; in orange, installation of handrails.

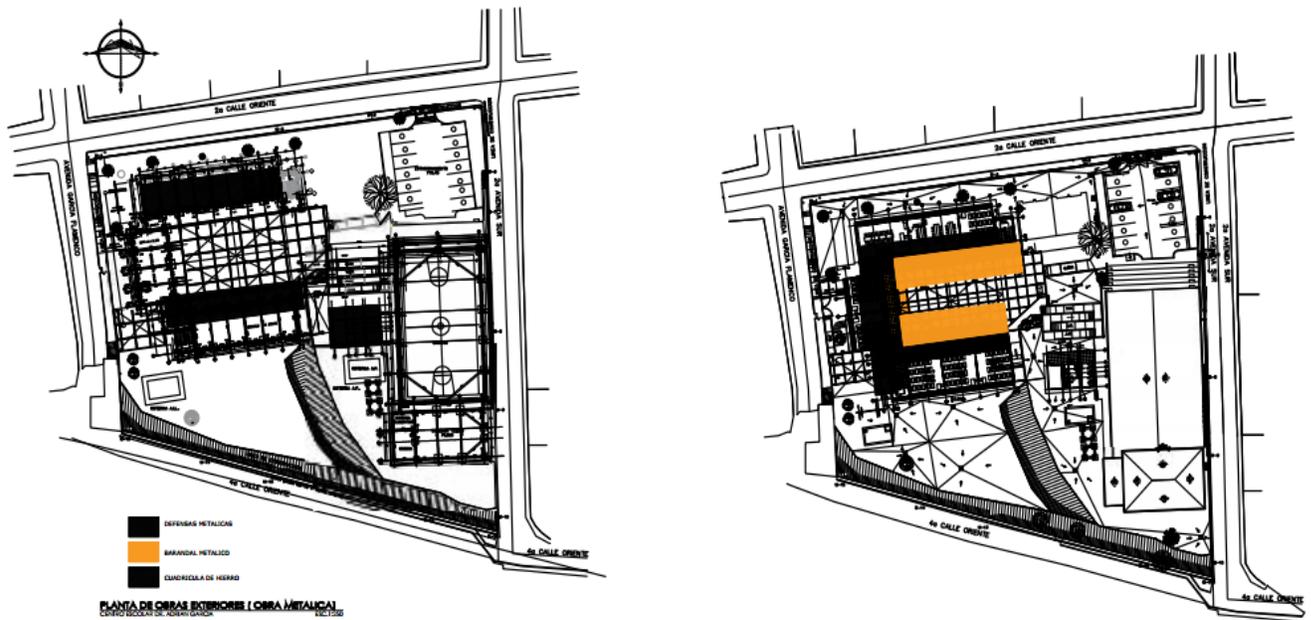


Figure 3-5. Scheme of work carried out in floors of external works. In line hatching: ramps, sidewalks and bleachers; in light blue: washed concrete floor in Plaza.

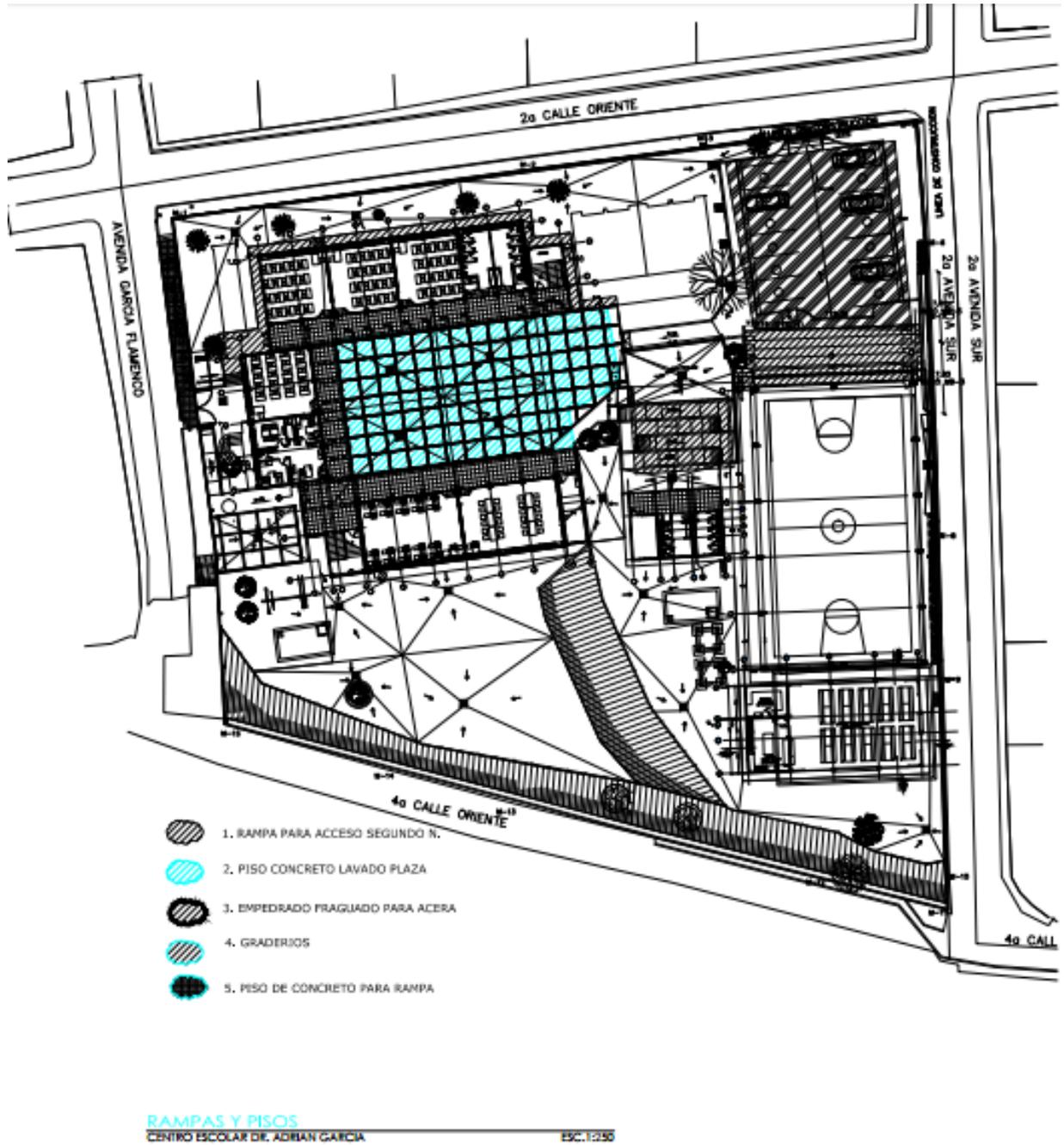


Figure 3-6. Dr. Adrian Garcia School Center

<p>Pre-mixed concrete placement for floor in covered court.</p>	<p>Construction of access ramps in WC to be remodeled.</p>
	
<p>Grass sowing in green areas in southern side of 6-classroom module.</p>	<p>Installation of cement floor tile and metallic guard fence in hallway of 2nd. Floor in 8-classroom module.</p>
	
<p>Tree planting in gardens of school center.</p>	<p>Panoramic view of roofs with "coverlight" style sheet; 5, 6, and 8-classroom modules.</p>
	

San Sebastián Abajo School Center

On November 5, 2015, ARCO obtained the *Preliminary Handing Over of the Work*, meaning that the work has been substantially completed. Upon addressing the observations of minor defects, the work was considered completed on December 2.

Figure 3-7 illustrates the completion of activities.

Figure 3-7. Centro Escolar Canton San Sebastian Abajo





Instituto Nacional José María Peralta Lagos

On October 8, the contractor notified USAID that they were suspending work due to safety reasons; this continued throughout November and December. As of the date of this report, work has not resumed. On December 7, ARCO stated their intentions not to continue with the work; USAID is currently analyzing alternative options.

Las Margaritas I and II School Center

On November 27, 2015, ARCO obtained the *Preliminary Handing Over of the Work*, meaning that the work has been substantially completed upon addressing the observations of minor defects, the work was considered completed on December 23.

Figure 3-8. Colonia Las Margaritas I & II School Center

<p>Paint Application to signal the meeting point in Civic Plaza.</p>	<p>Installation of grid in rain water channel between plaza and south hallway, 4-classroom and pre-school module.</p>
	
<p>Inspection by member of fire department.</p>	<p>West view, central plaza, south hallway of 4-classroom and pre-school module. In the back: 2-classroom and kitchen module.</p>
	
<p>Panoramic view, rear, 4-classroom and pre-school module.</p>	<p>View of access, commemorative plate, 4-classroom and pre-school module, central hallway.</p>
	

Pedro Pablo Castillo School Center

On December 30, 2015, ARCO obtained the *Preliminary Handing Over of the Work*, meaning that the work has been substantially completed and they are working on addressing the minor defects (ARCO has 28 days to remedy defects).

External works: The contractor's completed works included walls for access ramps; concrete placement in ramp foundations and placement of blocks in ramp walls; placement of washed concrete in the plaza; placement of concrete in the court floor, walls and perimeter walls; hydraulic installations; electrical installations; elevated-tank metallic structure installation; covered court metallic structure and metallic work (storm fence, handrails and guards); installation of court roof cover; installation of equipment; signaling; and painting.

Buildings: The contractor's completed works included the installation of roof cover; WC tile installation; kitchen; electrical installations; hydraulic installations; sanitary device installation; doors; windows; partitions; 6-classroom module installation of roof metallic structure; plaster, finishes and painting; installation of porcelain tile; installation of doors and windows; furniture installation; metallic work (guards); installation of porcelain tile floor in pre-school module; plaster, finishes and tile covers; sanitary artifact and device installation; signaling installation; and installation of metallic structure in the library, computer and principal's office building.

Figures 3-9 and 3-10 illustrate schemes and a photographic record of the activities carried out.

Figure 3-9. Scheme of the work carried out in the installation of porcelain tile floor in 6-classroom modules, principal's office, library and computer lab module, kitchen, library and WC module.

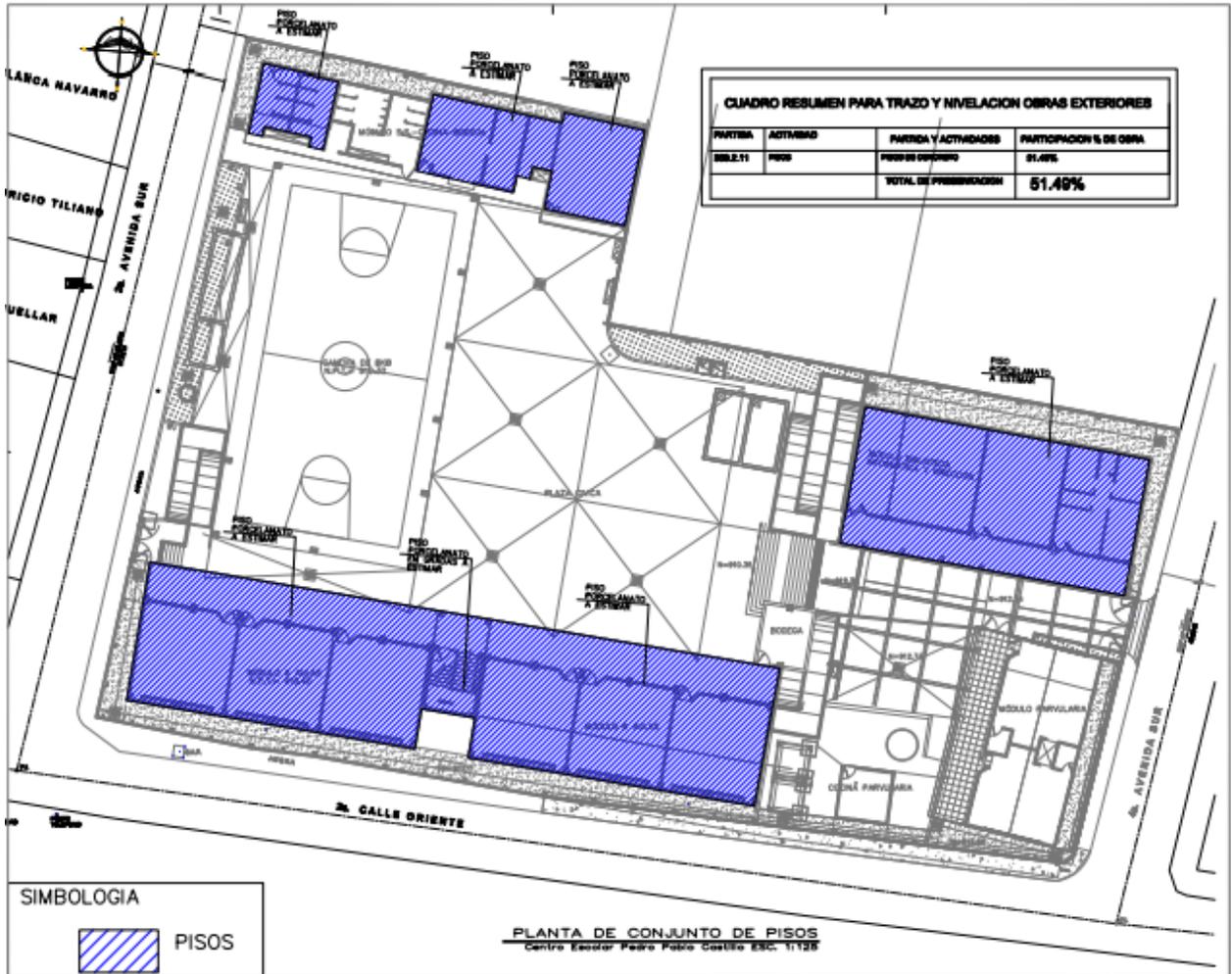


Figure 3-10. Scheme of the work carried out in floors of external works; washed concrete floor in plaza and ramp floors

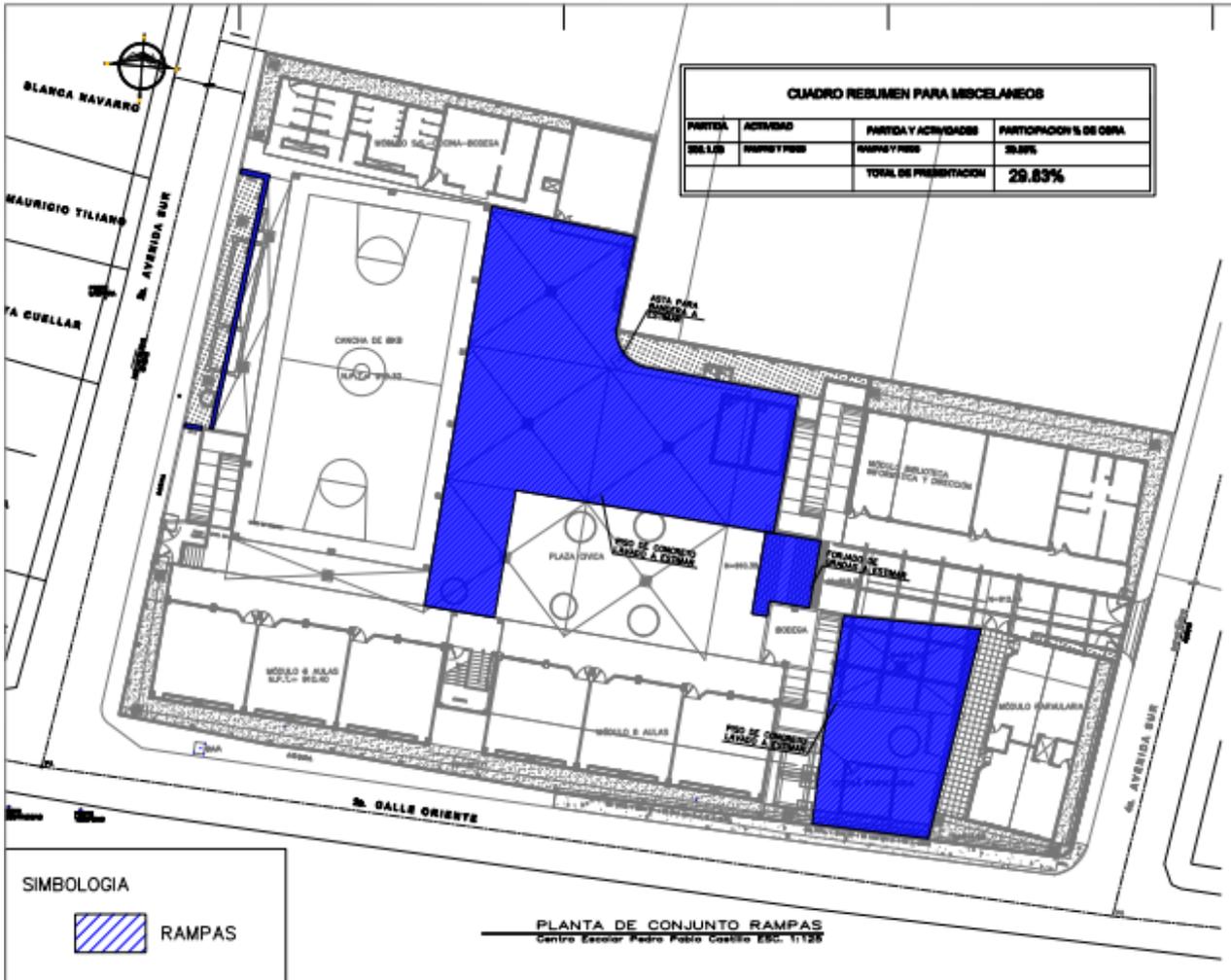


Figure 3-11. Pedro Pablo Castillo School Center

<p>Concrete placement in plaza floor.</p>	<p>Concrete placement in floor and installation of roof cover of metallic structure and translucent sheet cover in court walls.</p>
	
<p>Installation of metallic grid between roof structure and ceiling in kitchen.</p>	<p>Construction of west access ramp.</p>
	
<p>Construction of handrails and window guards fence in two- buildings.</p>	<p>Construction of perimeter sidewalks and paint application in south side walls.</p>
	

Francisco Antonio Lima School Center

In December 2015, ARCO continued working to finish the construction, but there are several task unfinished to request the Preliminary Handing Over Certificate. The scheduled date to substantially completion was December 22th.

External work: The contractor has continued work in retaining walls; hydraulic installations (rain water collector); construction of drinking water and recycled water cisterns, ramps and floors; washed concrete floor in plaza; installation of overhead tanks metallic structure; installation of metallic structure for curved roof in central hallway; and installation of curved roof cover and metallic work (installation of storm fence, handrails and guards).

Buildings: The contractor worked in walls; installation of roof structure; finishes (plastering, etc.); construction of concrete foundation for computer room and lab module (affected by different site conditions); walls in 3-classroom and WC module, kitchen and warehouse module, library module, computer room and lab module; porcelain tile floor; doors and Windows in 3-classroom and WC module; roof cover and structure; finishes (plastering, painting, etc.) in columns and beams in 8-classroom module; door and window installation in 8-classroom module; furniture installation; floors (installation of porcelain tile floor in 8-classroom module); electrical installation; hydraulic installation; installation of metallic structure of roofs and roof cover in 8-classroom module; roof structure, roof cover, finishes (plastering, finishing, etc.) in principal's office module; preparation of metallic structure in library and diner-kitchen module; and metallic works (handrails and guard fences).

Figures 3-12 and **3-13** follow with schemes of activities carried out in December, followed by a photographic record.

Figure 3-12. Scheme of work carried out in floors of external works; washed concrete floor in plaza and ramp floors.

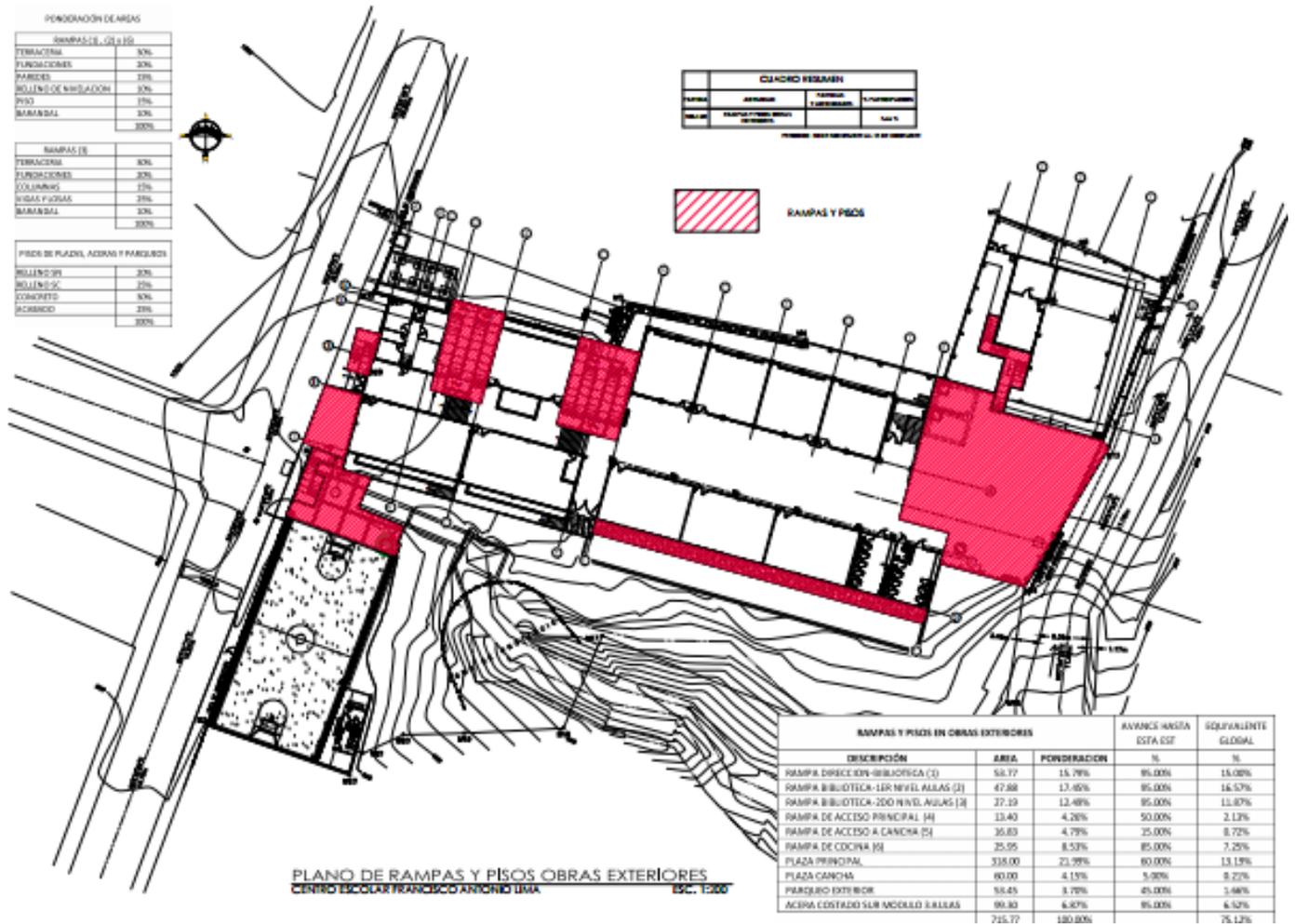


Figure 3-13. Scheme of work carried out in roof structure and curved roof sheet cover.

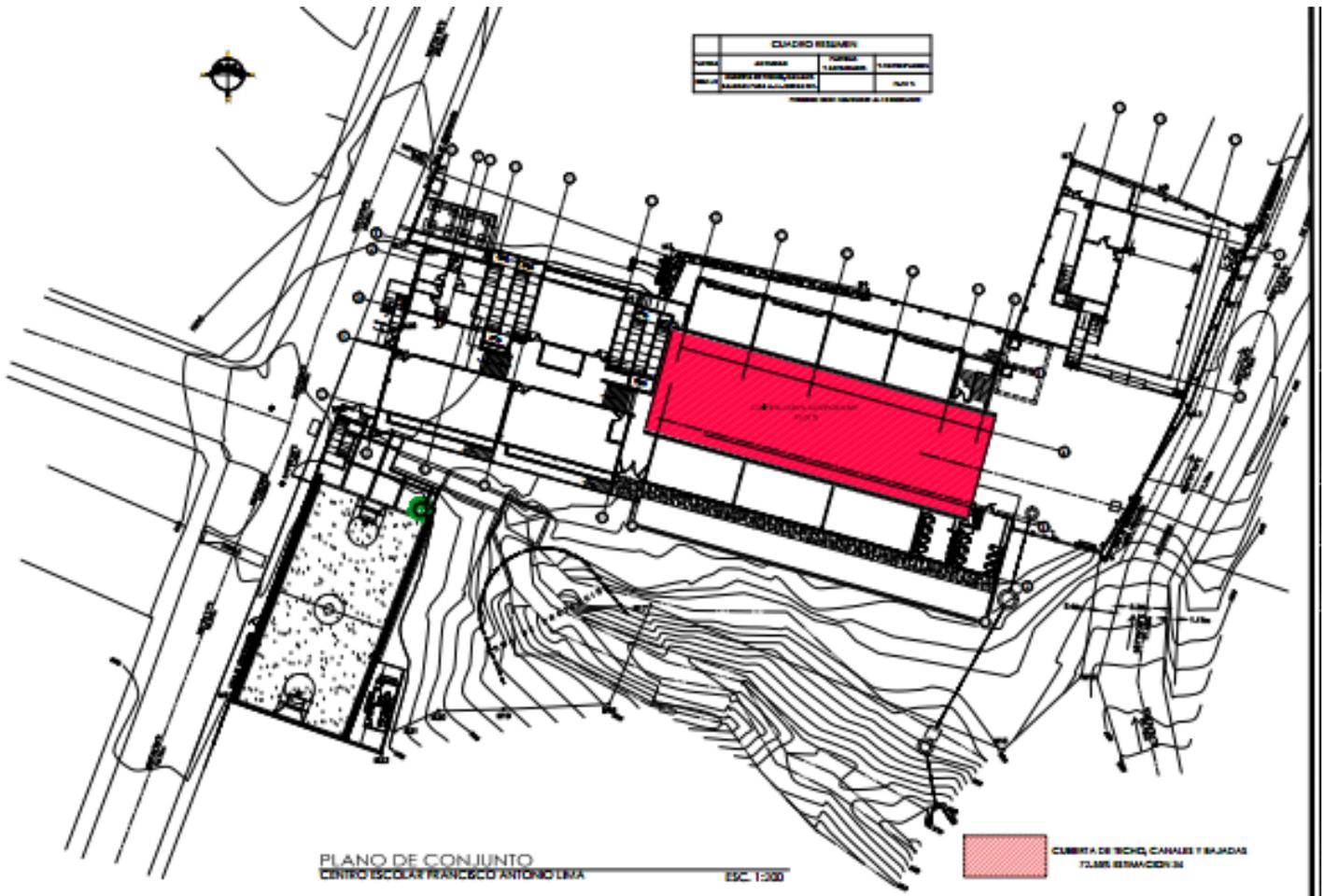


Figure 3-14. Dr. Francisco Antonio Lima School Center

Application of paint finishes on water tower with elevated tanks for drinking and recycled water, and cistern construction.



Installation of curved roof cover in central hallway and construction of washed concrete floors in central plaza.



Paint application in walls and window installation in principal's office module; installation of roof structure in library module.



Paint application in walls in 1st and 2nd story, installation of porcelain tile floor, window and door installation in 8-classroom module.



Installation of roof structure and cover, plaster finishes in walls, installation of porcelain tile floor in lab and computer lab module.



Paint application in walls, kitchen wall finishes, installation of roof cover, installation of porcelain tile floor in kitchen and multi-purpose room.



Ojo de Agua School Center

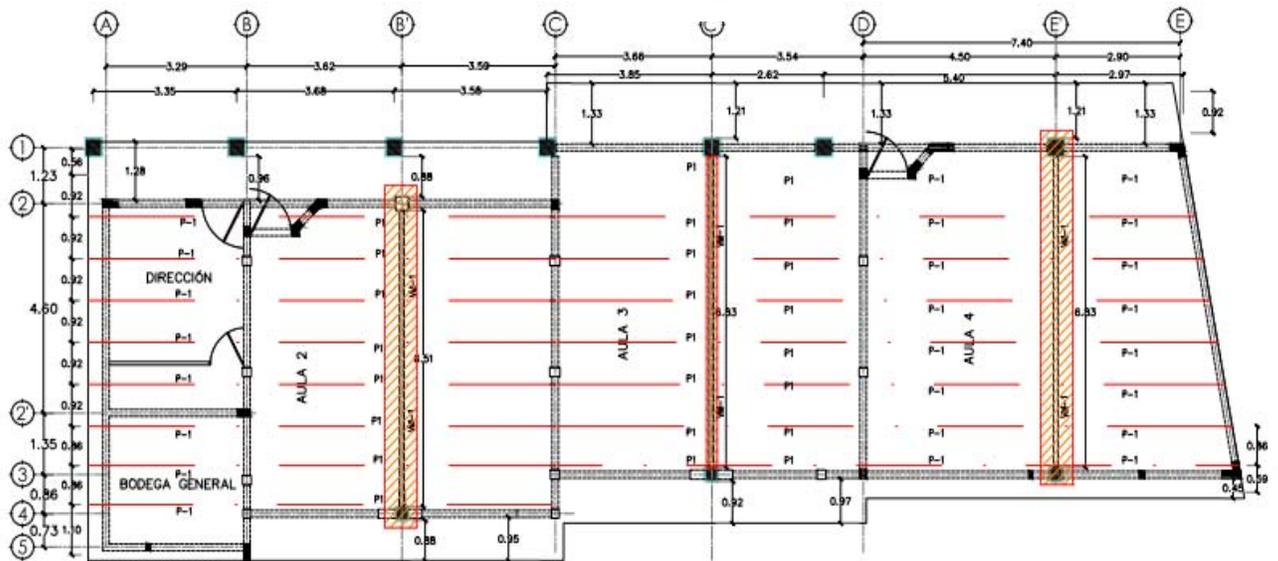
In December 2015, ARCO continued working to finish the construction, but there are several task unfinished to request the Preliminary Handing Over Certificate. The scheduled date to substantially completion was December 28th.

External works: The contractor continued with earth-moving work (excavation and compaction) for perimeter walls in northern boundary; construction of absorption well; construction of septic tank, rams and floors; walls and concrete placement in upper slab of rain water cistern for re-use and metallic structure for elevated tanks.

Buildings: The contractor carried out foundation work and placement of block in pre-school module, WC module, one-classroom module, kitchen and warehouse; installation of roof structure and cover in administration module and in 3-classroom and principal's office module, and finishes (plastering, etc.).

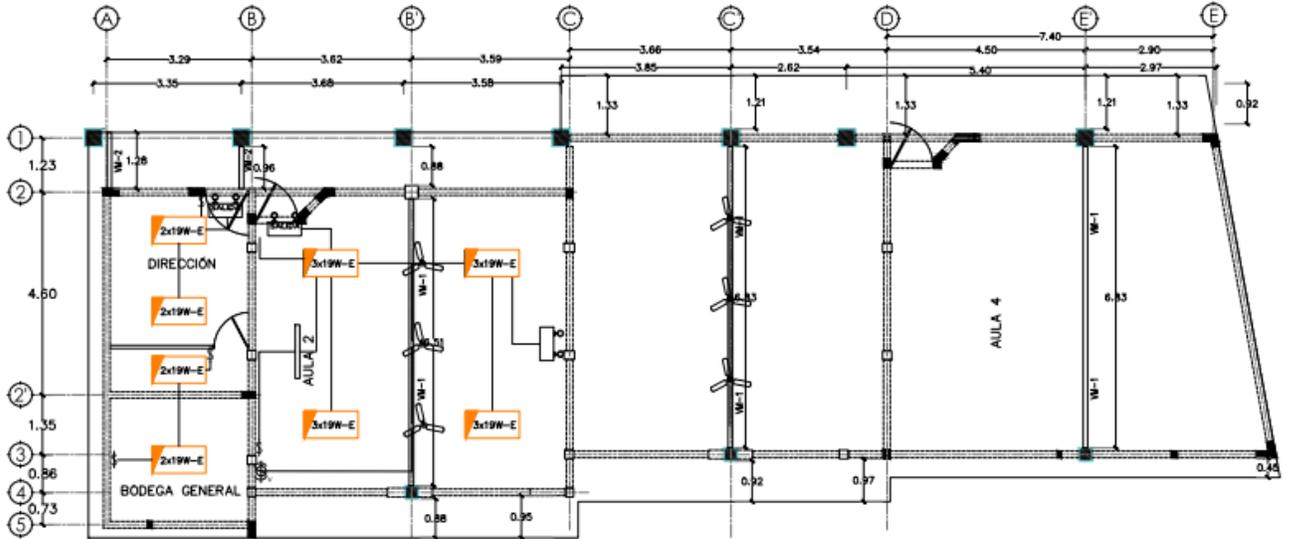
Figures 3-15 and 3-16 illustrate schemes of the activities carried out during December, followed by photographic records in **Figure 3-17**.

Figure 3-15. Scheme of work carried out in the installation of roof metallic structure in 3-classroom module, principal's office and warehouse.



Roof structure – 3-classroom, principal's office and warehouse module

Figure 3-16. Scheme of work carried out in electrical installations in 3-classroom, principal’s office and warehouse module



Electrical installations – 3-classroom, principal’s office and warehouse module

Figure 3-17. Ojo de Agua School Center

<p>Placement of plastic pipe in the construction process of absorption well.</p>	<p>Placement of steel reinforcement in foundation beam of WC module.</p>
	
<p>Placement of steel reinforcement in septic tank walls.</p>	<p>Placement of concrete block in pre-school module walls.</p>
	
<p>Placement of steel reinforcement in foundation beam of one-classroom + warehouse + kitchen module.</p>	<p>Placement of metallic tower for overhead tank.</p>
	

Issues to be resolved

Relevant points that fall under MINED's responsibility include:

- Processing payment (to be processed at OPLAGEST) for the occupation permit of Cantón San Sebastián Abajo school center at the municipal office of Santiago Nonualco. This is urgent considering that the work at the school center has already been completed.
- Processing payment (to be processed at OPVSA) for the occupation permit of Colonia Las Margaritas I and II school center at the municipal office of Quezaltepeque. This is also urgent considering that the work at the school center has been completed.
- Processing tax payments in order to obtain municipal certificates of solvency for all school centers, which is necessary for obtaining the respective occupation permits.

4 Community Involvement and Gender Component

This section includes details of community involvement and gender-related activities carried out between October and December 2015.

4.1 School Center Development Activities

Revision of Documentation for the School Centers Subprojects

Monthly reports have been reviewed this quarter, which is reflected in **Table 4-1**. Recommendations were made to these documents, both in form and content, and the contractor addressed the changes immediately. Likewise, the Community Involvement and Gender Plan was approved. As explained in the prior quarter, the Social Management and Gender Plan was designed to consider activities that still needed to be completed and because of some activities cannot be completed before the work is finished.

Table 4-1. Revision of Documentation during the Quarter

DOCUMENTATION REVISION DURING THE QUARTER				
Report	School center	Received by CDM-Smith	Sent to ARCO	Status of recommendation
Reports 9 version 1	JMPL, FAL	24/09/2015	02/10/2015	Recommended
Reports 10 version 1	SSA, LMIYII, PPC, ODA	24/09/2015	02/10/2015	Recommended
Report 11 version 1	DAG	24/09/2015	02/10/2015	Recommended
Community Involvement & Gender Plan 2 ver 2	ODA, LMIYII, JMPL, PPC, SSA, DAG, FAL	09/10/2015	21/10/2015	Recommended
Reports 9 version 2	JMPL, FAL	12/10/2015	27/10/2015	Recommended
Report 10 version 2	SSA, LMIYII, PPC, ODA	12/10/2015	27/10/2015	Recommended
Report 11 version 2	DAG	12/10/2015	27/10/2015	Recommended
Report 10 version 1	JMPL, FAL	22/10/2015	29/10/2015	Recommended
Report 11 version 1	ODA, PPC, LMIYII, SSA	22/10/2015	29/10/2015	Recommended
Report 12 version 1	DAG	22/10/2015	29/10/2015	Recommended
Social Mgmt Plan 2 version 2	ODA, LMIYII, JMPL, PPC, SSA, DAG, FAL	29/10/2015	06/11/2015	Approved
Reports 9 version 3	JMPL, FAL	03/11/2015	18/01/16	Approved
Report 10 version 3	SSA, LMIYII, PPC, ODA	03/11/2015	18/01/16	Approved
Report 11 version 3	DAG	03/11/2015	18/01/16	Approved
Report 10 version 2	JMPL, FAL	10/11/2015	17/11/2015	Approved
Report 11 version 2	ODA, PPC, LMIYII, SSA	10/11/2015	17/11/2015	Approved
Report 12 version 2	DAG	15/11/15	17/11/2015	Approved
Report 11 version 1	FAL	20/11/2015	11/12/2015	Recommended
Report 12 version 1	ODA, PPC, LMIYII, SSA	20/11/2015	11/12/2015	Recommended
Report 13 version 1	DAG	20/11/2015	11/12/2015	Recommended
Report 14 version 1	DAG	18/12/2015	29/12/2015	Recommended
Report 13 version 1	ODA, PPC, LMIYII	18/12/2015	29/12/2015	Recommended
Report 12 version 1	FAL	18/12/2015	29/12/2015	Recommended
Report 11 version 2	FAL	30/12/2015	07/01/2016	Approved
Report 12 version 2	ODA, PPC, LMIYII	30/12/2015	07/01/2016	Approved

School Centers Workshop Evaluation

The evaluation of the Las Margaritas I y II School Center workshop was performed on October 6. Similar workshops that presented the issue of gender equality training were held at Pedro Pablo Castillo School Center on October 8 and at the Dr. Adrián García School Center on October 13. The objective was to provide theoretical and practical tools to enable attitude changes in personal, community and work relationships. In general, there was great receptivity to these workshops, and the workers expressed their gratitude for the training events.

A training session was provided on November 27 on the use of the turbo-stove to practice the assembly and use of this equipment. Seventeen persons from the seven school centers participated, including teachers and mothers of students. Held at Universidad Pedagógica de El Salvador, the session was very informative and is part of the training on the Operation and Maintenance Manual.

School Centers Community involvement and Gender Coordination Meeting

On October 22, a meeting was held with the Community involvement and Gender Component Coordinator of ARCO to review the comments made to the Community involvement and Gender Plan, version B. All issues were addressed and the document was delivered on October 29. CDM-Smith approved the document on November 6.

A coordination meeting with the Contractor's representative in charge of the Community and Gender Component was held on November 27 to review inauguration event activities and modifications that USAID would like to incorporate. The first modification specified that there would not be a newspaper supplement, but rather a one-page publication in both newspapers of greater circulation.

Audits Performed at School Centers

Complying with the requirements of CDM Smith's quality control mechanisms, as well as those in the Social Management and Gender Work Plan, audits were performed in the school centers as listed in **Table 4-2**. The objective of these activities was to monitor the social and gender component progress and establish recommendations for improvement.

Table 4-2. Summary of Audits by School Center

Summary of audits by school center							
Month	DAG	FAL	SSA	ODA	PPC	JMPL	LMIYII
October	26/10/2015	27/10/2015	30/10/2015	29/10/2015	29/10/2015	*	30/10/2015
November	18/11/2015	25/11/2015		26/11/2015	30/11/2015	*	
December	17/12/2015	16/12/2015		23/12/2015	16/15/2015	*	

* Audit not performed due to lack of security.

As of November, no audits were performed in two school centers, San Sebastián Abajo and Las Margaritas I Y II given that the preliminary handing over of work occurred in that month. In the case of San Sebastián Abajo, it was held on November 5 and for Las Margaritas I Y II , it occurred on November 24 and 25. The final reception of San Sebastián Abajo was held on November 23 and of the Las Margaritas I and II School Center was on December 23.

The preliminary handing over of the Dr. Adrián García school center was carried out on December 22; and the preliminary handing over of Pedro Pablo Castillo school center was carried out on December 30.

Follow-up to Complaints regarding School Center Activities

Las Margaritas I and II school center

Two complaints filed by Mrs. Jenny Yamileth de Paz and Mrs. Fátima Yanette Méndez were recorded on October 6 regarding work carried out in the main street. The work caused their access to be flooded with mud, which prevented them from getting into their homes. The contracting company immediately performed washing work in the main street to remedy the situation. Once the cleaning activity had been finished, a note of conformity was signed

On December 7, Mr. Sergio de Jesús Contreras Soriano lodged a complaint due to difficulty of access because of the difference in level between Main Street and Pasaje A, which connects Las Margaritas I and II school center. This issue was solved on December 8 when road forming work was carried out at the junction, leaving the access viable for light vehicles

Pedro Pablo Castillo School Center

On November 15, the Social and Gender Manager of Pedro Pablo Castillo school center filed a complaint about paint that had dripped onto two vehicles belonging to Mrs. Roxana Vásquez, a neighbor of the project. This occurred when the court roof of the school center was being painted. According to the follow-up given to this case, the contractor offered to polish the cars, but this activity has not been yet carried out due to the owner's scheduling constraints.

Dr. Adrián García School Center

A complaint was filed on December 22 by Mr. William Arnaldo Bolainez, stating that he couldn't get into his residence because the entrance to his driveway was obstructed by ARCO's provisional construction. This complaint was addressed on December 28, when the structures were disassembled and Mr. Bolainez signed a note of conformity.

Performance Analysis of the Community involvement and Gender Plan of the School Centers Subproject

As indicated in the prior quarterly report, plans were made to develop the outstanding Community involvement and Gender Plan processes and to adapt remaining activities according to the needs of the project.

The Community involvement and Gender Plan was recommended to be approved, by CDM Smith on November 6. **Table 4-3** shows the percentages of compliance at each school center. According to the Plan, the only thing missing was activities related to the Promotion and Communication area, such

as newspaper publications, the O&M training Manual, and the inauguration event; in the case of the Process Systematization and Monitoring Area, the final report of activities is still pending.

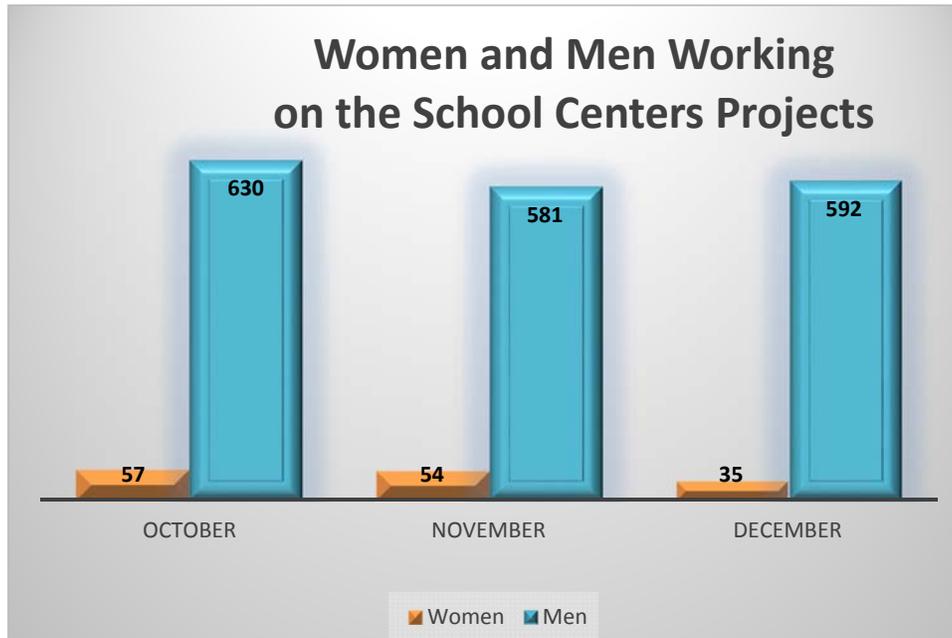
Table 4-3. Percentage of Execution of Community involvement and gender plan by School Center

School centers	Percentage achieved in school centers					
	DAG	FAL	SSA	ODA	PPC	LMIYII
Accumulated progress	86.67%	85.84%	86.66%	79.18%	85.84%	85.84%

Gender Considerations

Figure 4-1 shows the number of men and women working during the last quarter of 2015. It is evident that one of the most important benefits for the communities are the work opportunities for women and men. While it is noticeable that the number of women hired has been lower than the number of men, it is nonetheless significant that the percentage of women hired is of 8% in October, 9% in November and 6% in December – especially considering that this sector has traditionally been dominated exclusively by men.

Figure 4-1. Women and Men Working on the School Centers Projects



Another important achievement is that women are working in a wide variety of project areas, such as administration (residents, resident assistant, quality control, social and environmental managers, warehouse keepers, payroll) and production (assistants); activities that improve work experience and prime them for future employment positions.

School Center Audit Recommendations

Complying with the requirements of CDM Smith's quality control procedures and the Social Management and Gender Work Plan, diverse audits were performed at the school centers. The objective of these activities was to track progress and establish recommendations for improvement.

Table 4-5. Audits Performed

Audits performed		
Month	School centers	Summary of recommendations
October	Dr. Adrián García and Cantón San Sebastián Abajo school centers	Install preventive signaling in school centers where public spaces are used; make visits to project neighbors; process complaints or requests immediately
	Dr. Francisco Antonio Lima school center	
	Pedro Pablo Castillo and Cantón Ojo de Agua school centers	
November	Dr. Francisco Antonio Lima school center	Review places where hallways might be too closed, so that in the Operations and Maintenance Manual, the use of those spaces can be regulated; carry out cleaning and ensure an adequate use of the surroundings of school centers; take care of mechanical games of school centers, according to the case; verify that grids are of adequate dimensions for the circulation of persons with disabilities
	Dr. Adrián García school center	
	Pedro Pablo Castillo and Cantón Ojo de Agua school centers	
December	Pedro Pablo Castillo and Francisco Antonio Lima school centers	Provide follow-up to complaints and make respective closings; humidify areas that are being used around school centers to avoid complaints; improve the sanitation of portable toilets; clean and signal adequately the use of spaces outside of school centers; verify the dimensions of grids
	Dr. Adrián García school center	
	Cantón San Sebastián Abajo school center	
	Instituto Nacional José María Peralta Lagos	
	Cantón Ojo de Agua school center	
Las Margaritas I and II school center		

4.2 Development of Activities at San Ildefonso Community Family Health Unit

Revision of Documentation of San Ildefonso Community Family Health Unit Subproject

The following **Table 4-6** shows a summary of the reports reviewed during this period which have received recommendations regarding their format, content and evaluation. Report 7 version 2, with the recommendations addressed, is still pending.

Table 4-6. Revision of Documentation during the Quarter

Revision of Documentation During the Quarter			
Report	Received by CDM-Smith	Sent to ARCO	Status of recommendation
Report 5 version 1	13/10/2015	15/10/2015	Recommended
Report 5 version 2	21/10/2015	27/10/2015	Overcome
Report 6 version 1	10/11/2015	19/11/2015	Observed

Revision of Documentation During the Quarter			
Report 7 version 1	07/12/2015	11/12/2015	Observed
Report 6 version 2	11/12/2015	14/12/2015	Overcome

Workshop Evaluation

A workshop about Gender Violence was provided to the community on October 17, which invited participants to review perceptions about gender equality in family and community relationships. On October 23, Lic. Guillermo Cornejo from the San Ildefonso Community Family Health Unit gave a presentation to project workers about HIV-AIDS. It was presented with the objective of providing knowledge for the prevention of these diseases and to raise awareness about forms of responsible behavior.

Evaluation of Information Meeting

The evaluation of the second information meeting was carried out on December 18, with the participation of 28 people from the community; representatives of institutions such as Instituto Nacional de San Ildefonso and the School Council of the María Luisa Vda. de Marín School Center; and representatives from organizations such as the Urban Health Committee, Women’s Committee and CDM-Smith also participated. This activity comprised one of the activities of the Promotion and Communication component. Meeting participants expressed gratitude for the fact that were being kept informed about how the project was developing, as well as for the training provided.

Audits Carried Out

Monthly audits were carried out during this quarter in the San Ildefonso clinic Reconstruction Project, on October 23, November 20 and December 18. These were held to verify the work carried out and to review all documentation and records proving compliance with the Community involvement and Gender Plan.

Performance Analysis of the San Ildefonso Community Family Health Unit

During this quarter, the project has been in 100% compliance with trainings for local stakeholders, as well as for persons working for the contractor. The second information meeting was held, thus complying with the community communication activity requirements, and all information billboards –instruments that allow ongoing communication with the community – were installed; one at the contractor’s field office and another in the community.

Two complaints have been resolved satisfactorily, and all reports have been submitted.

Table 4-7. Progress monitoring in the clinic Project

Progress monitoring in the San Ildefonso clinic Project			
Component areas	Activities	Percentage of monthly progress	Accumulate percentage
Social research	Interview guide Actors map Socio-economic survey Local actors map	Delivered	30%
Promotion and communication	Information meetings Social Management office Information billboard Delivery of flyers	3.12%	14.59%
Conflict case management	Complaint solution Field inspection Residential visits	3.58%	18.14%
Education and training	Talking to workers Talking to the community	1% 1%	12%
Systematization	Record of activities Monthly reports	1.26%	10.08%
Monthly total		9.96%	84.81%

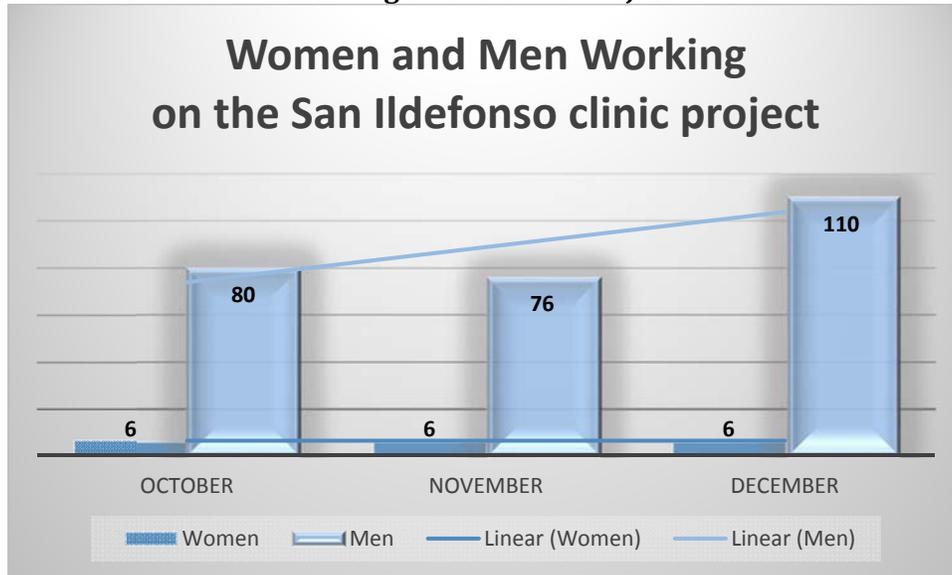
It is necessary to report that although the Community Involvement and Gender Plan (PGSG) states that the project ended on December 2, 2015, USAID granted the contractor an extension until February 28 due to production delays. Pending execution includes activities such as Operation and Maintenance Manual training, distribution of 150 work completion fliers to the community, publication in newspapers, and presentation of monthly report. Consequentially, a revision of the work timetable has been requested from the contractor.

Gender considerations

One of the objectives of the project is to promote employment – with a focus on gender equity – within the communities where subprojects are being implemented in order to improve acquisition capacities and enable better living conditions.

In the case of the San Ildefonso clinic Reconstruction Project (UCSF SIL), the contractor employs 6 women, most of them from the municipality, which allows for shorter travel distances and higher security.

Figure 4-2. Women and Men Working on the Clinic Project



Audit Recommendations

The audits, which demonstrate and verify the field work being carried out, are an essential tool for ensuring quality. A summary of the resulting recommendation is provided in **Table 4-7**.

Table 4-7. Audit Recommendations for the San Ildefonso clinic

Month	Summary of recommendations
October	Extend pipes so that neighboring property does not become flooded; establish adequate sites within the location so that workers can have meals in the premises; train workers on behavioral rules, because there have been discipline failures; equip the Quality Assurance engineer office with proper ventilation (fan, air conditioning), safe electrical installations and visitor’s chairs.
November	Readapt dining room so that there is room for a larger number of workers; make visits to neighbors of perimeter wall-building sites and obtain the relevant documentation; drain water from pond located next to wall of Mr. Marín.
December	Expand the dining room to provide better services and prevent workers from leaving the premises; present new reprogramming of pending activities of the Social Management and Gender Plan; reprint the information sheet of the information billboard (this is the one located in the lower left side).

4.3 School Centers and Clinic Priority Activities

Priority activities for next month include:

- School center audits

- San Ildefonso UCSF audit
- Follow-up to newspaper publication
- Revision of monthly reports of the two projects under execution
- Revision of inauguration plans for the school centers project
- Revision of Operations and Maintenance Manual
- Preliminary Social Management and Gender receptions
- Final Social Management and Gender receptions

4.4 Critical Issue that must be Addressed Immediately

The social insecurity situation at Instituto Nacional José María Peralta Lagos, which prompted the closing of the construction site, is in the hands of GOES.

Figure 4-4. Community involvement and Gender-related Activities at the School Centers.



<p>Evaluation of training about gender equality in Las Margaritas I and II school center.</p>	<p>Worker expressing her opinion about gender equality at Las Margaritas I and II school center.</p>
	
<p>Evaluation of training about gender equality in Pedro Pablo Castillo school center.</p>	<p>Worker expressing his opinion about gender equality in Dr. Adrián García school center.</p>
	
<p>Mud caused by rain water pipe installation, this situation that caused complaints of neighbors in main street, Las Margaritas.</p>	<p>Mud Cleaning of main street by the contractor.</p>
	

<p>Complaint of difficulty of access to Pasaje A of Las Margaritas I and II school center.</p>	<p>Road works at the junction of Pasaje and main street, leading to the School Center.</p>
	
<p>Coordination meeting to plan inauguration events.</p>	<p>Preliminary reception of Community involvement and Gender Component in SSA.</p>
	
<p>Teachers of Las Margaritas I and II school center receiving the turbo-stove manual.</p>	<p>Delivery of mechanical games to Dr. Adrián García school center.</p>
	

<p>Demonstrating how to start a fire on the turbo stove.</p>	<p>Turbo stove training. Participants of the seven school centers.</p>
	
<p>Paint-on-car complaint filed by neighbor of 2nd Street in PPC.</p>	<p>Complaint filed by neighbor of 2a Avenida Sur due to obstruction of his garage.</p>
	
<p>Final reception of San Sebastián Abajo School Center.</p>	<p>Preliminary reception team of Dr. Adrián García school center.</p>
	

Figure 4-4. Community involvement and Gender-related Activities at San Ildefonso clinic.

<p>Workers wash deposits where workers drink water, as part of the healthy measures for workers.</p>	<p>Sign indicating a Toilet exclusively for women, as part of the gender component.</p>
	
<p>Information billboard placed in San Ildefonso clinic, according to PGSG.</p>	<p>Inspection visit after complaint of mud flod and debris from the clinic project, the complaint was solve</p>
	
<p>Commitment letter for workers addressing USAID project regulations related to human trafficking.</p>	<p>A worker filling water containers, as part of the healthy measures.</p>
	

Ramp to facilitate worker circulation.



female worker on the project, as part of the gender component.



Human trafficking workshop materials.



Information billboard installed in San Ildefonso clinic.

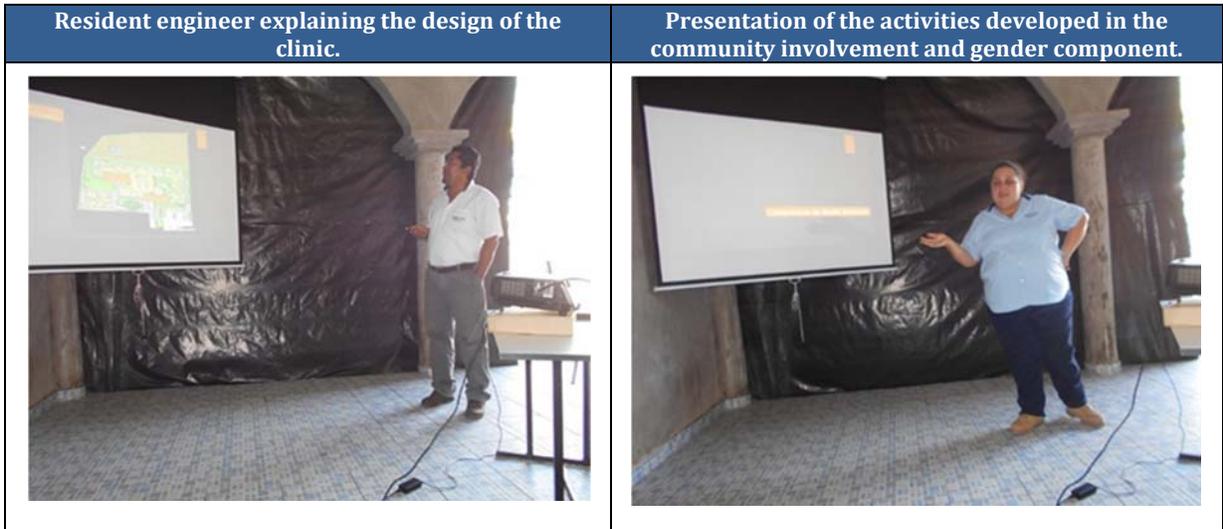


Information meeting about the project progress to local stakeholders.



Attendees to the information meeting about the project progress.





5 Environmental Component

Table 5-1 summarizes environmental component activities during last quarter of , 2015.

Table 5-1. Environmental Activities by Clinic and School Components

San Ildefonso Clinic	Activities
October 6, 2015	ARCO delivered Monthly Report No. 4, version 2; received by email on October 2. CDM Smith sent its approval to ARCO on October 21.
October 8, 2015	Arco delivered Monthly Report No. 5, version 1.
November 6, 2015	ARCO delivered Monthly Report No. 6, version 1; received by email. CDM Smith sent comments to ARCO on November 10.
December 7, 2015	ARCO delivered to CDM Smith the Monthly Report No. 7, version 1 by email.
Schools	Activities
October 05, 2015	An audit visit was made to CE PPC to verify progress in the execution of the mitigation measures established in the EMPR.
October 8, 2015	ARCO delivered Monthly Report No. 10, version 1 of Dr. Adrián García school center. CDM Smith sent observations to ARCO on October 21; ARCO was asked to report on the status of the environmental permit for the dump known as Los Castro and to report where they were taking the removed material. Options included the site known as Las Damas or other site La Florida.
October 12, 2015	An audit visit was made to CE Dr. Francisco Antonio Lima to verify progress in the execution of mitigation measures established in the EMPR.
October 21, 2015	An audit visit was made to CE PPC and ODA to verify progress in the execution of mitigation measures established in the EMPR.
October 22, 2015	An audit visit was made to CE Dr. Adrián García to verify progress in the execution of mitigation measures established in the EMPR.
October 22, 2015	ARCO delivered Monthly Report No. 10, version 1 for Instituto Nacional José María Peralta Lagos, and the Francisco Antonio Lima, San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers. CDM Smith sent observations to ARCO on November 11, recommending that all school centers comply with Environmental Mitigation Plan and Report (EMPR) requirements regarding the verification of lead-free paint. Likewise, explanations about the handling of paint and lacquer waste, the type of mask provided to the workers, and sites for final disposal were requested, as well as an explanation for the accumulation or disposal of debris material in private land and if the material would be withdrawn. No response to this inquiry has yet been received.
October 29, 2015	ARCO delivered Monthly Report No. 10, version 2 for Adrián García school center. CDM Smith sent the approval to ARCO on November 11.
November 9, 2015	ARCO delivered Monthly Report No. 11, version 1 for CE Dr. Adrián García. CDM Smith sent the approval to ARCO on December 29. However, it was requested that the status of the “Los Castro” dump legal situation be clearly stated, as well as the final destination of the materials being sent to Los Castro and the breakdown of incoming materials at DAG and of the UCSF SIL dump.
November 20, 2015	ARCO delivered Monthly Report No. 11, version 1 for Dr. Francisco Antonio Lima, San Sebastián Abajo, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers. CDM Smith sent observations to ARCO on November 29, with a repeated request that all School Centers attach copies of the MSDSs – which show information about chemical products – of the paints in the monthly reports. The MSDSs can verify whether the paints complies with lead-free standards.
November 26, 2015	An audit visit was made to CE Dr. Francisco Antonio Lima to verify the execution of the compensatory measure of tree planting, making the respective observations for the improvement of the tree planting and including the respective location map.
December 3, 2015	ARCO delivered Monthly Report No. 12 version 1, of Adrián García school center. CDM Smith sent observations to ARCO on December 29.
December 07, 2015	The contractor was requested again to withdraw the material deposited in the dump known as Los Castro, used for the disposal of the material from CE Dr. Adrián García. ARCO mentioned by mail that the removal of the material would be carried out as of November 4. However, the material was not removed and the respective environmental permit from Ministry of Environment and Natural Resources (MARN) was not obtained either.

San Ildefonso Clinic	Activities
December 18,2015	ARCO delivered Monthly Report No. 12, version 1 of the Francisco Antonio Lima, Las Margaritas I and II, Pedro Pablo Castillo and Ojo de Agua school centers. CDM Smith sent observations to ARCO on December 29. Through observations made to Monthly Report No. 12, ARCO was requested to provide the labor necessary for the adequate maintenance of the compensatory plantation in CE LMIYII. In an inspection visit, a lack of fertilization was observed, as well as loss of plants due to lack of water and incidence of diseases that affect the leaves and the development of the plants.

Figure 5-1. Environmental Component Activities

<p>Inspection of dump known as Los Castro, used by ARCO for the disposal of waste from CE DAG. Erosive processes of the materials deposited were observed.</p>	<p>Inspection of dump known as Los Castro, used by ARCO for the disposal of waste from CE DAG. Erosive processes of the materials deposited were observed.</p>
	
<p>Verification of removal of material at CE LMIYII.</p>	<p>Verification of compensatory vegetation in communities adjacent to CE LMIYII.</p>
	

Panoramic view of the inspection visit to the Maquilishuat tree transplanted from CE PPC to the green zone of the municipal office of Nuevo Cuscatlán.



Verification of compensatory planting made in green zones assigned by the municipal office of Nuevo Cuscatlán for the compensatory planting of CE PPC.



Panoramic view verifying compensatory vegetation in CE LMIYII.



Panoramic view verifying re-vegetation established in CE LMIYII.



7 Risk Analysis

Many of the risks identified have manifested to a greater or lesser degree; the contractor has not taken adequate measures to mitigate or eliminate them. Among the resulting problems are:

Quality Control

In this stage of the construction phase, the number of activities being carried out simultaneously has increased; therefore, there must be enough quality control personnel to cover all needs. To avoid delaying construction activities because of this issue, ARCO should consider the option of hiring more personnel for this task, especially if the recommended night shift is expanded. Quality control does not issue an opinion on matters where there are differences between ARCO and CDM Smith (this has been requested in several meetings without receiving an answer).

Lack of organization of personnel

This in the work to carry out field activities in an adequate and efficient manner.

Low invoicing at school centers

Lack of compliance with invoicing targets established for the school centers. The accumulated deficit rises to an amount of \$2,050,109.55 from the initial target in the period from August 24 to September 6, 2015, and 100% of the contract term for the completion of the works has been used.

Low invoicing at the clinic

There has been a collection of an accumulated amount that represents 28.82% of the contract amount. However, 85.89% of the contract term has already been used (including the expansion of 25 calendar days).

8 CDM Smith Budget during the Fourth Quarter of 2015

CDM Smith's budget reprogramming letter was submitted on July 9, 2015 were approved by USAID on August 31, 2015. Because the Mission's stated intent was to modify the subject task order to extend the period of performance through March 31st, 2016, it is necessary to increase the total estimated cost accordingly.

This submittal includes a reprogrammed budget and cost notes in response to USAID's request in the letter dated June 26, 2015. The most significant assumptions and changes associated with this submittal in comparison to the reprogramming submittal of March 30, 2015 were related to supervision cost associated to the school centers and the clinic, as services during construction are the most significant component of remaining work. CDM Smith has evaluated new quotes, thus enabling us to provide a more accurate estimate of the costs for these services. The total summary cost estimate for the full period of performance is US\$7,043,680.00 (inclusive of VAT, incurred to date and projected, and fee).

The budget status presented in **Table 8-1** represents invoiced costs only and indicates a lag between when a cost is incurred and when it is invoiced. This is especially true for costs incurred locally, which then need to be reviewed/booked at CDM Smith headquarters, leading to delays a month or more.

Another cost that typically lengthens the invoicing period are those of subcontractors, consultants and other outside vendors. Their invoices are usually submitted at the completion of a period (usually one month or after completion of their performance), and require CDM Smith's review and confirmation before they can be invoiced to USAID.

Table 8-1. Budget Status. Invoices presented to USAID to date.

Invoice #	Voucher No.	Period Through	Invoice Date	Invoicing Costs Incurred
1	89247-01	31-Dec-11	8-Feb-12	\$ 1,369.75
2	89247-02	28-Jan-12	5-Mar-12	\$ 66,703.48
3	89247-03	31-Mar-12	12-Apr-12	\$ 341,676.69
4	89247-04	28-Apr-12	23-May-12	\$ 175,433.78
5	89247-05	26-May-12	11-Jun-12	\$ 266,781.66
6	89247-06	28-Jul-12	14-Aug-12	\$ 181,180.62
7	89247-07	25-Aug-12	28-Sep-12	\$ 103,126.86
8	89247-08	29-Sep-12	19-Oct-12	\$ 140,829.53
9	89247-09	27-Oct-12	19-Nov-12	\$ 103,429.94
10	89247-10	24-Nov-12	24-Dec-12	\$ 135,663.07
11	89247-11	29-Dec-12	28-Jan-13	\$ 235,860.09
12	89247-12	26-Jan-13	20-Feb-13	\$ 66,514.49
13	89247-13	23-Feb-13	11-Mar-13	\$ 219,107.73
14	89247-14	30-Mar-13	26-Apr-13	\$ 233,817.76
15	89247-15	27-Apr-13	22-May-13	\$ 145,590.11
16	89247-16	25-May-13	26-Jun-13	\$ 46,470.23
17	89247-17	29-Jun-13	22-Aug-13	\$ 237,121.99
18	89247-18	27-Jul-13	9-Oct-13	\$ 123,403.13
19	89247-19	24-Aug-13	24-Oct-13	\$ 90,175.64
20	89247-20	26-Oct-13	15-Nov-13	\$ 255,037.73
21	89247-21	28-Dec-13	19-Mar-14	\$ 291,281.88
22	89247-22	25-Jan-14	2-May-14	\$ 104,349.39
23	89247-23	22-Feb-14	7-May-14	\$ 113,395.04
24	89247-24	29-Mar-14	2-Jun-14	\$ 128,571.32
25	89247-25	24-May-14	13-Jun-14	\$ 195,242.11
26	89247-26	26-Jul-14	23-Sep-14	\$ 262,985.36
27	89247-27	27-Sep-14	25-novp-14	\$ 235,999.83
28	89247-28	29-Nov-14	29-Dec-14	\$ 283,947.02
29	89247-29	3-Jan-15	26-Feb-15	\$ 137,152.09
30	89247-30	31-Jan-15	10-Mar-15	\$ 154,390.87
31	89247-31	28-Feb-15	30-Apr-15	\$ 132,718.39
32	89247-32	31-Mar-15	1-Jul-15	\$ 373,147.42
33	89247-33	30-Apr-15	2-Sep-15	\$ 270,281.10
34	89247-34	29-Aug-15	5-Oct-15	\$ 119,353.75
35	89247-35	31-Oct-15	3-Dec-15	\$ 275,323.38
TOTAL INVOICED TO USAID				\$ 6247,433.23
REFUND OFFSET (vat)				\$ 99,830.79
TOTAL ESTIMATED COST PLUS FIXED FEE AFTER OFFSET TO DATE				\$ 5752,925.31
CONTRACT CEILING SUBMITTED MARCH 30, 2015 APPROVED AUGUST 31, 2015				\$ 7043,680.00
CONTRACT CEILING APPROVED NOVEMBER 25, 2014				\$ 6943,849.00
CONTRACT INITIAL CEILING				\$ 5100,645.00

CDM Smith continuously reviews the budget utilizing an estimated cost at completion (ECAC) spreadsheet to track and monitor the project budget, incurred to date (ITD) information, accruals, and projections through the completion of the work.

Figure 8-1. Budget Expenditure Until October 31st, 2015.

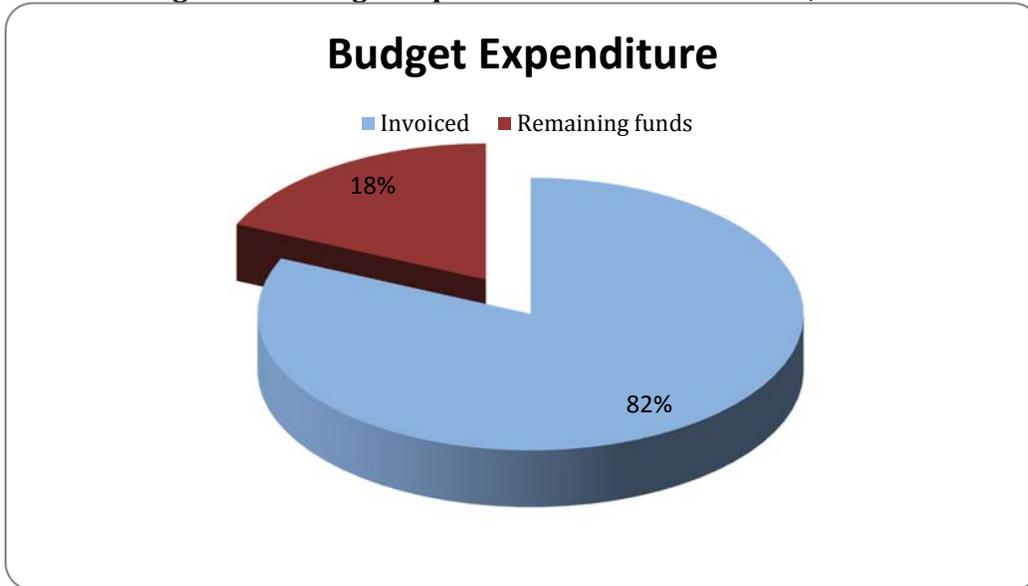


Figure 8-2 Breakdown of Invoiced Submitted to USAID between 2011-2015

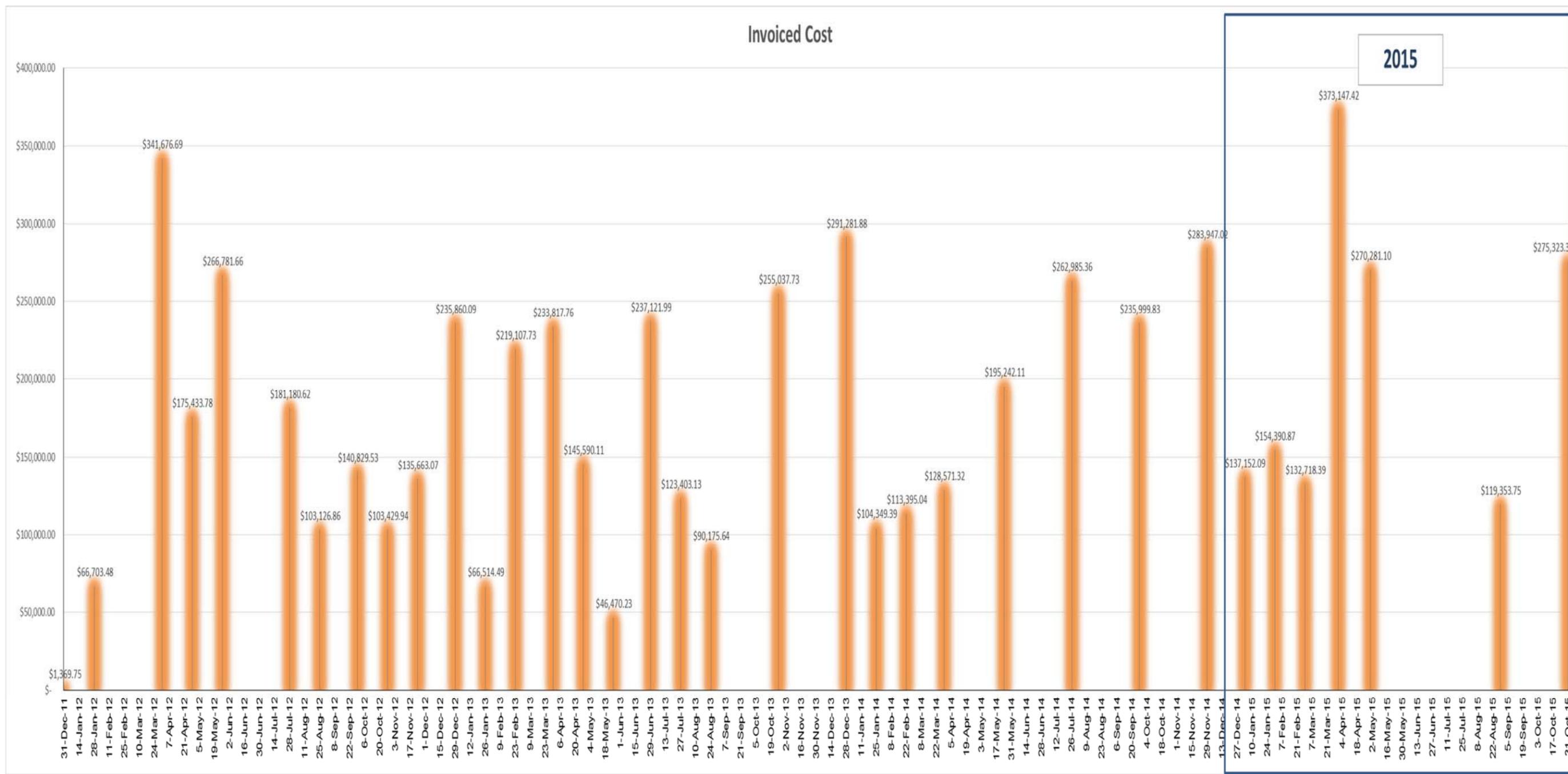
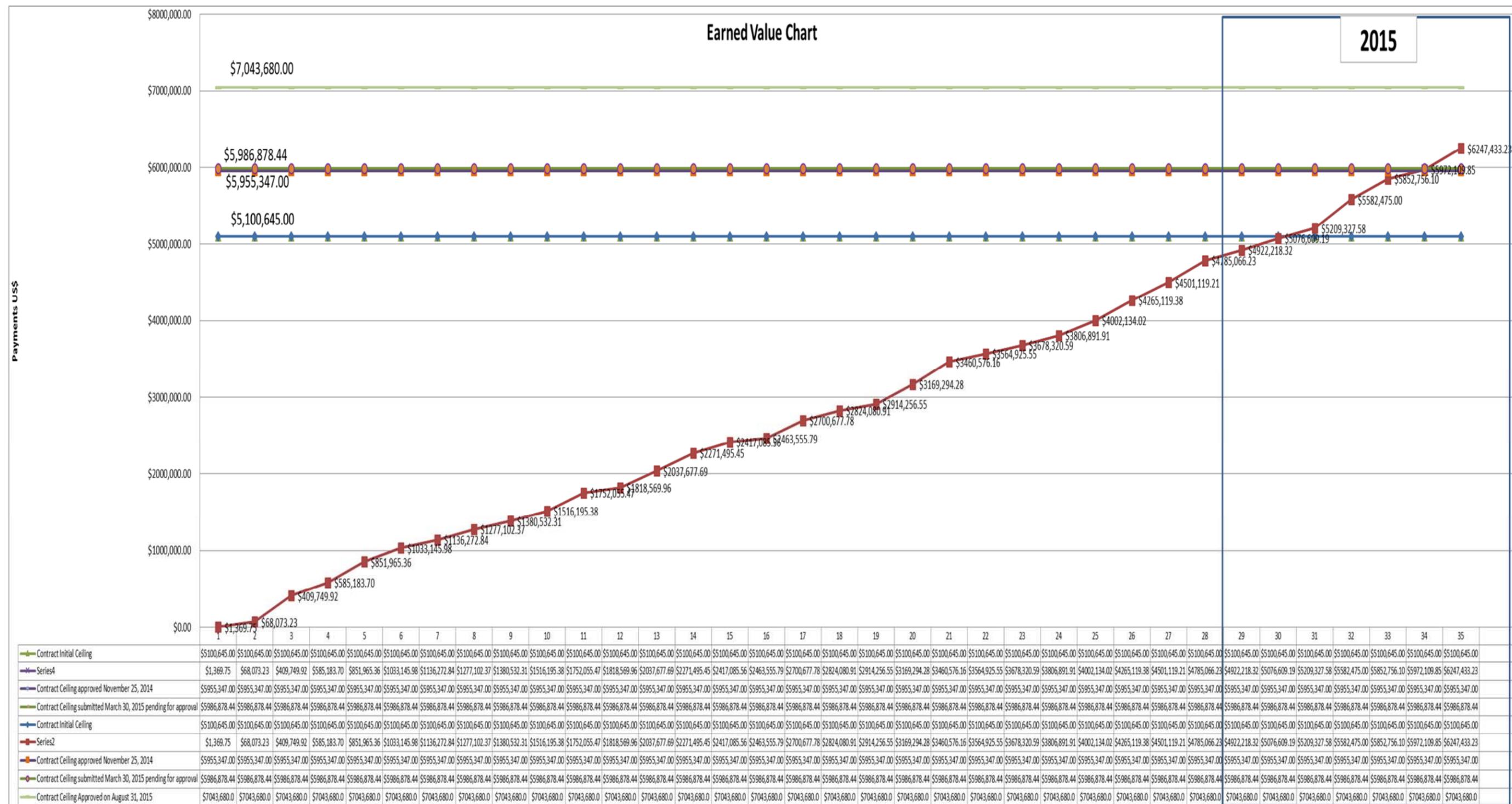


Figure 8-3. Contract Ceiling and Invoices Presented Chart (Period 2011- 2015)



Value Added Tax (VAT) Reimbursement Claims

CDM Smith has submitted five VAT Reimbursement Claims to USAID. In **Table 8-2**, VAT is shown as VAT Claims Submitted and VAT Claims Reimbursed.

Table 8-2. VAT Reimbursements Claims, 2012-2015

Claim #	Period	Date submitted	Invoices Amount	VAT Claims Submitted	VAT Claims Reimbursed	VAT Unreimbursed Taxes
1	16-Jan-12 to 02-Mar-12	20-Mar-12	\$ 203,775.37	\$ 23,443.18	\$ 23,443.18	
2	02-Mar-12 to 30-Apr-12	12-Jun-12	\$ 106,590.30	\$ 12,262.60	\$ 12,262.60	\$ 5,772.70 *
3	03-May-12 to 30-May-12	17-Jun-12	\$ 129,122.40	\$ 14,854.79	\$ 14,854.79	
4	01-June-12 to 31-July-2012	19-Oct-12	\$ 93,593.87	\$ 10,767.44	\$ 10,767.44	
5	01-Aug-12 to 31-Dec-2012	15-May-13	\$ 334,677.99	\$ 38,502.78	\$ 38,502.78	
6	01-Jan-13 to 30-Apr-13	24-Oct-13	\$ 330,250.23	\$ 37,993.39		\$ 37,993.39
7	01-May-13 to 31-Aug-13	5-Mar-14	\$ 262,960.79	30,252.13		30,252.13
8	01-Sep-13 to 31-Dec-13	5-Mar-14	\$ 237,808.50	\$ 27,358.50		\$ 27,358.50
9	01-Ene-14 to 30-April-14	9-Jul-14	\$ 98,803.08	\$ 11,366.73		\$ 11,366.73
10	01-May-14 to 31-August-14	Sep 2, 2015	\$ 134,172.83	\$ 15,435.81		\$ 15,435.81
11	01-Sep-14 to 30-Nov-14	Sep 2, 2015	\$ 119,102.85	\$ 13,702.10		\$ 13,702.10
12	01-Dec-14 to 31-March-15	Sep 2, 2015	\$ 156,283.55	\$ 17,979.52		\$ 17,979.52
Total			\$ 2,207,141.76	\$ 223,666.84	\$ 99,830.79	\$ 129,608.75

* Amount rejected due to late presentation of invoices outside of the claim period.

9 Work Plan

9.1 Assumptions and Facts

On August 26, 2015, USAID informed CDM Smith about ARCO's contract modification; a result of negotiation meetings about different site conditions in the schools. The new individual period of performance for each school is clarified in **Table 9-1**.

Table 9-1. New Periods of Performance for Each School Center

No.	School Name	Date
1	C.E. Dr. Adrian Garcia	December 22, 2015
2	C.E. Canton Ojo de Agua	December 28, 2015
3	C.E. Dr. Francisco Antonio Lima	December 22, 2015
4	C.E. Pedro Pablo Castillo	December 11, 2015
5	C.E. Canton San Sebastian Abajo	November 5, 2015
6	I.N. Jose Maria Peralta Lagos	December 18, 2015
7	C.E Colonia Las Margaritas I y II	November 24, 2015

On December 2, 2015, USAID signed the clinic San Ildefonso contract's modification No. 1, extending the contract completion date through February 28, 2016, with a substantial completion date of February 15, 2016.

All of the above dates were used as inputs in the development the Work Plan 2016.

At the end of December, four substantially completed schools obtained their Preliminary Handing Over Certificate. ARCO complied with just one of the due dates established in the contract modification.

Table 9-2. Issuance of Preliminary Handing Over Certificates for School Centers

No.	School Name	Issue of the Preliminary Handing Over Certificate
1	C.E. Dr. Adrian Garcia	December 22, 2015
2	C.E. Canton Ojo de Agua	February 1, 2016*
3	C.E. Dr. Francisco Antonio Lima	January 13, 2016*
4	C.E. Pedro Pablo Castillo	December 30, 2015
5	C.E. Canton San Sebastian Abajo	November 5, 2015
6	I.N. Jose Maria Peralta Lagos	December 18, 2015
7	C.E Colonia Las Margaritas I y II	November 27, 2015

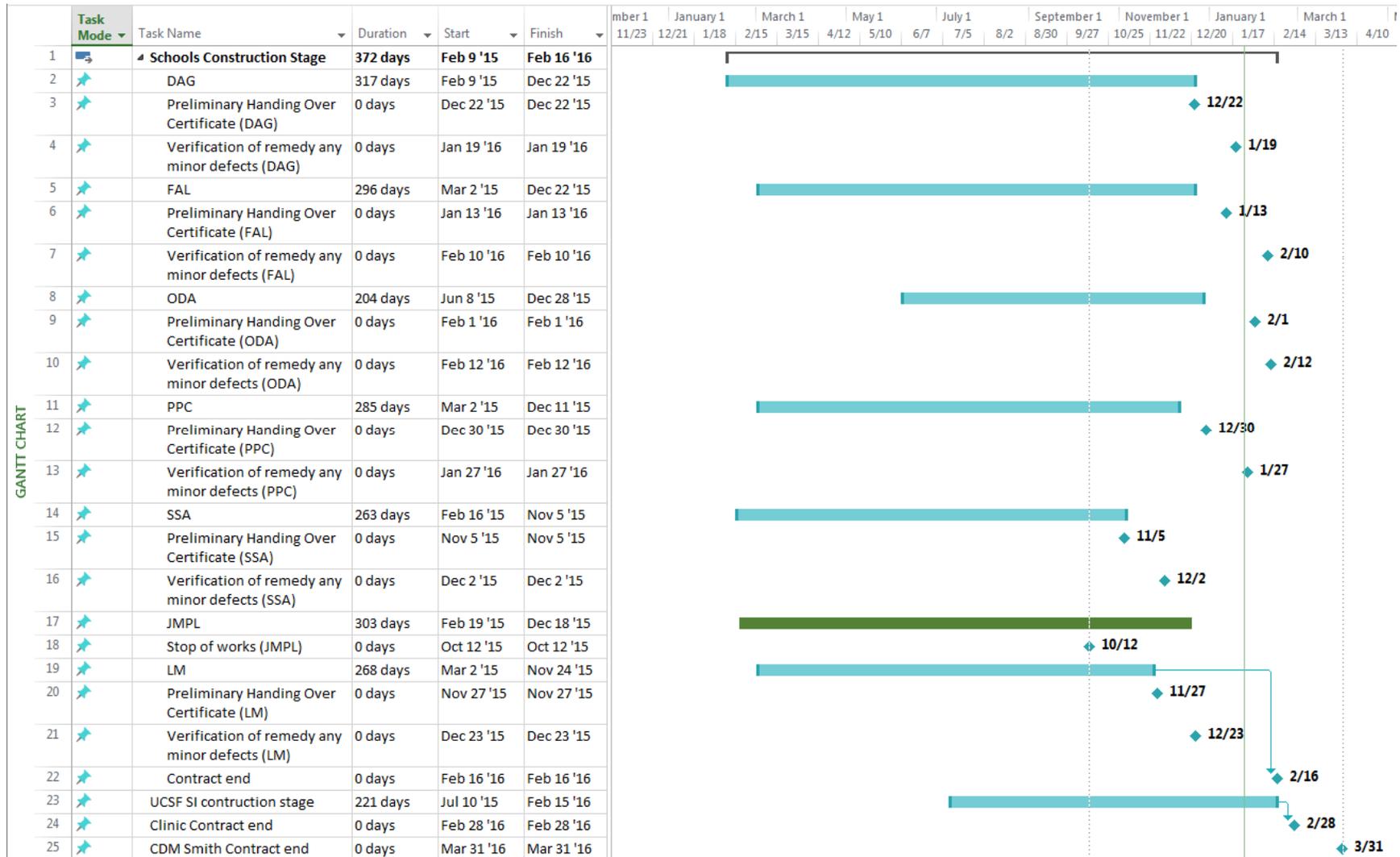
*Dr. Francisco Antonio Lima and Canton Ojo de Agua are expected to receive the Preliminary Handing Over Certificate on January 13, 2016 and February 1, 2016, respectively.

ARCO will be resolving minor defects for six schools in January 2016; therefore, CDM Smith's level of effort (LOE) will be realigned to the actual completion dates of each schools.

9.2 Schedule

The schedule depicted in **Figure 9-1** includes the new completion dates for schools and an estimate of the new completion date for the clinic.

Figure 9-1. Summary Project Schedule, (February/15 to March/16)



9.3 Budget

CDM Smith is adapting the approved budget to the actual conditions of the project. A preliminary adjusted budget for task completion until March 31, 2016 is presented in **Figure 9-2**.

Figure 9-2. Preliminary Adjusted Budget through March 31, 2016

Name	Labor Category	MOD# 6 Budget		Total Estimated project Accrual (Accruals through Oct 2015)		Fourth Quarter 2015 November 30, 2015 ONLY			Fourth Quarter 2015 December 31, 2015 ONLY			First Quarter 2016 January 2016 ONLY			First Quarter 2016 February 2016 ONLY					
		No. of Days	Extended Total	No. of Days	Extended Total	Infl.	No. of Days	Daily Rate	Extended Total	No. of Days	Daily Rate	Extended Total	Infl.	No. of Days	Daily Rate	Extended Total	Infl.	No. of Days	Daily Rate	Extended Total
Total estimated Cost			6,653,338		5,920,042.17			113,376.29			125,054.69			141,829.41						149,053.77
FIXED FEE	6.75%		390,342		5,920,042.169		347,692.52	113,376.29	6.75%	\$7,652.90	125,054.69	6.75%	\$8,441.19	141,829.41	6.75%	\$9,573.48	*****	6.75%	\$10,061.13	
TOTAL CPFF INCLUDE VAT			7,043,680		6,267,734.69			121,029.19			133,495.88			151,402.89						159,114.90
Refund Offset (VAT)			(93,830.79)		(93,830.79)															
TOTAL CPFF Adjusted for VAT Offset			6,943,849		6,167,903.90			121,029.19			133,495.88			151,402.89						159,114.90
Total VAT Currently Not offset			155,618		154,118.26			150.00			150.00			150.00						150.00
Total CPFF (excludes Assume full recovery and VAT Offset)			6,788,231		6,013,785.64			120,879.19			133,345.88			151,252.89						158,964.90

* This discount is contingent upon the continued operation of these projects. We reserve the right to revise estimates if the KfW projects discontinue use of the office space.

Name	Labor Category	First Quarter 2016 March 2016 ONLY		TOTAL Projections (November 2015 - March 2016)		TOTAL ITD + PROJECTIONS		Changes Office Sharing Critical Submittal Review/Overtime Project MIS Adaptation Facility Completion Dates (DTI Costs)	"CHANGES" SUMMARY TOTAL		TOTAL PROJECTIONS + CHANGES		Proposed Budget	
		No. of Days	Daily Rate	Extended Total	No. of Days	Extended Total	No. of Days		Daily Rate	Extended Total	No. of Days	Daily Rate	Extended Total	No. of Days
Total estimated Cost				167,979.29		697,293.45	840,020.33	6,617,335.62		30,134.65	29,574.65	726,868.09		6,646,910.26
FIXED FEE	6.75%	167,979.29	6.75%	\$11,338.60	697,293.45	447,067.31	46,617,335.62	\$394,759.83		\$30,134.65	\$2,034.09	\$727,428.09	\$49,101.40	\$6,647,470.26
TOTAL CPFF INCLUDE VAT				179,317.90		744,360.76		7,012,095.44			31,608.73	775,969.49		7,043,704.18
Refund Offset (VAT)						-		(93,830.79)			-	-		(93,830.79)
TOTAL CPFF Adjusted for VAT Offset				179,317.90		744,360.76		6,912,264.65			31,608.73	775,969.49		6,943,873.39
Total VAT Currently Not offset				150.00		154,868.26		154,868.26			-	750.00		154,868.26
Total CPFF (excludes Assume full recovery and VAT Offset)				179,167.90		743,610.76		6,757,396.39			31,608.73	775,219.49		6,789,005.13

* This discount is contingent upon the continued operation of these projects.

The new total estimated Cost for the project is \$6,646,910.26; the total CPFF include VAT is \$7,043,704.18; and the total CPFF adjusted for VAT Offset is \$6,943,873.39. According to these amounts, the difference between the approved and revised budgets is marginal.

The budgetary adaptations were necessary for the following factors, shown in **Table 9.3**.

Table 9-3. Budget Adjustments through March 31, 2016

Change	Amounts (US\$)
Office sharing	\$ 5,000.00
Critical submittal review/overtime	\$ 5,021.93
Project Management Information System (MIS) Adaptation	\$ 1,810.00
Facilities completion dates (DTI costs)	\$18,302.72
Total of Changes	\$30,134.65

10 Performance Monitoring Plan

The Performance Monitoring Plan (PMP) entails indicators of performance and project objectives broken down into measurable results that can be used to track progress on the individual tasks by facility type, as well as overall project performance.

The comparison of the monitoring indicators was made against the original Work Plan presented in February 2012. The principal change consists of a new scope of architectural and engineering services; specifically, the number of facilities to be included in the Tropical Storm Ida Reconstruction Project (as defined on November 22, 2013 in a meeting between USAID and GOES) has changed. The number of facilities was reduced to two bridges and seven schools and one clinic.

Additionally, the schools contract was extended to February 16th and the clinic have been extended to February 28th, per ARCO's Contract Modifications, issued by USAID on August 26, 2015 and December 2, 2015, respectively.

Another significant development is that ARCO notified USAID of their intention to discontinue the works in José María Peralta Lagos School on December 7, 2015. For this reason USAID is analyzing the possibilities to complete the facility. (This is why the number of schools and training and capacity development tracking in the PMP has been reduced.)

An updated and revised Monitoring Indicators Table was prepared, as shown in **Table 10-1**.

Monitoring Indicators (USAID)

According to USAID's requirements for monitoring indicators, CDM Smith updated the summary table and prepared a second table that considered changes to the scope of work; these changes were made on November 22, 2013 between USAID and GOES¹. These changes are shown in **Table 10-2**.

Table 10-2. Summary Performance Indicators

USAID - EL SALVADOR TROPICAL STORM IDA RECONSTRUCTION PROJECT Contract No. AID-EDH-I-00-08-00023 / Order No. AID-519-TO-12-00001										
STRATEGIC OBJECTIVE 519-022 "HUMANITARIAN ASSISTANCE AND CRISIS RESPONSE"										
SUMMARY PERFORMANCE INDICATORS OPERATIONAL PLAN DATA TABLE AS OF DECEMBER 30, 2011 - HUMANITARIAN ASSISTANCE ACTIVITY										
Indicator	Target/ Actual	CY11	CY12	CY13	CY14	CY15	CY16	Total	Date	Data source
OBJECTIVE: TIMELY HUMANITARIAN ASSISTANCE AND CRISIS RESPONSE										
IR 2: HUMANITARIAN RELIEF AND RECONSTRUCTION										
1	Number of designs (preliminary designs) for damaged structures completed.	Target	0	40	12	0		52	Jan-12	CDM Smith
		Actual	0	2	14	0		16		
2	Number of health facilities rebuilt/rehabilitated.	Target	0	0	10	4		14	Jan-12	CDM Smith
		Actual	0	0	0	0				
3	Number of schools rebuilt/rehabilitated.	Target	0	0	24	8		32	Jan-12	CDM Smith
		Actual	0	0	0	0				
4	Number of bridges rebuilt.	Target	0	0	4	2		6	Jan-12	CDM Smith
		Actual	0	0	0	0				

USAID - EL SALVADOR TROPICAL STORM IDA RECONSTRUCTION PROJECT STRATEGIC OBJECTIVE 519-022 "HUMANITARIAN ASSISTANCE AND CRISIS RESPONSE"											
SUMMARY PERFORMANCE INDICATORS OPERATIONAL PLAN DATA TABLE AS OF SEPTEMBER 30, 2015 - HUMANITARIAN ASSISTANCE ACTIVITY											
Indicator	Target/ Actual	CY11	CY12	CY13	CY14	CY15	CY16	Total	Date	Data source	
OBJECTIVE: TIMELY HUMANITARIAN ASSISTANCE AND CRISIS RESPONSE											
IR 2: HUMANITARIAN RELIEF AND RECONSTRUCTION											
1	Number of designs (preliminary designs) for damaged structures completed.	Target	0	2	14	0	0	0	16	31-Dec-15	CDM Smith
		Actual	0	2	14	0	0	0	16		
2	Number of health facilities rebuilt/rehabilitated.	Target	0	0	0	0	0	1	1	31-Dec-15	CDM Smith
		Actual	0	0	0	0	0	0	0		
3	Number of schools rebuilt/rehabilitated.	Target	0	0	0	0	6	0	6	31-Dec-15	CDM Smith
		Actual	0	0	0	0	2	0	2		
4	Number of bridges rebuilt.	Target	0	0	0	1	1	0	2	31-Dec-15	CDM Smith
		Actual	0	0	0	2	0	0	2		

As previously mentioned, the number of schools rebuilt/rehabilitated has been reduced since ARCO notified USAID of the intention to discontinue with the works for security reasons. USAID is analyzing options for continuing and completing the works.

¹ USAID informed CDM Smith of the decision to change the scope of architectural and engineering services on December 17th, 2013.

11 Conclusions

School Centers

In December, ARCO arrived at the direct cost invoicing level that it had committed to reaching. The seventh target to be reached was \$474,576.30, corresponding to the period from November 16 to November 29, 2015. During this period, ARCO submitted an invoice for \$490,251.60.

The eighth invoicing target was \$307,165.18, corresponding to the period from November 30 to December 13, 2015. This, too, was exceeded: during this period, ARCO submitted an invoice for \$623,503.12.

However, the accumulated deficit rose to \$2,050,109.55 from the initial target in the period from August 24 to September 6, 2015.

Although ARCO has taken steps to incorporate additional resources, labor has not been well organized and they have been unable to comply with the December work completion date.

Although the contract was supposed to complete all schools by December 2015, only four schools (San Sebastian Abajo, Las Margaritas I y II, Dr. Adrian García y Pedro Pablo Castillo) were substantially completed in December 2015 and just two (San Sebastian Abajo and Las Margaritas I y II) remedied all minor defects.

It is necessary to continue the production level to complete the Francisco Antonio Lima school center in January 2016 and the Cantón Ojo de Agua school center in February 2016.

Clinic

ARCO presented a new activities timetable to complete the work according to Modification No. 1 of the contract, which defines February 15, 2016 as the date for substantially completed work. However, because ARCO has already reported delays in December, CDM Smith has some reservations and is concerned that the work will not be completed within the additional term granted by USAID.

12 Recommendations

School Centers

All of the work at the school centers should have been completed in December.

The recommendations included in the November report are still valid for the Francisco Antonio Lima and Ojo de Agua school centers, where construction activities continue. These recommendations can also include the penalization of the *Liquidated Damages* ARCO has incurred since the work is not completed.

General recommendations include the following:

- Work all weekends until the school center is substantially completed.
- Start a night shift immediately, for which ARCO must provide all needs: materials, tools, equipment and administrative field personnel to ensure a well-lit, safe and efficient work environment. The night shift must have an hour load similar to the day shifts, and it should be considered necessary to include quality control personnel in the night shift.
- Organize personnel efficiently to avoid having work fronts unattended.

Clinic

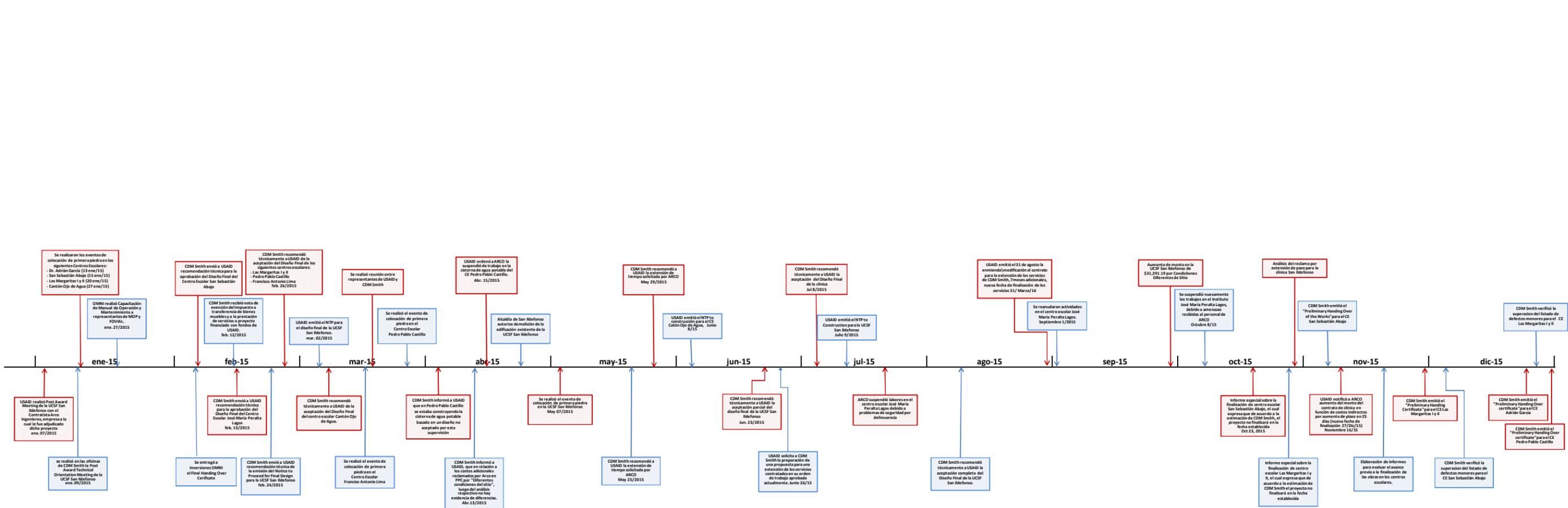
ARCO must submit this contingency plan as soon as possible since there has been a delay in the new timetable delivered, which had identified the work completion date as February 15, 2016.

General

It is necessary for ARCO to improve their managerial and logistical skills in order to complete the work. To date, ARCO has been unable to meet any of the invoicing dates and presents an invoicing deficit of \$2,050,109.55.

Annex 1

Time Line



Annex 2

Summary Table of

IDA Project



Cuadro Resumen del Proyecto de USAID de Reconstrucción por la Tormenta Tropical Ida



Nombre del Sub-proyecto	Puentes		Centros Escolares							UCSF	TOTAL
	San Antonio	Acahuapa	Cantón San Sebastian Abajo	Pedro Pablo Castillo	Dr. Adrian Garcia	Catón Ojo de Agua	Instituto Nacional José María Peralta Lagos	Dr. Francisco Antonio Lima	Colonia Las Margaritas 1 y 2	San Ildefonso	
Empresa de Supervisión	CDM Smith	CDM Smith	CDM Smith	CDM Smith	CDM Smith	CDM Smith	CDM Smith	CDM Smith	CDM Smith	CDM Smith	
Empresa Contratista	CIVING, S. A. de C.V.	INVERSIONES OMNI, S.A. de C.V.	ARCO Ingenieros S. A. de C. V.	ARCO Ingenieros S. A. de C. V.	ARCO Ingenieros S. A. de C. V.	ARCO Ingenieros S. A. de C. V.					
Longitud (m)	35.00	66.00									101.00
Area construida (m2)			434.88	1,630.25	911.57	485.29	2,188.16	1,235.43	911.57	737.89	8,535.04
Fecha Inicio	4-Jun-13	7-Jan-14	26-Aug-14	26-Aug-14	26-Aug-14	26-Aug-14	26-Aug-14	26-Aug-14	26-Aug-14	1/6/2015	
Fecha Fin	8-Aug-14	15-Feb-15	5-Nov-15	11-Dec-15	22-Dec-15	28-Dec-15	18-Dec-15	22-Dec-15	24-Nov-15	2/25/2016	
Fecha de Informe	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	30-Nov-15	
% Plazo Transcurrido	100.00%	100.00%	100.00%	97.67%	95.45%	94.27%	96.24%	95.45%	100.00%	79.04%	
% Plazo Restante	0.00%	0.00%	0.00%	2.33%	4.55%	5.73%	3.76%	4.55%	0.00%	20.96%	
Monto presentado a la fecha para cobro a USAID	\$2,081,657.73	\$4,623,444.33	\$517,790.91	\$914,200.81	\$1,161,628.82	\$383,856.12	\$569,667.31	\$784,466.86	\$604,351.68	\$283,257.43	\$11,924,322.00
Monto de Contrato Diseño/Construcción	\$2,081,657.73	\$4,623,444.33	\$444,909.01	\$1,539,555.79	\$1,759,780.57	\$553,974.27	\$1,393,629.36	\$1,327,633.93	\$680,355.97	\$1,130,488.65	\$15,535,429.61
Monto de contrato modificado	\$2,081,657.73	\$4,623,444.33	\$531,999.98	\$1,644,433.93	\$1,827,883.73	\$799,524.38	\$1,399,719.13	\$1,489,088.29	\$845,169.57	\$1,183,196.09	\$16,426,117.16
% presentado a cobro a la fecha	100.00%	100.00%	97.33%	55.59%	63.55%	48.01%	40.70%	52.68%	71.51%	23.94%	
Actividad Realizada	Reconstrucción de Puente	Reconstrucción de Puente	Reconstrucción	Reconstrucción	Reconstrucción	Reconstrucción	Reconstrucción	Reconstrucción	Reconstrucción	Reconstrucción y Rehabilitación	
STATUS	Finalizado	Finalizado	Cierre	Construcción	Construcción	Construcción	Suspensión de obra	Construcción	Cierre	Construcción	