INVESTIGATIVE REPORT / PART 1 OF 3

Lake Forest High School Referendum

The spending increase, the projects shelved, and the decisions that demand answers

Prepared by Philippe Melin for Parents Care | November 12, 2026

Executive summary

District 115 asked voters to approve **$105.7 million** for Lake Forest High School's highest priority facility needs. The referendum passed by just **120 votes**. Its renovation program is now projected to spend **$117.5 million**, nearly $12 million more than the original bond proceeds, even after major planned improvements were shelved.

In approximately six months, Phase II construction estimates rose from **$29.9 million to $52.6 million** (76%). The district then reduced the scope proceeding to construction by **$18.54 million**. At West Campus alone, the planned construction estimate fell from $20.46 million to $4.77 million.

Parents Care also identifies **$926,215 in estimated gross architectural fee value** associated with work removed from the current Phase II construction scope. The calculation, including every input and formula, appears on page 4.

NUMBERS TO REMEMBER

ORIGINAL REFERENDUM	PROJECTED SPENDING	CURRENTLY SHELVED
$105.7 million	$117.5 million	$18.54 million

The question of judgment

On November 10, 2026, the administration reported that the program remains approximately $1.2 million "under budget." That statement uses an enlarged $118.7 million project funding plan, including about $13 million in projected investment earnings, not simply the amount raised by the referendum.

The Grayslake problem with the inflation defense

District officials pointed to regional labor competition, including data center projects. But the enormous T5 Grayslake data center was announced in May 2024, fully approved by May 2025, and reported to be under construction in October 2025, before the district adopted its November 2025 Phase II cost baseline. The foreseeable cost risk should have been reflected in project estimates and scope decisions.

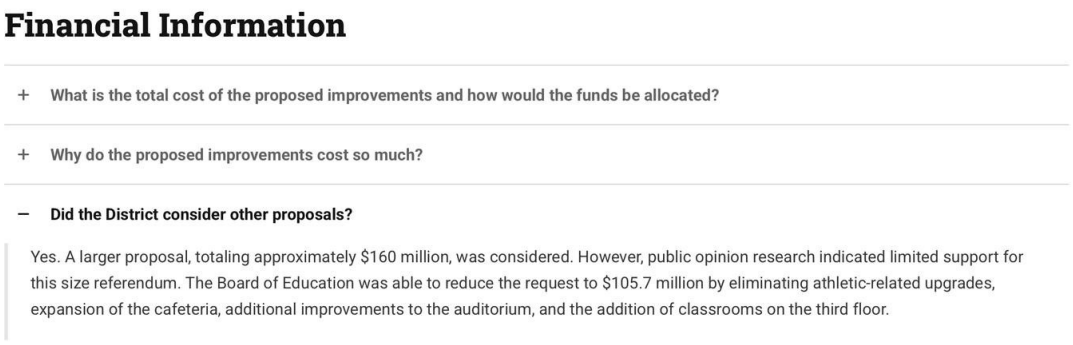
PARENTS CARE FINDING

This is not merely a story about rising prices. It is about whether district leaders and their professional advisers made prudent scope, estimating and spending decisions in a market they had ample reason to understand.

SECTION 1

The promise to referendum voters

In 2023, District 115 considered a renovation costing roughly $160 million. After polling showed limited support for that figure, the district removed approximately $54 million in contemplated improvements and sought voter authorization for $105.7 million. Its referendum FAQ described the narrower proposal as focused on the school's absolute highest priority needs, "no more; no less."



Financial Information

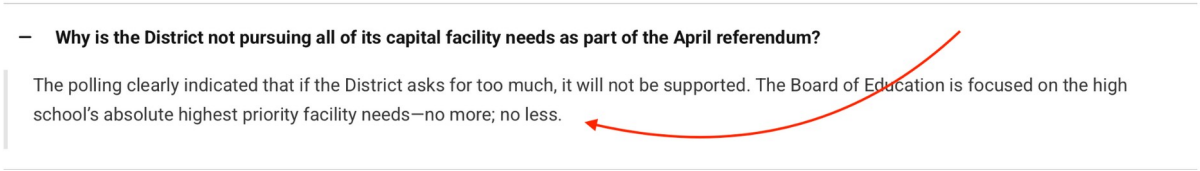
+ What is the total cost of the proposed improvements and how would the funds be allocated?

+ Why do the proposed improvements cost so much?

– Did the District consider other proposals?

> Yes. A larger proposal, totaling approximately $160 million, was considered. However, public opinion research indicated limited support for this size referendum. The Board of Education was able to reduce the request to $105.7 million by eliminating athletic-related upgrades, expansion of the cafeteria, additional improvements to the auditorium, and the addition of classrooms on the third floor.

Figure 1a. The district's referendum FAQ describes the larger proposal and the work eliminated before the vote.



– Why is the District not pursuing all of its capital facility needs as part of the April referendum?

> The polling clearly indicated that if the District asks for too much, it will not be supported. The Board of Education is focused on the high school's absolute highest priority facility needs—no more; no less.

Figure 1b. District 115's explicit assurance to voters: focus on the high school's absolute highest priority facility needs, no more; no less.

SOURCE Original District 115 referendum FAQ

The referendum passed by only 120 votes. In October 2023, Board President John Noble defended the district's chosen bond financing structure by referring to the importance of keeping the promise made before voter approval.

The questions raised by later additions

The administration's November 10, 2026 finance presentation explicitly cited "added project scope" as one of the factors affecting cost. That raises an elementary accountability question: which improvements were added after voter approval, who authorized each addition, and were voters informed that the district was revisiting the choices that made the referendum narrowly acceptable?

What was actually removed?

The revised Phase II plan defers work at both campuses. At West Campus, improvements previously identified in the facilities program included replacement of aging plumbing equipment and electrical panels; substantial portions are not in the current construction scope. At East Campus, some corridor and support space lighting work was also deferred.

Residents deserve a clear accounting of which shelved improvements were promised in 2023 and which were added later. Did expanding the project mean sacrificing some of its original commitments?

SECTION 2

From $29.9 million to $52.6 million

The November 2025 architectural services proposal used **$29,880,204** in Phase II construction estimates. By April and May 2026, the broader scope estimated for fee alignment totaled **$52,596,731**. The change was **$22,716,527, or approximately 76%** in five to six months.

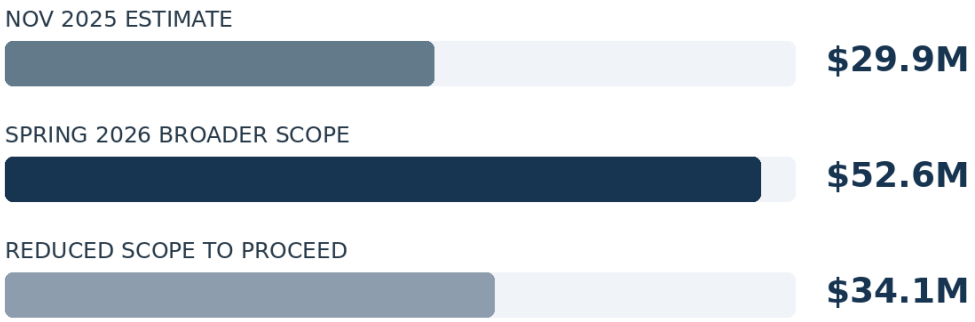


Figure 2. Estimates reflect distinct project milestones. The reduced scope was prepared after the spring 2026 broader design estimates.

CAMPUS	BROADER ESTIMATE	PROCEEDING	REMOVED / DEFERRED
East	$32,139,970	$29,287,525	$2,852,445
West	$20,456,761	$4,770,112	$15,686,649
Total	$52,596,731	$34,057,637	$18,539,094

Source: Perkins&Will, November 4, 2026 architectural fee alignment proposal, compensation table, p. 3.

West Campus bore most of the reduction

West Campus accounted for about 85% of the $18.54 million reduction. The initial West Campus estimate was $20.46 million; only $4.77 million remains in the current scope. Perkins&Will reports that design work on the broader West Campus project had already reached 80% construction documents before the reduction.

A serious planning question

The figures do not establish that every additional dollar was caused by scope expansion. They do establish an unusually large change from one estimate to the next, followed by a major reduction in what will actually be built. The district owes the public a dated reconciliation identifying changes in quantities, scope, labor, materials and estimating assumptions.

SOURCE November 2026 Perkins&Will fee alignment proposal

SECTION 3

Show the work: $926,215 in architectural fees

The district's architect states that fees for completed design phases are calculated on the larger scope designed, even when some of that work is deferred. Parents Care used the construction estimates and phase completion percentages in the November 4, 2026 Perkins&Will fee alignment proposal to calculate the gross fee value associated with the removed scope.

THE METHOD

Deferred construction estimate × 7.65% contractual architectural fee rate × completed design percentage = gross architectural fee value attributable to deferred work.

INPUT / CALCULATION	EAST CAMPUS	WEST CAMPUS
Broader construction estimate	$32,139,970	$20,456,761
Scope proceeding to construction	$29,287,525	$4,770,112
Difference: scope deferred	$2,852,445	$15,686,649
Contractual design fee rate	7.65%	7.65%
Completed design percentage	45%	69%
Gross fee on deferred scope	$98,195	$828,020

EAST CAMPUS: $2,852,445 × 0.0765 × 0.45 = $98,195.42

WEST CAMPUS: $15,686,649 × 0.0765 × 0.69 = $828,019.77

COMBINED: $98,195.42 + $828,019.77 = $926,215.19

Why 45% and 69%?

The architect's fee schedule assigns 15% to schematic design and 30% to design development, giving East Campus 45% complete for this calculation. West Campus completed those phases plus 80% of the 30% construction documents phase: 15% + 30% + (80% × 30%) = 69%.

What the number does and does not prove

This is the gross contractual design fee value attributable to estimated construction work excluded from the present phase. It is not proof that $926,215 has been paid in cash, permanently lost, or could have been avoided in full. Some plans may be reused if deferred work is eventually funded. The proposal also deducts $384,265 in previously allocated West Campus Phase I design fees, a credit that is not identified as a direct offset against this particular deferred scope.

The accountability problem remains: Why did the district advance design so far on work it would not fund in this construction phase? Who authorized that sequence, and what is the district's realistic plan to use the designs?

SOURCE Perkins&Will fee alignment proposal and detailed compensation schedule

SECTION 4

Grayslake: a foreseeable cost, not a surprise

At the November 10, 2026 Finance Committee meeting, Superintendent Montgomery invoked the Grayslake data center in explaining construction price pressures. The district's slide separately identified competition for skilled trades, materials volatility and "added project scope." The chronology is important because the Grayslake project was not new when District 115 was setting the estimates and choosing the scope of its renovation.

DATE	WHAT WAS ALREADY KNOWN
May 2, 2024	T5 publicly announced its planned Grayslake data center campus.
Sept. 2024 to May 6, 2025	The Village of Grayslake reviewed and approved the campus in phases. By May 6, the land use and site approvals were complete.
October 11, 2025	The Daily Herald reported site work and construction of the first buildings and a substation underway.
November 2025	District 115 approved Phase II architectural services using approximately $29.9 million in construction estimates.
April and May 2026	The broader Phase II estimates reached $52.6 million. Design continued on work later deferred.
November 10, 2026	The administration pointed to regional labor competition while presenting the revised financial plan.

Why this explanation fails as an excuse for project management

1. The competition was foreseeable. The data center was announced more than 18 months before the November 2025 estimate, and construction activity was publicly reported before that estimate was approved. Any competent project cost review should have considered a major local competitor for skilled labor.

2. The district still had to exercise judgment. A known risk is a reason to test estimates, protect contingency and restrain discretionary scope, not a reason to increase commitments and later blame the market when pricing proves unaffordable.

3. The district has not apportioned the increase. Its November 2026 slide gives no dollar breakdown showing how much of the $22.7 million escalation came from Grayslake, other labor competition, material prices, altered design or estimating errors.

THE QUESTION MONTGOMERY MUST ANSWER

If the Grayslake labor competition was already public, approved and active before the district's November 2025 Phase II estimate, why was that risk not adequately incorporated before the administration continued designing an expanded project?

External timeline: T5 announcement (May 2, 2024); Village of Grayslake development approvals FAQ (updated June 5, 2026); Daily Herald (October 11, 2025).

SOURCE T5 project announcement

SOURCE Grayslake village approval information

SOURCE Daily Herald report on construction underway (October 11, 2025)

SECTION 5

How “under budget” changed meaning

The November 10 presentation labeled the project approximately $1.18 million under its current funding plan. That arithmetic is correct using the district’s expanded budget. What it does not mean is that spending remains within the original $105.7 million in referendum bond proceeds.

DISTRICT FINANCIAL PRESENTATION	AMOUNT
Original bond proceeds	$105,674,871
Projected investment earnings	+$13,000,000
Updated project funding plan	$118,674,871
Projected spending	$117,495,609
Surplus versus updated plan	$1,179,262
Spending above original proceeds	$11,820,738

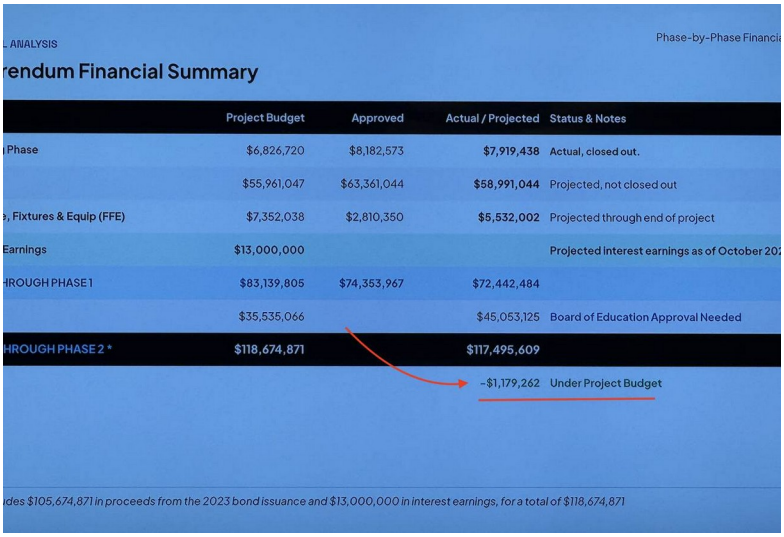


Figure 3. District 115’s November 10, 2026 referendum financial summary. It treats projected investment earnings as part of available project funding.

The district financed the referendum through a single bond sale in October 2023. Bond proceeds invested before construction can earn interest, and the district has directed anticipated earnings toward additional project spending. Its investment manager projected approximately $13.55 million in gross investment income and a $593,413 anticipated federal arbitrage rebate, leaving approximately $12.96 million.

Taxpayers also owe interest on the bonds. The projected investment earnings are not equivalent to a free gift that erases the cost of borrowing. At the same time, the present record does not establish the net benefit or harm relative to a staged bond issue; that would require a modeled alternative financing schedule.

The public accountability question is simpler: Did the district adequately disclose that it intended to spend substantially beyond the original referendum proceeds, and did the expanded financial capacity encourage additions that later proved unaffordable?

SOURCE District financial presentation and PMA portfolio report

SECTION 6

Who approved these decisions?

The district's agreement with Perkins&Will does not treat reconciliation of construction estimates as an optional courtesy. Section 3.3.3.1 addresses review of design development estimates with the owner, alignment to the project budget, and owner approval before moving to the next phase.

AIA AGREEMENT, SECTION 3.3.3.1

"The Architect shall not proceed to the next phase without Owner approval of the estimate and budget."

The documents reviewed do not establish whether any party breached that requirement. They do establish why the public should be able to see the approval and reconciliation trail, particularly given the 80% completed West Campus construction documents for a much larger scope.

Questions requiring documentary answers

- What work was added to the referendum program after voter approval? Who requested and authorized each addition, and on what date?
- What did the district, Pepper Construction and Perkins&Will know about local labor competition when the November 2025 estimates were prepared?
- Who reviewed the escalating design estimates, when were warnings raised, and what scope or contingency changes did they recommend?
- Who approved continuing West Campus design to 80% construction documents before the decision to proceed with only approximately $4.77 million of its broader $20.46 million scope?
- What portion of the $926,215 estimated design fee value has actually been billed and paid? What credits apply, and how much of the work can realistically be reused?
- Which postponed improvements were promised in 2023, which were later additions, and which have a funded and scheduled path to completion?

What responsible oversight would look like

Parents Care calls for a dated public reconciliation of approved scope, estimates, board and staff authorizations, changes to project contingencies, architectural fees and plans for the deferred work. The district should publish the sequence in terms residents can understand, rather than relying on broad references to inflation and market conditions.

SOURCE Perkins&Will master architectural services agreement

SOURCES AND METHOD

A documented case for accountability

The central problem is not that construction costs rose. It is that District 115 continued developing substantial work in an environment where major cost risks were publicly foreseeable, then reduced the planned construction while enlarging the available spending plan. Those decisions left taxpayers with serious questions about the value of design work already performed and the status of improvements they expected to receive.

The administration can answer those questions by releasing a complete scope history and design approval record. Until it does, claims of being “under budget” provide a partial and potentially misleading account of what happened.

Documents used in this review

RECORD	WHAT IT ESTABLISHES
2023 referendum FAQ	Original scale, referendum scope and district messaging
November 2025 Perkins&Will Phase II proposal	Original Phase II estimate and design services authorization
April / May 2026 design estimates	Broader East and West Campus construction estimates
November 4, 2026 fee alignment proposal	Reduced work, 7.65% fee rate, design completion percentages
April 2023 AIA B101 agreement	Design estimate review and owner approval procedures
November 10, 2026 financial presentation	Added scope acknowledgment and updated spending plan
May 2026 PMA portfolio report	Projected investment earnings and arbitrage rebate
T5, Village of Grayslake, Daily Herald	Public Grayslake project chronology before Nov 2025

Method and limitations

All amounts in this report are nominal. The $926,215 design fee calculation is an estimate of gross fee value under the contractual schedule, not a determination of actual invoices paid or damages. The $18.54 million figure measures work removed from the broader Phase II construction estimates for the current scope, not necessarily work permanently canceled. Construction estimates and bid packages may include different cost categories. Timing and authority for specific scope additions are not yet reconstructed.

Source links

SOURCE District referendum FAQ

SOURCE 2025 Phase II architectural proposal

SOURCE 2026 architectural fee alignment proposal

SOURCE District finance slides and PMA report

SOURCE T5 press announcement, May 2, 2024

SOURCE Village of Grayslake project approvals

SOURCE Daily Herald site work report, October 11, 2025

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