

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, FEBRUARY 6, 2013 AT 9:00 A.M.
ONE WEST STATE STREET, ONE WEST BOARD ROOM

AGENDA

1. NOTICE OF PUBLIC MEETING

2. ROLL CALL

3. APPROVAL OF MEETING MINUTES

- a. Board Open Session Meeting Minutes of January 3, 2013
- b. Board Executive Session Meeting Minutes of January 3, 2013
- c. Board Organizational Meeting Minutes of January 3, 2013

4. AUTHORITY MATTERS

- a. CEO Report
- b. Chairman's Report

5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)

- a. Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
(To be done in Executive Session)

6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)

a. Change Orders/Amendments

1. COMPANY NAME:	Ernest Bock & Sons, Inc.
DISTRICT:	Elizabeth
CONTRACT NO.:	EL-0016-C03
PMF/CM:	NJSDA Managed
SCHOOL NAME:	Victor Mravlag Elementary School, No. 21
CHANGE ORDER NO.:	124
REASON:	Code-Required Additional Work
AMOUNT:	\$19,338
CONTRACT STATUS:	74% Paid to Date against the Current Contract Value
ANTICIPATED OCCUPANCY DATE:	April 2013
2. COMPANY NAME:	TAK Construction, Inc.
DISTRICT:	Plainfield
CONTRACT NO.:	ET-0049-C02
PMF/CM:	Epic Management
SCHOOL NAME:	Emerson E.S.
CHANGE ORDER NOS:	75 & 83
REASON:	Delays/Additional Work
AMOUNT:	\$ 996,961.70
	Change Order #75 \$90,553
	Resolving Change Order #83 Credit of (\$193,591.30) to resolve
	CCD #1 \$1,100,000
TIME EXTENSION:	292 days
CONTRACT STATUS:	99% Paid to Date against Current Contract Value
OCCUPANCY DATE:	September, 2008

- b. Approval of Awards/ Release of Funds from Program Reserve
 - i. Award of Contract, Approval of Charter and Release of Funds from Program Reserve
Newark Public Schools - Hawkins Street Elementary School
Emergent Project – Boiler Replacement
 - ii. Award of Contract, Approval of Final Charter and Release of Funds from Program Reserve - Newark
Public Schools - Dr. E. Alma Flagg Elementary School
Emergent Project-Air Quality
 - iii. Award of Contract, Approval of Final Charter and Release of Funds from Program Reserve; West New
York School District – PS#5 -
Emergent Project – Masonry Wall Repairs
 - iv. Award of Contract, Approval of Final Charter and Release of Funds from Program Reserve - West New
York School District – PS#1
Emergent Project – Masonry Wall Repairs
 - v. Design-Build Award and Approval of Final Project Charter
Passaic School District – Henry Street Elementary School
- c. Approval of Award
 - i. Estimating/Cost Analysis and CPM Scheduling Services
- d. Final Adoption: Readoption of N.J.A.C. 19:36 Design-Build Regulations.

7. MONTHLY REPORTS

- a. *For Informational Purposes*
 - i. Active Projects Report
 - ii. Project Close Out Status Report
 - iii. Project Status Reports
 - iv. Contracts Executed Report/Amendments & Change Orders Executed Report
 - v. Contract Terminations Report (*no activity*)
 - vi. Settlement Activities Report
 - vii. Contractor and Workforce Compliance Report
 - viii. Regular Operating District Grant Activity Report
 - ix. Notification of Amendments to Goods and Services Contracts Not Exceeding \$250,000
(*no activity*)
 - x. Communications Report
 - xi. Monthly Financial Report (*no activity*)

8. PUBLIC COMMENT(S)

9. REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE – TO BE DONE IN EXECUTIVE SESSION

- a. Litigation Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
CCD Report (*no activity*)

10. ADJOURNMENT

APPROVAL OF MEETING MINUTES

JANUARY 3, 2013 OPEN SESSION MINUTES

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING**

THURSDAY, JANUARY 3, 2013

A meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA”, “NJSDA” or “the Authority”) was held on Thursday, January 3, 2013 at 9:10 A.M. at the offices of the Authority at One West State Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Maureen Hassett (NJEDA)
Kevin Luckie (NJDCA)
James Petrino (State Treasurer)
Bernard Piaia (NJDOE)
Michael Capelli
Kevin Egan
Loren Lemelle
Lester Lewis-Powder
Michael Maloney
Joseph McNamara
Robert Nixon
Martin Perez
Mario Vargas

being a quorum of the Board. Mr. Piaia, Ms. Lemelle, Mr. Lewis-Powder, Mr. Petrino and Mr. Perez participated in the meeting via telephone conference.

At the Chairman’s request, Marc Larkins, chief executive officer; Jason Ballard, chief of staff; Jane Kelly, vice president & assistant secretary; Andrew Yosha, vice president; Donald Guarriello, vice president and chief financial officer; Albert Barnes, acting chief counsel; and

Sean Murphy, director, of the SDA participated in the meeting. Nicole Crifo of the Governor's Authorities Unit also participated in the meeting by teleconference.

The meeting was called to order by the Chairman of the Board, Mr. Walsh. Mr. Walsh requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey.

Approval of Meeting Minutes

Mr. Walsh then presented the minutes of the Open and Executive Session meetings of the Board held December 5, 2012 for consideration and approval. A copy of the minutes and resolution presented were provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Nixon, and seconded by Mr. Vargas, the Open and Executive Session meeting minutes were approved by the Board upon its vote in favor of the resolution attached hereto as *Exhibit 3a & 3b*.

Authority Matters

CEO Report

Mr. Walsh asked Mr. Larkins to provide the report of the CEO. Mr. Larkins wished the Members and those present at the meeting a happy and healthy New Year. He then thanked all the Board Members for their commitment to the work of the Authority. He noted that the public members serve without compensation and while the *ex officio* members serve with compensation from their normal state jobs, service on the SDA board is an additional duty they perform without added compensation. He thanked them for their service, leadership and commitment to the children of the State. He stated that he is nearing the completion of his third year as CEO

and that he recognizes the significant role that the Members play in what is accomplished at the Authority. He noted his personal appreciation for their guidance and the time and effort they must expend given the volume of materials that are sent out monthly in preparation for Authority meetings. He said that he is looking forward to the work ahead in the coming year. Mr. Larkins reported that a high level summary of the thirty (30) projects that comprise the capital portfolios anticipates that thirteen (13) projects will be in construction in 2013. He noted that there was a significant level of activity in 2012, much of it involving preparation and the laying of ground for construction to begin in 2013. He said that all ten (10) of the projects that were announced in 2011 will be in construction in 2013. He said that a number of the twenty (20) projects announced last year are already in the planning stages, noting that a few may begin construction in 2013. He explained that when he advises that a project is in construction that term is inclusive of all the planning phases which are essential to getting a building built. He advised that in the last number of months SDA's Communications Department has worked hard to make the SDA website more current. He said that on the home page there is a link to construction photos. He advised that when clicking on an active project such as the Long Branch project, there are photos of the site taken as recently as November 2012. He noted that two other projects from the 2011 portfolio are on the verge of beginning construction. He said that the New Brunswick project, the first Design/Build project, anticipates the breaking of ground in the next few months. He noted that this is a success story with all parties working together to keep the project on track. He said that the other project is the high school project in Elizabeth. He said that the site work was completed and the construction award was issued to Patock Construction Company. He said that Patock is on the verge of receiving a Notice to Proceed ("NTP") over the next couple of months following the peer review. Mr. Larkins then advised that progress at the Victor Mralag

School in Elizabeth is slow but moving forward. He then discussed advertisements and work under review. He noted that bids on the New Henry Street Elementary School project in the Passaic School District are due today and that the bids for the Oliver Street School in Newark are due on January 23rd. He said that at the end of December 2012 the SDA advertised for the Elliott Street Elementary School project in Newark with bids due the latter part of February 2013. He said that a great deal of advertisement and award activity is underway. He noted that the pricing is still quite good while the bidding pool is a bit narrow. Mr. Larkins said that the Authority works hard to encourage all General Contractors (“GCs”) to get involved to keep the bidding pool as deep as possible. He advised that there are contracts under review right now, noting that the Design Consultants Services contract is on today’s agenda. He said that this contract is an important one as once the awards are in place the Authority will be able to assign several emergent project design needs as well as the five (5) facility improvement projects included in the 2012 plan. He then advised that under review is the Philipsburg High School project contract that was delegated to the Chairman of the Board, the CEO and the Chair of the SRC. He said that proposals came in and were reviewed with the presumptive awardee being the Terminal Construction Company. He said that there have been two (2) bid protests filed to-date and these are now under review. He said that once a final decision has been made, the decision memorandum will be shared with the Chairman of the Board and Chairman of the SRC.

In continuing, Mr. Larkins reported that the SDA prepares and distributes three (3) reports each year. He said that these are two (2) biannual reports and one annual report. He noted that the April 2012 thru September 2012 biannual report has been released, explaining that the report highlighted the work that was accomplished during this timeframe. He said that the

report noted the opening of two (2) new schools, emergent projects and other activities. He also said that the report looks ahead to the anticipated work of the SDA.

Lastly, Mr. Larkins reported that will be a lot of activity in 2013, emphasizing that there will be advertisements going out on the street in the next two (2) to three (3) months. He said that the activity that is being generated is not only good for the state's school children but also for the construction trades community. He said that his hope is that the Board will be very proud of the accomplishments of the Authority in 2013. Mr. Vargas remarked that Mr. Larkins has done an amazing job as CEO of the SDA. He noted the pressures that are exerted by all the various constituencies that follow the work of the Authority. He then asked if the protests filed with regard to Philipsburg High School were unusual. Mr. Larkins replied that while it is not typical it is not odd noting that it is something that happens in the ordinary course of procurements. He added that the Office of Chief Counsel will work through the process and come up with a fair resolution. Ms. Hassett asked if the process for bid protests is handled through the Board. Mr. Larkins explained that it starts out as an internal administrative process and that a final agency decision is issued. Mr. Barnes noted that, once the final decision is made, any appeal would go directly to the Appellate Division of the Superior Courts.

Chairman's Report

Mr. Walsh agreed with Mr. Larkins' comments regarding the volume of reports, meeting minutes and the like that the Authority must prepare. He said that while it takes a long time to review materials and minutes, it takes a lot longer to prepare them. He thanked Mr. Larkins, the executive team and SDA staff for their efforts and noted that their hard work is recognized. He said that he feels that the Authority has come a long way and he knows that has not always been easy. Mr. Walsh said that he is looking forward to being involved in the upcoming construction

projects and invited anyone with historic construction knowledge to come forward to assist. Mr. Walsh expressed the hope that problems of the past will be avoided, noting that procurement is the key to the success of a project. He said that he is also looking forward to seeing how the Design/Build process progresses.

Audit Committee Report

The Chairman then requested that Mr. Nixon provide the Board with the Report of the Audit Committee. Mr. Nixon advised the Members that the Audit Committee met on December 17, 2012. He said that, at the meeting, management provided the Committee with the November 2012 New Funding Allocation and Capital Plan Update. He said that management had reported no change in the Unforeseen Events or Planning Reserves and no change in the 2008 or 2011 Capital Plan Emergent Projects Reserves. He reported that the reserve balance for the Regular Operating Districts ("RODs") increased by \$1.9 million due entirely to a reduction in State Share for projects nearing completion. He also noted that one additional grant was offered in the current reporting period.

In continuing, Mr. Nixon said that, for informational purposes, management had provided the Committee with an overview of forecasted Capital spending for 2013. He said that expenditures for school facilities projects are estimated at \$271 million in 2013, which represents an increase of approximately \$66 million as compared to 2012 estimated expenditures. He noted that the majority of the increase is in construction costs as several new capital projects are expected to begin construction during 2013.

Mr. Nixon said that management also presented and is seeking Board approval of a sole source procurement. He explained that approval is being sought for the sole source procurement of a site license for ARCOM's MasterSpec® Specifications System software for SDA program

wide use and, specifically, for use by the SDA design studio. He said that the system is a product of the American Institute of Architects and is the most widely used master guide specification system in the building and construction industry.

Mr. Nixon advised the Board that the cost is \$4,790 for the initial year and \$2,150 for renewal years. He said that, following management's presentation, the Committee had determined to recommend approval of the procurement and award by management of a contract to ARCOM on a sole source basis and to authorize management to renew the software license annually without further Board approval so long as ARCOM remains the sole source provider and the costs remain below the threshold requiring board approval in accordance with the SDA Operating Authority. Following discussion, upon motion made by Ms. Hassett and seconded by Mr. Vargas, the Board approved the award of a contract to ARCOM as a sole source procurement upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 5a*.

Mr. Nixon then reported that management had discussed with the Committee one completed audit recommendation, SDA's Audit of Design Consultant Amendments, and had updated the Committee on four (4) open recommendations. He said that the four are SDA Owned Real Estate; the Thomas G. Connors ES Project, Hoboken; the Catrambone ES Project, Long Branch; and Trenton ECC. He said that Management had also discussed its proposed 2013 Audit Plan with the Committee. He said that included are an audit of SDA's compliance with the state Prompt Payment Act and the audit of SDA leases with common area maintenance fees. He noted that both are conducted to ensure financial due diligence. He advised the Board that management's internal audit division would also be proceeding with the statutorily mandated audits including audits of the ROD Grant Agreement, Sayreville War Memorial HS; East Orange

Performing Arts School (demo project); and Union City, HS and Athletic Complex (demo project).

He also noted that audits are anticipated on a “most recently opened school” priority basis, of 26 SDA managed projects. He advised the Board that the SDA Division of Chief Counsel is consulting with the Attorney General’s Office regarding a statutory interpretation of the legislation governing the project audit requirement. He emphasized that additional projects and priorities may be assigned and/or requested by the executive team going forward.

Mr. Nixon said that the Committee was provided with the November 2012 Monthly Financial Report, with management reporting that, as of November 2012, the Authority’s operating expenditures totaled \$31.7 million which is \$4.8 million lower than budget for the period. He noted that this is a \$2.6 million decrease from the corresponding period in the prior year.

Mr. Vargas asked whether savings from 2012 projects completed under budget are carried over to 2013. Mr. Guarriello explained the yearly budgeting process. Mr. Larkins noted that every dollar saved on the operating side is one more dollar available for other projects. He said that the savings reflect the efficiency of the Authority, noting that all funds come from one source. Mr. McNamara said that at some agencies if funds are not used they are lost, which is not the situation at the SDA.

School Review Committee Report

Award of Contract Approval of Charter and Release of Funds from Program Reserve – Newark Public Schools – Ridge Street Elementary School – Emergent Project – Boiler Replacement

Mr. Walsh asked Ms. Hassett to provide her final report as Chairperson of the School Review Committee (“SRC”) and thanked her for her service to the SDA. Ms. Hassett thanked

staff for the comprehensive year-end report that had been prepared. She noted that staff is routinely asked to present information in a variety of formats and sequences and added that the refined level of the reports has been very helpful to the Members. She thanked everyone for their efforts and hard work. Ms. Hassett reported that the Committee met on December 17, 2012 and discussed various issues. She noted that the Committee had also reviewed the outcome of the bids submitted in connection with the Philipsburg High School Project. Referencing material that had been previously provided for Committee review she said that the Board is being asked today to approve a delegation of authority for the award of design consultant contracts. She reported that the SDA is in full construction mode now and is working very hard to be very effective and efficient in its processes. She said that the proposed delegation of authority for the award of design consultant contracts (to be discussed later in the meeting) greatly assists the Authority in getting work underway. She said that the Committee was very supportive of the award and the delegation of authority in front of the Board today.

Referencing the first item presented for formal action Ms. Hassett said that the Board is being asked to approve a contract award, project charter and release of funds from the Program Reserve for an emergent project at the Ridge Street Elementary School in Newark. She explained that the award is for a \$757,000 construction contract to Sunnyfield Corporation. She added that the amount to be released from the Program Reserve for the Charter for the emergent project is approximately \$1,102,000. Mr. Murphy advised the Board that there were twelve (12) eligible bidders noting that two (2) were rejected as nonresponsive. He said that following review of the price proposals, two (2) bidders were determined to be responsive with the lowest bidder being Sunnyfield Corporation. Mr. Vargas asked if these funds are moved over from one line item to another. Mr. Larkins explained that the funds will be moved noting that these funds

are not part of the operating budget but rather associated with the specific project. He further noted that the accounting for staff salaries working on projects is a true-up of where the costs should actually be applied, i.e. against the project and not in the operating budget. Mr. Walsh added that the SDA is now managing these projects as opposed to outsourcing the work.

Following discussion, a resolution for approval of the award of a construction contract to Sunnyfield Corporation in amount of \$757,000.00, the approval of the charter for the Newark Public Schools – Ridge Street Elementary School Emergent Project and the release of \$1,102,593.00 from the program reserve to address the emergent project had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Ms. Hassett, and seconded by Mr. McNamara, the award, charter and release of funds was approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6a1*.

Delegated Authority/Design Consultant Services for Emergent Projects, Capital Improvements Projects and Other School Facilities Projects

Ms. Hassett reported that the Committee was provided with a recommendation for approval of delegated authority to the CEO, Chairman of the Board and SRC Chair to award contracts to twenty (20) firms for design consultant services, for a total aggregated not to exceed amount of \$60 million. Referencing materials that had been previously provided for Board review, she explained the way the selection process would work. Mr. Walsh added that this issue was discussed in detail by the SRC. Mr. Larkins noted that this award is the equivalent of the CG task order pool. He explained that this award positions the Authority to more proactively address a number of different types of projects in the portfolio. He said that the most important are the emergent projects. He added that for those emergent projects that need design services, there now will be a pool of professionals with specific expertise to either bid a

project, do a scope of services or be assigned a project by rotation. He said that all five (5) of the capital facilities projects that were announced last year in the capital portfolio will require significant design services. He discussed the size of the pool in relation to the volume of work anticipated. He then explained that the value of the not-to-exceed contracts was chosen by the largest of the projects or scope of work that would be awarded to a firm. He stressed that the Authority does not anticipate that it will be approaching anywhere near the total value of \$60 million. He advised that the decision was not to limit certain firms to dollar amounts while allowing other firms a higher amount but rather to seek consistency. He explained that the smaller, lower value jobs will be awarded on a rotation basis much like the CG task order awards. Mr. Larkins advised that in the instance that a particular firm might approach the not-to-exceed amount, which is not anticipated, this would be brought to the Board in accordance with the Operating Authority ("OA"). Mr. Walsh noted that this delegation assists the Authority in making the process more efficient.

A resolution for a delegation of authority for the award of Design Consultant Services contracts, task order assignments and the execution of individual project planning charters had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Mr. Luckie, the Board unanimously approved the resolution attached hereto as *Exhibit 6bi*.

In concluding her report, Ms. Hassett noted that the Committee also considered one settlement matter that will be discussed in Executive Session

Reports

Mr. Walsh asked Mr. Ballard for a brief update regarding the status of project closeouts. Mr. Ballard reported that work on the traffic signals was completed successfully at New Brunswick High School and he is anticipating full closeout in the first quarter of 2013. He noted that work continues on the Vineland and Union City projects. He advised that one capital project was closed out and another three (3) were successfully transferred to the districts. He added that only one project remains to be deeded back to the school district.

Public Comments

Mr. Walsh announced that the Public Comments portion of the meeting would begin. He requested that, if appropriate, multiple individuals from the same organization or district come up together to offer remarks. He advised that the public comment period is to afford citizens the opportunity to comment on matters pertinent to the Authority's business. He said that a phone number is available for members of the public seeking answers to particular questions on any topic. He requested that those speaking hold their comments to between three (3) and five (5) minutes.

Mr. Walsh then asked if there were any members of the public present who wished to address the Board. Mr. Dwaine Williams from the Camden Redevelopment Agency then addressed the Board. Mr. Williams stated that over the last ten (10) years he has been involved with the Catto pool boys and girls club at the demonstration project. He said that the City of Camden and the Governor deem this to be a successful project. Mr. Williams said everything was done that should have been done including recovering \$6.5 million in environmental funding, E-rate funding, relocating residents and acquiring property. He said that this property

has been a wonderful success up until now which is the reason he is addressing the Board today. He inquired as to when this project is going to close. He stated that there were a number of issues at the very end of the project that are very concerning to him as a project manager. He said that his timeline for closing this project was in 2011 and it is now 2013. He stated that he does not see an end in sight. He asked for a meeting to go over some particular concerns that he has.

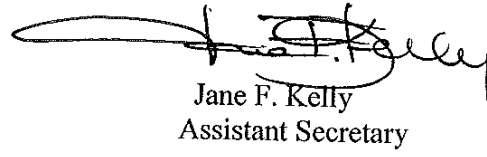
Mr. Walsh thanked Mr. Williams for his remarks noting that closing out projects has been a priority of late at the Authority. He advised Mr. Williams that someone would be contacting him in the near future.

Next, the Chairman asked Moriah Kinberg of the New Jersey Work Environment Council ("NJWEC") to address the Board. Ms. Kinberg said that the NJWEC is heading up a healthy school coalition along with other advocacy organizations across the state. She apologized for arriving late and said that the first issue she would like to bring up was the time of the Board meetings. She said that nine o'clock in the morning on a Wednesday or Thursday is very early. She suggested that the Board consider commencing its meetings at ten o'clock in the morning. She stated that she comes from Jersey City which, to Trenton, means a two and one-half hour trip. She then referenced the December 14, 2012 court ruling in which the court cited the Department of Education's ("DOE") Office of School Facilities' ("OSF") failure to expedite emergent repairs. Ms. Kinberg said that the judge had criticized the OSF for putting the blame on the SDA for these delays. She then said that she was addressing the Board to ask them what the SDA is doing and if the SDA is working with the OSF to address these conditions and expedite the process. On behalf of the Authority, Mr. Larkins responded that, because this is

active litigation, he cannot speak to the judge's findings or to the commentary in the opinion. He said that the Authority enjoys a good working relationship with the OSF but noted that he could only speak for the time that he has been with the Authority. Mr. Larkins stated that the DOE has a designee to the SDA Board as do the Department of Community Affairs ("DCA") and other sister agencies. Ms. Kinberg then said that she wanted to bring a letter that the Leadership for Educational Excellence ("LEE") had sent to Governor Christie. She asked if the Board was familiar with that letter. Mr. Larkins responded in the negative. She stated that the letter noted that the LEE is comprised of the New Jersey Association of School Business Officials along with the New Jersey Congress of Parents and Teachers and others. She said that the letter addressed the issue of school budgets and the constraints the schools districts are facing with the 2% cap. She noted that, after the storm, there were significant repairs required and that the school districts are having some problems right now. She said that also cited was the SDA's refusal to fund the 40% matching program in the regular operating districts. She said that the letter stated that, without the matching 40%, referendums have been rejected. Mr. Walsh asked for a copy of the letter. Ms. Kinberg said she would send him a copy.

Mr. Walsh then asked if there were any other members of the public present who wished to address the Board. Hearing none, upon motion and with unanimous consent, the meeting was adjourned to executive session.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its January 3, 2013 meeting.



Jane F. Kelly
Assistant Secretary

RESOLUTION—3a./3b.**Approval of Minutes**

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the January 3, 2013 Board meetings of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on January 7, 2013.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's January 3, 2013 Open and Executive Session meetings are hereby approved.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Dated: February 6, 2013

JANUARY 3, 2013 ORGANIZATIONAL MEETING MINUTES

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING**

THURSDAY, JANUARY 3, 2013

The Annual Organizational meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA” or “the Authority”) was held on Thursday, January 3, 2013 at 9:00 a.m. at the offices of the Authority at One West State Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Maureen Hassett (NJEDA Designee)
Kevin Luckie (NJDCA Designee)
James Petrino (State Treasurer Designee)
Bernard Piaia (NJDOE Designee)
Michael Capelli
Kevin Egan
Loren Lemelle
Martin Perez
Lester Lewis-Powder
Michael Maloney
Joseph McNamara
Robert Nixon
Mario Vargas

being a quorum of the Board. Mr. Lewis-Powder, Ms. Lemelle, Mr. Perez, Mr. Petrino and Mr. Piaia participated in the meeting via telephone conference.

At the Chairman’s request, Marc Larkins, chief executive officer, Jason Ballard, chief of staff; Jane F. Kelly, vice president & assistant secretary; Donald Guarriello, chief financial officer and Andrew Yosha, vice president of the SDA participated in the meeting. Nicole Crifo of the Governor’s Authorities Unit also participated in the meeting by teleconference.

The Chairman, Mr. Walsh, called the meeting to order. Ms. Kelly announced that, in accordance with the Open Public Meetings Act, the requisite notice of the meeting had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey.

ANNUAL ORGANIZATIONAL MEETING

Mr. Walsh welcomed the Members, SDA staff and the public to the SDA's 2013 Annual Organizational meeting and wished all a Happy New Year. He then presented the matters on the agenda for Board consideration.

Referencing the Organizational Meeting materials that had been provided to the Board in advance of the meeting, Mr. Walsh announced that the first matter requiring Board approval pertains to the election of the Authority's Officers for 2013. Mr. Walsh said that, for 2013, there will be a couple of changes. He said that, this year, he is nominating the following individuals to serve in the following positions: Vice Chairperson—Joseph McNamara; Treasurer—Andrew Sidamon-Eristoff; Secretary—Michael Maloney; Chief Executive Officer—Marc Larkins; Assistant Treasurer—Donald Guarriello; and Assistant Secretary—Jane F. Kelly. He said that the position of Assistant Secretary also is responsible for the corporate governance and compliance responsibilities of the Authority.

Mr. Walsh requested a motion to elect as the officers of the Authority those individuals whose names are set forth in the materials provided to the Board as just announced. Upon motion duly made by Mr. Perez and seconded by Mr. Vargas, the Board approved the slate of SDA Officers proposed for 2013. A Resolution memorializing the Board's action is attached hereto as **Resolution 3a**.

Mr. Walsh then advised the Board that he will next announce those individuals that he is appointing to serve as Committee Chairs and Members in 2013. He said that as Committee Chair and Member designations are direct appointments by the Chairman, formal Board action is not required. Mr. Walsh said that he has made very few changes for 2013 from the 2012 Chair and Committee Membership designations. He then announced that he has determined to appoint the following

individuals to serve as Chairs and Members of the Authority's Audit, Real Estate and School Review Committees respectively:

Audit Committee

1. **Robert Nixon, Chairperson** (Public Member)
2. State Treasurer (or designee, as permitted by Section 2.7 of the By-Laws)
3. Michael Capelli (Public Member)
4. Loren Lemelle (Public Member)
5. Martin Perez, Esq. (Public Member)
6. Edward Walsh (Public Member)

Real Estate Committee

1. **Joseph McNamara, Chairperson** (Public Member)
2. Commissioner of the New Jersey Department of Community Affairs (or designee, as permitted by Section 2.7 of the By-Laws)
3. Lester Lewis-Powder (Public Member)
4. Mario Vargas (Public Member)
5. Kevin Egan (Public Member)

School Review Committee

1. **Kevin Luckie, Chairperson** (New Jersey Department of Community Affairs designee, as permitted by Section 2.7 of the By-Laws)
2. Chief Executive Officer of the New Jersey Economic Development Authority (or designee as permitted by Section 2.7 of the By-Laws)
3. Commissioner of the New Jersey Department of Education (or designee, as permitted by Section 2.7 of the By-Laws)
4. Joseph McNamara (Public Member)
5. Karim Hutson (Public Member)
6. Michael Maloney (Public Member)
7. Edward Walsh (Public Member)

Mr. Walsh then reminded the Board that the Audit Committee Charter requires that at least one member of the Audit Committee be designated by the Board as the Committee's "financial expert". He said that his recommendation for Audit Committee "financial expert" is James Petrino, State Treasury designee. Mr. Walsh then requested a motion to approve the nomination of Mr. Petrino to serve as the Audit Committee's "financial expert" for 2013. Upon motion duly made by Mr. Nixon and seconded by Mr. Luckie, the Board approved the nomination of James Petrino to serve as the Audit Committee's "financial expert". A Resolution memorializing the Board's action is attached hereto as **Resolution 3bi.**

Mr. Walsh next stated that a proposed 2013 Board meeting schedule, to be operative until the Authority's next Annual Organizational meeting, was included in the meeting materials as **Exhibit E**. Mr. Walsh requested a motion to adopt the proposed Board meeting schedule. Upon motion made by Mr. Maloney and seconded by Mr. Vargas, the Board approved the Board meeting schedule for 2013 as proposed. A Resolution memorializing the Board's action is attached hereto as **Resolution 3c**.

PUBLIC COMMENT

Mr. Walsh then asked if any member of the public wished to address the Board at its Annual Organizational meeting. No member of the public stepped forward to address the Board. Mr. Walsh then asked for a motion to adjourn the meeting.

Upon motion made by Mr. Vargas and seconded by Mr. Luckie, and with unanimous consent, the SDA's Annual Organizational meeting was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its 2013 Annual Organizational meeting held January 3, 2013.


Jane F. Kelly
Assistant Secretary

RESOLUTION—3c.**Approval of Minutes**

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the January 3, 2013 Organizational Meeting of the New Jersey Schools Development Authority were forwarded to the Governor on January 3, 2013.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's January 3, 2013 Organizational Meeting are hereby approved.

Dated: February 6, 2013

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE

REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE

CHAIRMAN'S REPORT

OFFICE OF PROGRAM OPERATIONS - CHANGE ORDERS/AMENDMENTS

ERNEST BOCK & SONS, INC.



MEMORANDUM

TO: Members of the Authority

FROM: Corrado Minervini
Program Director, Program Operations

DATE: February 6, 2013

SUBJECT: Change Order – Ernest Bock & Sons, Inc.

COMPANY NAME: Ernest Bock & Sons, Inc.
 DISTRICT: Elizabeth
 CONTRACT NO.: EL-0016-C03
 PMF/CM: NJSDA Managed
 SCHOOL NAME: Victor Mravlag Elementary School, No. 21
 CHANGE ORDER NO.: 124
 REASON: Code-Required Additional Work
 AMOUNT: \$19,338
 CONTRACT STATUS: 74% Paid to Date against the Current Contract Value
 ANTICIPATED OCCUPANCY DATE: April 2013

INTRODUCTION

I am writing to recommend approval by the Members of the Authority for Change Order No. 124 in the amount of \$19,338. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a change order that singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. This change order, when aggregated with prior approved change orders, is greater than 10% of the contract value.

I am also requesting that the Members approve the reestablishment of the contract value for this existing engagement for the purpose of the application of ongoing Operating Authority requirements. The reestablished value for this purpose shall be the contract value as of February 6, 2013 in the amount of \$28,308,830.

BACKGROUND

Ernest Bock & Sons, Inc. (EBS) was given a Notice to Proceed on November 16, 2006 to construct the Victor Mravlag Elementary School, No. 21 in the Elizabeth School District. The Victor Mravlag Elementary School, No. 21 is a 80,164 square foot facility to educate 500 students in grades Pre-K through Eight.

Members of the Authority
Change Order No. 124 – Ernest Bock & Sons, Inc.
Elizabeth School District – Victor Mravlag ES, No. 21
February 6, 2013
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In July 2009, the Members of the Authority approved a revised Project Charter to reflect a change in project scope from addition/renovation to new construction and in anticipation of additional services to be provided by the General Contractor to effectuate that change in scope.

There has been significant prior change order activity on this engagement including the following:

- On January 5, 2011, the Members of the Authority approved Change Order No. 91, in the amount of \$3,100,000 for Construction of Proposed Replacement Structure.
- On October 5, 2011, the Members of the Authority approved Change Order No. 92, in the amount of \$96,000 for Additional Costs associated with Insurance, Bond and Sub-Contractor Direct Costs.
- On February 1, 2012, the Members of the Authority approved Change Order No. 98, in the amount of \$128,421 for Extended and Additional Material and Equipment Storage Costs.
- On March 7, 2012, the Members of the Authority approved Change Order No. 102 in the amount of \$270,000 for Extended General Condition Costs.
- On April 4, 2012, the Members of the Authority approved Change Order No. 103 in the amount of \$14,299 for the removal and replacement of a concrete slab damaged by exposure to the elements resulting from project delays beyond the control of the general contractor.
- On July 5, 2012, the Members of the Authority approved Change Order No. 116, in the amount of \$43,766 for additional construction services to address life safety code deficiencies such as additional emergency lights, exit signage, secondary means of egress and additional fire dampers.
- On December 5, 2012, the Members of the Authority approved Change Order No. 109, in the amount of \$265,000 for an Allowance to fund costs associated with extended warranties/service agreements and to perform potential repairs. In addition, the Members also approved Change Order No. 110, in the amount of \$127,425.58 to resolve Construction Change Directive (CCD) No. 29 for IT and Security upgrades consistent with current standards.

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Change Order No. 124 – Ernest Bock & Sons, Inc.
Elizabeth School District – Victor Mravlag ES, No. 21
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REASON FOR CHANGE

This change order is for additional construction services to be provided by the General Contractor necessary to address code deficiencies, identified during construction inspections and include the removal, relocation and modification of existing ductwork necessary to meet the requirements of the applicable building code provisions.

On September 5, 2012, during a project site construction inspection, the NJDCA inspection revealed that the project construction documents contained several mechanical code deficiencies. These deficiencies were documented in an inspection report dated December 5, 2012.

Subsequently, the information documented in the inspection report was forwarded to the Design Consultant of Record, Perkins Eastman Architects (PEA). PEA made the necessary revisions to the construction documents to address the code deficiencies and subsequently submitted the revised plans to NJDCA for review and release. The revised plans were released by NJDCA on January 7, 2013.

EBS submitted a proposal in the amount of \$25,825 to address the revisions identified in the project site construction inspection. The proposal was reviewed by EBS, PEA and NJSDA Program Operations, resulting in a negotiated amount of \$19,338.

Information regarding this change order has been referred to the NJSDA Special Projects Division for review and determination of potential cost recovery.

REASON FOR REESTABLISHING CONTRACT VALUE

As detailed above, this project has encountered significant prior change order activity for reasons including the change from Addition/Renovation to New Construction. The recommended reestablished contract value incorporates the values of these prior approved change orders and will support the orderly progression of the project moving forward.

If approved, management will again seek Board approval should future change orders individually exceed \$500,000, or singularly or in the aggregate exceed 10% of the reestablished contract amount as set forth above. After resolution of Change Order 124, there are eight (8) potential change orders, most of which represent schedule-sensitive scope necessary to address code deficiencies, as is Change Order 124, and which range from less than \$500 to \$40,000 each with a total estimated value of approximately \$75,000. In addition, there exist nine (9) resolving change orders, most of which represent credits or zero dollar impacts from the CCDs they will serve to resolve. With reestablishment of the contract value, it is expected that none will require review by the Members of the Authority.

Members of the Authority
 Change Order No. 124 – Ernest Bock & Sons, Inc.
 Elizabeth School District – Victor Mravlag ES, No. 21
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SUMMARY OF CHANGE

Change Order 124, valued at \$19,338.00 is required to address code deficiencies identified during construction inspections.

1) EBS and Subcontractor Direct Cost	\$	17,669
2) Overhead, Profit, Bond and Insurance	\$	1,669
Additional Costs	\$	19,338

All documents supporting this change order have been reviewed by the associated NJSDA project team members as well as the Deputy Program Director and Program Director for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members have determined that the change order is justified and that the amount is reasonable and appropriate.

CALCULATIONS

a. Original Contract Amount	\$	20,587,000.00
b. Change Orders to Date (excluding proposed change order)	\$	7,721,830.53
c. Proposed Change Order Amount	\$	19,338.00
d. Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.))	\$	7,741,168.53
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))		37.6%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$	28,328,168.53

RECOMMENDATION

The Members of the Authority are requested to approve Change Order No. 124 in the amount of \$19,338. In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, a change order that singularly exceeds \$500,000 or when aggregated with all prior change orders is greater than 10% of the contract value requires approval by the Members of the Authority. The aggregate value of this and all prior approved change orders is greater than 10% of the contract value.

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Change Order No. 124 – Ernest Bock & Sons, Inc.
Elizabeth School District – Victor Mravlag ES, No. 21
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In addition, the Members are also requested to approve reestablishment of the contract value in the amount of \$28,308,830 for this existing engagement for the purpose of the application of ongoing Operating Authority requirements.

/s/ Corrado Minervini
Corrado Minervini, Program Operations Director

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
Reviewed and Recommended by: Robert Ryan, Deputy Director, Program Operations
Prepared and Recommended by: Gabriel Salas, Program Officer, Program Operations

Resolution — 6a1.

COMPANY NAME: Ernest Bock & Sons, Inc.
 DISTRICT: Elizabeth
 CONTRACT NO.: EL-0016-C03
 PMF/CM: NJSDA Managed
 SCHOOL NAME: Victor Mravlag Elementary School, No. 21
 CHANGE ORDER NO.: 124
 REASON: Code-Required Additional Work
 AMOUNT: \$19,338
 CONTRACT STATUS: 74% Paid to Date against the Current Contract Value
 ANTICIPATED OCCUPANCY
 DATE: April 2013

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority provides that a change order that singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority; and

WHEREAS, Ernest Bock & Sons, Inc. (EBS) was given a Notice to Proceed on November 16, 2006 to construct the Victor Mravlag Elementary School, No. 21 in the Elizabeth School District (Mravlag), an 80,164 square foot facility to educate 500 students in grades Pre-K through Eight; and

WHEREAS, in July 2009, the Members of the Authority approved a revised Project Charter to reflect a change in project scope from addition/renovation to new construction, anticipating additional services to be provided by the general contractor to effectuate that change in scope; and

WHEREAS, there has been significant prior change order activity on this engagement, the details of which are set forth with specificity in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the issuance of change order #124 in the amount of \$19,338 is recommended by management for additional construction services by the general contractor to address code deficiencies identified during construction inspections as described in the memorandum presented to the Board on this date; and

WHEREAS, change order #124, when aggregated with prior approved change orders, is greater than 10% of the contract value; and

WHEREAS, information regarding change order #124 has been referred to the SDA Special Projects Division for review and determination as to cost recovery potential; and

WHEREAS, all documents supporting this change order have been reviewed by the associated SDA project team members as well as the deputy program director and program director for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that the change order is justified and that the amount is reasonable and appropriate; and

WHEREAS, for reasons set forth in detail in the memorandum presented to the Board on this date and incorporated herein, management further recommends that the Members approve the reestablishment of the contract value for this existing engagement for the purpose of the application of ongoing Operating Authority requirements; and

WHEREAS, it is further recommended that the reestablished value for this purpose shall be the contract value as of February 6, 2013 in the amount of \$28,308,830.

NOW, THEREFORE BE IT RESOLVED, that the Members of the Authority hereby authorize and approve Change Order # 124 for Ernest Bock & Sons, Inc. in the amount of \$19,338 for additional construction services to address code deficiencies consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that the Members of the Authority authorize and approve the reestablishment of the contract value for this existing engagement for the purpose of the application of ongoing Operating Authority requirements, with the re-established value for this purpose set at \$28,308,830, consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10-day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Ernest Bock & Sons, Inc., Contract No. EL-0016-C03, Change Order
124, Victor Mravlag ES No. 21, Elizabeth School District, dated February 6, 2013
Dated: February 6, 2013

TAK CONSTRUCTION, INC.



MEMORANDUM

TO: Members of the Authority

FROM: Thomas Schrum
Program Director, Program Operations

DATE: February 6, 2013

SUBJECT: Change Order and Resolving Change Order – TAK Construction, Inc.

COMPANY NAME: TAK Construction, Inc.
DISTRICT: Plainfield
CONTRACT NO: ET-0049-C02
PMF/CM: Epic Management
SCHOOL NAME: Emerson E.S.
CHANGE ORDER NOS: 75 & 83
REASON: Delays/Additional Work
AMOUNT: \$ 996,961.70
 Change Order #75 \$90,553
 Resolving Change Order #83 Credit of (\$193,591.30) to resolve
 CCD #1 \$1,100,000

TIME EXTENSION: 292 days
CONTRACT STATUS: 99% Paid to Date against Current Contract Value
OCCUPANCY DATE: September, 2008

INTRODUCTION

I am writing regarding a project that was delivered to the Plainfield School District in 2008, recommending actions that are final activities needed for closeout of the construction contract. Specifically I am writing to recommend approval by the Members of the Authority of construction Change Order (CO) #75 and Resolving Change Order (RCO) #83:

- CO #75 for a value of \$90,553.00 with a 113-day time extension, and
- RCO #83 for a credit value of (\$193,591.30) with a 179-day time extension. RCO #83 resolves Construction Change Directive (CCD) #1, which was issued for \$1,100,000 on May 5, 2008, resulting in a final value of \$906,408.70.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a change order or credit change order which singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. CO #75, when aggregated with prior change orders, is greater than 10% of the contract value. RCO #83 closes CCD #1 at an amount that exceeds \$500,000 and, when aggregated with prior change orders, is greater than 10% of the contract value.

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Change Orders #75 & 83 – TAK Construction
Plainfield – Emerson Elementary School
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CCDs are typically only used when the work has been verified to be a change to the base scope and one of the following two conditions are met: either the work is so urgent that it requires a directive for immediate action by the General Contractor (GC) or negotiations for a change order have failed to come to a resolution, thereby placing the work in the critical path requiring immediate direction to avoid construction delays impacting a schedule milestone, e.g. school turn-over to the district. A resolving change order is the mechanism by which the final dollar value of the CCD is determined. It is the combined value of the CCD and the resolving CO that determines the required level of approval for the resolving change order.

When CCD #1 was issued, authorization included a dollar value, which differs from current requirements that CCD's are issued for a zero dollar value. After the work was completed all costs for the work per CCD #1 were submitted and reviewed by the NJSDA. It was determined that the cost of the work was less than the original established value of CCD #1 and therefore a resolving credit change order in the value of (\$193,591.30) is required to close out the CCD.

BACKGROUND

TAK Construction (TAK) was issued the Notice to Proceed (NTP) on May 10, 2006 to construct the new Emerson Elementary School (Emerson ES) in the Plainfield School District. The Emerson ES is a 70,123 square foot facility educating 437 students in grades Pre-K through 5.

On May 5, 2008, CCD #1 was issued to TAK to install security, telephone and data systems for the school. The security system scope became eligible for inclusion in a project after the NTP was issued to TAK. The telephone and data system scope had originally been procured for delivery by a different contractor, in anticipation of seeking e-rate reimbursement, an engagement that was cancelled for reasons related to schedule logistics. The scope was added as a CCD based on the fact that the project was nearing completion and installation of these systems were urgently needed in order to achieve substantial completion.

On August 25, 2008, the project was substantially completed and received Temporary Certificate of Occupancy. The School was occupied in September, 2008. The Certificate of Occupancy was issued on December 29, 2008.

REASON FOR CHANGE

Change Order #75: \$90,553 - Additional general condition costs

- Reason for Change:
After TAK was engaged and during construction, additional scope was added to the contract. This additional scope was added through executed Change Orders #73 and #81, which included the cost for the performance of the work only. These change orders specifically excluded costs representing the extended period of performance of this work. The additional work represented by these change orders is:

Members of the Authority
 Change Orders #75 & 83 – TAK Construction
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- Change Order #73: Addition of a sound system to the gym and cafeteria. The contract documents at the time of bid and award did not require a sound system for these areas. However, since these spaces would be used for assembly functions, a sound system was required for use by the staff.
- Change Order #81: Additional fireproofing for data rooms, as required by the NJDCA Building Inspector as a prerequisite for a certificate of occupancy.

In addition, to the extended period represented by Change Orders #73 and #81, Change Order #75 represents schedule delay attributed to:

- Improper electrical service provided by the utility company for the HVAC equipment,
- Since the project did not have a phone system in place due to the cancelled engagement of the separate contractor to undertake this work, this delayed the completion of the elevator installation.

The contractor made a submission detailing the impact of all changes in scope and impacts that affected the period of performance of the work. This submission was reviewed and analyzed by Contract Management Division (CMD).

The overall impact to the schedule was an adjustment of an additional 113 days. The work was completed and accepted by NJSDA.

Change Order #75, for a value of \$90,553, is to compensate TAK for these additional 113 days, which were determined to be compensable. This change order value represents the results of direct negotiations between the GC, NJSDA Project Team and NJSDA Contracts Management Division (CMD).

This CO and related CO’s will be forwarded to the NJSDA Special Projects Division for determination of potential cost recovery.

- Cost Breakdown:

Negotiated General Conditions (113 Days)	\$	89,364.00
Bond & Insurance	\$	1,189.00
TOTAL	\$	90,553.00

Resolving Change Order #83: (\$193,591.30) – To resolve CCD #1

- Change Order Background:
 CCD #1 was issued to TAK on May 5, 2008 in the amount of \$1,100,000 to install security, telephone and data systems for the school. Adding this new scope near the end of the facility’s construction served to extend the schedule by 179 days. Installation of these systems has been completed.

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 Change Orders #75 & 83 – TAK Construction
 Plainfield – Emerson Elementary School
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- Reason for Change:
 Resolving Change Order #83 is to resolve CCD #1 for a final value of \$906,408.70. This value represents the results of direct negotiations between the GC, NJSDA Project Team and CMD. This value includes actual installation costs of the security, telephone and data systems; extension of general conditions totaling 179 days (of which 149 days are compensable), additional signage for the security and IT work; and costs associated with construction completion efforts in conjunction with the installation of these systems.

After obtaining all appropriate documentation and successful negotiations with the GC, all parties agreed to a final cost for CCD #1 in the amount of \$906,408.70 for the security, telephone and data systems installation. Resolving Change Order #83, with a credit value in the amount of (\$193,591.30), is therefore being submitted for approval.

- Cost Breakdown:

CCD #1 Value:		\$ 1,100,000.00
Resolving CO #83 Value:		(\$ 193,591.30)
Final Negotiated Cost :		\$ 906,408.70
• Security/IT Systems and associated costs	\$ 759,258.00	
• TAK Overhead & Profit	\$ 37,962.90	
• General Conditions (149 days compensable)	\$ 97,277.02	
• Bond & Insurance	\$ 11,910.78	
Total:	\$ 906,408.70	

SUMMARY OF CHANGE

CO #75: Additional General Conditions	\$ 90,553.00
CCD #1: Installation of Security/IT Systems and associated costs	\$ 1,100,000.00
RCO #83: Resolving CCD #1	(\$ 193,591.30)
Total Additional Costs:	\$ 996,961.70

Documents supporting CO #75 and RCO #83 have been reviewed by the associated NJSDA project team members, Program Director, Deputy Program Director and CMD for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members, including CMD, have determined that these change orders are justified and that the amounts are reasonable and appropriate.

Members of the Authority
 Change Orders #75 & 83 – TAK Construction
 Plainfield – Emerson Elementary School
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CALCULATIONS

a. Original Contract Amount	\$ 15,074,000.00
b. Change Orders to Date *	\$ 1,942,389.36
c. Proposed Change Order Amount (Credit) **	(\$ 103,038.30)
d. Total Change Orders to Date (Total of Line (b) and Line (c))	\$ 1,839,351.06
e. Percentage of Original Contract Line (Line (d) represents a percent of Line (a))	12.2%
f. Proposed Adjusted Contract Price (Line (a) plus Line (d))	\$ 16,913,351.06

* This amount is inclusive of the value of CCD # 1, in the amount of \$1,100,000.
 ** (\$103,038.30) = CO #75 for \$90,553 + RCO #83 for (\$193,591.30)

RECOMMENDATION

The Members of the Authority are requested to approve CO #75 in the amount of \$90,553 with a 113-day time extension; and RCO #83 in the credit amount of (\$193,591.30) with a 179-day time extension to resolve CCD #1 for a final value of \$906,408.70. In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any change order which singularly exceeds \$500,000 or singularly or when aggregated is greater than 10% of the contract value requires approval by the Members of the Authority. CO #75, when aggregated with prior change orders, is greater than 10% of the contract value. RCO #83 exceeds \$500,000 and, when aggregated with prior change orders, is greater than 10% of the contract value.

Recommended by:

/s/ Thomas Schrum
 Thomas Schrum, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
 Reviewed and Recommended by: Joseph Lucarelli, Deputy Program Director, Program Operations
 Prepared and Recommended by: Jeannette North, Program Officer, Program Operations

Resolution—6a2.

COMPANY NAME:	TAK Construction, Inc.
DISTRICT:	Plainfield
CONTRACT NO:	ET-0049-C02
PMF/CM:	Epic Management
SCHOOL NAME:	Emerson E.S.
CHANGE ORDER NOS:	75 & 83
REASON:	Delays/Additional Work
AMOUNT:	\$ 996,961.70
	Change Order #75 \$90,553
	Resolving Change Order #83 Credit of (\$193,591.30) to resolve
	CCD #1 \$1,100,000
TIME EXTENSION:	292 days
CONTRACT STATUS:	99% Paid to Date against Current Contract Value
OCCUPANCY DATE:	September, 2008

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that a change order or credit change order which singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority; and

WHEREAS, in May 2006, TAK Construction (TAK) was issued the Notice to Proceed (NTP) to construct the new Emerson Elementary School (Emerson ES) in the Plainfield School District; and

WHEREAS, the Emerson ES is a 70,123 square foot facility educating 437 students in grades Pre-K through 5; and

WHEREAS, in August 2008, the project was substantially completed and the Emerson ES was occupied in September 2008 with a certificate of occupancy issued in December 2008; and

WHEREAS, the memorandum presented to the Board on this date and incorporated herein details the background of and the need for the issuance of certain change orders during the course of the project, specifically Change Order (CO) #75 in the amount of \$90,553 with a 113-day time extension; and Resolving Change Order (RCO) #83 in the credit amount of (\$193,591.30) with a 179-day time extension to resolve CCD #1 for a final value of \$906,408.70.

WHEREAS, CO #75, when aggregated with prior change orders, is greater than 10% of the contract value and RCO #83 closes CCD #1 at an amount that exceeds \$500,000 and, when aggregated with prior change orders, is greater than 10% of the contract value; and

WHEREAS, Board approval of CO #75 and RCO #83 is necessary for closeout of the construction contract; and

WHEREAS, this CO and related COs will be forwarded to the SDA Special Projects Division for determination of potential cost recovery; and

WHEREAS, documents supporting CO #75 and RCO #83 have been reviewed by the associated SDA project team members, program director, deputy program director and the Contracts Management Division (CMD) for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that these change orders are justified and that the amounts are reasonable and appropriate.

NOW, THEREFORE, BE IT RESOLVED, that, consistent with the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the resolution with TAK Construction, Inc. in connection with the Emerson Elementary School Project in the Plainfield School District of Change Order #75 in the amount of \$90,553 with a 113-day time extension; and Resolving Change Order #83 in the credit amount of (\$193,591.30) with a 179-day time extension to resolve CCD #1 for a final value of \$906,408.70.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Change Orders # 75 and 83, TAK Construction Co., Inc., Contract No.ET-0049-C02, Emerson Elementary School, Plainfield School District, dated February 6, 2013

Dated: February 6, 2013

APPROVAL OF AWARDS/RELEASE OF FUNDS FROM PROGRAM RESERVE

NEWARK PUBLIC SCHOOLS-HAWKINS STREET ELEMENTARY SCHOOL

 STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
 Procurement Director

Manuel Da Silva
 Program Director, Program Operations

RE: District: Newark Public Schools
 School: Hawkins Street Elementary School
 Description: Emergent Project – Boiler Replacement
 Package No.: EP-0067-C01
 CCE: \$ 700,042.00
 Award: \$ 713,000.00
 CM: NJSDA Self-Managed

DATE: February 6, 2013

SUBJECT: Award of Contract, Approval of Final Charter and Release of Funds from Program Reserve
 Newark Public Schools - Hawkins Street Elementary School
 Emergent Project – Boiler Replacement

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$713,000.00 to Sunnyfield Corporation and approval of the final charter for this project (copy attached). We are further requesting the release of funds from the NJSDA Program Reserve maintained for emergent projects in the amount of \$998,100.00 to address the emergent condition at the Hawkins Street Elementary School in the Newark Public Schools (NPS) as approved by the Department of Education (NJDOE), consistent with the final charter.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000.00. Further, the Operating Authority requires Board approval for the award of construction contracts greater than \$500,000.00. Both the construction award amount and the release of funds from the reserve exceed \$500,000.00.

BACKGROUND

The Hawkins Street Elementary School, built in 1887, is a 69,660 square foot facility educating 522 students in grades Kindergarten through 8. As a result of site visits conducted by NJSDA and NJDOE in 2011 and 2012 to

Members of the Authority

Award of Contract, Approval of Final Charter, and Release of Funds from Program Reserve

Newark Public Schools, Hawkins Street Elementary School - Emergent Project

February 6, 2013

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review potential emergent conditions within the district, the DOE issued a Pre-Construction Approval on April 18, 2012 for an emergent project to address conditions related to the replacement of the boilers and all ancillary equipment at the facility. On July 12, 2012, the NJSDA issued a Task Order assignment to Brinkerhoff Environmental Services, Inc. under an existing Task Order Contract to perform Environmental Services inclusive of the following:

- Identification and Investigation of the environmental condition;
- Collection of samples and performance of required testing;
- Design and Construction Administration Services related to environmental abatement activities; and
- Third party monitoring related to environmental abatement activities.

Based upon the above-mentioned site visits and investigative assessment, staff has developed the following scope of work to address the condition:

- Removal of the 2 boilers and all associated boiler controls, pumps, piping, breeching and electrical components. A complete abatement of the asbestos containing materials is to be performed with this work, within the confines of the boiler room; and
- Provide factory-fabricated and field assembled, two (2) new gas-fired cast iron section boilers, with new burners, new trim and new ancillary system for generating steam and new code-compliant lighting. The boilers shall be connected to and integrated within the existing steam distribution system and shall include documents and supplementary items necessary to ensure proper installation and operation; and
- Provide room layout plans, sizing the boiler system's ancillary equipment inclusive of water treatment, water feed and condensate tanks, pumps and sizing of the electrical system. Prepare documents to secure construction permits and prepare record set drawings/plans at the completion of the project.

PROCUREMENT PROCESS

This package was advertised beginning on December 6, 2012 on the NJSDA website, NJ State website and in selected newspapers for interested firms registered as Small Business Enterprises (SBE) to participate in the bidding process.

A mandatory pre-bid conference was held on December 14, 2012. Since there was limited bidder participation as a result of the initial pre-bid conference, a second pre-bid conference was held on January 3, 2013.

Requests for Information (RFIs) were received by January 7, 2013. The addendum containing the responses to the RFIs was issued to the bidders on January 7, 2013.

Project Rating Proposals were received by January 8, 2013. Bidders were evaluated based on the largest of four projects completed in the past seven years, safety records as well as reference checks. Based on evaluation of the information submitted, six (6) bidders received a Project Rating Limit.

Members of the Authority
 Award of Contract, Approval of Final Charter, and Release of Funds from Program Reserve
 Newark Public Schools, Hawkins Street Elementary School - Emergent Project
 February 6, 2013
 Page 3 of 4

Price Proposals were received on January 17, 2013. The Price Proposals were publicly opened and the lump sum base bids were read aloud as required by law. Following the public bid opening, the NJSDA performed a review of the Price Proposals to determine the responsiveness of each bidder to the solicitation. The review determined that four (4) bidders were responsive. The results of the review are listed below:

Contractor	Bid Amount	Comments
Sunnyfield Corporation	\$713,000.00	Qualified and responsive bidder.
Amco Enterprises, Inc.	\$752,000.00	Qualified and responsive bidder.
Thassian Mechanical Contracting, Inc.	\$815,000.00	Qualified and responsive bidder.
C.J. Vanderbeck & Sons, Inc.	\$853,130.00	Bid rejected. Non-responsive bidder.
Gabe Sganga, Inc.	\$905,000.00	Qualified and responsive bidder.
Intercontinental Construction Contracting, Inc.	\$911,156.00	Bid rejected. Non-responsive bidder.

The responsive low bidder was Sunnyfield Corporation.

The bid submitted by Sunnyfield Corporation was 1.85% above the CCE. In order to understand the differential between the CCE and the bid price and to ensure the contractor's Price Proposal was inclusive of all scope elements, a conference was conducted on January 18, 2013 with Procurement, Program Operations, Contract Management Division and Sunnyfield Corporation to review the bid. After discussion, it was determined that some aspects of the bid were higher and others lower than the CCE, and that the major differential between the CCE and the bid price was due to:

- The Contractor's pricing for abatement work is higher than the NJSDA estimate.

At the time of review, Sunnyfield Corporation confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents. The Program Operations Deputy Director, the Program Operations Director, the Contract Management Deputy Director, and the Contract Management Director recommend award of the project to Sunnyfield Corporation.

FINAL BUDGET

Based on Sunnyfield Corporation's bid, the construction cost to address the emergent project is \$713,000.00. The total funding, including pre-design, assessments, design costs and construction contingency, is estimated at \$998,100.00.

BUDGET SUMMARY

▪ Construction Costs	\$ 713,000.00
▪ Construction Contingency (15 %)	\$ 106,950.00
▪ Design Costs (NJSDA in-house)	\$ 21,390.00
▪ Project Management (NJSDA managed)	\$ 89,000.00
▪ Environmental Activities	\$ 32,110.00
▪ Other Costs (5%)	\$ 35,650.00
▪ Total	\$ 998,100.00

Members of the Authority
Award of Contract, Approval of Final Charter, and Release of Funds from Program Reserve
Newark Public Schools, Hawkins Street Elementary School - Emergent Project
February 6, 2013
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SCHEDULE

Construction is anticipated to begin late spring 2013, planned such that the abatement of the asbestos containing materials and the mercury light switches is to be completed while the school is vacant, during the summer months. The schedule recognizes the purchase of long-lead items and includes an overall construction duration of 85 calendar days. Final completion is anticipated to be reached in November, 2013, shortly after the start of the heating season. The school facility is currently being served with one (1) temporary boiler, leased by the district, which shall remain in place until the new boilers are operational and fully functioning.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The award of the construction contract in the amount of \$713,000.00 to Sunnyfield Corporation.
2. The approval of the final charter for the Newark Public Schools – Hawkins Street Elementary School Emergent Project.
3. The release of \$998,100.00 from the Program Reserve to address the emergent project at the Hawkins Street Elementary School in the Newark Public Schools.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations

Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations

Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations

Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations

Prepared and Recommended by: Terry dunn Egan, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Charter Date

02/06/13

Supersedes

Charter Dated

N/A

Region: Northern
District: Newark
School Name: Hawkins Street Elementary School
Project Type: Emergent
DOE # / Project #: 3570-460-12-0ABR
Project Location: 8 Hawkins Street, Newark NJ

Project Budget: \$ 998,100
Anticipated Construction NTP Date: 03/21/13
Anticipated Final Completion Date: 11/15/13
Project Initiation Date: 04/18/12

Funding Source

2011 Emergent Reserve

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	02/06/13	Removal of the 2 boilers and all associated boiler controls, pumps, piping, breeching and electrical components. A complete abatement of the asbestos containing materials and the mercury light switches is to be performed with this work, within the confines of the boiler room. Provide and install two (2) new, factory-tested, sectional gas-fired cast iron boilers, including new burners, trim and all required ancillary systems for generating steam. The boilers shall be connected to and integrated within the existing steam distribution system and shall include documents and supplementary items necessary to ensure proper installation and operation.
Revision # and Date		
<input type="checkbox"/> One		
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		Purpose for Advancement of Emergent Charter
		To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project Manuel Da Silva	Date	Managing Director - Program Operations Gregory Voronov	Date
		N/A	
VP - Program Operations Andrew Yosha	Date	VP - Program Operations N/A	Date

Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer
 Marc Larkins

Date

New Jersey Schools Development Authority Emergent Project Charter Project Budget

District / Project Name:	Newark / Hawkins Street Elementary School
DOE # / Project #:	3570-460-12-0ABR
Charter Date:	02/06/13

Special Considerations:

Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

Project Budget:

Construction Costs:	
Building Costs	\$713,000
Site Costs	\$0
Construction Contingency	\$106,950
Total Construction Costs	\$819,950
Other Costs:	
Design in-house	\$21,390
Construction Admin	N/A
Project Management (SDA Staff)	\$89,000
Other Costs	\$35,650
Total Other Costs	\$146,040
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	\$32,110
Total PreDevelopment & Environmental Costs	\$32,110
Total Project Budget	\$998,100
2011 Emergent Reserve Impact	
Prior Funding Approved	\$0
Current Funding Requested	\$998,100

Resolution –6bi

Award of Contract, Approval of Final Charter and
 Release of Funds from Program Reserve
 Newark Public Schools, Hawkins Street Elementary School
 Emergent Project – Boiler Replacement

District:	Newark Public Schools
School:	Hawkins Street Elementary School
Description:	Emergent Project – Boiler Replacement
Package No.:	EP-0067-C01
CCE:	\$ 700,042.00
Award:	\$ 713,000.00
CM:	NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority adopted by the Members of the New Jersey Schools Development Authority (“SDA” or “Authority”) requires Board approval for the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000, for the award of construction contracts greater than \$500,000 and for the approval of any project charter; and

WHEREAS, Hawkins Street Elementary School (“Hawkins ES”) in the Newark Public School District is an 69,660 square foot building built in 1887, educating 522 students in grades Kindergarten through eighth; and

WHEREAS, following joint site visits by the SDA and Department of Education (DOE), the DOE issued a pre-construction approval in April 2012 for an emergent project to address conditions related to the replacement of the boilers and all ancillary equipment at the facility (Project); and

WHEREAS, following the performance of environmental services and a review of the results thereof, a Project scope of work, the details of which are set forth in the materials presented to the Board on this date and incorporated herein, was developed to address the condition; and

WHEREAS, a procurement process to award a contract award for performance of the Project scope of work was conducted in accordance with applicable SDA regulations as set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, funding for this Project is available from the Program Reserve established with Board approval to address emergent projects; and

WHEREAS, Project construction is anticipated to begin late spring 2013, with Final Completion anticipated in November 2013; and

WHEREAS, executive management, the Program Operations deputy director and director, and the Contracts Management Division deputy director and director recommend that the Members of the Authority authorize and approve the award of the construction contract in the amount of \$713,000.00 to Sunnyfield Corporation; and

WHEREAS, executive management and associated program staff further recommend that the Members of the Authority approve the Final Charter for the Hawkins ES Boiler Replacement Emergent Project in the Newark Public School District; and

WHEREAS, it is further recommended by executive management and associated program staff that the Members of the Authority authorize and approve the release of \$713,000.00 from the Program Reserve to address the emergent condition at Hawkins ES.

NOW THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of the construction contract in the amount of \$713,000.00 to Sunnyfield Corporation (Package No. EP-0067-C01) for the Hawkins ES Boiler Replacement Emergent Project in the Newark Public School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby approve the Final Charter for the Hawkins ES Boiler Replacement Emergent Project in the Newark Public School District as presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$998,100.00 from the Program Reserve for the Hawkins ES Boiler Replacement Emergent Project in the Newark Public School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Hawkins Street ES Emergent Project - Boiler Replacement (Package No. EP- 0067-C01), Release of Funds from Program Reserve and Final Charter, Newark Public School District, dated February 6, 2013

Dated: February 6, 2013

NEWARK PUBLIC SCHOOLS - DR. E. ALMA FLAGG ELEMENTARY SCHOOL



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: Newark Public Schools
School: Dr. E. Alma Flagg Elementary School
Description: Emergent Project –Air Quality
Package No.: EP-0065-C01
Award: \$ 470,250.00
CM: NJSDA Self-Managed

DATE: February 6, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Newark Public Schools - Dr. E. Alma Flagg Elementary School
Emergent Project-Air Quality

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the Dr. E. Alma Flagg Elementary School in Newark: the release of funds from the NJSDA Program Reserve maintained for emergent projects, the award of a construction contract, and the approval of a Final Project Charter. The recommended value for release from the Program Reserve is the not-to-exceed amount of \$683,409.00, a dollar value based upon the recommended not-to-exceed construction contract value of \$470,250.00. The recommended Final Project Charter represents the project budget inclusive of not-to-exceed dollar values for the award of construction as well as contingency (copy attached). As discussed below, the recommended actions represent not-to-exceed values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010 as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000. The overall funding total requested to address the emergent project at this school exceeds \$500,000.00.

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

Newark Public School District- Dr. E. Alma Flagg Elementary School - Emergent Project

February 6, 2013

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BACKGROUND

The Dr. E. Alma Flagg Elementary School, built in 1984, is a 53,000 square foot facility educating 515 students in grades kindergarten through eight. As a result of site visits conducted by NJSDA and NJDOE in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on April 18, 2012 for an emergent project to address conditions related to poor indoor air quality and the replacement of the heat wheel. The contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the General Construction Services Task Order Contract (GC Task Order). The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work, including emergent projects. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be rotationally assigned under the GC Task Order and which are to be performed on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

PROCUREMENT PROCESS

On July 25, 2012, after NJDOE issuance of pre-construction approval, as well as receipt from Newark Public Schools (NPS) of necessary as-built drawing documentation concerning the school facility, and after unsuccessful outreach to four other firms on the contractor rotational list, Procurement staff contacted Catcord Construction Company (Catcord), the fifth firm in line for this task order assignment, and confirmed its availability and interest in the project.

SCOPE OF WORK

On July 31, 2012, a site visit was held with Catcord to review the emergent condition and discuss appropriate action(s) to address the condition. NJSDA staff instructed Catcord to develop a proposal, cost estimate and schedule that recognizes an approach to first defining and then implementing appropriate action to address the emergent conditions, as follows:

- Review the existing facility conditions and Heating, Ventilation, and Air Conditioning (HVAC) plans to evaluate the need for modifications to the HVAC equipment and distribution system to improve the facility's air quality and maintain appropriate air temperatures within the school facility;
- Provide three (3) proposed solutions and cost analyses to remedy the Emergent Condition; and
- Deliver to NJSDA a Final Report, providing recommended corrective action and a construction cost proposal inclusive of the following services and deliverables:
 - Implementation of the necessary modifications to the existing HVAC equipment and distribution system to improve the facility's air quality and maintain appropriate air temperatures within the school facility;

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

Newark Public School District- Dr. E. Alma Flagg Elementary School - Emergent Project

February 6, 2013

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- Implementation of modifications to the electrical system to meet the electrical demands of the HVAC system improvements;
- Performance of air flow tests prior to and after modifications to the HVAC system to ensure satisfactory completion of services to address the condition; and
- Provide room layout plans, inclusive of modifications to the existing HVAC equipment and distribution system. Prepare documents to secure construction permits and prepare record set drawings/plans at the completion of the project.

After the initial site visit on July 31, 2012 and in order to provide a proposal for the above requirements, Catcord visited the facility on two additional occasions with its mechanical engineer and the NJSDA to detail the condition and identify potential solutions.

On November 19, 2012, Catcord provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, report submission and implementation of the solution as determined by NJSDA as appropriate. The above-mentioned assessment and deliverables will enable NJSDA staff to evaluate and select the most appropriate scope of work to address the emergent project timely and efficiently. The not-to-exceed value of the recommended award represents the cost proposal submitted by Catcord reflective of the most extensive solution possible to address the condition: system components replacement.

Contract Management Division (CMD) and Program Operations reviewed Catcord’s proposal based upon time and material in the not-to-exceed amount of \$470,250.00 and determined it was reasonable for the elements included in the Scope of Work. The actual total cost of the engagement to provide the selected solution will be identified after the options are evaluated by the NJSDA. The Program Operations Deputy Director and the Program Operations Director recommend that Procurement proceed with the issuance of a task order to Catcord Construction Company.

FINAL BUDGET

Based on Catcord Construction Company’s proposal, the construction cost to address the emergent project is a not-to-exceed value of \$470,250.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$683,409.00.

<u>Projected Budget Summary- Not-to-Exceed</u>	
▪ Construction Costs	\$ 470,250.00
▪ Construction Contingency (15 %)	\$ 70,538.00
▪ Design Costs (NJSDA in-house)	\$ 14,108.00
▪ Project Management (NJSDA managed)	\$ 105,000.00
▪ Other Costs (5%)	<u>\$ 23,513.00</u>
▪ Total	\$ 683,409.00

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

Newark Public School District- Dr. E. Alma Flagg Elementary School - Emergent Project

February 6, 2013

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SCHEDULE

Construction services to implement the selected solution for this project are anticipated to begin in early spring, 2013. The construction schedule representative of system components replacement recognizes the purchase of long-lead items, and includes an overall duration of 295 work days to final completion. Final completion is anticipated to be reached in early spring, 2014.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$683,409.00 from the Program Reserve to address the emergent project at the Dr. E. Alma Flagg Elementary School in the Newark Public Schools.
2. The award of the construction contract to Catcord on a time and materials basis not-to-exceed value, in the amount of \$470,250.00.
3. The approval of the charter for the emergent project at the Dr. E. Alma Flagg Elementary School in the Newark Public Schools.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved not-to-exceed value.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations

Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations

Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations

Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations

Prepared and Recommended by: Raymond Klepar, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Charter Date
02/06/13
Supersedes Charter Dated
N/A

Region: Northern
District: Newark
School Name: Dr. E. Alma Flagg Elementary School
Project Type: Emergent
DOE # / Project #: 3570-415-12-0ABP
Project Location: 150 North Third Street, Newark, NJ

Project Budget: \$ 683,409
Anticipated Construction NTP Date: 03/21/13
Anticipated Final Completion Date: 03/20/14
Project Initiation Date: 04/18/12

Funding Source
2011 Emergent Reserve

Charter Version and Date	Project Summary
<input checked="" type="checkbox"/> Final 02/06/13	The contractor shall review the existing facility conditions and Heating, Ventilation, and Air Conditioning(HVAC) plans to evaluate the need for modifications to the HVAC equipment and distribution system. Provide an Initial Report of Findings with three proposed alternatives inclusive of Construction Cost Estimates to remedy the emergent condition. Issuance of a Final Report with a recommended corrective action and construction cost proposal. Design and implement the necessary modifications to the existing HVAC equipment and distribution system to improve the facility's air quality and maintain appropriate air temperatures within the school facility. Provide air flow tests prior to and after modifications to the HVAC system.
Revision # and Date	
<input type="checkbox"/> One	
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	Purpose for Advancement of Emergent Charter
	To establish the final budget for the project inclusive of dollar values for the award for design services, construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project Date	Managing Director - Program Operations Date
Manuel Da Silva	Gregory Voronov
VP - Program Operations Date	N/A Date
Andrew Yosha	N/A

Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer _____ Date _____
 Marc Larkins

New Jersey Schools Development Authority Emergent Project Charter Project Budget

District / Project Name:	Newark / Dr. E. Alma Flagg Elementary School
DOE # / Project #:	3570-415-12-0ABP
Charter Date:	02/06/13

Special Considerations:

Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections. The budget below is based upon the not-to-exceed value for construction representing the most extensive solution possible to address the condition: system components replacement.

Project Budget:

Construction Costs:	
Building Costs	\$470,250
Site Costs	\$0
Construction Contingency	\$70,538
Total Construction Costs	\$540,788
Other Costs:	
Design in-house	\$14,108
Construction Admin	N/A
Project Management (SDA Staff)	\$105,000
Other Costs	\$23,513
Total Other Costs	\$142,621
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	\$0
Total PreDevelopment & Environmental Costs	\$0
Total Project Budget	\$683,409
2011 Emergent Reserve Impact	\$683,409
Prior Funding Approved	\$0
Current Funding Requested	\$683,409

Resolution –6bii

Release of Funds from Program Reserve
Award of Contract, and Approval of Final Charter and
Newark Public Schools, Dr. E. Alma Flagg Elementary School
Emergent Project – Air Quality

District:	Newark Public Schools
School:	Dr. E. Alma Flagg Elementary School
Description:	Emergent Project – Air Quality
Package No.:	EP-0065-C01
Award:	\$ 470,250.00
CM:	NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority adopted by the Members of the New Jersey Schools Development Authority (“SDA” or “Authority”) requires Board approval for the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000, for the award of construction contracts greater than \$500,000 and for the approval of any project charter; and

WHEREAS, Dr. E. Alma Flagg Elementary School (“Flagg ES”) in the Newark Public School District is an 53,000 square foot building built in 1984, educating 515 students in grades Kindergarten through eighth; and

WHEREAS, following joint site visits by the SDA and Department of Education (DOE), the DOE issued a pre-construction approval in April 2012 for an emergent project to address conditions related to poor indoor air quality and the replacement of the heat wheel (Project); and

WHEREAS, the contract award recommended for this Project results from utilization of the SDA General Construction Services Task Order Contract (GC Task Order) process approved by the Members of the Authority in August 2011; and

WHEREAS, the background, procurement process followed, scope of work, final budget and schedule are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, for the reasons set forth in detail in the memorandum presented to the Board on this date and incorporated herein, it is recommended that the contract for the Project be awarded to Catcord Construction Company (Catcord) which has confirmed its availability and interest therein; and

WHEREAS, funding for this Project is available from the Program Reserve established with Board approval to address emergent projects; and

WHEREAS, Project construction is anticipated to begin early spring 2013, with final completion anticipated to be reached in early spring 2014; and

WHEREAS, following a review by SDA staff including the Contract Management Division, the Program Operations deputy director and director recommend that the Procurement Division proceed with the award of a construction contract to Catcord on a time and materials basis not-to-exceed value of \$470,250.00; and

WHEREAS, executive management and associated program staff further recommend that the Members of the Authority approve the final charter for the emergent project at the Dr. E. Alma Flagg ES in the Newark Public School District; and

WHEREAS, executive management and associated program staff further recommend that the Members of the Authority authorize and approve the release of \$683,409.00 from the Program Reserve facilitating the subsequent award of a construction contract to Catcord to address the emergent project at the Dr. E. Alma Flagg ES in the Newark School District.

NOW THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$683,409.00 from the Program Reserve to address the emergent project at the Dr. E. Alma Flagg Elementary School Project in the Newark Public School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve the subsequent award by the SDA Procurement Division of a time and materials construction contract in the not-to-exceed amount of \$470,250.00 to Catcord Construction Company (Package No. EP-0065-C01) for the Dr. E. Alma Flagg Elementary School Emergent Project in the Newark Public School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby approve the Final Charter for the Dr. E. Alma Flagg Elementary School Emergent Project in the Newark Public School District as presented to the Board on this date.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Dr. E. Alma Flagg ES Emergent Project, Release of Funds from the Program Reserve and Final Charter (Package No. EP- 0065-C01), Newark Public School District, dated February 6, 2013

Dated: February 6, 2013

WEST NEW YORK - PS#5



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: West New York
School: PS #5
Description: Masonry Wall Repairs
Package No.: EP-0076-C01
CCE: \$ 1,079,666.00
Award: \$ 1,192,466.00
CM: NJSDA Self-Managed

DATE: February 6, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
West New York School District – PS #5
Emergent Project – Masonry Wall Repairs

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the PS #5 School in West New York School District: the release of funds from the NJSDA Program Reserve maintained for emergent projects, the award of a construction contract, and the approval of a Final Project Charter. The recommended value for release from the Program Reserve is the not-to-exceed amount of \$1,617,433.00, a dollar value based upon the recommended not-to-exceed construction contract value of \$1,192,466.00. The recommended Final Project Charter represents the project budget inclusive of not-to-exceed dollar values for the award of construction as well as contingency (copy attached). As discussed below, the recommended actions represent not-to-exceed values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000.00. Further, the Operating Authority requires Board approval for the award of construction contracts greater than \$500,000.00. Both the construction award amount and the release of funds from the reserve exceed \$500,000.00.

Members of the Authority
Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
West New York PS #5 School - Emergent Project
February 6, 2013
Page 2 of 4

BACKGROUND

The West New York PS #5 School, built in 1910, is a 73,000 square foot facility educating 720 students in grades Kindergarten through 6th. As a result of site visits conducted by NJSDA and New Jersey Department of Education (NJDOE) in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on April 18, 2012 for an emergent project to address conditions related to the Degrading Masonry Walls at the facility.

The construction contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the GC Task Order. The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be rotationally assigned under the GC Task Order and which are to be performed on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

PROCUREMENT PROCESS

After receipt of the Pre-Construction Approval from NJDOE, the NJSDA sought and received the building plans and AHERA Report from the West New York School District to assist in the development of a scope of work appropriate to address the condition. In analyzing the information, inclusive of the age of the facility and nature of the emergent condition, the NJSDA determined to engage a Site Environmental Consultant to perform testing and sampling of the areas that would be impacted in order to determine whether to perform abatement efforts.

On August 13, 2012, the NJSDA issued a Task Order assignment to YU & Associates under an existing Task Order Contract to perform Environmental Services inclusive of identification and investigation of the environmental condition, and collection of samples and performance of required testing.

On December 21, 2012, after receipt and review by Program Operations of the final report from YU & Associates, Procurement staff contacted GPC, Inc. (GPC) the next firm on the contractor rotational list, and confirmed its interest in the project.

SCOPE OF WORK

On January 2, 2013, a site visit was held with GPC and its architectural consultant, to review the emergent condition and discuss appropriate action(s) to address the condition. NJSDA staff instructed GPC to develop a proposal, cost estimate and schedule that recognizes an approach to first defining and then implementing appropriate action to address the emergent condition, as follows:

- Review and incorporate the findings documented in the report issued by YU & Associates;
- Review the existing exterior facility conditions and plans, to evaluate potential appropriate solutions for repairs and/or alterations;

Members of the Authority
 Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 West New York PS #5 School - Emergent Project
 February 6, 2013
 Page 3 of 4

- Provide three (3) proposed alternative solutions and cost analyses to remedy the Emergent Condition; and
- Deliver to NJSDA a Final Report, providing recommended corrective action and a construction cost proposal inclusive of the following services and deliverables:
 - Repair of the damaged and degraded masonry walls along the west elevation which includes the application of a new water-resistant coating encapsulating the masonry plaster to prevent further damage from weather and water infiltration along with repairs to the masonry walls within the light-well that support the steel beam at the roof which spans the music room; and
 - Provide plans, inclusive of modifications to the existing structure. Prepare documents to secure construction permits and prepare record set drawings/plans at the completion of the project.

On January 28, 2013, GPC provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, report submission and implementation of the solution chosen by NJSDA to be the most appropriate. The above-mentioned assessment and deliverables will enable NJSDA staff to evaluate and select the most appropriate scope of work to address the emergent project timely and efficiently. The not-to-exceed value of the recommended award represents the cost proposal submitted by GPC reflective of the most extensive solution possible to address the condition: full asbestos containing material abatement of the masonry walls and repair of the damaged and degraded masonry walls.

Contract Management Division (CMD) and Program Operations reviewed GPC’s proposal of \$1,192,466 and determined it was reasonable for the elements included in the Scope of Work. The Program Operations Deputy Director, the Program Operations Director and CMD recommend that Procurement proceed with the issuance of a task order to GPC.

FINAL BUDGET

Based on GPC’s proposal, the construction cost to address the emergent project is a not-to-exceed value of \$1,192,466.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$1,617,433.00.

BUDGET SUMMARY

<u>Projected Budget Summary- Not-to-Exceed</u>	
▪ Construction Costs	\$1,192,466.00
▪ Construction Contingency (15 %)	\$ 178,870.00
▪ Design Costs (in-house)	\$ 35,774.00
▪ Environmental Activities	\$ 53,700.00
▪ Project Management (NJSDA managed)	\$ 97,000.00
▪ Other Costs (5%)	<u>\$ 59,623.00</u>
▪ Total	\$1,617,433.00

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

West New York PS #5 School - Emergent Project

February 6, 2013

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SCHEDULE

Construction services to implement the selected solution for this project are anticipated to begin in late spring, 2013. The construction schedule representative of scope that includes the abatement of the asbestos containing materials recognizes that performance of the abatement work shall be completed while the school is vacant, during the summer months. The schedule recognizes an overall construction duration of 130 calendar days. Substantial completion is anticipated to be reached in October of 2013.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$1,617,433.00 from the Program Reserve to address the emergent project at PS #5 School in the West New York School District.
2. The award of the construction contract to GPC on a time and materials basis not-to-exceed value, in the amount of \$1,192,466
3. The approval of the final project charter for the emergent project at PS #5 School in the West New York School District.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved not-to-exceed value.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations

Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations

Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations

Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations

Prepared and Recommended by: David Crockett, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Region: Northern
District: West New York
School Name: PS #5
Project Type: Emergent
DOE # / Project #: 5670-090-12-0ACC
Project Location: 5401 Hudson Ave., West New York, NJ 07093

Charter Date
02/06/13
Supersedes
Charter Dated
N/A

Project Budget: \$ 1,617,433
Anticipated Construction NTP Date: 03/21/13
Anticipated Final Completion Date: 12/12/13
Project Initiation Date: 04/18/12

Funding Source
2011 Emergent Reserve

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	02/06/13	The contractor shall review the existing exterior facility conditions and plans to evaluate the emergent condition repairs and/or alterations. Provide three (3) proposed alternative solutions and cost analyses to remedy the emergent condition; and issue a Final Report with a recommended corrective action and construction cost proposal. Design and implement the necessary alterations to repair the damaged and degraded masonry walls along the west elevation, inclusive of the abatement of asbestos containing material to prevent further damage from weather and water infiltration, along with repairs to the masonry walls within the light well that support the steel beam at the roof which spans the music room.
Revision # and Date		
<input type="checkbox"/> One		
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		Purpose for Advancement of Emergent Charter
		To establish the final budget for the project inclusive of dollar values for the award for design services, construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project _____ Date _____ Manuel Da Silva	Managing Director - Program Operations _____ Date _____ Gregory Voronov
VP - Program Operations _____ Date _____ Andrew Yosha	N/A VP - Program Operations _____ Date _____ N/A

Approval
 (If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer _____ Date _____
 Marc Larkins

New Jersey Schools Development Authority Emergent Project Charter Project Budget

District / Project Name:	West New York / PS #5
DOE # / Project #:	5670-090-12-0ACC
Charter Date:	02/06/13

Special Considerations:

Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections. The budget below is based upon the not-to-exceed value for construction representing the most extensive solution possible to address the condition: abatement of the asbestos containing materials and repair of the damaged and degraded masonry walls.

Project Budget:

Construction Costs:	
Building Costs	\$1,192,466
Site Costs	\$0
Construction Contingency	\$178,870
Total Construction Costs	\$1,371,336
Other Costs:	
Design in-house	\$35,774
Construction Admin	N/A
Project Management (SDA Staff)	\$97,000
Other Costs	\$59,623
Total Other Costs	\$192,397
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	\$53,700
Total PreDevelopment & Environmental Costs	\$53,700
Total Project Budget	\$1,617,433
2011 Emergent Reserve Impact	
Prior Funding Approved	\$0
Current Funding Requested	\$1,617,433

Resolution –6biii.

Release of Funds from Program Reserve
 Award of Contract, Approval of Final Charter and
 West New York School District, PS #5
 Emergent Project – Masonry Wall Repairs

District:	West New York
School:	PS#5
Description:	Emergent Project – Masonry Wall Repairs
Package No.:	EP-0076-C01
CCE:	\$ 1,079,666.00
Award:	\$ 1,192,466.00
CM:	NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority adopted by the Members of the New Jersey Schools Development Authority (“SDA” or “Authority”) requires Board approval for the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000, for the award of construction contracts greater than \$500,000 and for the approval of any project charter; and

WHEREAS, PS#5 in the West New York School District is an 73,000 square foot building built in 1910, educating 720 students in grades Kindergarten through sixth; and

WHEREAS, following joint site visits by the SDA and Department of Education (DOE), the DOE issued a pre-construction approval in April 2012 for an emergent project to address conditions related to degrading masonry walls at the facility (Project); and

WHEREAS, following receipt of the Pre Construction approval, SDA obtained the building plans and AHERA Report form the WNY District to assist in the development of a scope of work to address the condition; and

WHEREAS, the background, procurement process, scope of work and final budget are set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, the construction contract award recommended for this project results from the SDA General Construction Services Task Order Contract (CG Task Order) which was approved by the Members of the Authority in August 2011; and

WHEREAS, funding for this Project is available from the Program Reserve established with Board approval to address emergent projects; and

WHEREAS, Project construction is anticipated to begin late spring 2013, with Substantial Completion anticipated in October 2013; and

WHEREAS, the executive management, the Program Operations deputy director and director, and the Contracts Management Division recommend that the procurement proceed with the issuance of a task order to GPC, Inc. (GPC) to complete the Project on a time and materials basis in the not-to-exceed amount of \$1,192,466.00; and

WHEREAS, executive management and associated program staff further recommend that the Members of the Authority approve the Final Charter for the Emergent Project at PS #5 in the West New York School District; and

WHEREAS, it is further recommended by executive management and associated program staff that the Members of the Authority authorize and approve the release of \$1,617,433.00 from the Program Reserve to address the emergent condition at PS#5 in the West New York School District.

NOW THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of the construction contract in the amount of \$1,192,466.00 to GPC (Package No. EP-0076-C01) for the PS#5 Masonry Repairs Emergent Project in the West New York School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby approve the Final Charter for the PS #5 Masonry Repairs Emergent Project in the West New York School District as presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$1,617,433.00 from the Program Reserve for the PS #5 Masonry Repairs Emergent Project in the West New York School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, PS#5 Emergent Project – Masonry Repairs (Package No. EP-0067-C01), West New York School District, Release of Funds from Program Reserve and Final Charter dated February 6, 2013

Dated: February 6, 2013

WEST NEW YORK - PS#1



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: West New York
School: PS #1
Description: Masonry Wall Repairs
Package No.: EP-0075-C01
CCE: \$ 926,468.00
Revised CCE: \$1,008,077.00
Award: \$1,040,570.00
CM: NJSDA Self-Managed

DATE: February 6, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
West New York School District – PS #1
Emergent Project – Masonry Wall Repairs

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the PS #1 School in West New York School District: the release of funds from the NJSDA Program Reserve maintained for emergent projects, the award of a construction contract, and the approval of a Final Project Charter. The recommended value for release from the Program Reserve is the not-to-exceed amount of \$1,409,740.00, a dollar value based upon the recommended not-to-exceed construction contract value of \$1,040,570.00. The recommended Final Project Charter represents the project budget inclusive of not-to-exceed dollar values for the award of construction as well as contingency (copy attached). As discussed below, the recommended actions represent not-to-exceed values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000.00. Further, the Operating Authority requires Board approval for the award of construction contracts greater than \$500,000.00. Both the construction award amount and the release of funds from the reserve exceed \$500,000.00.

Members of the Authority
Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
West New York PS #1 - Emergent Project
February 6, 2013
Page 2 of 4

BACKGROUND

The West New York PS #1 School, built in 1910, is a 67,000 square foot facility educating 735 students in grades pre-Kindergarten through 6th. As a result of site visits conducted by NJSDA and New Jersey Department of Education (NJDOE) in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on April 18, 2012 for an emergent project to address conditions related to the Degrading Masonry Walls at the facility.

The construction contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the GC Task Order. The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be rotationally assigned under the GC Task Order and which are to be performed on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

PROCUREMENT PROCESS

After receipt of the Pre-Construction Approval from NJDOE, the NJSDA sought and received the building plans and AHERA Report from the West New York School District to assist in the development of a scope of work appropriate to address the condition. In analyzing the information, inclusive of the age of the facility and nature of the emergent condition, the NJSDA determined to engage a Site Environmental Consultant to perform testing and sampling of the areas that would be impacted in order to determine whether to perform abatement efforts.

On August 13, 2012, the NJSDA issued a Task Order assignment to French & Parrello Associates under an existing Task Order Contract to perform Environmental Services inclusive of identification and investigation of the environmental condition, and collection of samples and performance of required testing.

On December 21, 2012, after receipt and review by Program Operations of the final report from French & Parrello Associates, Procurement staff contacted TCI Construction & Management Company, Inc. (TCI) the next firm on the contractor rotational list, and confirmed its interest in the project.

SCOPE OF WORK

On December 27, 2012, a site visit was held with TCI and its architectural consultant, to review the emergent condition and discuss appropriate action(s) to address the condition. NJSDA staff instructed TCI to develop a proposal, cost estimate and schedule that recognizes an approach to first defining and then implementing appropriate action to address the emergent condition, as follows:

Members of the Authority
 Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 West New York PS #1 - Emergent Project
 February 6, 2013
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- Review and incorporate the findings documented in the report issued by French & Parrello Associates;
- Review the existing exterior facility conditions and plans, to evaluate potential appropriate solutions for repairs and/or alterations;
- Provide three (3) proposed alternative solutions and cost analyses to remedy the Emergent Condition; and
- Deliver to NJSDA a Final Report, providing recommended corrective action and a construction cost proposal inclusive of the following services and deliverables:
 - Repair of the damaged and degraded masonry walls along the south elevation and the cornice at the roofline of the north elevation which includes the application of a new water resistant coating along the south elevation encapsulating the masonry plaster to prevent further damage from weather and water infiltration.
 - Provide plans, inclusive of modifications to the existing structure. Prepare documents to secure construction permits and prepare record set drawings/plans at the completion of the project.

On January 25, 2013, TCI provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, report submission and implementation of the solution chosen by NJSDA to be the most appropriate. The above-mentioned assessment and deliverables will enable NJSDA staff to evaluate and select the most appropriate scope of work to address the emergent project timely and efficiently. The not-to-exceed value of the recommended award represents the cost proposal submitted by TCI reflective of the most extensive solution possible to address the condition: full asbestos containing material abatement of the masonry walls and repair of the damaged and degraded masonry walls.

Contract Management Division (CMD) and Program Operations reviewed TCI's proposal of \$1,040,570.00 and determined it was reasonable for the elements included in the Scope of Work. The Program Operations Deputy Director, and the Program Operations Director and CMD recommend that Procurement proceed with the issuance of a task order to TCI.

FINAL BUDGET

Based on TCI's proposal, the construction cost to address the emergent project is a not-to-exceed value of \$1,040,570.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$1,409,740.00.

BUDGET SUMMARY

<u>Projected Budget Summary Not-to-Exceed</u>	
▪ Construction Costs	\$1,040,570.00
▪ Construction Contingency (15 %)	\$ 156,086.00
▪ Design Costs (in-house)	\$ 31,217.00
▪ Project Management (NJSDA managed)	\$ 89,000.00
▪ Environmental Activities	\$ 40,838.00
▪ Other Costs (5%)	<u>\$ 52,029.00</u>
▪ Total	\$1,409,740.00

Members of the Authority
Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
West New York PS #1 - Emergent Project
February 6, 2013
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SCHEDULE

Construction services to implement the selected solution for this project are anticipated to begin in late spring, 2013. The construction schedule representative of scope that includes the abatement of the asbestos containing materials recognizes that performance of the abatement work shall be completed while the school is vacant, during the summer months. The schedule recognizes an overall construction duration of 105 calendar days. Substantial completion is anticipated to be reached in September of 2013.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$1,409,740.00 from the Program Reserve to address the emergent project at PS #1 School in the West New York School District.
2. The award of the construction contract to TCI on a time and materials basis not-to-exceed value, in the amount of \$1,040,570.00.
3. The approval of the Final Project Charter for the emergent project at PS #1 School in the West New York School District.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved not-to-exceed value.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations
Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations
Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations
Prepared and Recommended by: David Crockett, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Charter Date

02/06/13

Supersedes

Charter Dated

N/A

Region: Northern
District: West New York
School Name: PS #1
Project Type: Emergent
DOE # / Project #: 5670-060-12-0ACB
Project Location: 6129 Madison St., West New York, NJ 07093

Project Budget: \$ 1,409,740
Anticipated Construction NTP Date: 03/21/13
Anticipated Final Completion Date: 11/06/13
Project Initiation Date: 04/18/12

Funding Source
 2011 Emergent Reserve

Charter Version and Date	Project Summary
<input checked="" type="checkbox"/> Final 02/06/13	The contractor shall review the existing exterior facility conditions and plans to evaluate the emergent condition repairs and/or alterations. Provide three (3) proposed alternative solutions and cost analyses to remedy the Emergent Condition; and issue a Final Report with a recommended corrective action and construction cost proposal. Design and implement the necessary alterations inclusive of the abatement of asbestos containing material and the repair of the damaged and degraded masonry walls along the south elevation and the cornice at the roofline of the north elevation to prevent further damage from weather and water infiltration.
Revision # and Date	
<input type="checkbox"/> One	
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	Purpose for Advancement of Emergent Charter
	To establish the final budget for the project inclusive of dollar values for the award for design services, construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project Manuel Da Silva	Date	Managing Director - Program Operations Gregory Voronov	Date
VP - Program Operations Andrew Yosha	Date	N/A VP - Program Operations	Date

Approval
 (If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer
 Marc Larkins

Date

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New Jersey Schools Development Authority Emergent Project Charter Project Budget

District / Project Name:	West New York / PS #1
DOE # / Project #:	5670-060-12-0ACB
Charter Date:	02/06/13

Special Considerations:

Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections. The budget below is based upon the not-to-exceed value for construction representing the most extensive solution possible to address the condition: abatement of the asbestos containing materials and repair of the damaged and degraded masonry walls.

Project Budget:

Construction Costs:	
Building Costs	\$1,040,570
Site Costs	\$0
Construction Contingency	\$156,086
Total Construction Costs	\$1,196,656
Other Costs:	
Design in-house	\$31,217
Construction Admin	N/A
Project Management (SDA Staff)	\$89,000
Other Costs	\$52,029
Total Other Costs	\$172,246
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	\$40,838
Total PreDevelopment & Environmental Costs	\$40,838
Total Project Budget	\$1,409,740
2011 Emergent Reserve Impact	
Prior Funding Approved	\$0
Current Funding Requested	\$1,409,740

Resolution –6biv

Award of Contract, Approval of Final Charter and
 Release of Funds from Program Reserve
 West New York School District, PS #1
 Emergent Project – Masonry Wall Repairs

District: West New York
 School: PS #1
 Description: Emergent Project – Masonry Wall Repairs
 Package No.: EP-0075-C01
 CCE: \$ 926,468.00
 Revised CCE: \$1,008,077.00
 Award: \$1,040,570.00
 CM: NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority adopted by the Members of the New Jersey Schools Development Authority (“SDA” or “Authority”) requires Board approval for the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000, for the award of construction contracts greater than \$500,000 and for the approval of any project charter; and

WHEREAS, PS#1 in the West New York School District is an 67,000 square foot building built in 1910, educating 735 students in grades pre-kindergarten through sixth; and

WHEREAS, following joint site visits by the SDA and Department of Education (DOE), the DOE issued a pre-construction approval in April 2012 for an emergent project to address conditions related to degrading masonry walls at the facility (Project); and

WHEREAS, following receipt of the Pre-Construction approval, SDA obtained the building plans and AHERA Report form the WNY District to assist in the development of a scope of work to address the condition; and

WHEREAS, following review of the information, through task order assignment, SDA engaged a site environmental consultant to perform testing and sampling to determine whether to perform abatement efforts; and

WHEREAS, following review of the environmental consultant’s report, and pursuant to the SDA General Construction Services Task Order Contract (CG Task Order) previously approved by the Members of the Authority in August 2011, SDA contacted TCI Construction and Management Company, Inc. (TCI), the next firm of the contractor rotational list, to develop a proposal, cost estimate and schedule for appropriate action to address the emergent condition; and

WHEREAS, funding for this Project is available from the Program Reserve established with Board approval to address emergent projects; and

WHEREAS, the background, procurement process, scope of work and final budget are set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, Project construction is anticipated to begin late spring 2013, with Substantial Completion anticipated in September 2013; and

WHEREAS, executive management, the Program Operations deputy director and director, and the Contracts Management Division recommend that the SDA Procurement Division proceed with the issuance of a task order to TCI to complete the Project on a time and materials basis in the not-to-exceed amount of \$1,040,570.00; and

WHEREAS, executive management and associated program staff recommend that the Members of the Authority authorize and approve the release of \$1,409,740.00 from the Program Reserve and the award of the recommended construction contract to TCI to address the emergent condition at PS#1 in the West New York School District; and

WHEREAS, executive management and associated program staff further recommend that the Members of the Authority approve the Final Charter for the Emergent Project at PS #1 in the West New York School District; and

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$1,409,740.00 from the Program Reserve for the PS #1 Masonry Wall Repairs Emergent Project in the West New York School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve the award of a construction contract in the amount of \$1,040,570.00 to TCI (Package No. EP-0075-C01) for the PS#1 Masonry Wall Repairs Emergent Project in the West New York School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby approve the Final Charter for the PS #1 Masonry Wall Repairs Emergent Project in the West New York School District as presented to the Board on this date.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, PS#1 Emergent Project – Masonry Wall Repairs (Package No. EP-0075-C01), West New York School District, Release of Funds from the Program Reserve and Final Charter dated February 6, 2013

Dated: February 6, 2013

Design-Build Award and Approval of Final Project Charter - Passaic School District – Henry Street Elementary School

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
 Director, Procurement

Corrado Minervini
 Director, Program Operations

RE: District: Passaic City
 School: Henry Street E.S.
 Description: Design-Build
 Package No.: NT-0019-B01
 CCE: \$27,802,475
 Award: \$28,900,000
 CM: NJSDA Self-Managed

DATE: February 6, 2013

SUBJECT: Design-Build Award and Approval of Final Project Charter

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$28,900,000 to Dobco, Inc.¹ for Design-Build services for the new Henry Street Elementary School in the Passaic City School District. The Design-Build Team will complete the design for the facility utilizing the DCA-released construction documents and will also provide construction and construction administration services, including securing of all required permits and approvals, for a new three story, Pre-K through grade Five school facility. The form of contract for this engagement is a Design-Build contract with the general contractor as the lead and with relevant trades and design disciplines serving in sub-contractor and sub-consultant roles.

We are also recommending approval by the Members of the attached revised Final Project Charter representing the project budget inclusive of dollar values for the award of the design-build package.

Pursuant to the SDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of construction contracts greater than \$500,000 and for the approval of Revised Project Charters which modifications singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter. In the case of the Henry Street Elementary School project, the revised project charter increases the total project budget by \$7.5 million or 15.9%.

BACKGROUND

The Henry Street Elementary School project will be a new 115,000 square foot facility designed to educate 688 students in grades Pre-K through grade Five.

¹ Dobco, Inc. listed the following subcontractors for the required trades in its Price Proposal: Epic Mechanical, Inc. (HVAC), Galdi Mechanicals Corp. (Plumbing), BW Electrical Services, LLC (Electrical), and B&B Iron Works, Inc. (Structural Steel & Ornamental Iron). Dobco, Inc. also listed a design consultant team lead by Di Cara / Rubino Architects (Architecture), and including CSA Central Architects & Engineers, PC (HVAC Engineering, Electrical Engineering and Plumbing Engineering), Leslie E. Robertson Associates, LLP (Structural Engineering) and Langan Engineering & Environmental Services, Inc. (Civil Engineering).

Members of the Authority
 Approval of Award
 Package No. NT-0019-B01
 Henry Street E.S. – Design-Build
 February 6, 2013
 Page 2

Prior activity for the Henry Street project included its advancement into construction in 2009 following SDA Board approval of the award and Final Project Charter. After construction initiated, the project encountered obstacles that impacted its advancement.

For these and other reasons, the SDA engagements for design, construction and project management were terminated. Based on the nature of the termination, the SDA retained the right to utilize the architectural work product for completion of the School Facilities Project in accordance to Section 5.2.2 of the Design Consultant Agreement. A solicitation for Design-Build Services was issued on September 28, 2012.

PROCUREMENT PROCESS

This package was advertised as a design-build solicitation on September 28, 2012 on the SDA website, NJ State website, and in selected newspapers for interested firms to participate in the bidding process.

A mandatory pre-bid conference was held on October 11, 2012.

In accordance with regulations, the SDA employed a two-step process for this procurement. The first step required interested bidders to submit a Project Rating Proposal, which was used by the SDA to determine each bidder’s Project Rating Limit, or maximum amount that a bidder may bid, for the project. Project Rating Proposals were received on October 17, 2012. Bidders were evaluated based on the largest of four projects completed in the past seven years, safety records as well as reference checks. Based on evaluation of the information submitted, ten (10) bidders received a Project Rating Limit.

The Project Rating Limits resulting from the Project Rating Evaluations are listed in Table 1 below:

TABLE 1

Contractor	Project Rating Limit
APS Contracting, Inc.	\$ 19,223,355
Delric Construction Co., Inc.	\$ 49,850,921
Dobco, Inc.	\$ 74,477,726
Epic Management, Inc.	\$ 231,312,160
Ernest Bock & Sons, Inc.	\$ 107,084,530
Hall Building Corp.	\$ 50,248,578
Hall Construction Co., Inc.	\$ 131,295,840
Ingrassia Construction Co., Inc.	\$ 17,716,720
Patock Construction Co., Inc.	\$ 57,908,033
Prismatic Development Corp.	\$ 110,600,000

Bidder Questions were received until December 4, 2012. Addenda responses to Bidder Questions were issued to the bidders on October 25, November 15, December 6 and December 14, 2012.

The second step of the response required bidders to simultaneously submit a Technical Proposal and a sealed Price Proposal. Technical and Price Proposals were received on January 3, 2013 from two (2) bidders. The SDA performed a review of the Technical Proposals to determine the responsiveness of each bidder to the solicitation. The review determined that Dobco’s Technical Proposal was responsive. Additionally, the review determined that Delric’s Technical Proposal was non-responsive and it was rejected for failure to identify subcontractors in the Technical Proposal required to be named by the RFP. The “Price and Other Factors” selection process was immediately suspended. Since only one bidder to the solicitation was determined to be responsive, the SDA is authorized to negotiate a contract, provided however that negotiation with the single responsive bidder is limited to price.

Members of the Authority
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 Henry Street E.S. – Design-Build
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Dobco's Price Proposal was opened and reviewed by the SDA on January 22, 2013. The review determined that Dobco's Price Proposal was responsive. A discussion was held on January 31, 2013 to negotiate the contract amount. Based upon the analysis of Contract Management and input from Program Operations staff, the Chief Executive Officer negotiated a \$1,100,000 reduction to Dobco's bid amount of \$30,000,000, thereby, reducing its price to \$28,900,000. Concessions were obtained in certain areas based on Dobco's prior work on the project.

At the time of review, Dobco, Inc. confirmed that the negotiated price is inclusive of all scope elements contained in the Contract Documents. The Program Operations Deputy Director, the Program Operations Director, the Contract Management Deputy Director and the Contract Management Director recommend award of the project to Dobco, Inc.

FINAL PROJECT CHARTER

The attached revised Final Project Charter represents the project budget inclusive of actual dollar values for the award of the design-build contract, pre-development expenses, prior engaged design and construction management services, as well as estimated costs for future project scope elements such as FF&E, technology, and appropriate contingencies. As a revision to the Final Charter approved in 2009, it also includes actual dollar values expended or anticipated to be expended for the now terminated earlier engagements. The revised Final Project Charter results in an increase to the budget of \$7.5 million due to increased costs associated with the prior stoppage of work, termination of the earlier contract, and the completion of the project through a new design-build engagement.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to Dobco, Inc. for Contract No. NT-0019-B01 in the amount of \$28,900,000. Such approval is conditioned upon the agreement and related documentation being reviewed and approved by the SDA Division of Chief Counsel.

The Members of the Authority are also requested to approve the attached revised Final Project Charter representing all expended and projected funds necessary for completion of the project.

/s/ Sean Murphy
 Sean Murphy, Director, Procurement

/s/ Corrado Minervini
 Corrado Minervini, Director, Program Operations

New Jersey Schools Development Authority Project Charter - Summary

Charter Date
02/06/13

Supersedes Charter Dated
11/05/09

Region: Northern
District: Passaic
Project Name: Henry Street
School Type: Elementary School
DOE # / Project #: 3970-X01-01-X760
Project Type (New/Add/Reno): New Construction
Project Location: 19 Henry Street, Passaic
Number of Students: 688

Land Acquisition Required? Yes No
Temporary Space Required? Yes No

Funding Source
Prior Allocation

Project Budget: \$ 55,023,004

Funding Allocated
\$47,484,204

Anticipated Substantial Completion Date: 12/03/14

Anticipated School Occupancy Date: 02/13/15

Project Team Leader: Corrado Minervini

District Local Share
\$0.00

Project Initiation Date: August-03

SDA Board - Project Charter Approval Date: 02/06/13

Charter Version and Date	Project Summary	
<input type="checkbox"/> Planning		New elementary school to be constructed to educate 688 students in grades Pre-K through Five.
<input type="checkbox"/> Preliminary		
<input checked="" type="checkbox"/> Final	11/05/09	
Purpose for Advancement of Current/Revised Project Charter		
Revision # and Date		Approval of the Revised Final Charter inclusive of the revised final budget and schedule for the project based upon termination of original GC and the award of the Design-Build Contract.
<input checked="" type="checkbox"/> One	02/06/13	
<input type="checkbox"/> Two		
District Project Goals		
<input type="checkbox"/> Four		Construction of a new school to address overcrowding in grades Pre-K through Five.
<input type="checkbox"/> Five		
<input type="checkbox"/> Six		

Recommendation

Program Director - Program Operations _____ Date _____
Corrado Minervini

Managing Director - Capital Planning _____ Date _____
Gregory Voronov

Vice President - Program Operations _____ Date _____
Andrew Yosha

Approval

Chief Executive Officer _____ Date _____
Marc Larkins

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New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method

Charter Date
02/06/13

District / Project Name:	Passaic / Henry Street
DOE # / Project #:	3970-X01-01-X760

Project Milestones	Date
School Occupancy Date	02/13/15

DELIVERY METHOD	Design/Build
------------------------	---------------------

<u>Real Estate Services</u>	<u>Start</u>	<u>Est.</u>	<u>Act.</u>	<u>Finish</u>	<u>Est.</u>	<u>Act.</u>
Feasibility	10/22/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/23/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Investigations	01/17/08	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/14/08	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Acquisition	09/20/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/03/06	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Relocation	08/31/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/14/06	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Demolition	12/01/09	<input type="checkbox"/>	<input checked="" type="checkbox"/>	09/17/10	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Remediation	01/04/10	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/03/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?	Yes	Date				
District Notified?	Yes	08/02/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Classification Exception Area?	No					
District Notified?	N/A		<input type="checkbox"/>	<input type="checkbox"/>		

Special Considerations

<u>Design:</u>	<u>Date</u>	<u>Est.</u>	<u>Act.</u>		<u>Est.</u>	<u>Act.</u>
Design Start (NTP)	08/21/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Design Restart (if applicable)		<input type="checkbox"/>	<input type="checkbox"/>			
	<u>Start</u>	<u>Est.</u>	<u>Act.</u>	<u>Finish</u>	<u>Est.</u>	<u>Act.</u>
Program Concept Phase	08/21/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10/21/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic Design	10/21/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/18/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bridging Documents	02/21/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/14/09	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design-Build Bid/Award	02/28/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>	03/20/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build NTP	03/21/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Final Design	03/21/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>	09/16/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

<u>Construction:</u>	<u>Date</u>	<u>Est.</u>	<u>Act.</u>
Construction Start (NTP)	03/21/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	12/03/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	02/13/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer	01/03/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	03/02/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	10/28/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	11/25/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

Dates listed on the Construction Section are derived from the Project Schedule, dated December 12, 2012.

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date
		02/06/13
District / Project Name:	Passaic / Henry Street	
DOE # / Project #:	3970-X01-01-X760	
2011 Capital Plan Funding Allocation	\$	47,484,204
Special Considerations:		
Structural Steel Storage Costs: Haberle \$215,000 Design-Builder Costs: Design, Building Costs and Site Costs are based upon the award value for the design-build engagement..		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor:
New	115,105	1.70
Addition	_____	
Renovation	_____	
Total Gross Building Area (GSF):	115,105	
Estimated Building Cost / GSF		
New Construction Cost/GSF	\$243.00	
Renovation Cost/GSF	_____	
Design-Builder Costs		
Design	\$930,000	
Building Costs	\$26,470,000	
Site Costs	\$1,500,000	
Structural Steel Storage Costs	\$215,000	
Original General Contractor Costs	\$5,996,290	
Cost Escalation 0 months at 5 % per year	\$0	
Construction Contingency	\$2,890,000	
Total Construction Costs	\$38,001,290	
Pre-Development Costs:		
Consultant Services	\$783,341	
Early Site Package	\$0	
Land Acquisition	\$6,178,257	
Relocation	\$945,188	
Property Maintenance/Carry Costs	\$137,725	
Total Pre-Development Costs	\$8,044,510	
Other Costs:		
Design	%	
Prior Design Services	\$2,178,786	
In-House Design	\$183,000	
Project Management (SDA Staff)	\$2,020,000	
PMF/CM	\$1,631,394	
FF&E	\$1,087,742	
Technology	\$966,882	
Commissioning	\$350,000	
Temporary Space	\$0	
Other Costs	\$559,400	
Total Other Costs	\$8,977,204	
Other Funding Sources		
Rebates & Refunds	\$0	
District Local Share Funds	\$0	
Total Other Funding Sources	\$0	
Total Project Budget	\$55,023,004	
Funding from Prior Allocation	\$47,484,204	
Funding from 2008 Funding Allocation	\$7,538,800	

**New Jersey Schools Development Authority
Project Charter - Budget Variance**

Charter Date
02/06/13

District / Project Name: Passaic / Henry Street
DOE # / Project #: 3970-X01-01-X760

Project Budget:

	2009 Approved Charter	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:	1.70	1.70	0.00
Gross Building Area (GSF):	115,103	115,105	(2)
	New Addition		
	Renovation		
Total Gross Area (GSF):	115,103	115,105	(2)
Design-Builder Costs			
Design	\$0	\$930,000	(\$930,000)
Building Costs ¹	\$26,800,000	\$26,470,000	(\$1,170,000)
Site Costs ¹		\$1,500,000	
Structural Steel Storage Costs	\$0	\$215,000	(\$215,000)
Original General Contractor Costs	\$0	\$5,996,290	(\$5,996,290)
Cost Escalation	\$0	\$0	\$0
Construction Contingency	\$3,380,000	\$2,890,000	\$490,000
Total Construction Costs	\$30,180,000	\$38,001,290	(\$7,821,290)
Pre-Development Costs:			
Consultant Services	\$371,341	\$783,341	(\$412,000)
Original GC Costs	\$0	\$0	\$0
Land Acquisition	\$6,237,790	\$6,178,257	\$59,534
Relocation	\$945,188	\$945,188	\$0
Property Maintenance/Carry Costs	\$125,725	\$137,725	(\$12,000)
Total Pre-Development Costs	\$7,680,044	\$8,044,510	(\$364,466)
Other Costs:			
Design			
Prior Design Services ²	\$2,557,514	\$2,178,786	\$378,728
In-House Design	\$0	\$183,000	(\$183,000)
Project Management (SDA Staff)	\$2,020,000	\$2,020,000	\$0
PMF/CM ²	\$1,978,466	\$1,631,394	\$347,072
FF&E	\$1,446,960	\$1,087,742	\$359,218
Technology	\$1,085,220	\$966,882	\$118,338
Commissioning	\$0	\$350,000	(\$350,000)
Temporary Space	\$0	\$0	\$0
Other Costs	\$536,000	\$559,400	(\$23,400)
Total Other Costs	\$9,624,160	\$8,977,204	\$646,956
Other Funding Sources			
Rebates & Refunds	\$0	\$0	\$0
District Local Share Funds	\$0	\$0	\$0
Total Other Funding Sources	\$0	\$0	\$0
Total Project Budget	\$47,484,204	\$55,023,004	(\$7,538,800)
Funding from Prior Allocation	\$47,484,204	\$47,484,204	\$0
Funding from 2008 Funding Allocation	\$0	\$7,538,800	(\$7,538,800)

Budget Variance Analysis:

1. Building and Site Costs were not distinguished in the 2009 Charter but are separately depicted in the Current Budget values to more specifically define Building Costs.
2. Prior Design Services and PMF/CM costs reflected in the current budget are for expenditures made for the prior engagements for these services which have been terminated.

Schedule Variance Analysis:

Resolution—6bv.

Design-Build Award and Approval of Final Project Charter

District:	Passaic City
School:	Henry Street E.S.
Description:	Design-Build
Package No.:	NT-0019-B01
CCE:	\$27,802,475
Award:	\$28,900,000
CM:	NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve the award of construction contracts greater than \$500,000; and

WHEREAS, the Operating Authority further requires that the Members of the Authority approve revisions to Project Charters which modifications singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter; and

WHEREAS, the Henry Street Elementary School project (the Project) will be a new 115,000 square foot facility designed to educate 688 students in grades Pre-K through grade five; and

WHEREAS, prior activity for the Project included its advancement into construction in 2009 following SDA Board approval of the award and Final Project Charter; and

WHEREAS, after construction was initiated, the project encountered obstacles that impacted its advancement and for the reasons set forth in the memorandum presented to the Board on this date and incorporated herein, the SDA engagements for design, construction and project management were terminated with SDA retaining the right to utilize the architectural work product for completion of the Project; and

WHEREAS, to advance the Project, a solicitation for Design/Build Services was issued on September 28, 2012; and

WHEREAS, the Program Operations Deputy Director and Director, and the Contract Management Deputy Director and Director recommend award of the project to Dobco, Inc.; and

WHEREAS, the background and status of the Project, the aforementioned Procurement Process and subsequent negotiations, and the details of the revisions to the Project Charter are set forth in comprehensive detail in the memorandum presented to the Board on this date and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract for design/build services to Dobco, Inc. (Contract No. NT-0019-B01) in the amount of \$28,900,000 for the Henry Street Elementary School Project in the Passaic School District, with such approval conditioned upon the agreement and related documentation being reviewed and approved by the SDA Division of Chief Counsel.

BE IT FURTHER RESOLVED, that the Members of the Authority further authorize and approve the attached revised Final Project Charter representing all expended and projected funds necessary for completion of the project.

BE IT FURTHER RESOLVED, this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Design-Build Award (Contract No. NT-0019-B01) and Approval of Final Project Charter, Henry Street Elementary School, Passaic School District, dated February, 6, 2013

Dated: February 6, 2013

APPROVAL OF AWARD

ESTIMATING/COST ANALYSIS AND CPM SCHEDULING SERVICES

**MEMORANDUM**

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

DATE: February 6, 2013

SUBJECT: Approval of Awards
Contract No. GP-0192-R01
Estimating/Cost Analysis and CPM Scheduling Services

INTRODUCTION

The Members of the Authority are requested to approve the award of contracts to four firms for Estimating/Cost Analysis Services and four firms for Critical Path Method (“CPM”) Scheduling Services with respect to construction projects of public schools of various sizes and grade alignments. Through these engagements resulting from a competitive procurement process, the NJSDA will have available two pools, consisting of four Consultants each, from which to assign Task Orders on an as-needed basis for Estimating/Cost Analysis Services (Pool 1) and CPM Scheduling Services (Pool 2). Compensation for the engagements, including all awardees, shall not exceed \$2,000,000 in the aggregate for the three year term: the Term of each Agreement shall extend for a period of three years or until all obligations of the Consultant to deliver services pursuant to any existing Task Order have been performed to the satisfaction of the Authority, whichever is later.

Task Order assignments will be made on a rotating basis and multiple matters may be included as part of a single task order assignment. Assignments will be made subject to Consultant availability and a conflict of interest check. The Consultant will be required to submit a proposed budget for each Task Order assignment. The proposed budget shall be subject to NJSDA’s approval and acceptance prior to commencement of services under the Task Order assignment. If, after negotiations, agreement is not reached on the budget for the Task Order assignment, the NJSDA, in its discretion, may assign the Task Order to the next Consultant in the rotation.

The Consultant must be prepared to provide its services at hourly rates of \$100 for Program Scheduler, \$100 for Cost Estimator and \$75 for Estimating Coordinator when assigned Task Orders.

PROCUREMENT PROCESS

In accordance with NJSDA regulations, the NJSDA employed a single-step process for this procurement, but retained the option to conduct interviews.

Members of the Authority
 Approval of Award
 Contract No. GP-0192-R01
 Estimating/Cost Analysis and CPM Scheduling Services
 February 6, 2013
 Page 2

The RFP was advertised beginning on December 18, 2012 on the NJSDA website and the State of New Jersey Business Opportunities website.

The solicitation required interested firms to submit a Technical Proposal. Technical Proposals were received on January 16, 2013 from twelve firms. The Technical Proposal provided information regarding the firm’s past experience and qualifications as well as the firm’s approach to budgeting and scheduling.

A Selection Committee consisting of three NJSDA staff members evaluated the responses to the RFP. The evaluations were based upon the information provided by the firms in response to the RFP for this engagement. The three committee members independently evaluated the responses submitted based on the following criteria:

- Firm Experience - Case Studies
- Key Team Member Experience and Qualifications
- Approach to Providing the Scope of Services
- Approach to Compliance with Budget and Schedule

Each Selection Committee member evaluated each Technical Proposal with respect to each criterion on a scale of 0 to 10 as follows:

- Outstanding (9-10): depth and quality of response offers significant advantages.
- Superior (7-8): exceeds RFP requirements with no deficiencies.
- Sufficient (5-6): meets RFP requirements with no significant deficiencies.
- Minimal (3-4): meets RFP requirements but contains some significant deficiencies.
- Marginal (1-2): comprehends intent of RFP but contains many significant deficiencies.
- Unsatisfactory (0): requirements not addressed and lack of detail precludes adequate evaluation.

Weighting factors were then applied to each of the Selection Committee member evaluations to arrive at a total weighted score as follows:

Criteria	Weighting Factor	Maximum Weighted Points
Firm Experience - Case Studies	3.0	30
Key Team Member Experience and Qualifications	3.0	30
Approach to Providing the Scope of Services	3.0	30
Approach to Compliance with Budget and Schedule	1.0	10
TOTAL POSSIBLE POINTS		100

Each Technical Proposal could receive a maximum of 100 points per evaluator or 300 points

Members of the Authority
 Approval of Award
 Contract No. GP-0192-R01
 Estimating/Cost Analysis and CPM Scheduling Services
 February 6, 2013
 Page 3

total. The results of the Selection Committee's review of the Technical Proposals are listed in Tables 1 and 2 below:

TABLE 1

Estimating/Cost Analysis		
Firm	Proposal Score	Proposal Rank
STV Construction, Inc.	248	1
Heery International, Inc.	246	2
Ellana, Inc.	235	3
SJH Engineering, P.C.	235	3
QWIC, Inc.	228	5
Promatech, Inc.	226	6
Toscano Clements Taylor Cost Estimators, LLC	226	6
Buiding Evaluations, Inc.	225	8
Preferred Construction Management Co., Inc.	221	9
Urban Engineers, Inc.	218	10
JCMS, Inc.	214	11

TABLE 2

CPM Scheduling		
Firm	Proposal Score	Proposal Rank
JBC Associates, Inc.	228.5	1
STV Construction, Inc.	224	2
Heery International, Inc.	214	3
JCMS, Inc.	214	3
QWIC, Inc.	212	5
Ellana, Inc.	203	6
Preferred Construction Management Co., Inc.	196	7
Promatech, Inc.	193	8

Members of the Selection Committee were satisfied that the information contained within the Technical Proposals was sufficient for their evaluations and determined that interviews would not be necessary. Accordingly, the Proposal Rank became the Final Rank.

Members of the Authority
Approval of Award
Contract No. GP-0192-R01
Estimating/Cost Analysis and CPM Scheduling Services
February 6, 2013
Page 4

RECOMMENDATION

The Members of the Authority are requested to approve the NJSDA contracting with the three highest-ranked firms in each discipline, as listed in Tables 1 and 2 above, to provide Estimating/Cost Analysis and/or CPM Scheduling Services. As a result of third place ties in both disciplines, awards will be made to four firms each for Estimating/Cost Analysis Services and CPM Scheduling Services. Compensation for the engagements, including all awardees, shall not exceed \$2,000,000 in the aggregate for the three year term. Such approval is conditioned upon the Agreement and related documentation being reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
Sean Murphy
Procurement Director

Resolution—6ci.

Approval of Award
Contract No. GP-0192-R01
Estimating/Cost Analysis and CPM Scheduling Services

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority authorized and approve the award of contracts for certain professional goods and services; and

WHEREAS, the SDA is seeking to award contracts for Estimating/Cost Analysis and Critical Path Method (“CPM”) Scheduling Services for construction projects of public schools of various sizes and grade alignments; and

WHEREAS, through these engagements resulting from a competitive procurement process, SDA will have available two pools from which to assign Task Orders on an as-needed basis for Estimating/Cost Analysis Services and CPM Scheduling Services; and

WHEREAS, the compensation, term and details of the proposed engagements are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, in accordance with applicable regulations, the SDA employed a competitive selection process for this procurement, the details of which are set forth in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, at the conclusion of that process, executive management recommends that the Board authorize the SDA to contract with the highest-ranked firms in each discipline, as identified in the memorandum presented to the Board on this date to provide Estimating/Cost Analysis and/or CPM Scheduling Services; and

WHEREAS, executive management further recommends that such approval be conditioned upon the Agreement and related documentation being reviewed and approved by the Authority’s Division of Chief Counsel.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize the SDA to contract with the specified highest-ranked firms in each discipline, as set forth in the memorandum presented to the Board on this date, to provide Estimating/Cost Analysis and/or Critical Path Method Scheduling Services, with such approval conditioned upon the Agreement and related documentation being reviewed and approved by the Authority’s Division of Chief Counsel.

BE IT FURTHER RESOLVED, that compensation for the engagements, including all awardees, shall not exceed \$2,000,000 in the aggregate for the three year term.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Approval of Award, Contract No. GP-0192-R01, Estimating/Cost
Analysis and CPM Scheduling Services, dated February 6, 2013
Dated: February 6, 2013

FINAL ADOPTION - READOPTION OF N.J.A.C. 19:36

DESIGN-BUILD REGULATIONS

**MEMORANDUM**

TO: Members of the Authority

FROM: Jane F. Kelly, Vice President
Division of Corporate Governance and Operations

DATE: February 6, 2013

RE: Final Readoption with Amendments: Title 19, Chapter 36
Procurement of Design Build Projects

On March 7, 2012, the Members of the Authority approved for proposal and publication the readoption and amendment of regulations at Title 19, Chapter 36, Procedures for Procurement of Design Build Contracts for School Facilities Projects for the Schools Construction Program ("Chapter 36" or "the Rules"). Management of the New Jersey Schools Development Authority ("Authority" or "SDA") now seeks the Members' approval to formally readopt the Rules as previously approved for proposal and publication. The Rules to be readopted have not changed since the Board's initial approval on March 7, 2012, with the exception of minor edits suggested by the Office of Administrative Law prior to publication. The proposed Adoption Notice for the Rules is attached hereto, along with the Rules as published in the New Jersey Register.

Background

As previously briefed in a Board Memorandum of March 7, 2012, Chapter 36 was originally adopted by the New Jersey Schools Development Authority as special new rules, published as R. 2009 d. 102, effective February 27, 2009. As special rules with a one-year effective period, Chapter 36 was originally due to expire on February 27, 2010. However, pursuant to Executive Order 1 (2010), the Rules were indefinitely extended pending readoption.

As the Members are aware, in April of 2009, the Rules were the subject of a legal challenge before the New Jersey Superior Court, Appellate Division, in a matter captioned O'Shea v. New Jersey Schools Development Authority, Docket No. A-3943-08T1. The suit questioned the Authority's ability to utilize a design-build methodology to procure the design and construction of a school facilities project. In a decision of April 7, 2010, the Appellate Division upheld the NJSDA's ability to utilize design-build, but required changes to be made to the Rules regarding the procedures for creation of a short list.

The Rules proposed for readoption and amendment implement the required changes to the shortlist procedures, and additional amendments conform the design-build rules to the recent changes made to the Authority's other procurement regulations for professional services, goods and services, and "price and other factors" construction procurements.

Prior Publication History and Public Comment

The proposed Rules appeared in the New Jersey Register on May 7, 2012 at 44 N.J.R. 1318(a), and were subject to a sixty (60) day public comment period. Additional notice of the rule proposal was published on the Authority's website and provided to news outlets and by mail to consultants and vendors that had done business with the Authority.

The official comment period ended July 6, 2012. The Authority received comments from the following two individuals: Robert A. Briant, CEO, Utility and Transportation Contractors Association of New Jersey, and Edward J. Frisch, of the firm Lindabury McCormick Estabrook & Cooper, on behalf of the Mechanical Contractors Association of New Jersey.

Authority Management concluded that the comments received from the above-named commenters did not warrant changes in the Rule proposal. Those comments are recounted in the attached Notice of Adoption along with the full text of the Authority's responses thereto, but the comments are briefly summarized below for the Members' convenience:

1. A commenter objected to the proposed modifications to Section 5.1(c), which governs the payment of stipends, and asserted that the proposed changes compromise intellectual property rights, asserting that that in the past, the Authority would only be entitled to use or ownership of a bidder's intellectual property contained in a technical proposal if a stipend was offered to, and accepted by, that bidder, such that a bidder could submit a technical proposal for consideration, but could still refuse to permit use of any work product or intellectual property contained therein, by rejecting the stipend offered. The Authority's proposed response rejects the factual premise of the comment, and asserts that the act of submission of a proposal constitutes consent to the Authority's use of the information contained therein, regardless of the proffer or payment of a stipend, which is clarified by the proposed Rule modifications.
2. A commenter expressed concern about the language of section 8.3 of the proposed rules, which prohibits substitution of "key team members" without Authority permission and approval, and sought clarification that the section would not permit any post-bid substitution of a statutorily required major trades subcontractor. The Authority response confirms that the cited language does not permit substitutions of subcontractors required by statute to be named in the price proposal.
3. A commenter objected to the use of a "two-phase selection process" utilizing short-listing in the proposed rules. The commenter asserted that the shortlisting process "constricts competition" among specialty trade subcontractors. The Authority response refutes the commenter's argument and asserts that the right to utilize a short-listing process was confirmed by the Appellate Division in the O'Shea v. New Jersey Schools Development Authority, Docket No. A-3943-08T1, litigation.
4. A commenter took issue with the proposed rules' assertion that the design-build project delivery method has the potential to result in "greater cost reliability," asserting that this potential benefit is not guaranteed, and "does not mean less cost." The Authority response asserts that the cost reliability flows from a recognition that with the merger of the design and

construction function within a singular design-build team, the potential for change orders relating to design errors, omissions, conflicts or ambiguities is reduced.

5. A commenter asserted that the proposed rules claim that design-build can result in “a shorter overall design process,” and took issue with this purported claim. Further, the commenter asserted that the SDA’s design build process does not permit the “fast-tracking” of early phases of construction, because of periodic evaluations inherent in SDA’s process. The Authority’s response indicates that the proposed rules claim that design-build can result in a shorter overall design and construction process, and refutes the assertion that “fast-tracking” is not available in the SDA process.

6. A commenter objected that the subjective element of the “price and other factors” selection process in the proposed design-build regulations “invites mischief” due to the subjective judgments inherent in the review and rating of bidders based on selection criteria, and can allow the appearance of impropriety, possible corruption, undue influence, personal relationships, or political patronage which competitive bidding statutes have been enacted to prevent. The Authority’s response refutes the commenter’s assertions and affirms that the right to utilize a “price and other factors” procurement process is statutorily authorized and was confirmed by the Appellate Division in the O’Shea v. New Jersey Schools Development Authority, Docket No. A-3943-08T1, litigation.

As previously noted, Authority management determined that the above comments did not warrant any changes in the Rule proposal. The Authority’s proposed responses to the above comments are included in the Notice of Adoption, and reflect that no changes were made in response to such comments. Accordingly the text of the Rules remains unchanged from the form previously approved by the Board for publication on March 7, 2012, (with the exception of minor technical edits from the Office of Administrative Law incorporated in the published version).

Requested Board Action:

The Members of the Authority are requested to approve completion of the readoption process for these Rules, which requires filing the attached Notice of Readoption with Amendments with the Office of Administrative Law, and subsequent publication of the final approved Rules and Notice of Adoption in the New Jersey Register.

/s/ Jane F. Kelly

Jane F. Kelly, Vice President
Corporate Governance & Operations

JFK/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

**Procedures for Procurement of Design Build Contracts for School Facilities Projects
for the Schools Construction Program**

Proposed Readoption with Amendments: N.J.A.C. 19:36

Proposed Repeals and New Rules: N.J.A.C. 19:36-1.3 and 8.3

Proposed New Rules: N.J.A.C. 19:36-1.5 and 9

Proposed: DATE at 44 N.J.R. 1318(a).

Adopted: DATE, 2013 by the New Jersey Schools Development Authority,

Marc Larkins, Chief Executive Officer.

Filed: [DATE] as R. 2013 d.____, **without change**.

Authority: P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority).

Effective Date: [FILING DATE], 2013, Readoption;
[PUBLICATION DATE], 2013, Amendments, Repeals, New
Rules, and Recodification.

Expiration Date: [FILING DATE], 2020.

Summary of Public Comment and Agency Response:

The official comment period ended July 6, 2012. The Authority received comments from the following two individuals:

1. Robert A. Briant, CEO, Utility and Transportation Contractors Association of New Jersey.
2. Edward J. Frisch, of the firm Lindabury McCormick Estabrook & Cooper, on behalf of the Mechanical Contractors Association of New Jersey.

The number in parentheses after each comment identifies the respective commenter(s) listed above.

1. COMMENT: A commenter objects to the proposed modifications to Section 5.1(c), which governs the payment of stipends. The original language provided that “[i]f a stipend is provided to an unsuccessful offeror, the work produced within that offeror’s technical proposal shall be provided to the Authority for its use in connection to the design-build contract awarded, or in connection with a subsequent procurement, without obligation to pay any additional compensation to the unsuccessful offeror.” The proposed amendments delete the precondition of a stipend, and make the act of submission of the technical proposal the trigger and acknowledgment that the bidder consents to the Authority’s use of any content from the technical proposal in the Project, or in a subsequent project, without any obligation to pay additional compensation to the bidder, whether a stipend is provided or not. The commenter contends that in the past, the Authority would only be entitled to use or ownership of a bidder’s intellectual property contained in a technical proposal if a stipend was offered to, and accepted by, that bidder, such that a bidder could submit a technical proposal for consideration, but could still refuse to permit use of any work product or intellectual property contained therein, by rejecting the stipend offered. (1)

RESPONSE: The commenter is incorrect in its interpretation of the original language of 19:36-5.1(c). That language did not condition the use and ownership of intellectual property contained in the technical proposal on the bidder’s **acceptance** of a stipend, but

rather upon the Authority's **provision** of the stipend. Contrary to the commenter's argument that a bidder could prevent the Authority's use or ownership of work product or intellectual property contained in a technical proposal by refusing the stipend offered, the rejection of a stipend had no such effect. Once a technical proposal had been submitted in response to an RFP that offered the provision of a stipend to shortlisted bidders, a responding bidder was presumed to have made the work product or intellectual property contained in its technical proposal available to the Authority. The modifications proposed to the section at issue clarify that it is the submission of a technical proposal that operates to make the work product or intellectual property contained in a technical proposal available to the Authority for its use, and the modifications provide that this is so whether or not a stipend is contemplated or offered by the Authority in the RFQ or RFP for a given procurement. Furthermore, the Authority believes that the consent to permit the use of work product contained in a submitted technical proposal should be divorced from the act of providing a stipend. This modification is necessary to protect the Authority in the event of unfounded claims of use of work product or intellectual property allegedly included in a technical proposal, especially when competing technical proposals may have similar features. Thus the Authority believes that the onus should be on a bidder to choose to preserve intellectual property by either refraining from submitting a technical proposal altogether, or by refraining from including sensitive intellectual property in a technical proposal. The Authority believes this is especially compelling in light of the fact that a bidder's submitted technical proposal constitutes a public document under the Open Public Records Act (N.J.S.A. 47:1-1 et seq.), accessible to the public upon request and protected from disclosure under OPRA only during the

period of evaluation of competing proposals, before award of the contract being procured.

No changes to the proposal will be made in response to this comment.

2. COMMENT: The commenter expressed concern about the language of section 8.3 of the proposed rules, which prohibits substitution of “key team members” without Authority permission and approval. The commenter questions whether “key team members” includes major trades subcontractors, and seeks confirmation that section 8.3 “would not permit any post-bid substitution for a statutorily bid-named major trades subcontractor” in contravention of the holding in O’Shea v. New Jersey Schools Construction Corp., 388 N.J. Super. 312 (App. Div. 2006). (2)

RESPONSE: The definition of “key team members” in the proposed rules does not include major trades subcontractors, and thus the commenter’s concern is unwarranted. The rules define “key team member” as “an individual identified as having a responsible role in the successful completion of the design-build contract.” The definition refers to individuals, as it is intended to refer to specific persons fulfilling roles required to be identified in the bidder’s technical proposal, such as the Design Builder’s Project Manager, Superintendent, or Safety Coordinator, and it is the substitution of such persons that the rule is meant to govern. However, in clarification of the intent of the proposed rule, the Authority recognizes the prohibition on pre-award substitution imposed by the decision in the above-captioned O’Shea case, and confirms that Section 3.8 of the proposed rule is not intended to, and will not in practice, permit substitution of contractors in contravention of the O’Shea decision. No changes to the proposal will be

made in response to this comment.

3. COMMENT: The commenter objects to the use of a “two-phase selection process” utilizing “short-listing” in the proposed rules. The commenter asserts that the shortlisting process “constricts competition” among specialty trade subcontractors. The commenter asserts that in the traditional design-bid-build paradigm, “all interested (and prequalified) specialty trades firms have the opportunity to compete for the trade subcontracts before the bidding. They do so to all of the general contractors who will be bidding, with the opportunity—from giving the best pre-bid subcontract price quotes – to [b]e bid-named for the subcontract work by more than just one of the bidders.” The commenter asserts that, because the rules require that the design-builder identify the statutory trade subcontractors at the time of submission of technical proposals, subcontractors named to the design-build team of a general contractor who fails to make the shortlist are also prevented from competing for the subcontract work of the winning design-builder, thereby resulting in constriction of competition among subcontractors. The commenter also makes a broader argument that the nature of the design-build process constricts competition, because of the requirement to name subcontractors to Design-Build Teams at the submission of technical proposals. (2)

RESPONSE: The commenter’s objection appears to be critical of the application of subcontractor-identification requirements of N.J.S.A. 52:18A-243 to the design-build paradigm, and appears to be based upon a misconception that a subcontractor cannot participate in more than one design-build team. SDA acknowledges that the proposed

rules describe a design-build procurement process that requires general contractors, design consultants and subconsultants to team together to develop a design and construction approach consistent with the requirements of the Design-Build Contract Documents and the Design Build Information Package, because the identification of major trade contractors is a requirement of N.J.S.A. 52:18A-243, but SDA notes that nothing in the proposed rules prohibits a subcontractor from teaming with more than one prospective Design-Builder, and through its competitive pricing being “bid-named for the subcontract work by more than just one of the bidders.” Thus, the trade subcontractors at issue have the same ability to aggressively compete with each other to participate in multiple bids as members of multiple design-build teams, as they do to compete for subcontract work in a traditional design-bid-build procurement process. Furthermore, to the extent the commenter’s frustration stems from a fundamental objection to the design-build process, the NJSDA responds that the Appellate Division has upheld the design-build delivery method as an appropriate exercise of the NJSDA’s statutory authority under EFCFA and N.J.S.A. 52:18A-235 et seq. No changes to the proposal will be made in response to this comment.

4. COMMENT: The commenter takes issue with the proposed rules’ assertion that the design-build project delivery method has the potential to result in “greater cost reliability,” asserting that this potential benefit is not guaranteed, and “does not mean less cost.” The commenter contends that Design-Build results in increased costs to the taxpayer, asserting that “in design-build, each bid is based on a unique design” and thus “the bid price of the winning bid team has no competition, since all other competitors’

prices are based on their own unique designs.” The commenter further asserts that, “during the RFP process, there is no real cost comparison between competing design-builders” as “there is only one price for each unique design.” The commenter compares this scenario to the design-bid-build paradigm, where multiple general contractors (with their teams of subcontractors selected based on prices submitted in competition with each other) are bidding based on one fully developed design. Finally, the commenter asserts that the incomplete nature of design at the time of design-build bidding results in the bidders’ inclusion of premiums or contingencies in the bids to compensate for ambiguities or conflicts in the design, which contingencies may obviate any cost savings.

(2)

RESPONSE: The commenter’s objections are misplaced. The proposed rules’ recognition of the possibility of “greater cost reliability” with design-build projects is an acknowledgment that with the merger of the design and construction function within a singular design-build team, the potential for change orders relating to design errors, omissions, conflicts or ambiguities is reduced. Furthermore, to the extent the commenter’s objections represent a fundamental objection to the design-build process, the NJSDA notes that the Appellate Division has upheld the design-build delivery method as an appropriate exercise of the NJSDA’s statutory authority under EFCFA and N.J.S.A. 52:18A-235 et seq. No changes to the proposal will be made in response to this comment.

5. COMMENT: The commenter asserts that the proposed rules claim that design-build can result in “a shorter overall design process,” and takes issue with this purported claim, arguing that the process requires two design professionals, resulting in increased time and cost. Further, the commenter asserts that, unlike design-build in the private sector, the SDA’s design build process does not permit the “fast-tracking” of early phases of construction, because of periodic evaluations inherent in SDA’s process. (2)

RESPONSE: The commenter’s objection is misplaced, and is unsupported by any demonstrable evidence. The proposed rules at Section 1.1e assert that “Design-Build project delivery offers the potential for such benefits as a shorter overall design and construction process; greater cost reliability and reduced risk through enhanced project coordination.” The commenter’s objections ignore the fact that the actual language of the proposed rules defines the potential benefit as a “shorter overall design **and construction process**,” not merely a “shorter design process.” Thus, it is not the NJSDA’s position that the design-build delivery method results in a shorter design process, and the commenter’s objections are misplaced. The NJSDA stands by its statement in the proposed rules that design-build delivery can offer a shorter overall design and construction process, due to the merging of the design function and the construction function in a single Design-Build Team, which has the potential to reduce or eliminate delays in the interpretation and communication of design details from designer to builder, the streamlining of the contractor and subcontractors process of seeking clarification of the design documents from the designer, and the streamlining of the submittal and shop drawing approval process. Finally, to the extent that the commenter

asserts that the SDA's process fails to facilitate "fast tracking" of early phases of construction (which is generally understood to encompass the process of seeking construction code approval and other approvals for completed designs of foundations, footings and structural elements to permit the commencement of construction on those elements, while final construction documents continue to be developed for the remainder of the building) this statement is also unwarranted, in that nothing in the proposed rules prohibits the use of a "fast-track" approach to early phase design and construction. Indeed, the SDA's current form of Design Build Agreement includes provisions to permit and facilitate "fast track" advancement of early phase design and construction. No changes to the proposal will be made in response to this comment.

6. COMMENT: The commenter objects that the subjective element of the "price and other factors" selection process in the proposed design-build regulations "invites mischief" due to the subjective judgments inherent in the review and rating of bidders based on selection criteria. The commenter asserts that the subjective process "lends itself to inappropriate award and mischief in the awarding process" and this "can lead to the appearance of impropriety, and allow the possible corruption, undue influence, personal relationships, or political patronage which competitive bidding statutes have been enacted to prevent." (2)

RESPONSE: The commenter's objections regarding the subjective component of the "price and other factors" selection process were raised and litigated before the Appellate Division in O'Shea v. New Jersey Schools Construction Corp., 388 N.J. Super. 312 (App.

Div. 2006). In response to such concerns, the Appellate Division recognized that the NJSDA's authorizing statute, N.J.S.A. 52:18A-243, permits a "price and other factors" selection process that incorporates a subjective component in addition to the objective component of a price-based competition. The O'Shea opinion stated the Appellate Division's conclusion that "we do not believe that including subjective elements in the evaluation process is contrary to the goals of public bidding." The opinion went on to state: "The Legislature has expressly provided that the Authority's award of contracts under the Act will involve consideration of factors other than who is the lowest responsible bidder." In light of the O'Shea opinion's support of the design-build project delivery method, and the "price and other factors" selection process as provided in N.J.S.A. 52:18A-243, the NJSDA's incorporation of the "price and other factors" selection process into the design-build procurement process is authorized by statute and is not inconsistent with public bidding laws. No changes to the proposal will be made in response to this comment.

7. COMMENT: The commenter requests that the rules be amended to include a specific requirement for a written statement setting forth the rationale and the factors considered in choosing the design-build approach, instead of a fixed-price or competitive bid process, and further requests that the statement include the anticipated cost per square foot of the building. The commenter suggests that this written statement could be useful to the SDA, the taxpaying public, and other parties, in that the written statement could be used in a "lessons learned" analysis after completion of the project, to evaluate whether the stated purpose and objectives of this approach were actually accomplished. (2)

RESPONSE: The Authority appreciates the commenter’s suggestion. The Authority is unaware of any statutory mandate, judicially-imposed requirement, or other obligation that requires any State agency or authority to create a statement memorializing the reasons for choosing one procurement methodology over another, or one project delivery method over another. As such, the Authority does not believe that modification of the regulations to require such a statement with respect to design-build delivery is necessary or appropriate at this time. The Authority will be carefully monitoring the progress and results of the design-build approach, and anticipates that as its design-build program matures, and more projects are delivered using this method, the Authority will be better situated to review and analyze the quality and effectiveness of the design-build delivery method. No changes to the proposal will be made in response to this comment.

Federal Standards Statement

The rules readopted with amendments, new rules, and repeals, implement a State statute, specifically P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to these rules. A Federal standards analysis, therefore, is not required.

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 19:36.

Full text of the adopted amendments, new rules, and repeals follows:

TEXT

TREASURY — GENERAL

PROPOSALS

days of return to employment. When notified of an employee's USERRA-eligible service, the Division will notify the employee of the amount of contributions required in order that the period of military service can be used in the calculation of retirement benefits. The employee must authorize payroll deductions to the retirement systems for USERRA-eligible service to receive the pension service credit. The USERRA purchase may be paid in a lump sum or may be taken through tax-deferred payroll deductions.

If the employee does not purchase the USERRA-eligible service, then the employee's time in the uniformed services will not be used for the purposes of vesting and/or determining eligibility for retirement and health benefits.

At N.J.A.C. 17:1-3.10, Peacetime military service; service credit, subsection (a) remains unchanged. Subsection (b) is proposed for amendment to clarify that USERRA-eligible service can be used for purposes of vesting and to determine eligibility for benefits, provided the employee authorizes the purchase of the USERRA-eligible service. The employee shall receive the pension credit for the period of USERRA-eligible service by making the pension contributions that would have been required had the employee not left employment to serve in the uniformed services. Payment to the retirement system of any contributions for USERRA-eligible service is optional and voluntary on the part of the employee. Subsection (c) remains unchanged.

As the Division has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The proposed amendment to N.J.A.C. 17:1-3.10(b) is intended to clarify the Division's administrative practice regarding USERRA-eligible service and the purchase of this service for the purposes of the retirement benefit calculation and health benefits, if the employer normally provides this benefit. The amended regulation will have a positive impact on the employees since upon return to employment, the employee will have an opportunity to purchase the USERRA-eligible service and have the service time credited to the employee's retirement account. The additional service credit will be calculated for the retirement benefit, which can provide the employee with an increased monthly retirement benefit. The Division and the State-administered retirement systems also benefit from the collection of the purchase payments.

The social benefits of this proposed amendment outweigh any negative effect that this amendment may impose on members or employers. Providing proper interpretation of the Federal law (38 U.S.C. §§ 4301 et seq.) will provide members and employers with a better understanding of the Division's administrative practice regarding USERRA. The taxpaying public may be affected by this amendment, since public monies are used to fund the benefits and they too, benefit from the proper and efficient administration of the retirement system which the rules require.

Economic Impact

The proposed amendment will have a positive economic impact on the various retirement systems. USERRA requires that employee contributions or lump sum payments to the retirement systems for the purchase of the eligible uniformed service credit must be deferred from Federal tax. Therefore, the payment for the purchase must be taken through payroll deductions. This ensures that payment for the additional service credit is obtained from the employer and submitted to the Division. The Division will continue to monitor the impact of the proposed amendment.

Federal Standards Statement

The proposed amendment is necessary as to be in compliance with Federal statutes. Specifically, the provisions of 38 U.S.C. §§ 4301 et seq., which provide benefit protection to employees who leave public employment to serve in the uniformed services. The rule was adopted to comply with USERRA and apply these Federal requirements to all the defined benefit and defined contribution retirement systems administered by the Division.

Jobs Impact

The operation of the proposed amendment will not result in the generation or loss of jobs. The Division invites any interested parties to

submit any data or studies concerning the jobs impact of this proposed amendment along with their written comments.

Agriculture Industry Impact

The proposed amendment will not have any impact on the agriculture industry.

Regulatory Flexibility Statement

The proposed amendment affects all members of the State-administered retirement systems. It does not impose any reporting, recordkeeping, or other compliance requirements upon small businesses as defined under the Regulatory Flexibility Act at N.J.S.A. 52:14B-16 et seq. Therefore, a regulatory flexibility analysis is not required.

Housing Affordability Impact Analysis

The proposed amendment will not have an impact on affordable housing in New Jersey and there is an extreme unlikelihood that the rule would evoke a change in the average costs associated with housing because the rule only applies to the provisions of USERRA that apply to employees of the State-administered retirement systems.

Smart Growth Development Impact Analysis

The proposed amendment will not evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the proposed rule only applies to members that purchase USERRA-eligible service.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 3. ENROLLMENT, MEMBERSHIP, TRANSFERS, AND WITHDRAWALS

17:1-3.10 Peacetime military service; service credit

(a) (No change.)

(b) A member reemployed under this section shall be treated as not having incurred a break in service with the employer by reason of the member's period of service in the uniformed services [only for the purposes of vesting or determining eligibility for retirement and health benefits]. **A member that authorizes payroll deductions or makes a lump sum payment for the USERRA-eligible service will receive the pension service credit with the State-administered retirement system. The actual calculation of retirement benefits will include the time of uniformed service. Payment to the retirement system of any contributions for USERRA-eligible service is optional and voluntary on the part of the member.**

(c) (No change.)

OTHER AGENCIES

(a)

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY**Procedures for Procurement of Design Build Contracts for School Facilities Projects for the Schools Construction Program**

Proposed Readoption with Amendments: N.J.A.C. 19:36

Proposed Repeals and New Rules: N.J.A.C. 19:36-1.3 and 8.3

Proposed New Rules: N.J.A.C. 19:36-1.5 and 9

Authorized By: New Jersey Schools Development Authority, Marc Larkins, Chief Executive Officer.

Authority: P.L. 2007, c. 137, specifically, § 4k (N.J.S.A. 52:18A-238k); P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); and P.L. 2007, c. 137, (N.J.S.A. 52:18A-235 et seq.).

PROPOSALS

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2012-071.

Submit written comments by July 6, 2012 to:

Cecelia Haney, Administrative Practice Officer
New Jersey Schools Development Authority
PO Box 991
Trenton, NJ 08625-0991

The agency proposal follows:

Summary

The New Jersey Schools Development Authority ("Authority," "NJSDA," or "SDA") proposes to readopt N.J.A.C. 19:36 with amendments, new rules, and repeals. The rules establish the requirements, standards, and procedures for the Authority's procurement of design-build contracts for the construction of school facilities projects.

Chapter 36 was originally adopted by the New Jersey Schools Development Authority as special new rules, published at 41 N.J.R. 1513(a), effective February 27, 2009. This chapter was set to expire on February 27, 2010, however, pursuant to Executive Order No. 1 (2010), which "froze" all existing regulations until the completion of the review of administrative regulations and rules by the Red Tape Review Group, the expiration date for Chapter 36 was extended until such time as the extended regulations are readopted pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.

In April 2009, Chapter 36 and the NJSDA's ability to utilize a design-build methodology to procure the design and construction of a school facilities project, were the subject of a legal challenge before the New Jersey Superior Court, Appellate Division, in a matter captioned *O'Shea v. New Jersey Schools Development Authority*, Dkt. No. A-3943-08T1 (April 7, 2010). In its decision, the Appellate Division upheld the NJSDA's ability to utilize the design-build procurement methodology, but criticized the Authority's procedures for creation of a short list of bidders, finding that the process failed to conform to statutory criteria and lacked sufficient delineation of the size of the short list. The Appellate Division invalidated those portions of Chapter 36 pertaining to the creation of a short list of potential bidders competing for a design-build contract, and instructed the Authority to either abandon the use of a short listing procedure, or revise the rules regarding short listing to conform to statutory criteria and provide sufficient structure for selecting the size of the short list to eliminate excessive discretion. In response to the Appellate Division's decision, the New Jersey Schools Development Authority determined that the use of a short list procedure is a valuable component of an effective procurement process, and proposed several amendments, new rules, and repeals to Chapter 36 governing the short list procedures in order to comply with the Appellate Division's directive. Furthermore, the Authority has proposed additional amendments to other sections of Chapter 36 to achieve conformity with other existing and proposed rules and to better reflect the practices and procedures of the Authority. The Authority proposes to readopt the balance of the chapter without amendment.

As the Authority has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

A description of the proposed amendments, repeals, and new rules follows:

Chapter Heading

The Authority proposes to amend the chapter heading from "Procedures for Procurement of Design Build Contracts for School Facilities Projects for the School Construction Program" to "Procurement of Design Build Contracts" to streamline it, eliminate extraneous verbiage, and conform to similar heading changes in recent rule readoptions.

Subchapter 1. General Provisions

N.J.A.C. 19:36-1.1 Purpose and Applicability of Rules

This section has been proposed for re adoption with amendments. Specifically, the amendments in subsection (a) delete all references to a limited pilot program for design-build projects. The original rules were

OTHER AGENCIES

adopted as special new rules, with a one-year expiration period, and made reference to a six-project pilot program for design-build projects. The chapter is now being proposed for re adoption, and based upon the Appellate Division's ruling that the Authority has full statutory authority and ability to utilize a design-build procurement methodology, the Authority has determined that limiting the rules to a formal pilot program is not necessary. Proposed amendments to subsection (b) include replacing the phrase, "These rules provide for the Authority to retain a design professional" with the phrase "These rules allow for the Authority to engage a design professional" and relocating the reference to N.J.A.C. 19:38C. Proposed amendments to subsection (c) include replacing the phrase, "offer the 'best value'" with "are the most advantageous to the SDA, based upon a 'best value selection' process premised on a" combination of cost and qualitative factors, with consideration given to price at least equal to the consideration given to all other factors combined.

N.J.A.C. 19:36-1.2 Definitions

Proposed amendments to this section include changes to previously defined terms, the deletion of obsolete terms, and the addition of new terms, as set forth below.

The definition of "Act" is amended to mean the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), as amended, and P.L. 2007, c. 137, which authorizes the school construction program.

The definition of "best value selection" has been amended to replace the phrase "a selection process in which proposals contain both a price proposal and a technical proposal," with "a selection process in which consideration is given to both a price proposal and a technical proposal."

The term "bidder" has been added to replace the term "offeror." The new term "bidder" will maintain the same definition as the existing term "offeror": "any legal entity classified by the Department of the Treasury, Division of Property Management and Construction, and prequalified by the Authority, that may submit an offer in response to a request for qualifications or request for proposals for an award of a design-build contract." As a result, the term "offeror" is proposed for deletion. Based upon this amendment, all references to the term "offeror" throughout this chapter are replaced with "bidder."

The term "Board" has been added to refer to the governing body of the Authority.

The definition of the term "bridging architect" has been amended to correct prior language that erroneously suggested that an entity could be registered to practice architecture and to clarify that the bridging architect refers to a firm that may be retained by the Authority and which employs persons registered to practice architecture.

The term "Commissioner" has been added to refer to the head of the Department of Education.

The definition of "construction manager" has been amended to eliminate unnecessary descriptions of functions inherent to construction management services, namely "oversight and reporting services," and to insert language indicating that a construction manager "may be" engaged by the Authority, in recognition of the fact that the engagement of a construction manager is optional and the Authority retains the ability to self-manage its design-build projects.

The term "DCA building permit" has been deleted as superfluous.

The definition of the term "design-build contract" has been amended to specify that the design-build contract is a "written, integrated" agreement. Further amendments to the definition eliminate extraneous language, deleting "governing the design and construction of the school facilities project and all other documents," and replacing the phrase "the obligations of the design builder with respect to the design and construction of the project" with the more concise and accurate "the obligations of the parties." A further amendment deletes the reference to the design-builder's technical proposal as part of the design-build contract, as the technical proposal need not be considered part of the contract documents. Finally, language has been added to reflect that the obligations described in the design-build contract reflect "the performance of work and services and the basis for payment."

The definition of the term "design-build project delivery" has been stylistically amended to move the location of the phrase "into a single

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contract” from the end of the sentence to more accurately modify the phrase “all or some portions of the design and construction phases of a school facilities project.”

The definition of “Development Authority” has been amended to replace the phrase “an entity which undertakes and funds” with “an entity which is statutorily charged with undertaking and funding” school facilities projects under the Act.

The definition of the term “guaranteed maximum price” (GMP) has been amended to indicate that a guaranteed maximum price is “a method of compensation for the design builder, including but not limited to the design-builder’s fee, the costs of all work, and any other prices as set forth in accordance with the design build contract.” The phrase “...set forth in an offeror’s prices proposal...” would be deleted in the proposed definition.

The definition of the term “key team member” is amended to relocate language that a key team member is identified as “having a responsible role in the successful completion of the design-build contract” to more accurately reflect the nature of a “key team member,” and to indicate that the bidder’s response regarding key team members “is made part of the contract.” Further changes eliminate redundant language that formerly specified that “upon award, key team members are part of the team of the design builder.”

The definition of the term “notice of award” (NOA) has been amended to specify that the notice of award must be a “written” notice issued to the bidder “prior to award,” to indicate the notice sets forth the Authority’s intention to enter into a design-build contract with the bidder, and to delete superfluous language that the contract is for “the services and work set forth in the request for proposals.”

The term “performance specifications” has been amended to specify that the performance specifications are part of the design-build information package, and has been further amended to delete language that the specifications describe an end result, objective, or standard that the design builder is expected to “exercise its ingenuity to achieve, selecting the means and assuming a corresponding responsibility for that selection” in favor of clearer language indicating that the specifications describe an end result, objective, or standard that the design builder is expected to “achieve in designing and constructing the project.”

The term “prescriptive specifications” has been amended to specify that the prescriptive specifications means a “document provided in the design-build information package.”

The term “price proposal” has been amended to indicate that a GMP is an optional method of compensation for a design build project, in that the price may be submitted as a “guaranteed maximum price” if required by the RFP for the procurement.

The term “professional consultants” is amended to “professional services consultants,” which is a term that has been proposed for amendment in the Authority’s rules. Changes have been made to this definition to conform to the definition of “professional services consultants” in the Authority’s rules proposed at 43 N.J.R. 3153(a). Such changes include amendments to specify “the architect, engineer, land surveyor, or other individual or professional firm” as types of professional services consultants, and to indicate that a professional services consultant provides services “relating to its respective occupation,” which services “require unique professional or technical skills, licenses, or other credentials.” Further changes include adding “appraisals,” “commissioning,” and “provision of insurance” to the types of services provided by professional services consultants. Finally, the definition has been amended to “include those consultants who provide ‘professional architectural, engineering, or land surveying services’ within the meaning of N.J.S.A. 52:34-9.2.”

The term “protest” has been added to describe a formal challenge to an Authority’s decision, statement, action or inaction.

The term “ranking” has been added to refer to the action of listing bidders “in order of highest to lowest total scores, based upon selection criteria set forth in the RFQ and/or RFP.”

The term “request for qualifications” has been amended to eliminate references to the selection of the “most qualified offerors,” because this language was determined to be problematic by the Appellate Division as inconsistent with the Authority’s statutory mandate to select the bidder whose proposal is judged “most advantageous to the development

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authority, price and other factors considered.” Other amendments include the inclusion of language indicating the information requested by the RFQ, namely information “regarding the qualifications, experience, and organizational structure of the bidder’s proposed design-build team, which information can be used by the Authority to select a short list of bidders to compete for a design-build contract.”

The term “SDA school district” has been amended to insert the codified statutory citation.

The term “selection coordinator” has been added to mean “the administrator of the operations and procedures of the selection process, whose activities shall include, but are not limited to, scheduling of meetings, preparing agendas, recording scores, verifying submittal information, preparing minutes of selection committee meetings, and other similar administrative duties.”

The term “short-listing” or “short-listed” has been amended to replace the language regarding the selection of “most qualified offerors who have responded to an RFQ,” because this language had been criticized by the Appellate Division as inconsistent with the Authority’s statutory mandate. The deleted language will be replaced with the phrase “bidders who are evaluated on qualification factors other than price, as indicated in the RFQ, and whose proposals are judged most advantageous to the Authority in terms of qualifications other than price.”

The term “specification” has been amended to delete reference to being “prepared by the design-builder” in recognition of the terms “performance specifications” and “prescriptive specifications” which are types of specifications that are prepared by the Authority or the Authority’s agents; and to replace the phrase “setting” forth with the language “which sets” forth.

The term “substantial completion” has been streamlined to eliminate excess detail unnecessary to the function of these rules, and which details are specified elsewhere as contractual obligations. Language has been added to the definition to summarize such obligations, such as the obligations to secure a temporary certificate of occupancy, to create a punch list, and to deliver a facility that is ready for occupancy in accordance with its intended use.

The term “technical evaluation committee” has been amended to specify that it is a selection committee.

The term “work” has been amended to replace reference to “subcontractors and suppliers” with the word “team.”

N.J.A.C. 19:36-1.3 Disclosure and Publicity

This section has been proposed for repeal and replacement with a new section. The existing text under this section indicated that “applications and submissions received by the Authority under this chapter are government records as defined in the Open Public Records Act, P.L. 2001, c. 404.” Proposed new subsection (a) indicates that all submissions, made in response to an RFQ or RFP, are subject to the provisions of the Open Public Records Act, codified at N.J.S.A. 47:1A-1 et seq., and the exceptions from disclosure provided therein. This change is intended to indicate that the submissions are government records when they satisfy the Open Public Records Act’s definition of the same, and if defined as government records, such submissions shall be subject to the exclusions and exceptions from disclosure as provided in that statute. Proposed new subsection (b) requires the design-builder to notify the Authority prior to issuing press releases or public dissemination of information about the school facilities project, and to include in any such public dissemination of information recognition of the Authority’s financing and assistance in the undertaking of the project.

N.J.A.C. 19:36-1.4 Access and Record Retention

Proposed amendments to this section include the addition of language making explicit the design-builder’s obligation to comply with requests for information and documents from State and Federal investigative agencies; and the addition of language that clarifies the design-builder’s obligation to maintain records of the design-build project for the specified period of 10 years, and then return such records to the Authority, unless the Authority has requested an earlier return of the files or transfer of such files to another entity. Additional language has also been added to require the design-builder’s subconsultants and subcontractors to retain project records for 10 years, and to require the design-builder to provide

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to the Authority upon request any records relating to the design-build project, and to provide such documents within four business days of the request from the Authority. Finally, language has been added to require the design-builder to retain all required documents during the pendency and until resolution of, any litigation, claims, audit findings, document requests, and related appeals.

N.J.A.C. 19:36-1.5 Fraudulent Statements

This proposed new section specifies that any firm or individual that makes or causes to be made a false, deceptive, or fraudulent statement in its submittal in response to an RFQ or RFP, or in the course of any hearing under this chapter may be disqualified from bidding, suspended, and/or debarred, and may be subject to prosecution pursuant to applicable law.

Subchapter 2. Technical Evaluation Committee**N.J.A.C. 19:36-2.1 Applicability**

This section is proposed with technical amendments, as discussed above.

N.J.A.C. 19:36-2.2 Composition and Responsibilities of Technical Evaluation Committee

This section has been amended to reference the designation of a selection coordinator to administer the selection process, and to require that each member of the selection committee shall have the relevant experience required to evaluate submissions, as indicated in N.J.S.A. 52:34-10.3(c). Additionally, new subsection (c) is proposed to reflect that once the identity of bidders and their teams is known, but before commencement of any evaluation of submissions, the members of the selection committee must certify that they have no personal interest in any of the bidders to be evaluated, or the subcontractors or subconsultants of any bidder, or the principals, subsidiaries, or parent companies of any bidder, subcontractor, or subconsultant of a bidder. If a conflict is discovered, this section provides that the selection committee member with a conflict may not serve, and will be removed from the committee. The added language further provides that a removed committee member may be replaced, at the discretion of the Authority, if replacement with a new member is feasible at the time of removal of the conflicted committee member, and such replacement will not have an adverse impact on either the evaluation process of the procurement schedule or process generally. Finally, new subsection (d) is proposed to indicate that the names of the members of the selection committee shall be made public once the contract is awarded.

Subchapter 3. Professional Consultant Services**N.J.A.C. 19:36-3.1 Applicability**

This section is proposed for readoption without amendment.

N.J.A.C. 19:36-3.2 Engagement of Bridging Architect

This section is proposed for amendment to delete the former name of the Authority's rules governing professional consultant procurements, as the heading of that section is proposed to be changed pursuant to a pending rule proposal (see 43 N.J.R. 3153(a)).

N.J.A.C. 19:36-3.3 Design-Build Information Package

Paragraph (c)6 is proposed for amendment to include language that clarifies that the payment of a stipend in connection with a design-build procurement is not mandatory.

N.J.A.C. 19:36-3.4 Engagement of Construction Manager

The proposed amendment to subsection (a) deletes the former name of the Authority's rules governing professional consultant procurements, as the heading of that section is proposed to be changed pursuant to a pending rule proposal (see 43 N.J.R. 3153(a)).

N.J.A.C. 19:36-3.5 Conflicts of Interest

This section is proposed for amendment to delete the phrase "an offeror or join a team" and replace it with the phrase "a bidder or subconsultant to a bidder."

OTHER AGENCIES**Subchapter 4. Two Phase Selection Process for Design-Builders****N.J.A.C. 19:36-4.1 Applicability**

This section is proposed for amendment to reflect that "in the first phase, the Authority ranks bidders" for the short list of bidders to receive the RFP based on the ranking. The amendment also clarifies what occurs in the second phase of the process.

N.J.A.C. 19:36-4.2 Necessity for Prequalification

The proposed amendment to subsection (a) provides clarification of the prequalification notice requirement and that such bidders (and their design-build teams) will be required to be prequalified in the particular discipline or disciplines as specified in the RFQ.

N.J.A.C. 19:36-4.3 Request for Qualifications

Proposed amendments to this section include deletion of language referencing a short listing selection of the "most qualified" bidders, because this language had been deemed problematic by the Appellate Division as inconsistent with the Authority's statutory mandate to select the bidder whose proposal is judged "most advantageous to the development authority; price and other factors considered." Additional proposed amendments delete reference to the establishment in the RFQ of a "maximum" number of bidders to be selected for the short list, in favor of language that indicates that the RFQ will specify the number of bidders to be selected for the short list, and the deletion of the word "anticipated" from the description of the criteria for the technical evaluation to be referenced in the RFQ, as such criteria will be finalized by the time the RFQ is issued.

N.J.A.C. 19:36-4.4 Short Listing of Offerors

Proposed changes to this section include the addition of language indicating that the bidder will be evaluated not only on its own experience, but on the experience of the bidder and the entire design-build team. New paragraphs (a)6 and 7 have been added to specify that the bidders will be evaluated based on their demonstrated affirmative action experience and that consideration of the bidders aggregate rating from the Department of the Treasury, Division of Property Management and Contracts, which is affected by prior affirmative action experience since this is a criterion required by the Authority's authorizing statute that the Appellate Division had noted was not included originally in Chapter 36. Further amendments at subsection (b) include deletion of language referencing a short listing selection of the "most qualified offerors," in favor of language tracking the Authority's statutory mandate to select the bidder whose proposal is judged "most advantageous to the Authority; price and other factors considered," as well as deletion of reference to the Authority's Senior Director of Procurement.

N.J.A.C. 19:36-4.5 Request for Proposals

Proposed amendments to this section include replacement of "proposal bond" with "bid bond" to conform to standard terminology and deletion of paragraph (b)12.

N.J.A.C. 19:36-4.6 Selection Process

Proposed amendments to subsection (e) include the addition of language indicating that the price proposal submitted shall provide a price for all design services and construction work required to complete construction of the school facilities project, and indicating that the price may be submitted in the form of a GMP, if required by the RFP; and the replacement of "proposal bond" with "bid bond" to conform to standard terminology. Various subsections include replacement of references to the Authority's Senior Director of Procurement with reference to the selection coordinator, or more general references to the Authority's staff, where appropriate. Further proposed amendment to subsection (g) includes replacement of language describing the scoring process for price proposals with a clearer formulation of the scoring process. Also in subsection (g), language indicating that adjustments to the price proposal may be made by the Authority to establish a correct proposal has been deleted. Language has been proposed as new paragraph (g)2 to indicate that amounts in price proposals must be submitted in words and figures, and in the event of a discrepancy between the words and figures, the amount expressed in words shall govern.

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N.J.A.C. 19:36-4.7 Rejection of Proposals

Proposed amendments to subsection (a) to delete that portion of the regulation, which previously allowed the Authority to accept proposals that were untimely submitted, when in its sole discretion, the Authority finds good cause. In subsection (b), the proposed amendment replaces prior language justifying rejection of proposals for lack of responsiveness, or for other enumerated reasons in the public interest, in favor of more expansive language, "any reason, in accordance with law." Further, existing subsection (c) is deleted and new subsection (c) includes that the Authority may cancel a notice of award at any time before it executes the NOA, "if the Authority deems it advisable to do so in the interest of the State or the public interest." As a result of the proposed new subsection (c), the phrase, "the Authority may cancel an award at any time before the execution of the design-build contract by all parties" contained in subsection (b) will be deleted since it is no longer necessary.

Subchapter 5. Payment of Stipends by the Authority**N.J.A.C. 19:36-5.1 Criteria for Payment of Stipend**

Subsection (a) is proposed for amendment to delete language indicating that the stipend is offered as consideration for use by the Authority of the information in the bidder's technical proposal, as this subject is covered by the addition to subsection (c). Subsection (c) is proposed for amendment to clarify that regardless of whether a stipend is offered, the submission of a proposal by a bidder constitutes the bidder's acceptance and agreement that the Authority is entitled to use the information contained therein in the project for which it was submitted, or in other future projects.

Subchapter 6. Contracts**N.J.A.C. 19:36-6.1 Contract Approval and Execution**

Proposed amendments to this section include replacement of "proposal bond" with "bid bond" to conform to standard terminology, clarification that the notice of award will specify the time in which the contract must be executed, and additional language specifying that if the winning bidder fails to return the executed contract in time, the Authority may opt to withdraw or cancel the notice of award to the winning bidder and awarding to the next-highest-ranked bidder, or cancelling the procurement, in addition to proceeding to recover under the bid bond. Also, existing subsection (g) is proposed for deletion and proposed new subsection (g) will be added to include language that indicates that no agreement is valid or binding on the Authority unless and until it is executed by the appropriately authorized representative of the Authority, and that any work performed prior to the execution of the contract by the Authority is voluntary, and represents a gift to the Authority, and that in the event the notice of award is cancelled or withdrawn, the bidder is not entitled to any remuneration for any work performed prior to the execution of the contract. Finally, proposed new subsection (h) indicates that upon the successful bidder's submission of all required documentation or materials as specified in the notice of award, and the Authority's acceptance of such documentation, the Authority will execute and return a signed copy of the agreement.

Subchapter 7. Protests**N.J.A.C. 19:36-7.1 Scope and Purpose**

Amendments are proposed to clarify that this subchapter sets forth procedures for protests and administrative hearings regarding the Authority's conduct of design-build procurements.

N.J.A.C. 19:36-7.2 Protests, Hearing Procedures, Time Limitations

The section heading is proposed for amendment to delete the existing heading of "protests, hearing procedures, time limitations" and replace it with "subject matter, time limitations, and who may request hearings." Proposed amendments to the substance of the section include the replacement of references to the Authority's Senior Director of Procurement with more general references to the Authority staff and changes to clarify the intent of the procedures for conducting protests. The existing text in subsection (a) is proposed for deletion and will be replaced with "Administrative hearings before the Authority may include the following subject matter and may be requested by the following

entities." Other changes to procedures are proposed, and will be contained in paragraph (a)1 through 6, including specifying that a challenge may be made by requesting an informal hearing before the Authority, requiring that hearing requests include all legal and factual arguments supporting the request, and extending certain time frames for submission of the hearing request. Additional changes are proposed to allow the Authority to clearly "deny" rather than "disregard" an untimely or improperly submitted hearing request. The Authority proposed new paragraphs (a)5 and 6 to explicitly provide procedures for protests of performance evaluations and the award of contracts, the details of which are discussed above.

N.J.A.C. 19:36-7.3 Hearing Procedures

The proposed amendment to paragraph (a)1 includes an extension of the time for the Authority to issue a written decision from 48 hours to five business days if an informal hearing is not deemed warranted; paragraph (a)2 includes an extension of the time to hold an informal hearing from five to 14 days; the replacement of references to the Authority's Senior Director of Procurement with reference to the Chief Executive Officer or more general references to the Authority staff; a change to indicate that if an informal hearing is warranted, the hearing officer would be selected by the Authority's Chief Executive Officer or a designee of such CEO, instead of being selected by the Senior Director of Procurement; and a change to the time period for issuance of a written decision after such hearing from 10 to 30 days. Proposed new paragraph (a)4 has been added to indicate that if formal hearings are required because of the nature of a given dispute, such hearings will be held by the Authority's CEO or a designee, or by an Administrative Law Judge, pursuant to the Administrative Procedures Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-1 et seq., as applicable. Also, proposed new paragraph (a)5 has been added to indicate that the Board of the Authority or the CEO, as the Board's designee, shall determine whether a matter constitutes a contested case and shall retain or refer any such matter for hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and to indicate that upon filing of an initial pleading in a contested case, the Board of the Authority may, by resolution, either retain the matter directly for hearing or transmit the matter to the Office of Administrative Law for hearing, and to indicate that such hearings will be governed by the provisions of the Administrative Procedures Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

Subchapter 8. Roles and General Requirements for Design-Builders**N.J.A.C. 19:36-8.1 Design and Construction**

Proposed amendments to subsection (c) include the replacement of the term "approval" with the term "acceptance," to better reflect the Authority's response to design submissions, and the addition of language to subsection (d), specifying that the Authority must accept the completed plans and specifications before the design builder submits completed plans and specifications to the Department of Education.

N.J.A.C. 19:36-8.2 Costs in Excess of Guaranteed Maximum Price

This section has been proposed for amendment to clarify that a GMP is not the sole method of pricing for a design-build project, but if a GMP is used, any cost savings will accrue to the Authority, and may be shared, at the option of the Authority, with the design-builder, if so specified in the design-build contract.

N.J.A.C. 19:36-8.3 Deletion or Substitution of Key Team Members

The existing text of this section is proposed for repeal. Proposed new N.J.A.C. 19:36-8.3 provides clearer, more forceful language indicating that no substitutions may be made to the design-builder's key team members either during the selection process or after award, without the prior written approval of the Authority; and that any unauthorized changes to the bidder's key team members during the selection process may result in the elimination of the bidder from further consideration.

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Subchapter 9. Performance Evaluations**N.J.A.C. 19:36-9.1 Applicability and Effect**

New Subchapter 9 is proposed to allow the Authority to fulfill its statutory obligation under N.J.S.A. 18A:7G-36 to conduct contractor performance evaluations on its construction projects, when construction work is performed as part of a design-build contract. Proposed new N.J.A.C. 19:36-9.1 specifies that firms awarded design-build contracts will be subject to performance evaluations regarding the firm's performance as a construction contractor, in the following categories: quality of work; scheduling; management; cost control and change orders; safety and industrial hygiene; small business goals; and close-out. The section further provides that the design-builder's performance will be evaluated periodically during the course of a project, and that each such evaluation will be performed by a reviewer with direct involvement in the management or supervision of the project. Finally, this section specifies that the performance evaluations performed under this chapter will be utilized by the Authority in future procurements which may require the evaluation of bidders as to their prior experience, under the provisions of any of this chapter, N.J.A.C. 19:38, or 19:38B.

N.J.A.C. 19:36-9.2 Evaluation Rating Values

This proposed new section provides that design-builders will be scored on their construction performance in accordance with five numerical categories: outstanding (O), very good (VG), satisfactory (S), marginal (M), or unsatisfactory (U). In addition, this section provides that the numerical scores may be subject to special adjustment factors and the numerical ratings for each category shall be tabulated to arrive at an overall numerical evaluation score for each performance evaluation.

N.J.A.C. 19:36-9.3 Consideration of Performance Evaluations

This proposed new section provides that, for future design-build projects under N.J.A.C. 19:36, or price and other factors, projects under N.J.A.C. 19:38B, the process for evaluating a firm's prior performance on Authority projects in a selection process shall be specified in the RFP for such procurement, and may consist of a mathematical averaging of all prior performance evaluations; consideration of particularly favorable or unfavorable evaluations individually and with reference to other evaluations; consideration of multiple evaluations during a given project, to show consistency of performance, deterioration of performance or efforts at improvement and recovery; or combination of such methodologies.

Social Impact

The rules proposed for readoption with amendments, repeals, and new rules, establish the standards and procedures for the Authority's procurement of design-build contracts for the construction of school facilities projects. Previously, the rules had been the subject of a legal challenge that questioned the Authority's ability to utilize a design-build methodology for the construction of school facilities, and that challenged the Authority's ability to promulgate rules governing design-build procurements. However, the Authority's statutory ability to pursue a design-build procurement process has been validated by the Superior Court, Appellate Division, in its decision in *O'Shea v. New Jersey Schools Development Authority*, Docket No. A- A-3943-08T1 (April 7, 2010). Moreover, to the extent that the Appellate Division noted deficiencies in the Authority's rules describing the procurement process, the proposed amendments, new rules, and repeals seek to remedy those deficiencies in the manner directed by the Appellate Division. The rules proposed for readoption with amendments, new rules, and repeals should establish public confidence in the Authority's ability to ensure that the public's interest in the Authority's selection of design-build teams for school construction projects is adequately protected and that the Authority fairly obtains the design-build services of the bidder whose proposal is most advantageous to the Authority, price and other factors considered. The rules will affect those construction companies and the architects and engineers that would partner with them to bid on school facilities projects as a design-build team, in that the proposed rules specify the requirements of advertisement of proposals, selection procedures, proposal evaluation, and contract approval and execution for design-build contracts. If the rules are not readopted, the Authority will

lack an efficient and robust procedural framework for design-build procurements, which may effectively limit the use of design-build procurements despite validation of the design-build method by the New Jersey courts.

Economic Impact

The Authority cannot anticipate the estimated costs of the rules proposed for readoption with amendments, repeals, and new rules, however, the changes made throughout this chapter will have an economic impact on bidders, the public, the State, and the Authority. It is anticipated that the most significant economic impact resulting from the rules proposed for readoption with amendments, repeals, and new rules is expected to be limited to those firms that choose to participate in the Authority's future design-build procurements, as the rules proposed for readoption with amendments, repeals, and new rules outline the criteria and procedures the Authority will consider for the selection of a bidder in a design-build procurement. This information should be beneficial to all private firms interested in competing for contracts with the Authority, and should better allow such firms to calculate the economic impact of participating in the procurement process under the procedures prescribed in the rules proposed for readoption with amendments, repeals and new rules. The rules proposed for readoption with amendments, repeals, and new rules establish a bidding process that entails certain incidental costs associated with the preparation and submission of proposals. Such costs may include professional staff time associated with preliminary planning, as well as the costs associated with the production and reproduction of proposals. Furthermore, the design-build activities to be procured are to be funded with the State share of the eligible costs of a school facilities project, which may be funded with State contract bonds issued by the New Jersey Economic Development Authority pursuant to section 25 of the Act, the payment of which is conditioned on appropriations being made by the Legislature. Additional activity in the construction, planning, architecture, and engineering professions may directly result from the rules proposed for readoption with amendments, repeals, and new rules, which provide Statewide economic benefits in the short term. In addition, proposed amendments to the rules require the winning design-builder to promptly produce records relating to the design-build project, within four business days of the request from the Authority. This requirement for prompt production of documents may entail a staffing and administrative cost to the winning bidder, but the rules do no more than codify the document production responsibilities inherent in the Authority's contract with the successful design-build bidder.

The Authority will also incur direct and indirect costs for advertisement of requests for qualifications (RFQs) and requests for proposals (RFPs), and will incur staff and administrative expense arising from the preparation of such requests, the evaluation of the proposals received, and the award of contracts and agreements. However, the rules contain amendments, new rules, and repeals designed to streamline the Authority's procurement processes, which should permit some cost savings in staff time.

Federal Standards Statement

The rules proposed for readoption with amendments, repeals, and new rules implement a State statute, specifically P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq). Therefore, there are no Federal standards or requirements applicable and a Federal standards analysis is not required.

Jobs Impact

The rules proposed for readoption with amendments, repeals, and new rules modify the Authority's process for procurement of design-build services. Thus, to the extent the rules have an effect on jobs, it will be to create jobs in New Jersey, primarily in the construction, consulting, and service sectors, rather than eliminate positions.

Agriculture Industry Impact

The rules proposed for readoption with amendments, repeals, and new rules will have no direct impact on the agriculture industry. However, implementation of the rules with respect to the Authority's activities in selection and acquisition of proposed school facility sites will be coordinated with the Farmland Preservation Program.

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Regulatory Flexibility Analysis

The rules proposed for readoption with amendments, repeals, and new rules impose reporting, recordkeeping, and compliance requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., but only for those small businesses that choose to seek to do business with the Authority. Notably, the rules proposed for readoption with amendments, repeals, and new rules, at N.J.A.C. 19:36-4.2, require that bidders be prequalified by the Authority, a requirement that is imposed by public contracting provisions set forth in N.J.S.A. 18A:7G-33 and 52:18A-235 et seq. While the Authority charges no fees for prequalification, as a prerequisite to prequalification interested firms are required to secure classification with the Department of the Treasury, Division of Property Management and Construction (DPMC). The DPMC classification process requires firms to submit financial statements for review in the determination of a firm's aggregate capacity to perform work, which is denoted by the assignment of an aggregate rating limit representing the maximum amount of contract work that a firm can undertake at one time. The preparation of financial statements in connection with DPMC classification and NJSDA prequalification may require the engagement of a certified public accountant, a cost which these firms might not otherwise need to incur. An interested bidder's costs for financial statements is estimated to range from \$3,000 to \$15,000, depending on whether such statements are reviewed, compiled or audited by a certified public accountant. While DPMC's financial statement requirement represents a significant cost in the process of securing prequalification, in the interests of financial probity, however, no exemption of small businesses from the Authority's prequalification requirements, or DPMC classification requirements, would be warranted.

As to the number of small businesses potentially affected by the prequalification and auditing requirements of the rules proposed for readoption with amendments, repeals, and new rules, currently, there are approximately 25 small businesses that have the necessary Authority prequalification in the Department of the Treasury, Division of Property Management and Construction Trade Classification categories appropriate for a bidder in a design-build contract (Classifications: C006 (CM as Constructor), C007 (Design Build) or C008 (General Construction)), and that also have been determined to have the assigned a DPMC aggregate rating of \$30 million or more, as would typically be necessary to compete for a design-build school facilities project. (The Authority's next design-build project will require an aggregate rating and per-project rating in excess of \$30 million dollars.) It is not currently possible for the Authority to estimate how many other small businesses that have a sufficient DPMC aggregate rating might be interested in participating in an Authority design-build procurement.

Additionally, the rules proposed for readoption with amendments, repeals, and new rules impose some recordkeeping burdens on the awardee of a design-build contracts, as referenced in the Economic Impact statement above, in that the rules proposed for readoption with amendments, repeals, and new rules specify a 10-year recordkeeping requirement imposed on winning bidders, which term is consistent with potential liability under the statute of repose set by N.J.S.A. 2A:14-1.1 for claims arising from the faulty design, planning, or construction of an improvement to real property. However, it is unlikely that a small business would have to employ professional services to comply with the records retention requirements of a contract under the rules proposed for readoption with amendments, repeals, and new rules. The Authority cannot with accuracy ascertain the annual costs to comply with the recordkeeping requirements of the rules proposed for readoption with amendments, repeals, and new rules, as the costs of the recordkeeping involved in design-build procurements, as with other construction procurements, is normally included within the base contract price. However, it is estimated that the document filing, storage, and retrieval costs imposed on the winning awardee of the design build contract by the terms and conditions of the design-build contract, as well as the rules proposed for readoption with amendments, repeals, and new rules, may amount to several thousand dollars over the life of the design-build contract, including the 10-year storage obligation. As the document retention and recordkeeping requirements imposed by the rules proposed for readoption with amendments, repeals, and new rules are central to the Authority's mandate to uphold the fiscal integrity of the bidding and

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construction process, and are necessary to protect the Authority and the State as well as the Project School District during and after design and construction of a schools facility project, no exemption for a small business awardee of the design build contract would be warranted.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments, repeals, and new rules address the requirements and the process for the procurement of design-build contracts for school facilities projects and, therefore, will not have an impact on affordable housing or evoke a change in the average costs of housing in the State of New Jersey.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments, repeals, and new rules govern the process by which the Authority procures design-build services, and therefore will have no impact on Smart Growth Development because the scope of the rules are minimal, and because it is extremely unlikely that the rules would evoke a change in the average price or availability of housing in the State of New Jersey, and unlikely that the rules would in any way affect new construction in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:36.

Full text of the proposed amendments, repeals, and new rules follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

CHAPTER 36

[PROCEDURES FOR] PROCUREMENT OF DESIGN BUILD CONTRACTS [FOR SCHOOL FACILITIES PROJECTS FOR THE SCHOOLS CONSTRUCTION PROGRAM]

SUBCHAPTER 1. GENERAL PROVISIONS

19:36-1.1 Purpose and applicability of rules

(a) These rules are adopted by the New Jersey Schools Development Authority (the "Development Authority," "Authority" or "SDA") to establish requirements and procedures [for a pilot program] for the procurement of design-build contracts [for up to six school facilities projects]. Section 4 of P.L. 2007, c. 137 confers broad powers on the Development Authority to enter into contracts for the "planning, design, construction, reconstruction, improvement, equipping, furnishing, operation, and maintenance" of a school facilities project. This statutory authority includes the procurement of design, construction, and other project-related services in one contract when the Authority determines that a single point of responsibility for a combination of these services is in the best interests of a school facilities project. [The Development Authority shall audit the design-build projects under the pilot program on a semi-annual basis.]

(b) These rules [provide] **allow** for the Authority to [retain] **engage** a design professional **pursuant to N.J.A.C. 19:38C**, as a "bridging architect," [pursuant to N.J.A.C. 19:38C,] for the duration of the school facilities project, to prepare a design-build information package, which outlines the conceptual program, schematic design, and performance specifications to be followed by the design-builder, and review the work of the design-builder to ensure that the design meets the requirements of the Authority and the SDA school district. The rules further [provide] **allow** for the engagement of a construction manager (CM) by the Authority to serve as the Authority's representative during the school facilities project and provide such services as project oversight and reporting, value engineering services, and cost estimating.

(c) These rules provide for the Authority to select design-builders according to the proposals that [offer the "best value"] **are the most advantageous** to the SDA, based upon a "**best value selection**" process **premised on a combination of cost and qualitative factors**, with consideration given to price at least equal to the consideration given to all other factors combined. The rules provide for the following two-phase selection process:

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1. The public advertisement of a request for qualifications (RFQ) that describes the school facilities project, outlines the scope of work for the project and solicits responses outlining the qualifications of [offerors] **bidders**; and

2. The issuance of a request for proposals (RFP) to a "short list" of [offerors] **bidders**, selected on the basis of their responses to the RFQ, which outlines the criteria to be used for selection and the weight that will be given to each of these criteria in the evaluation process, and which solicits technical and price proposals.

(d) These rules further provide for a technical evaluation committee, comprised of representatives of the Authority and the SDA school district, to provide technical review and evaluation services, including evaluating and ranking the qualifications of [offerors] **bidders** during the RFQ process and evaluating and scoring technical proposals submitted to the Authority in response to an RFP.

(e) (No change.)

19:36-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

"Act" means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), as amended, and P.L. 2007, c. 137, **which authorizes the school construction program.**

"Best value selection" means a selection process in which [proposals contain] **consideration is given to** both a price proposal and a technical proposal, and the award of the design-build contract is based upon a combination of price and qualitative considerations.

"**Bidder**" means any legal entity classified by the Department of the Treasury, Division of Property Management and Construction, and prequalified by the Authority, that may submit an offer in response to a request for qualifications or request for proposals for an award of a design-build contract.

"**Board**" means the governing body of the Authority, as outlined in N.J.S.A. 52:18A-237.

"Bridging architect" means the [person, or entity] **firm employing persons** duly licensed and registered in the State of New Jersey to practice architecture or engineering, [that is] **which firm may be** engaged by the Authority to develop preliminary design work and performance criteria, as well as provide other services, such as construction administration services, in connection with the design and construction of the school facilities project.

"**Commissioner**" means the Commissioner of the Department of Education.

"Construction manager" or "CM" means the [person or] **firm that may be** engaged by the Authority to act as the Authority's representative for the school facilities project and to provide construction management services, [including oversight and reporting services,] in connection with construction of the project.

"DCA building permit" means the building permits issued by DCA pursuant to the New Jersey Uniform Construction Code.]

"Design-build contract" means [an] **the written, integrated** agreement between the Authority and the design-builder [governing the design and construction of the school facilities project and all other documents] setting forth the obligations of the [design-builder with respect to the design and construction of the project] **parties**, including, but not limited to, [a design-builder's technical proposal] **the performance of work and services and the basis for payment.**

"Design-build information package" means the package of information that is included in the RFP, which sets forth the minimum design requirements, performance specifications, and other project requirements, for the purpose of furnishing sufficient information so that [offerors] **bidders** may prepare technical and price proposals.

"Design-build project delivery" means a project delivery method that combines all or some portions of the design and construction phases of a school facilities project **into a single contract**, including, without limitation, design, regulatory permit approvals, and utility relocation and construction [into a single contract].

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...

"Development Authority," "Authority" or "SDA" means the New Jersey Schools Development Authority, an entity which [undertakes] **is statutorily charged with undertaking** and [funds] **fundings** school facilities projects under the Act and which is the entity formed pursuant to P.L. 2007, c. 137, as successor to the New Jersey Schools Construction Corporation.

"Guaranteed maximum price" or "GMP" means [the dollar amount] **a method of compensation for the design-builder**, including, but not limited to, the design-builder's fee, the costs of all work, and any other prices[, set forth in an offeror's price proposal], as [adjusted] **set forth** in accordance with the design-build contract, which is the maximum price the Authority shall pay the design-builder.

"Key team member" means **an individual[s] identified as having a responsible role in the successful completion of the design-build contract**, in the **bidder's** response [by the offeror] to the Authority's RFQ or RFP, [and upon award, are part of the team of the design-builder. Key team members have a responsible role in the successful completion of the design-build contract] **which response is made part of the contract.**

...

"Notice of award" or "**NOA**" means a **written notice** from the Authority to the [offeror] **bidder prior to award, setting forth** [that the Authority intends] **the Authority's intention** to enter into a design-build contract with [it for the services and work set forth in the request for proposals] **the bidder.**

...

"Offeror" means any legal entity classified by the Department of the Treasury, Division of Property Management and Construction, and prequalified by the Authority, that may submit an offer in response to a request for qualifications or request for proposals for an award of a design-build contract.]

"Performance specifications" means a **document provided in the design-build information package, setting forth** a description of an end result, objective or standard of performance that the design-builder is expected to [exercise its ingenuity to achieve, selecting the means and assuming a corresponding responsibility for that selection] **achieve in designing and constructing the project.**

"Prequalification" means the approval of [an offeror] **a bidder** by the Authority, pursuant to N.J.A.C. 19:38A, for the submission of a statement of qualifications and proposals for a design-build contract. The prequalification process is separate from short listing as elsewhere provided in [these rules] **this chapter.**

"Prescriptive specifications" means a **document provided in the design-build information package that contains** a description of the materials to be employed and/or the manner in which the work is to be performed that the design-builder is required to follow.

"Price proposal" means the [GMP] **price** submitted by the [offeror] **bidder** to provide the required design and construction and other services described in the RFP, **which may be submitted in the form of a GMP, if so required by the RFP.**

"Professional services consultants" or "**consultants**" means [consultants] **the architect, engineer, land surveyor, or other individual or professional firm** providing [professional] services **related to its respective occupation, which require unique professional or technical skills, licenses, or other credentials, which services are** associated with research, development, design, construction, construction administration, alteration, or improvement to real property, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform. These **professional services** consultants may provide services including, but not limited to, studies (including feasibility studies), investigations, surveys, evaluations, consultations, **appraisals**, planning, programming, conceptual designs, plans and specifications, cost estimates, construction management, inspections, submittal reviews, testing, **commissioning, provision of insurance**, preparation of operating and maintenance manuals, and other related services, **and shall include those consultants who provide "professional architectural, engineering, or land surveying services" within the meaning of N.J.S.A. 52:34-9.2.**

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“Protest” means a challenge to a decision, statement, action, or alleged inaction of the Authority.

“Ranking” means the process of listing responsive bidders in order of highest to lowest total scores, based upon selection criteria set forth in the RFQ and/or RFP.

“Request for qualifications” or “RFQ” means the document advertised by the Authority in the first phase of the two-phase selection process that describes the school facilities project in enough detail to [let] allow potential [offerors] bidders to determine if they wish to compete for a design-build contract and [forms the basis for requesting qualifications submissions from which the most highly qualified offerors can be identified] that requests information from bidders regarding the qualifications, experience, and organizational structure of the bidder’s proposed design-build team, which information can be used by the Authority to select a short list of bidders to compete for a design-build contract.

“Schedule” means the schedule prepared and submitted by the [offeror] bidder in its technical proposal to the Authority, wherein the [offeror] bidder identifies all critical, and certain non-critical, activities, contract milestones and the projected and actual time periods for completing such activities and contract milestones.

“SDA school district” means a school district that received education opportunity aid or preschool expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260, [§39] § 39 (N.J.S.A. 18A:7G-3).

“Selection coordinator” means the administrator of the operations and procedures of the selection process, whose activities shall include, but are not limited to, scheduling of meetings, preparing agendas, recording scores, verifying submittal information, preparing minutes of selection committee meetings, and other similar administrative duties.

“Short listing” or “short-listed” means the narrowing of the field of [offerors] bidders through the selection of [the most qualified offerors] bidders who [have responded to an RFQ] are evaluated on qualification factors other than price, as indicated in the RFQ, and whose proposals are judged most advantageous to the Authority in terms of qualifications other than price.

“Specification” means a written description [prepared by the design-builder] included as part of the construction documents, [setting] which sets forth the detailed technical and functional characteristics of, or the discrete design for, an item of material, equipment, or work to be incorporated into the school facilities project, or a requirement of the work to be performed. A specification may include a statement of any of the Authority’s requirements and may provide for inspection, testing, or the preparation of a construction item before procurement. Specifications shall augment and complement the drawings and plans prepared by the design-builder.

“Statement of qualifications” or “SOQ” means the document(s) submitted by [offerors] bidders in response to an RFQ that describes the qualifications and capabilities of the [offeror] bidder and its key team members to perform the scope of services to be included in [the] a design-build contract.

“Stipend” means a monetary amount which may be paid to unsuccessful [offerors] bidders.

[“Substantial completion” means that point in time on the school facilities project when all of the following have occurred:

1. All essential requirements of the design-build contract have been performed so that the purpose of the design-build contract is accomplished;

2. A temporary certificate of occupancy has been issued by the Department of Community Affairs;

3. The punchlist has been created;

4. The design-builder has delivered to the Authority the key(s) and/or code(s) for operation of the elevators;

5. There are no material omissions or technical defects or deficiencies, as identified by the Authority; and

6. The school facilities project is 100 percent ready for occupancy in accordance with its intended use.]

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“Substantial completion” means that point in time in the progress of the school facilities project when certain conditions specified by the design-build contract have occurred, including, but not limited to, the issuance of a temporary certificate of occupancy, the creation of a punchlist, and the determination that the school facilities project is ready for occupancy in accordance with its intended use.

“Technical evaluation committee” means [the] a selection committee comprised of a majority of Authority representatives and an SDA school district representative(s) who are responsible for reviewing and evaluating responses by [offerors] bidders to [the] an RFQ and RFP.

“Technical proposal” means that portion of a design-build proposal which contains design solutions and other qualitative factors that are provided in response to [the] an RFP.

“Weighted criteria process” means a form of best value selection in which a percentage of evaluation weight is pre-established for qualitative factors and for price, and the award of a design-build contract is based upon the highest total points [earned by an offeror] awarded to a bidder.

“Work” means all design and construction services performed by the design-builder and its [subcontractors and suppliers] team, including providing all material, equipment, tools and labor, necessary to complete the construction, as described in and reasonably inferable from the construction documents and the design-build contract.

19:36-1.3 Disclosure and publicity

(a) Applications and submissions received by the Authority under this chapter which are government records as defined in the Open Public Records Act, P.L. 2001, c. 404, shall be made available to persons who request their release as provided by State law.

(b) Press releases and other public dissemination of information by the SDA school district and the design-builder concerning the school facilities project shall acknowledge Department approval and Authority funding of the school facilities project.]

19:36-1.3 Disclosure and publicity

(a) Any and all submissions made in response to any RFQ and any RFP are subject to the provisions of the Open Public Records Act, P.L. 2001, c. 404, N.J.S.A. 47:1A-1 et seq., and the exceptions from disclosure provided therein.

(b) The design-builder shall notify the Authority prior to the issuance of press releases and other public dissemination of information concerning a school facilities project, and such shall acknowledge Authority financing and assistance in the undertaking of the school facilities project.

19:36-1.4 Access and record retention

(a) The [Authority] design-builder shall make available records and accounts pertaining to school facilities projects to the State Comptroller and the State Auditor in their investigations, examinations and inspections of the activities related to the financing and undertaking of school facilities projects. The [Authority] design-builder shall also cooperate, upon request, in sharing information with other State or Federal entities.

(b) [Either the Authority or the] The design-builder, [in the sole discretion of the Authority,] shall be responsible to keep and maintain [some or] all of those records and accounts [and shall require all contracted parties to keep those records and accounts], including records and accounts of subcontractors and subconsultants, for school facilities project activities as necessary in order to evidence compliance with the Act and all applicable regulations and contractual requirements. Such records shall be retained by the design-builder for 10 years following substantial completion of a school facilities project, and any additional period required for the resolution of litigation, claims, or audit findings. Thereafter, those records shall be transferred to the Authority, unless the Authority, in its sole discretion, requests an earlier transfer of such records from the design-builder to the Authority or another designated entity. At any time, upon request of the Authority, the design-builder shall make records relating to the design-build project available to the Authority, within four business days of the request for documents, at no cost to the Authority.

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(c) In the event that any litigation, claim, audit, or request pursuant to the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., relating to the procurement or the performance of work under the design-build contract is commenced prior to expiration or termination of the design-build contract, all records relating to the procurement and the contract shall be retained until all litigation, claims, audit findings, document requests, and related appeals, if any, have been resolved with finality.

19:36-1.5 Fraudulent statements

Any firm or individual who makes, or causes to be made, a false, deceptive, or fraudulent statement in its submittal in response to the RFQ or RFP or in the course of any hearing, litigation, mediation, or other proceeding may be disqualified from bidding, suspended, and/or debarred, and may be subject to prosecution pursuant to applicable law.

SUBCHAPTER 2. TECHNICAL EVALUATION COMMITTEE

19:36-2.1 Applicability

This subchapter establishes the technical evaluation committee and outlines its responsibilities for the evaluation and scoring of the qualifications of [offerors] **bidders** that have submitted responses to an RFQ, and the evaluation and scoring of the technical proposals of [offerors] **bidders** that have submitted proposals in response to an RFP.

19:36-2.2 Composition and responsibilities of technical evaluation committee

(a) When the design and construction of a school facilities project will be undertaken pursuant to [a design-build contract] **this chapter**, the Authority will designate a technical evaluation committee to review and evaluate responses by [offerors] **bidders** to [the] an RFQ and RFP, **and will designate a selection coordinator to administer the selection process**. The members of the technical evaluation committee shall consist of a majority of Authority representatives and a representative[(s)] of the SDA school district in which the school facilities project is located, if such district elects to participate. **Each member of the technical evaluation committee shall have the relevant experience as set forth in N.J.S.A. 52:34-10.3(c), necessary to evaluate the submissions.**

(b) Each member of the technical evaluation committee shall be responsible for:

1. Independently evaluating and scoring the statements of qualifications submitted by [offerors] **bidders** in response to an RFQ; and
2. Evaluating and scoring, in consultation with the other members of the technical evaluation committee, the technical proposals submitted by [offerors] **bidders** in accordance with the weighted criteria process set forth in [the] an RFP.

(c) **Once the responses are received and the identity of the bidders is ascertained, the members of the technical evaluation committee will be given a list of all firms that submitted a bid. Each member of the technical evaluation committee, prior to the evaluation of any submission, shall execute a certification that he or she has no personal interest, financial or familial, in any of the bidders to be evaluated, any of the named subcontractors or subconsultants to the bidders, or any of the principals, subsidiaries, or parent companies of such bidders. Furthermore, should any of the technical evaluation committee members indicate that a conflict or personal interest exists once the identity of the bidders is revealed, that member shall not serve on the technical evaluation committee. In the event that an evaluation committee member is discovered to have a conflict, such evaluation committee member will be removed from the selection committee by the Authority. At the discretion of the Authority, the conflicted committee member may be replaced, if replacement with a new member is feasible at the time of removal of the conflicted committee member, and such replacement will not have an adverse impact on either the evaluation process or the procurement schedule or process generally.**

(d) The names of the members of the technical evaluation committee shall be made public once the contract is awarded, pursuant to N.J.S.A. 52:34-10.3(c).

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SUBCHAPTER 3. PROFESSIONAL CONSULTANT SERVICES

19:36-3.2 Engagement of bridging architect

The Authority may retain a bridging architect, pursuant to [the Authority's rules, Procedures for the Selection of Architects, Engineers and Land Surveyors, at] **the provisions of N.J.A.C. 19:38C**, for the duration of the school facilities project, to prepare a design-build information package, review the documents prepared by design-builders and provide other professional services on behalf of the Authority.

19:36-3.3 Design-build information package

(a)-(b) (No change.)

(c) The design-build information package may include, but need not be limited to, the following:

1.-5. (No change.)

6. The terms and conditions for the payment of a stipend, **if a stipend is offered.**

19:36-3.4 Engagement of construction manager

(a) The Authority may retain a construction manager, pursuant to the [Authority's rules, Procedures for the Selection of Architects, Engineers and Land Surveyors, at] **provisions of N.J.A.C. 19:38C**, for the duration of the school facilities project.

(b) (No change.)

19:36-3.5 Conflicts of interest

Professional consultants who assist the Authority in the preparation of an RFQ or an RFP will not be permitted to participate as [an offeror or join a team] **a bidder or subconsultant to a bidder** submitting a statement of qualifications in response to the RFQ or a proposal in response to the RFP.

SUBCHAPTER 4. TWO PHASE SELECTION PROCESS FOR DESIGN-BUILDERS

19:36-4.1 Applicability

This subchapter establishes the Authority's criteria and procedures for the use of a two-phase design-build selection process[, in which it]. **In the first phase, the Authority** initially ranks [offerors] **bidders** based on statements of qualifications and then selects a short list of [offerors] **bidders** to receive the RFP **based on the ranking.** [The] **In the second phase, [involves] the Authority receives** the submission of price and technical proposals in response to the RFP and [an award of] **awards** the design-build contract to the [offeror] **bidder** whose proposal[s] receives the highest overall score.

19:36-4.2 Necessity for prequalification

(a) Only those [offerors] **bidders** holding a valid notice of prequalification, issued by the Authority, in accordance with the procedures in N.J.A.C. 19:38A, **in such trade(s) or discipline(s) as specified by the RFQ**, shall be eligible to submit a statement of qualifications in response to an RFQ or proposals in response to an RFP. The prequalification of [an offeror] **a bidder** must be valid on the due date for the submission of a statement of qualifications and on the due date for the submission of technical and price proposals.

(b) (No change.)

19:36-4.3 Request for qualifications

(a) The Authority shall publicly advertise an RFQ. The RFQ shall contain the following information:

1.-2. (No change.)

3. The minimum qualification requirements for [offerors] **bidders**, including, but not limited to, the appropriate classifications and aggregate rating limits assigned by the New Jersey Department of Treasury, Division of Property Management and Construction;

4. A request for the submission of a statement of qualifications which will describe the qualifications of prospective [offerors] **bidders**;

5. The phase one evaluation factors [upon which the most qualified offerors will be determined] **to be used in the determination of a short list of bidders**;

6. The [anticipated] technical evaluation factors to be utilized in the second phase of the selection process;

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7. A statement of the [maximum] number of [offerors anticipated] **bidders** to be selected [to submit phase two proposals] **for the short list**; and

8. (No change.)

(b) [Offerors] **Bidders** desiring to submit technical and price proposals shall submit a statement of qualifications and an organizational chart of the [offeror] **bidder** and its key team members and the other information required by the RFQ.

19:36-4.4 Short listing of [offerors] **bidders**

(a) The technical evaluation committee shall review and evaluate the responsive submissions of [offerors] **bidders** and determine the relative ability of each such [offeror] **bidder** to perform the work under the design-build contract. The evaluation of the qualifications of each [offeror] **bidder** may include, but need not be limited to, consideration of the following factors:

1. Experience of the prospective [offeror] **bidder and proposed design-build team** on projects of similar size, scope, and complexity;

2. (No change.)

3. Experience of the prospective [offeror] **bidder and proposed design-build team** on design-build projects of similar size, scope, and complexity;

4. (No change.)

5. Experience of the prospective [offeror] **bidder** or its key team members on projects [in New Jersey of similar size, scope and complexity] **for the Authority, as evidenced by performance evaluations as specified in the RFP; [and]**

6. **The prior affirmative action experience of the prospective bidder and the design-build team;**

7. **Consideration of the bidder's aggregate rating from the Department of Treasury, Division of Property Management and Contracts, which is affected by prior affirmative action experience; and**

[6.] 8. Any other pertinent information necessary to establish the qualifications of the prospective [offeror] **bidder and proposed design-build team** to undertake the design-build contract.

(b) At the conclusion of the first phase of the selection process, the technical evaluation committee shall develop a short list of the [most highly qualified offerors who] **bidders whose qualifications are deemed most advantageous to the Authority in terms of qualification factors other than price, as indicated in the RFQ. The bidders selected for the short list** shall be invited to participate in the second phase of the process. The short list will be [submitted to the Authority's Senior Director of Procurement who shall publish the short list] **published** on the Authority's website at www.njsda.gov and [notify] **all bidders that supplied submissions will be notified** in writing of the [offerors] **bidders** selected for the short list.

19:36-4.5 Request for proposals

(a) Only [offerors] **bidders** that have been short listed during the RFQ process will be permitted to submit a proposal in response to an RFP.

(b) The RFP shall include, without limitation:

1.-3. (No change.)

4. Instructions to [offerors] **bidders**;

5.-7. (No change.)

8. Requirements for [proposal] **bid** bonds, performance bonds, payment bonds, and insurance;

9. (No change.)

10. Amount of the stipend, if any; **and**

11. The documents required to be submitted upon the notice of award, pursuant to N.J.A.C. 19:36-6.1(c); and,

[12. Any other information that the Authority in its discretion chooses to supply.]

19:36-4.6 Selection process

(a) The Authority shall issue an RFP for the school facilities project to the [offerors] **bidders** who were short listed in the phase one RFQ process.

(b) The Authority may provide for a pre-proposal conference at a designated date, time, and location at which [offerors] **bidders** that have been short listed may ask questions and seek clarification concerning any

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of the information, data, or documents contained within the RFP. Pre-proposal conferences may be mandatory or optional, as stated in the RFP.

(c) The RFP shall require the submission of a proposal in two **separate** parts: a technical proposal and a [separate] price proposal. The technical and price proposals shall be evaluated separately, in accordance with the evaluation factors and process set forth in the RFP. The evaluation factors may include, but need not be limited to, design concepts, management approach, proposed technical solutions, and the other factors listed at N.J.S.A. 52:18A-243(d), as applicable.

(d) (No change.)

(e) The price proposal shall be submitted in a separate sealed envelope and [include] **shall provide a price for all design services and construction work required to complete construction of the school facilities project. If required by the RFP, the price shall be submitted in the form of a guaranteed maximum price for all design and construction of the school facilities project.** The envelope **containing the price proposal** shall indicate clearly that it is the price proposal and shall identify the [offeror's] **bidder's** name, project number, and any other information required by the RFP. The price proposals shall remain sealed until such time as provided in (g) below.

1. Each price proposal shall be accompanied by a [proposal] **bid** bond as specified in the RFP.

2. The Authority shall examine all documents required to be submitted with the technical proposal for completeness and conformity with the requirements of the RFP. If the Authority determines that a technical proposal received must be rejected as non-responsive, it shall notify the [offeror] **bidder** in writing of the rejection of its proposal and the reason for the rejection within 10 business days of its receipt, unless there are circumstances that require additional time.

3. The submission of technical and price proposals is conclusive evidence that the [offeror] **bidder** has completely reviewed the RFP and the design-build contract and fully understands and agrees to all of the requirements, terms, and conditions set forth therein.

(f) The technical evaluation committee may conduct interviews with each [offeror] **bidder** prior to ranking the [offerors] **bidders**. The technical evaluation committee shall evaluate each technical proposal in accordance with the evaluation criteria and the weight assigned to each, as set forth in the RFP. The technical review committee shall then total and submit the scores for each technical proposal to the [Authority's Senior Director of Procurement Services] **selection coordinator**.

(g) [The Senior Director of Procurement Services] **After the technical proposals have been reviewed and scores are submitted, Authority staff** shall open the price proposals and assign the maximum price points to the lowest total dollar proposal. [Each higher price proposal will have a point deduction equal to the amount which is the percentage difference by which the price exceeds the low price proposed, multiplied by the weight assigned for price in the RFP.] **All other responsive proposals shall be scored based upon the percentage that each proposal exceeds the lowest proposal.**

1. The Authority shall examine all documents required to be submitted with the price proposal for completeness and conformity with the requirements of the RFP. [Adjustments will be made by the Authority where necessary to establish the correct total price proposal.]

2. **The bidder shall show all amounts in words and figures. In the event of a discrepancy between the words and figures, the amount shown in words shall govern.**

3. If the Authority determines that a price proposal received must be rejected as being non-responsive, it shall notify the **bidder** in writing of the rejection of its proposal as being non-responsive and the reason for the rejection within five business days of the opening of price proposals, unless there are circumstances that require additional time.

(h) The [Senior Director of Procurement Services] **selection coordinator** shall determine the combined scores for each [offeror] **bidder** based on their technical and price proposals, with consideration of price at least equal to the consideration given to all other factors. The [offeror] **bidder** with the highest overall score shall be recommended to the Board of the Authority for an award of the design-build contract. If the recommendation is approved, the Authority will notify the successful design-builder.

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19:36-4.7 Rejection of proposals

(a) Proposals received after the submission date and time prescribed in the advertisement and RFP shall be rejected[, except where the Authority, in its sole discretion, finds good cause].

(b) The Authority may reject any proposal for [lack of responsiveness or] **any reason, in accordance with law**, when it is otherwise deemed to be in the **interest of the State or the public interest** to do so. The Authority may reject all proposals for excessive cost, insufficient competition, or any other reason, **in accordance with law**, that it determines to be in the **interest of the State or the public interest**.

(c) The Authority may cancel [an award] **a notice of award** at any time before the execution of the design-build contract by [all parties] **the Authority, if the Authority deems it advisable to do so in the interest of the State or the public interest**.

[(c) Proposals will be considered irregular and may be rejected for failure to comply with the RFP for reasons that may include, but are not limited to, the following:

1. If the proposals are on forms other than those furnished by the Authority, or if the forms are altered or any part thereof is detached or incomplete;

2. If the proposals are not properly signed or sealed;

3. If there are unauthorized additions, conditions or alternate proposals, or irregularities of any kind that may tend to make the proposal incomplete, indefinite or ambiguous as to its meaning;

4. If the proposal contains any provisions reserving the right to accept or reject an award, or in any way submits a contingent proposal to enter into a design-contract pursuant to any award;

5. If the proposals contain any alterations to any prices or amounts that have been established by the Authority in the RFP;

6. If the price proposal fails to contain a price for an alternate or allowance required by the RFP;

7. If the price proposal is not accompanied by a bond as required by the RFP;

8. If the offeror fails to acknowledge addenda, letters and other notices required to be acknowledged that have been sent by the Authority or the construction manager;

9. If the offeror fails to identify subcontractors in the proposals required to be named by the RFP;

10. If the offeror submits a price proposal that exceeds the firm's aggregate rating; or

11. If the Authority deems it advisable to do so in the interest of the State or the public interest.]

SUBCHAPTER 5. PAYMENT OF STIPENDS BY THE AUTHORITY

19:36-5.1 Criteria for payment of stipend

(a) At the discretion of the Authority, a stipend may be paid to eligible [offerors] **bidders** who submit responsive but unsuccessful proposals in response to the RFP. The decision to do so shall be based on the Authority's analysis of the estimated proposal development costs, the complexity of the school facilities project, and the anticipated degree of competition during the procurement process. The purpose of the stipend is to encourage competition by offering to compensate responsive, but unsuccessful [offerors] **bidders**, for a portion of the estimated proposal development costs [and as consideration for the future use of the offeror's work product by the Authority].

(b) (No change.)

(c) [If] **Whether or not** a stipend is provided to an unsuccessful [offeror] **bidder, submission of a technical proposal by a bidder shall indicate the bidder's agreement and consent** that the work produced within that [offeror's] **bidder's** technical proposal shall be provided to the Authority for its use in connection with the design-build contract awarded, or in connection with a subsequent procurement, without obligation to pay any additional compensation to the unsuccessful [offeror] **bidder**.

(d) [Offerors] **Bidders** submitting a response to the RFP which is determined by the Authority in its sole discretion to be non-responsive or irregular, pursuant to N.J.A.C. 19:36-4.7, will not be entitled to a stipend.

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SUBCHAPTER 6. CONTRACTS

19:36-6.1 Contract approval and execution

(a) Except as may otherwise be specifically provided in this chapter, the engagement of a design-builder shall be subject to approval by the **Board of the Authority** [or its staff] and **may only be executed** [by staff] in accordance with Authority procedures.

(b) Prior to the execution of a design-build contract, the [offeror] **bidder** that was provided a notice of award shall exist in the legal status in which it will perform its responsibilities pursuant to the design-build contract.

(c) The Authority will send the successful design-builder a notice of award letter. The notice of award letter shall contain a list of the additional documents required to be submitted by the design-builder with the executed contract. The [Authority] **notice of award** will specify the time within which the executed contract and required documents must be returned.

(d) (No change.)

(e) If the design-builder fails to return the executed contract and performance and payment bonds and other required documents within the time specified by the Authority, the Authority may take whatever action is appropriate and authorized by law including, but not limited to, **withdrawing or canceling the notice of award to the delinquent bidder and awarding the contract to the next-highest ranked bidder; cancelling the procurement; or** proceeding to recover under the [proposal] **bid** bond submitted with the price proposal in accordance with N.J.A.C. 19:36-4.6(e).

(f) (No change.)

[(g) After execution by the Authority, a copy of the signed contract will be sent to the design-builder.]

(g) No agreement is valid or binding on the Authority unless and until it is executed by an appropriately authorized representative of the Authority. Any work performed prior to the execution of the contract by the Authority is voluntary, and represents a gift to the Authority. In the event the notice of award is cancelled or withdrawn, the bidder is not entitled to any remuneration for any work performed prior to the execution of the contract.

(h) Upon the successful bidder's submission of all required documentation or materials as specified in the NOA, and the Authority's acceptance of such documentation, the Authority will execute the design-build contract and provide the successful bidder with the fully-executed design-build contract.

SUBCHAPTER 7. PROTESTS

19:36-7.1 Scope and purpose

(a) This subchapter sets forth the procedures that govern [challenges to] **protests and administrative hearings regarding design-build procurements, including protests challenging** the form of the RFQ or the RFP, the ranking of [offerors] **bidders** during the RFQ phase, and the scoring of technical proposals of [offerors] **bidders**.

(b) (No change.)

19:36-7.2 [Protests, hearing procedures,] **Subject matter, time limitations, and who may request hearings**

(a) [A challenge to the following actions of the Authority shall be made as follows:] **Administrative hearings before the Authority may include the following subject matter and may be requested by the following entities:**

1. RFQ process or documents: [An offeror] **A bidder** that intends to submit **or has submitted** a statement of qualifications for the first phase of the design-build procurement, **may request an informal hearing before the Authority to protest** [and that objects to] the RFQ process or documents[, must submit] **by submitting** a written protest to the [Authority's Senior Director of Procurement] **Authority** at least [three] **five** business days prior to the **date and time scheduled for** opening of the statements of qualifications, setting forth in detail the grounds for such protest. The protest must contain all **legal and factual** arguments, materials or other documents that [may] support the protestor's position, **and must indicate whether the protestor requests an informal hearing**. The Authority may [disregard] **deny** any [such] protest[,which]

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that is filed less than [three] five business days prior to the scheduled opening of statements of qualifications, or [which] that fails to provide the specific reasons for and arguments supporting the protest.

2. RFP process or documents: [An offeror] A bidder that intends to submit or has submitted proposals for the second phase of the design-build procurement [and that objects to], may request an informal hearing before the Authority to protest the RFP process or documents, must submit by submitting a written protest to the [Authority's Senior Director of Procurement] Authority at least [three] five business days prior to the date and time scheduled for opening of the technical proposals, setting forth in detail the grounds for such protest. The protest must contain all legal and factual arguments, materials or other documents that [may] support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may [disregard] deny any [such] protest[, which] that is filed less than [three] five business days prior to the scheduled opening of technical proposals, or [which] that fails to provide the specific reasons for and arguments supporting the protest.

3. Short listing: [An offeror] A bidder protesting its failure to be short listed, or the short listing of another [offeror, must submit] bidder may request an informal hearing before the Authority to protest the selection of the short list by submitting a written protest to the [Senior Director of Procurement] Authority setting forth the specific grounds for challenging the short listing. The protest must contain all factual and legal arguments, materials or other documents that [may] support the protestor's position, and must indicate whether the protestor requests an informal hearing [and a statement as to whether the protestor requests the opportunity for an informal hearing]. A [firm] bidder protesting the short list must submit a written protest within five business days of the public announcement of the short list on the Authority's website, www.njsda.gov. The Authority may deny any protest that is filed more than five business days after the public announcement of the short list, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

4. Technical and price proposal scoring: [An offeror] A bidder protesting the scoring of its technical and/or price proposals, or those of another [offeror, must submit] bidder, may request an informal hearing before the Authority to protest the scoring of technical and/or price proposals, by submitting a written protest to the [Senior Director of Procurement] Authority setting forth the specific grounds for challenging such scorings. The protest must contain all factual and legal arguments, materials or other documents that [may] support the protestor's position and a statement as to whether the protestor requests the opportunity for an informal hearing. The protestor must submit a written protest within five business days of the public [advertisement] announcement of the [offerors'] bidders' scores. The Authority may deny any such protest that is filed more than five business days after the public announcement of the bidder's scores, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

5. Award of contract: A bidder that has submitted a proposal in response to an RFQ or RFP may request an informal hearing before the Authority to protest the award of a contract to another bidder by submitting to the Authority a written protest, setting forth the specific grounds for challenging such award, within five business days of the public announcement of the award. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

6. Performance evaluation: A firm that is dissatisfied with its performance evaluation on an Authority project may request an informal hearing before the Authority by submitting to the Authority a written protest setting forth the specific grounds for such protest, within 15 calendar days after the date of receipt of written notification of the performance evaluation. The protest must contain all factual and legal arguments, materials, or other documents that

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support the protestor's position and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than 15 calendar days after the firm's receipt of written notification of the performance evaluation, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

19:36-7.3 Hearing procedures

(a) Hearing procedures shall be as follows:

1. The Authority, in its sole discretion, shall determine whether to grant [the opportunity for] an informal hearing regarding [a] any protest. Informal hearings are for fact-finding purposes for the benefit of the Authority and the Authority shall have the sole discretion as to whether to hold [a] an informal hearing. Alternatively, the Authority may determine that sufficient information already exists in the record so that a decision may be made without a hearing, and the Authority may waive the hearing and issue a final agency decision accordingly. In the event that the Authority determines that a hearing is not necessary, a written decision will be issued by the Authority within [48 hours] five business days of receipt of all documents related to the protest.

2. Informal hearings will be held, where feasible, within [five] 14 business days of the receipt of the request. Hearings will be heard, where practicable, by [an impartial] a hearing officer designated by the [Senior Director of Procurement] Chief Executive Officer. The hearing officer shall issue a final written decision within [10] 30 calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time is required. For all protests of the RFQ or RFP processes and documents, the written decision will issue prior to the opening of statements of qualification or proposals, respectively. If a decision based upon a protest results in a modification of the aforesaid process or documents, such decision shall be conveyed to all potential [offerors] bidders by addendum.

3. In an informal hearing, the [Senior Director of Procurement] Authority may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify, or amend the time frames or any other requirements provided in this [section] subchapter. In these instances, the [Senior Director of Procurement] Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

4. For matters of dispute that may occur relative to the activities of the Authority, if formal hearings are warranted, such hearings will be held by the Chief Executive Officer or by an Administrative Law Judge pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., as applicable.

5. The Board of the Authority, or the Chief Executive Officer, as its designee, shall determine whether a matter constitutes a contested case and shall retain or refer any such matter for hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq. Upon filing of the initial pleading in a contested case, the Board of the Authority may, by resolution, either retain the matter for hearing directly, or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq. and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

SUBCHAPTER 8. ROLES AND GENERAL REQUIREMENTS FOR DESIGN-BUILDERS

19:36-8.1 Design and construction

(a)-(b) (No change.)

(c) The Authority's review and [approval] acceptance of interim design submissions and/or construction documents is for the purpose of mutually establishing a conformed set of contract documents compatible with the requirements of the work. Neither the Authority's nor the construction manager's review and [approval] acceptance of interim design submissions or construction documents shall be deemed to transfer design liability from the design-builder to the Authority.

(d) [The] Once the plans and specifications are complete, and have been accepted by the Authority, the design-builder shall submit the completed plans and specifications for the school facilities project to the

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Department for approval of final educational adequacy, pursuant to N.J.A.C. 6A:26-5.4. Upon the approval of the plans and specifications by the Commissioner, the design-builder shall submit them to the DCA for review and approval in accordance with N.J.A.C. 5:23-4.24.

19:36-8.2 Costs in excess of guaranteed maximum price

[The] If a design-build contract is procured as a GMP contract, the design-builder shall be responsible for cost overruns in excess of the GMP, as properly adjusted, pursuant to the terms of the design-build contract. If the design-builder's cost of work and fee are less than the GMP as properly adjusted, the cost savings shall accrue to the Authority, but may be shared by the design-builder and the Authority in accordance with the terms of the design-build contract.

[19:36-8.3 Deletion or substitution of key team members

(a) If at any time during the design-build selection process or after award of the design-build contract, an offeror or design-builder, as applicable, wishes to delete or substitute a key team member that was specifically identified by name in the response to the RFQ or RFP, it must request and receive written approval from the Authority.

(b) Unauthorized changes to key team members of the offeror or design-builder that were specifically identified in the response to the RFQ and/or RFP at any time during the design-build selection process may result in the elimination of the offeror from further consideration.]

19:36-8.3 Deletion or substitution of key team members

(a) No substitutions or deletions of key team members may be made during the selection process or after award of the contract, without prior written approval from the Authority.

(b) Unauthorized changes to a bidder's key team members who were specifically identified in the response to the RFP at any time during the selection process may result in the elimination of the bidder from further consideration.

SUBCHAPTER 9. PERFORMANCE EVALUATIONS

19:36-9.1 Applicability and effect

(a) Notwithstanding any provisions of N.J.A.C. 19:38 to the contrary, the following provisions will apply to the process and consideration of performance evaluations for contracts procured under this chapter.

1. Every design-builder awarded a design build contract procured pursuant to this chapter will be subject to evaluation in accordance with N.J.S.A. 18A:7G-36. The performance evaluation will consider the design-builder's performance as a contractor in the following categories: quality of work; scheduling; management; cost control and change orders; safety and industrial hygiene; small business goals; and close-out.

2. The design-builder's performance will be evaluated periodically during the progress of the project. The evaluation will be performed

by a reviewer with direct involvement in the management or supervision for the project.

3. The design-builder's performance evaluations will be used by the Authority in evaluating and scoring bidders as to their prior experience on Authority projects, in accordance with the provisions of this chapter, N.J.A.C. 19:38, or 19:38B.

19:36-9.2 Evaluation rating values

(a) Notwithstanding any provisions of N.J.A.C. 19:38 to the contrary, design-builders shall be evaluated on their construction performance with respect to the various evaluation categories using the following evaluation ratings:

1. Outstanding (O) or 100 percent—far exceeds the contract requirements by consistently exhibiting excellent performance. Always meets, and almost always exceeds the contract requirements;

2. Very Good (VG) or 90 percent—often exceeds the contract requirements and frequently provides a high level of performance. Typically meets and often exceeds the contract requirements;

3. Satisfactory (S) or 80 percent—provides an acceptable level of performance consistently meeting the contract requirements;

4. Marginal (M) or 70 percent—performs slightly below the requirements of the contract, meeting the contract requirements on an intermittent basis; and

5. Unsatisfactory (U) or 60 percent—fails to meet important contract requirements, resulting in a negative impact on the entire project.

(b) These numerical scores may be subject to special adjustment factors for certain categories deemed by the Authority to be particularly critical to contractor performance. The numerical ratings for each category shall be tabulated to arrive at an overall numerical evaluation score for each performance evaluation.

19:36-9.3 Consideration of performance evaluations

(a) For contracts procured pursuant to the provisions of N.J.A.C. 19:38, performance evaluations shall be considered in accordance with that chapter.

(b) For contracts procured pursuant to this chapter or N.J.A.C. 19:38B, the process for evaluating a firm's prior performance on Authority projects in a selection process shall be specified in the RFP. Such process shall consist of:

1. A mathematical tabulation and averaging of the scores of all prior performance evaluations within a relevant time period;

2. Consideration of particularly favorable or unfavorable evaluations individually and with reference to other evaluations;

3. Consideration of multiple evaluations over the course of a given project, to show consistency of performance, deterioration of performance or efforts at improvement and recovery; or

4. A combination of the above methodologies.

Resolution—6d.

Final Re-adoption with Amendments: Title 19, Chapter 36
Procurement of Design Build Projects

Resolution

WHEREAS, N.J.A.C. 19:36, as adopted by the New Jersey Schools Development Authority (“SDA” or “the Authority”) sets forth Procedures for Procurement of Design Build Contracts for School Facilities Projects for the Schools Construction Program (“Chapter 36” or “the Rules”); and

WHEREAS, on March 7, 2012, the Members of the Authority approved for proposal and publication the re-adoption and amendment of the Rules; and

WHEREAS, the memorandum presented to the Board on this date and incorporated herein details the history of the associated “special new rules” that preceded the Board’s March 7, 2012 approval, litigation filed in connection with the “special new rules” and the outcome thereof; and

WHEREAS, a sixty (60) day public comment period was provided upon publication of the Rules in May 2012 with comments received resulting in no substantive changes to the Rules since the Board’s initial approval on March 7, 2012; and

WHEREAS, the Members of the Authority have reviewed the memorandum and the Rules presented to the Board on this date, which provides the history of the Rules, public comments submitted in connection therewith and management responses thereto; and

WHEREAS, management of the SDA recommends the Members’ approval to proceed with formal adoption of the Rules as previously approved for proposal and publication.

NOW, THEREFORE, BE IT RESOLVED, that, consistent with the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the completion of the re-adoption process for Title 19, Chapter 36, Procurement of Design Build Projects, the filing of same with the New Jersey Office of Administrative Law and publication of the final approved Rules and Notice of Adoption in the New Jersey Register.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Final Re-adoption with Amendments: Title 19, Chapter 36,
Procurement of Design Build Projects, dated February 6, 2013

Dated: February 6, 2013

MONTHLY REPORTS
(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: February 6, 2013

SUBJECT: Active Project Status Report
(For Informational Purposes Only)

The 1st section of the report includes an Activities Summary of projects identified for advancement in the 2011 & 2012 Capital Plans.

The 2nd part of the report displays project completion milestones for all other major capital projects and emergent projects.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



2011 & 2012 Portfolio Projects Activities Summary

as of 1/18/13

2011 Portfolio Projects - sorted by District		1					
District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Bridgeton	Buckshutem ES	K-8	581	\$11.9	Kit of Parts Candidate/ Design-Build	Preliminary Charter approved Aug. 2012 Board. Design Development.	2 QTR 13
Bridgeton	Quarter Mile Lane ES	PK-8	731	\$34.9	Kit of Parts Candidate/ Design-Build	Preliminary Charter approved Aug. 2012 Board. Design Development.	2 QTR 13
Elizabeth	Academic HS	9-12	1,091	\$64.1	Existing Design	Phase 1 Construction completed July 2012. Phase 2 Award approved Nov. 2012 Board (Patock Construction)	12/8/11 07/11/12
Jersey City	ES 3	PK-5	814	\$67.3	Kit of Parts Candidate/ Design-Build	Award for Phase 1 Construction approved at Sep. 2012 Board (Tricon). Design Development.	06/25/12
Jersey City	PS 20	K-5	628	\$54.6	Existing Design	Award for Phase 1 Construction approved at Jun. 2012 Board (Silverlands Services). Design Development.	04/17/12
Long Branch	Catrambone ES	PK-5	817	\$40.0	Existing Design	Construction Contract Approved Apr. 2012 Board (Terminal Construction). Groundbreaking 9/24.	12/20/11
New Brunswick	Redshaw ES	PK-5	909	\$51.2	Kit of Parts/ Design-Build	Award for D-B approved at Sep. 2012 Board (Hall Construction).	05/29/12
Newark	Oliver St. ES	PK-8	848	\$77.4	Kit of Parts/ Design-Build	Phase 1 Construction award sent 8/20/12. (Silverlands Services). Design-Build Advertisement 11/29/12.	06/27/12
Paterson	Marshall St. ES	K-8	650	\$42.5	Existing Design	Phase 1 Construction NTP Aug. 2012 (Earle Asphalt). Design Development (revisions).	06/13/12
Paterson	PS 16	PK-8	651	\$61.7	Kit of Parts Candidate/ Design-Build	Site Investigations ongoing. Land acquisition and related activities ongoing. Design Development. Award for Phase 1 Construction approved at May 2012 Board (Tricon).	03/27/12
West New York	Harry L. Bain PS 6	PK-6	736	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District). Award for Demolition of existing structure on SDA owned site approved at Jun. 2012 Board. NTP 7/20/12 (Tricon).	02/27/12

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.
 NOTE # 1 - Total Estimated Costs, Grade Alignment and Capacity are based upon cost and programmatic assumptions utilized in the 2010 reassessment, which do not include benefits of standardization. Application of principles of standardization and recommendations of DOE/SDA/District Working Groups will impact this information in the future.



2011 & 2012 Portfolio Projects Activities Summary

as of 1/18/13

2012 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Gloucester City	Middle School	4-8	811	\$75.7	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Keansburg	Caruso ES	K-4	736	\$47.3	Kit of Parts Candidate/ Design-Build	Preliminary Charter approved Oct. 2012 Board. Phase 1 Construction ongoing.	10/20/11
Keansburg	Port Monmouth Road School	PK	318	\$15.1	New Design Procurement	Planning Charter approved Oct. 2012 Board. Site Investigation at Port Monmouth Road School ongoing.	3 QTR 15
New Brunswick	Robeson ES	1-5	599	\$29.9	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Newark	Elliot Street ES	PK-8	848	\$47.7	Kit of Parts Design-Build	Design-Build Advertisement 12/27/12.	12/27/12
Newark	South Street ES	PK-8	640	\$57.1	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	2 QTR 13
Passaic	Dayton Ave. Campus	PK-8	2,134	\$181.6	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Phillipsburg	High School	9-12	1,846	\$142.4	Existing Design	Construction Advertisement 9/27/12. Delegated approval of Award and Final Charter approved at Dec. 2012 Board.	9/27/2012
West New York	Memorial HS	9-12	1,859	\$61.1	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Scoping Conversations with Working Group regarding renovation scope. (DOE/SDA/District).	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.
 NOTE # 1 - Total Estimated Costs, Grade Alignment and Capacity are based upon cost and programmatic assumptions utilized in the 2010 reassessment, which do not include benefits of standardization. Application of principles of standardization and recommendations of DOE/SDA/District Working Groups will impact this information in the future.



2011 & 2012 Portfolio Projects Activities Summary

as of 1/18/13

2012 Portfolio Projects (Educational Priority that require further conversations with District) - sorted by District

District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Elizabeth	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Garfield	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Harrison	MS Grade Level	MS	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Millville	HS Grade level	HS	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Paterson	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Perth Amboy	All Grade levels	All	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Union City	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.

2012 Portfolio Projects (Facilities Deficiencies) - sorted by District

District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Camden	High School	9-12	1,244	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Hoboken	Connors ES	PK-4	351	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Orange	Cleveland St. ES	PK-8	492	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Orange	High School	9-12	1,048	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Trenton	Central HS	9-12	1,843	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.



Active Project Status Report

Report Date: 1/4/13

Major Capital Projects

#	District	Project Name	Project Scope	Project Status	Substantial Completion	Status Substantial Completion	Occupancy Date	Status of Occupancy Date	Total Estimated Project Cost
1	Elizabeth	Victor Mravlag ES	New Construction	Construction	May-13	On-target	Sep-13	On-target	\$ 45,464,204
2	Elizabeth	New Academic HS	New Construction	Constructability Review	Mar-16	On-target	Sep-16	On-target	\$ 64,061,687
3	Long Branch	Catrambone ES	New Construction	Construction	Jun-14	On-target	Aug-13	On-target	\$ 40,026,889
4	New Brunswick	New Redshaw ES	New Construction	Design-Builder	May-15	On-target	Aug-15	On-target	\$ 51,204,641
5	Passaic City	New Henry Street ES	New Construction	Construction	Dec-14	On-target	Jan-15	On-target	\$ 40,250,458
6	Union City	New Columbus ES	New Construction	Complete	Aug-12	Achieved	Sep-12	Achieved	\$ 46,203,896
7	West New York	Public School #3	New Construction	Complete	Apr-12	Achieved	May-12	Achieved	\$ 66,303,105

Emergent Projects

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	Camden City	East Camden M.S.	HVAC	Construction	Jan-13	On-Target	Mar-13	On-Target	\$ 3,379,097
2	Newark	Ridge Street ES	Boiler Replacement	Construction Procurement	Oct-13	On-Target	Nov-13	On-Target	\$ 1,102,593
3	Newark	West Side HS	Electrical Switch Gear	Construction	Jan-13	On-Target	Feb-13	On-Target	\$ 69,008
4	Newark	Wilson Avenue School	Building Envelope	Construction	Mar-13	On-Target	Apr-13	On-Target	\$ 3,187,743
5	Paterson	PS #6	Windows	Construction	Apr-13	On-Target	May-13	On-Target	\$ 1,992,309
6	Trenton	Trenton Central HS	Roofing	Complete	Aug-12	Achieved	Jan-13	On-Target	\$ 431,857

PROJECT CLOSEOUT STATUS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
 P.O. BOX 991
 TRENTON, NJ 08625-0991
 609-943-5955

To: Members of the Authority
 From: /s/ Jason E. Ballard, Chief of Staff
 Date: February 6, 2013
 Subject: Project Close Out Status Report

The attached report provides a listing of projects managed by the SDA, all of which have achieved school occupancy. The listing is further defined by District and year of occupancy, and details those projects that are fully closed out and those which achieved building and/or land transfer to the district.

We continue to advance projects and contracts through the close out process. The following projects have been transferred and/or closed since the last Board Meeting:

Year of Occupancy	Project #	Project Type	District	School	Status
2008	1210-030-08-0IAT	Capital Plan	East Orange	Campus High School	Closed

Prepared by: Carol Petrosino
 Reviewed by: Bridget Capasso

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Asbury Park					
Legacy	Bradley Primary	Closed		04/29/09	
2008	T. Marshall Primary	Closed		04/29/09	
Barnegat					
Legacy	Barnegat HS	Land and/or School Transferred	10/13/09		Open contract(s)
2007	Brackman MS	Land and/or School Transferred	09/23/09		Open contract(s)
2008	HS Addition	Land and/or School Transferred	10/13/09		Open contract(s)
2008	New Donahue, ES (aka Ronald Reagan)	Land and/or School Transferred	10/13/09		Open contract(s)
2008	Barnegat - Collins, ES	Land and/or School Transferred	07/12/10		Open contract(s)
2009	Barnegat - Dunfee, ES	Land and/or School Transferred	07/12/10		Open contract(s)
Bridgeton					
Legacy	Buckshutem Road ES	Closed		05/12/09	
2009	Bridgeton HS Media Center	Closed		02/23/12	
Buena					
Legacy	Cleary MS	Closed		06/02/09	
2010	Buena MS	Closed		02/23/12	
Burlington City					
Legacy	Burlington City - Samuel Smith ES	Closed		11/24/09	
2007	Wilbur Watt Intermediate School & Stadium Maintenance Bldg. (MB)	Land and/or School Transferred	07/01/11		Open contract(s)
2007	New HS	Land and/or School Transferred	12/29/11		Open contract(s)
Camden					
2009	Camden ECDC	Land and/or School Transferred	11/04/09		Open contract(s)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2009	HB Wilson ES	Land and/or School Transferred	04/14/10		Open contract(s)
2009	Dudley ES	Land and/or School Transferred	02/06/12		Open contract(s)
2011	Morgan Village	Deed transferred to District 08/22/12			
Clark					
2007	Frank Hehly ES	Land and/or School Transferred	06/03/10		Open contract(s)
2007	Carl Kumpf MS	Land and/or School Transferred	06/03/10		Open contract(s)
2007	Arthur Johnson HS	Land and/or School Transferred	06/03/10		Open contract(s)
2007	Valley Road ES	Land and/or School Transferred	06/03/10		Open contract(s)
Cumberland					
2009	Cumberland Regional HS	Land and/or School Transferred	06/25/10		Open contract(s)
East Orange					
Legacy	Wahlstrom ECC	Closed		06/30/12	
Legacy	New - Langston Hughes Replacement	Land and/or School Transferred	08/03/09		Open contract(s)
Legacy	East Orange HS	Closed		12/07/12	
2008	Campus #9 CJ Scott HS	Closed		11/23/12	
2008	Mildred Barry Garvin				
2010	Benjamin Banneker (New ES #5)	Land and/or School Transferred	07/23/12		Open contract(s)
Egg Harbor City					
2009	Spragg ES	Closed		02/10/12	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Egg Harbor Township					
2007	Slaybaugh ES	Land and/or School Transferred	10/23/12		Open contract(s)
2007	Davenport ES	Land and/or School Transferred	10/23/12		Open contract(s)
2010	New MS	Land and/or School Transferred	01/01/12		Open contract(s)
2011	Egg Harbor Twp HS - Phase 1 (add/reno)				
2011	Egg Harbor Twp HS - Phase 2 (add/reno)				
Elizabeth					
Legacy	Albert Einstein #29	Closed		09/16/09	
Legacy	#44 aka #51	Closed		09/16/09	
Legacy	Dr. MLK Jr. # 52 aka ECC # 45*	Closed		6/13/2012*	
Legacy	#31 Monsignor Joao Antao School	Land and/or School Transferred	07/09/12		Open contract(s)
Legacy	#30 Ronald Reagan Academy	Land and/or School Transferred	07/09/12		Open contract(s)
Legacy	New ES	Land and/or School Transferred	09/23/09		Open contract(s)
2008	Pre K-8 #27 Dr. Antonia Pontoja School	Closed		10/29/09	
2009	Elizabeth New PreK-8 #28	Land and/or School Transferred	08/26/10		Open contract(s)
Garfield					
Legacy	Garfield ECC	Land and/or School Transferred	04/23/09		Open Contract(s) DEP Action Required
2007	Garfield MS	Land and/or School Transferred	06/25/09		Open contract(s)
Gloucester City					
Legacy	JR SR HS	Land and/or School Transferred	11/28/12		Open Retainage

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Legacy	Cold Springs ES	Land and/or School Transferred	06/05/09		Open contract(s)
Greater Egg Harbor Township					
2008	Oakcrest Regional, HS (Auditorium upgrade)	Land and/or School Transferred	06/02/09		All contracts at \$0, documentation in final review
2010	Greater Egg Harbor HS (Cedar Creek HS)	Land and/or School Transferred	01/01/12		Open contract(s)
Harrison					
2007	New Harrison HS	Land and/or School Transferred	10/23/12		Open contracts(s)
Hoboken					
2007	Calabro ES # 4	Closed		07/09/12	
Irvington					
2007	Augusta ES	Closed		03/13/09	
2007	Irvington - New Mt. Vernon, ES	Closed		03/13/09	
2007	University Six School	Closed		03/13/09	
Jersey City					
Legacy	ECC #9 - School Site only	Closed		05/24/10	
Legacy	ECC #9 - Parking lot only	Closed		05/24/10	
Legacy	Freshman Academy - Lincoln HS				
Legacy	New ES #3 (Frank R. Conwell ES #3)				
Legacy	Jersey City MS # 4 (Frank R. Conwell MS # 4)				
2007	Heights MS # 7				
2008	ES # 34				
Long Branch					
Legacy	New MS - Building	Closed		07/25/09	
Legacy	New Anastasia ES	Closed		10/23/09	
2007	Gregory ES	Land and/or School Transferred	05/25/12		Open Contract(s)
2008	Long Branch - Athletic Fields & High School	Land and/or School Transferred	12/07/12		Open Contract(s)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Manchester					
Legacy	Manchester - Manchester Township MS	Land and/or School Transferred	07/16/09		Open contract(s)
Legacy	Whiting ES	Land and/or School Transferred	07/16/09		Open contract(s)
Legacy	Manchester Township HS				
Millville					
Legacy	Millville ECC	Closed		06/19/09	
Legacy	Lakeside MS	Closed		07/08/09	
Neptune					
Legacy	Neptune ECC	Closed		10/31/06	
Legacy	Gables ES	Closed		04/30/09	
Legacy	Neptune MS	Closed		04/30/09	
Legacy	Summerfield ES	Closed		04/30/09	
Legacy	Shark River Hills ES	Closed		07/13/09	
Legacy	Neptune Township - Green Grove ES	Closed		11/27/09	
Legacy	HS Swing Space	Closed		10/21/11	
2008	Midtown Community ES & Parking	Closed		11/16/11	
2010	Neptune HS Aux. Gym	Closed		10/21/11	
New Brunswick					
2007	McKinley K Center #3	Land and/or School Transferred	07/09/12		Open contract(s)
Newark					
Legacy	Science Park	Deed transferred to District 02/03/12			
2007	1st Avenue ES	Land and/or School Transferred	09/28/11		Open contract(s)
2008	Central HS	Land and/or School Transferred	03/28/12		Open contract(s)
2009	Park ES (aka North Ward Park ES)	Land and/or School Transferred	02/24/10		Open contract(s)
2010	Speedway ES				
Orange					

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Legacy	New Main St. ES	Closed		06/22/09	
2009	Park Ave ES	Land and/or School Transferred	07/19/12		
2010	Lincoln Ave ES	Land and/or School Transferred	09/07/12		Open contracts(s)
Passaic					
Legacy	# 7, Grant, ES	Letter sent to District - Documents needed			
2010	Daniel F Ryan #19 ES aka New ES Main Ave				
Paterson					
Legacy	Panther Academy	Closed		08/15/11	
Legacy	Roberto Clemente, ES	Letter sent to District - No Response			
2008	International HS				
2008	#24 ES				
2010	Roberto Clemente ES K-1 Center (Madison Avenue K Center) parking Lot	Land and/or School Transferred	11/09/11		Open contract(s)
Pemberton					
2011	ECC	Deed transferred to District 03/19/12			
Perth Amboy					
Legacy	ECC I - Ignacio Cruz	Land and/or School Transferred	06/17/10		Open contract(s)
Legacy	#10 ES - Dr. N. H. Ritchardson School	Letter sent to District - No Response			
2009	ECC #2 - Edmund Hmielseki ECC				
Phillipsburg					
Legacy	ECC	Closed		04/27/12	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Plainfield					
Legacy	Clinton ES - Site only	Land and/or School Transferred	05/06/10		Open contract(s)
Legacy	Hubbard MS				
2008	Emerson ES School Site only				
2009	Clinton ES - Parking/Playground only				
2009	Emerson ES - Parking/Playground only				
Trenton					
Legacy	Mott ES	Closed		05/07/09	
Legacy	P. J. Hill ES	Closed		05/07/09	
Legacy	Gregory ES	Closed		06/30/09	
Legacy	Joyce Kilmer	Closed		12/29/11	
Legacy	Columbus ES	Closed		02/02/12	
2007	Parker ES	Closed		03/13/09	
2010	MLK-Jefferson	Land and/or School Transferred	12/01/11		Open contract(s)
Union City					
Legacy	Jose Marti MS Jose Marti MS Athletic Field	Closed		08/25/11	
2007	ECC @ JFK - Phase I (School only)	Letter sent to District - Documents needed; Deed transferred to District 03/20/12			
2007	ECC @ JFK - Phase II (Schlemm) Parking/Playgrounds	Letter sent to District - Documents needed; Deed transferred to District 03/20/12			
2012	Columbus Elementary School				
Vineland					
Legacy	Petway - ES #1	Closed		03/12/09	
Legacy	MS #1 Thomas Wallace	Closed		03/12/09	
Legacy	Johnstone ES	Closed		05/20/09	
2007	Vets Memorial	Closed		03/13/09	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
West New York					
Legacy	West New York MS	Letter sent to District - Documents needed			
2007	#4	Land and/or School Transferred	11/21/12		Open Contract(s)
2009	ES #2				
2012	West New York #3	Deed transferred to District 09/11/12			
Woodlynne					
Legacy	Woodlynne ES	Closed		06/10/09	
Capital Projects Totals					
Total Capital Projects		126			
Closed Capital Projects		49			
Capital Projects Not Closed		77			
	Capital Projects Not Closed, Land & School Transferred	47			
*Dr. MLK Jr. Center for ECC School # 52 aka ECC # 45 (Legacy) has been closed although an NFA is still needed. The District fulfilled its obligations with the DEP 06/08/2011. The SDA has fulfilled all of its obligations regarding this project.					
Emergent Projects					
Camden					
	Broadway Elementary School	Closed		08/12/11	
	Lanning Square at Feters Elementary School	Closed		11/02/11	
	Sharp Elementary School	Project Transferred	03/20/12		Open contract(s)
	Washington Elementary School	Project Transferred	03/20/12		Open contract(s)
	Molina Elementary School	Project Transferred	10/18/12		Open contract(s)
	East Camden Middle School				
	Camden High School				
East Orange					
	Hart Middle School	Closed		12/02/11	
	Jackson Academy	Closed		12/14/11	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
	Houston Elementary School	Project Transferred	05/07/12		Open contract(s)
	Warwick Elementary School	Project Transferred	05/07/12		Open contract(s)
	Cochran Academy	Project Transferred	05/07/12		Open contract(s)
	Louverture				
Irvington					
	Irvington High School - Roof, HVAC, Bathroom				
	Irvington High School - Physical Ed. Field				
	Union Avenue Middle School				
Newark					
	Branch Brook ES	Closed		11/09/11	
	Franklin ES	Closed		11/09/11	
	Sussex Avenue ES	Closed		11/09/11	
	Barringer High School	Closed		12/01/11	
	McKinley	Closed		12/02/11	
	Weequahic High School	Closed		04/02/12	
	South Street	Closed		04/30/12	
	East Side High School	Closed		10/31/12	
	Avon Avenue - Playground	Project Transferred	10/20/11		Open contract(s)
	Maple Avenue	Project Transferred	10/20/11		Open contract(s)
	13th Avenue - Boiler	Project Transferred	11/09/11		Open contract(s)
	Lafayette Street School	Project Transferred	11/09/11		Open contract(s)
	Avon Avenue - Roof				
	Bragaw				
	Horton				
	R. Clemente				
	Speedway				
	American History High School				
	Shabazz				
Passaic					
	School #1 T. Jefferson ES	Closed		10/07/11	
	School #6 MLK Jr.				
	School #11 Memorial				
Paterson					

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of January 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
	Sage Adult School & Alternative MS/HS	Closed		05/23/12	
	Public School #3	Closed		04/30/12	
	Public School #10	Closed		05/23/12	
	Public School #16	Closed		04/30/12	
	Public School #6				
	Early Learning Center at 14th (aka Rutland Center)				
Trenton					
	Trenton Central HS	Closed		05/21/12	
	TCHS (Main Campus) - Original portion of building				
Emergent Project Totals					
Total Emergent Projects		46			
Emergent Closed Out		18			
Emergent Not Closed		28			
	Emergent Projects Not Closed but Transferred	10			
Health and Safety Contract Totals					
# of Contracts Closed		385			
# of Contracts Open		14			
Total Contracts		399			



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

To: Members of the Authority
From: /s/ Jason E. Ballard, Chief of Staff
Date: February 6, 2013
Subject: Demonstration Projects - Close Out Status

We continue to work to advance the close out of the Demonstration Projects.

Special Projects continues to work with the various redevelopment entities to finalize various invoices. Once we reach agreement on these final invoices and allocations, we anticipate the closure of the Demonstration Project Grants.

Prepared by: Bruce Lieblich
Reviewed by: Carol Petrosino
Bridget Capasso

PROJECT STATUS REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: February 6, 2013

SUBJECT: Executive Summary – Monthly Project Status Reports

MONTHLY PROJECT STATUS REPORT

Projects that have Expended 75% or More of Board Approved Contingency:

No new data to report

Projects Greater than 90 Days Behind Schedule:

No new data to report.

Revisions to Project Charters:

No new data to report.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to December 21, 2012

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
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In Construction

Elizabeth	Number 21, Victor Mravlag E.S.	\$8,240,000	\$7,271,827	\$968,173	88.3%	68%	1. Unforeseen asbestos abatement 2. Unforeseen structural integrity issues. 3. Project changed from addition/renovation to new construction.	Revised Charters were approved by the Board in accordance with the Operating Authority adding a total of \$8.4M against a total project budget of \$31.9M. Close monitoring of the projected costs will continue. The project is scheduled for completion to allow for occupancy in September 2013.
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Substantially Complete & Building Occupied

Please refer to the Project Close-Out Activity Report for status of close-out activities

Burlington City	Burlington City H.S.	\$17,830,990	\$17,802,094	\$28,896	99.8%	99%	1. Unforeseen soil remediation 2. Unforeseen asbestos abatement.	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Camden	Dudley E.S.	\$3,215,000	\$3,189,804	\$25,196	99.2%	99%	1. Installation of IT/AV systems	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Camden	Camden ECDC	\$11,314,645	\$9,916,987	\$1,397,658	87.6%	99%	1. Unforeseen soil remediation	Project complete and building occupied. Open contract with GC being addressed to advance project to final close-out.
Camden	HB Wilson E.S.	\$3,097,150	\$3,097,150	\$0	100.0%	99%	1. Installation of centralized water filtration system 2. Installation of IT/AV systems	New school project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out. Demolition of existing school adjacent to school building being advanced. Additional funding for demolition will require a charter revision.
East Orange	Mildred B. Garvin E.S.	\$1,429,632	\$1,349,778	\$79,854	94.4%	99%	1. Unforeseen soil remediation 2. Modifications to security system	Project complete and building occupied. Working towards project close-out.
Egg Harbor City	New M.S.	\$1,058,907	\$1,006,608	\$52,299	95.1%	99%	1. Delays caused by design errors and extreme weather	Project substantially complete and building occupied. Open issues with GC regarding site drainage and punchlist items being addressed prior to advancement of project to final close-out.
Newark	Speedway Avenue E.S.	\$1,826,000	\$1,826,000	\$0	100.0%	99%	1. Removal of unforeseen impacted materials	Project substantially complete and building occupied. Open issues with GC regarding change orders and punchlist items being addressed prior to advancement of project to final close-out.
Orange	Lincoln Ave E.S.	\$5,615,000	\$4,926,196	\$688,804	87.7%	99%	1. Unforeseen asbestos abatement 2. Structural repairs to interior walls 3. Extended general conditions	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Orange	Park Avenue E.S.	\$3,360,000	\$3,275,103	\$84,897	97.5%	99%	1. Unforeseen asbestos abatement	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to December 21, 2012

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
Passaic	E.S. at Main Avenue	\$9,548,320	\$8,259,178	\$1,289,142	86.5%	99%	1. Atrium design changes required by code 2. Unforeseen subsurface sewage line work 3. Adding back Security/IT System (removed and anticipated to be bid as a separate engagement for E-Rate reimbursement)	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Paterson	International H.S. Academy	\$5,039,000	\$3,525,078	\$1,513,922	70.0%	98%	1. Installation of two foot soil cap required to meet DEP regulations 2. Modifications to smoke evacuation system	Project substantially complete and building occupied. Open issues regarding smoke evacuation system being addressed prior to advancement of project to final close-out.
Paterson	E.S. #24	\$4,616,120	\$4,535,861	\$80,259	98.3%	99%	1. Unforeseen soil remediation and clean fill.	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Perth Amboy	ECC II	\$2,604,619	\$2,033,074	\$571,545	78.1%	99%	1. Removal of unsuitable soils 2. Adding back Security/IT System (removed and anticipated to be bid as a separate engagement for E-Rate reimbursement)	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
West New York	West New York P.S. #2	\$2,708,883	\$2,708,883	\$0	100.0%	99%	1. Unforeseen site foundation issues	Project complete and building occupied. Open contract with GC being addressed to advance project to final close-out.

¹ * Indicates Final Project Charter Revision

² Does not include expended contingency or contingency funds allocated for change orders, amendment



Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy

Reporting Period: December 2012

#	Event Date	District	Project	Board Approved Project Charter SubComp Date	Current Contract SubComp Date	Forecasted Contract SubComp Date	# of Days Behind Schedule	Cause(s)	Current Status
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No New Data to Report



Revisions to Project Charters

Reporting Period: December 2012

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
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No New Data to Report

CONTRACTS EXECUTED REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: February 6, 2013

SUBJECT: Contracts Executed Report and Amendments & Change Orders Report
(For Informational Purposes Only)

Contracts Executed Report

This report contains the activity of contracts executed during the period December 1 through December 31, 2012.

Noteworthy Items during the reporting period:

- Execution of 1 contracts for construction:
 - Construction Contract for the New Elizabeth Academic High School project to Patock Construction Co. for \$42,977,700
- Execution 1 contract for the acquisition of the former St. Joseph's of the Palisades High School for use by the West New York School District totaling \$12,251,872.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period December 1 through December 31, 2012.

Noteworthy Items during the reporting period:

- Execution of 1 Design Amendments totaling a credit of \$5k. None of the executed amendments required board approval.
- Execution of 10 Construction Services Change Order totaling a credit of \$404k. Of the 3 executed change orders 1 required board approval totaling a credit of \$380k.

Report of change orders less than \$10,000 yet requiring Board Approval

In accordance with the Operating Authority adopted by the Members on December 1, 2010 as amended on March 7, 2012, the Members are to be provided a report of any change order which received delegated approval by the CEO due to the fact that they are valued at less than \$10,000 yet require Board approval due the total change orders exceeding 10% of the contract value.

- Elizabeth Mravlag ES – Ernest Bock & Sons Inc. – EL-0016-C03
 - CO #117 - \$7,061
 - CO #118 - \$1,794
 - CO #121 - \$3,853



**New Jersey Schools Development Authority
Contracts Executed Report**

Report Period 12/1/12 through 12/31/12

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
Part 2. Construction Services										
	Contractor									
Elizabeth	New Academic HS	New	Construction	EL-0006-C01	Patock Construction Co.		\$42,977,700	12/20/12	53,500,000	\$53,500,000
	Contractor									
Part 2. Construction Services							\$42,977,700			\$53,500,000

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Report Period 12/1/12 through 12/31/12

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
Part 3. Land Acquisition Services										
Site Acquisition										
West New York	Memorial HS/Freshman & Soph Academy	RenoAdd	Acquisition	HU-0016-L02	St. Joseph of the Palisades Church		\$12,251,872	12/13/12	-	
Site Acquisition										
Relocation										
Paterson	New PS# 16	New	Relocation	PA-0024-L98	Liberty Transportation & Storage Co., Inc.		\$28,836	12/1/12	-	
Paterson	New PS# 16	New	Relocation	PA-0024-L99	Jose Lozada		\$55,615	12/1/12	-	
Relocation										
Part 3. Land Acquisition Services							\$12,336,323			

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Report Period 12/1/12 through 12/31/12

	Total Contract Award	Total Contracts Awarded
Grand Totals - Professional and Construction Services Combined	\$55,314,023	4

** Contracts less than \$10,000 are not displayed

Project Types Legend

HS	Health & Safety
New	New Construction
Add	Addition
RenoAdd	Addition & Renovation
Reno	Renovation

Contract Types Legend

Acquisition	Property Acquisition Related Costs
Appraisal	Appraisal, Appraisal Review, NRE
Construction	Construction
Design	Design or Site Investigation
DB	Design-Build
E-Rate	E-Rate
FFE	Furniture, Fixtures, and Equipment
General	General Program Cost
Legal	Legal
Material	Material Supply
ProjectMgmt	Project Management Firm
PreDevelopment	Predevelopment or Demolition
Relocation	Relocation Services
SiteInvstgtn	Site Investigation
Testing	Testing
Title	Title Services
Utilities	Utilities Services

MWSBE Certifications

M = Minority Business Enterprise
W = Women Business Enterprise
S = Small Business Enterprise

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



New Jersey Schools Development Authority
Amendments & Change Orders Report

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Design Consultant																
Passaic City	Number 6, Martin Luther King, Jr.	EP-0024-A01	9/4/09	3	DMR Architects, PC	12/18/12	\$106,000	\$29,978	6/1/11	\$-4,924			\$131,054	23.63%	\$106,000	-4.64%
Design Consultant																
Site Acquisition																
City Of Orange Township	Park Avenue E.S.	ES-0007-L02	6/10/03	1	Fidelity National Title Insurance Company	12/19/12	\$285	\$0		\$220			\$505	77.19%	\$285	77.19%
Site Acquisition																
Site Investigation																
Multi-District, Project, or Statewide	Raphael Cordero Molina E.S. Sharp E.S. Washington E.S.	GP-0084-L01	2/29/08	30	Arcadis US, Inc.	12/21/12	\$0	\$1,100,280		\$-54			\$1,100,226	0.00%	\$0	NA
Trenton	Martin Luther King/Jefferson School	GP-0084-L03	2/14/08	78	Whitman	12/5/12	\$0	\$3,576,992		\$-1,140			\$3,575,853	0.00%	\$0	NA
Harrison	New Harrison High School (-x01)	GP-0084-L04	2/14/08	56	Hatch Mott MacDonald, I&E, LLC	12/4/12	\$0	\$1,580,721		\$-599			\$1,580,122	0.00%	\$0	NA
City of Orange Township	Park Avenue E.S.		2/14/08	57	Hatch Mott MacDonald, I&E, LLC	12/10/12	\$0	\$1,580,122		\$-10,406			\$1,569,716	0.00%	\$0	NA
Newark	Oliver Street E.S.	GP-0084-L06	1/18/08	56	Louis Berger Group (The)	12/5/12	\$0	\$3,138,407		\$32,067			\$3,170,474	0.00%	\$0	NA
Newark	South Street E.S.	GP-0171-L03	12/1/11	7	Whitman	12/4/12	\$0	\$348,836		\$132,759			\$481,594	0.00%	\$0	NA
Newark	Ridge Street E.S.	GP-0171-L10	12/1/11	5	Lan Associates, Engineering, Planning, A	12/21/12	\$0	\$249,337		\$69,953			\$319,290	0.00%	\$0	NA
Trenton	Trenton Central West	GP-0171-L16	12/1/11	3	E2 Project Management, LLC	12/10/12	\$0	\$64,216		\$31,015			\$95,231	0.00%	\$0	NA
Elizabeth	New pre K-8 #28	NT-0015-L02	9/8/03	3	CMX, Inc.	12/5/12	\$1,005,278	\$-36,240		\$-7,507			\$961,531	-4.35%	\$1,005,278	-4.35%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Site Investigation																
Trenton	Martin Luther King/Jefferson School	ST-0023-L06	9/8/03	1	RBA Group (The)	12/5/12	\$3,313,508	\$0		\$-45,780			\$3,267,728	-1.38%	\$3,313,508	-1.38%
Newark	New Science Park HS	NE-0001-L61	5/23/12	2	Treasurer, State of NJ	12/17/12	\$550	\$50		\$900			\$1,500	172.72%	\$550	172.72%
Newark	Oliver Street E.S.	NE-0013-L51	1/1/09	4	Treasurer, State of NJ	12/13/12	\$0	\$1,430		\$10			\$1,440	0.00%	\$0	NA
Site Investigation																
Relocation & Property Maintenance																
Camden City	Lanning Square	CA-0018-L14	3/3/09	1	Corinna Thomas	12/6/12	\$42,630	\$0		\$-1,922			\$40,708	-4.50%	\$42,630	-4.50%
Multi-District, Project, or Statewide	A. Chester Redshaw E.S. Dayton Avenue Middle School ECC 03 ECC 13 Elliott Street E.S. Gladys Hillman-Jones M.S. Harriet Tubman E.S. Lanning Square Lorraine Place ES (formerly New Beachway ES) Magnet K-8 New Early Childhood Center (-x02) New ECC PK-2 (Caruso) New ES at Henry St. (-x01) New Franklin Elementary School Replacement New Middle School New North East ES (-x06) Number 1, Thomas Jefferson E.S. Number 21, Victor Mravlag E.S. Ridge Street (Replacement) South Street E.S. University H.S. West Side H.S.	GP-0175-R03	2/11/12	15	Bluegrass Hydroseeding, LLC	12/5/12	\$27,996	\$322,338		\$13,572			\$363,906	1,199.84%	\$27,996	1,199.84%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Relocation & Property Maintenance																
Multi-District, Project, or Statewide	New PS# 16 Dayton Avenue Middle School ECC 03 ECC 13 ECC Leonard Place & Madison St Elementary School 02 James Madison School #10 (Most Holy Name) Magnet K-8 New Early Childhood Center New ES at Henry St. (-x01) Number 1, Thomas Jefferson E.S. Number 10, Roosevelt E.S. Number 21, Victor Mravlag E.S. Roebing School University H.S. West Side H.S.	GP-0175-R03	2/11/12	16	Bluegrass Hydroseeding, LLC	12/5/12	\$27,996	\$335,910		\$11,248			\$375,154	1,240.01%	\$27,996	1240.01%
Multi-District, Project, or Statewide	New PS# 16 A. Chester Redshaw E.S. Cooper's Poynt E.S. Creative and Performing Arts H.S. Dayton Avenue Middle School East Side High School (Replacement) ECC 03 ECC 13 Elliott Street E.S. Gladys Hillman-Jones M.S. Harriet Tubman E.S. Lanning Square Magnet K-8 Marshall Street Elementary School New Early Childhood Center New Early Childhood Center (-x02) New ES at Henry St. (-x01) New Franklin Elementary School Replacement New Middle School New North East ES (-x06) Number 1, Thomas Jefferson E.S. Number 21, Victor Mravlag E.S. Ridge Street (Replacement) Roebing School South Street E.S. University H.S. West Side H.S.		2/11/12	17	Bluegrass Hydroseeding, LLC	12/7/12	\$27,996	\$347,158		\$9,505			\$384,658	1,273.96%	\$27,996	1273.96%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval	
Professional Services & Grants																	
Relocation & Property Maintenance																	
Multi-District, Project, or Statewide	New PS# 16 A. Chester Redshaw E.S. Cooper's Poynt E.S. Creative and Performing Arts H.S. Dayton Avenue Middle School East Side High School (Replacement) ECC 03 ECC 13 ECC Leonard Place & Madison St Elementary School 02 Elliott Street E.S. Gladys Hillman-Jones M.S. Harriet Tubman E.S. Harry L. Bain E.S. James Madison School #10 (Most Holy Name) Lanning Square Lorraine Place ES (formerly New Beachway ES) Magnet K-8 Marshall Street Elementary School New Academic HS New Early Childhood Center New Early Childhood Center (-x02) New ECC PK-2 (Caruso) New ES at Henry St. (-x01) New Franklin Elementary School Replacement New Middle School New North East ES (-x06) Number 1, Thomas Jefferson E.S. Number 10, Roosevelt E.S. Number 21, Victor Mravlag E.S. Ridge Street (Replacement) Roebing School South Street E.S. University H.S. West Side H.S.	GP-0175-R03	2/11/12	18	Bluegrass Hydroseeding, LLC	12/28/12	\$27,996	\$356,662			\$26,272			\$410,930	1,367.80%	\$27,996	1367.80%
Paterson	New PS# 16	PA-0024-L23	10/2/09	8	Brantley Brothers Moving & Storage Co., Inc.	12/13/12	\$1,025	\$10,282		\$17,608			\$28,915	2,720.97%	\$1,025	2720.97%	
Relocation & Property Maintenance																	
Furniture, Fixtures & Equipment																	
West New York	Number 3 E.S.	HU-0006-K08	12/22/11	1	Dell Marketing LP	12/12/12	\$103,434	\$0		\$-66			\$103,368	-0.06%	\$103,434	-0.06%	



NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services Grants																
Furniture, Fixtures & Equipment																
Others																
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L05	4/15/05	127	NJ Natural Gas Co.	12/27/12	\$36,693	\$9,859		\$39			\$46,591	26.97%	\$36,693	11.82%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	128	NJ Natural Gas Co.	12/27/12	\$36,693	\$9,898		\$39			\$46,629	27.07%	\$36,693	11.93%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	129	NJ Natural Gas Co.	12/27/12	\$36,693	\$9,936		\$36			\$46,666	27.17%	\$36,693	12.02%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	130	NJ Natural Gas Co.	12/27/12	\$36,693	\$9,973		\$37			\$46,703	27.28%	\$36,693	12.13%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	131	NJ Natural Gas Co.	12/27/12	\$36,693	\$10,010		\$41			\$46,744	27.39%	\$36,693	12.24%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	132	NJ Natural Gas Co.	12/27/12	\$36,693	\$10,051		\$37			\$46,782	27.49%	\$36,693	12.34%
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L06	4/15/05	70	JCP&L	12/6/12	\$8,060	\$10,854		\$66			\$18,981	135.48%	\$8,060	135.48%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	71	JCP&L	12/20/12	\$8,060	\$10,920		\$192			\$19,173	137.86%	\$8,060	137.86%
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L16	8/2/11	16	New Jersey American Water	12/20/12	\$410	\$2,416		\$178			\$3,003	633.03%	\$410	633.03%
Bayonne	Mary J. Donohoe No. 4 E.S.	G5-1876-D01	6/21/04	1	District - Bayonne	12/19/12	\$250,680	\$0		\$-26,631			\$224,049	-10.62%	\$250,680	-10.62%
Bayonne	Midtown Community E.S.	G5-1877-D01	6/21/04	1	District - Bayonne	12/19/12	\$882,042	\$0		\$-65,889			\$816,153	-7.47%	\$882,042	-7.47%
Bayonne	Phillip G. Vroom No. 2 E.S.	G5-1878-D01	6/21/04	1	District - Bayonne	12/19/12	\$106,500	\$0		\$-50,626			\$55,874	-47.53%	\$106,500	-47.53%
Bayonne	Washington No. 9 E.S.	G5-1879-D01	6/21/04	1	District - Bayonne	12/19/12	\$926,794	\$0		\$-193,873			\$732,921	-20.91%	\$926,794	-20.91%
Bayonne	Horace Mann No. 6 E.S.	G5-1880-D01	6/21/04	1	District - Bayonne	12/19/12	\$212,742	\$0		\$-133,153			\$79,589	-62.58%	\$212,742	-62.58%
Bayonne	Henry E. Harris No. 1 E.S.	G5-1881-D01	6/21/04	1	District - Bayonne	12/19/12	\$710,281	\$0		\$-5,747			\$704,534	-0.80%	\$710,281	-0.80%
Bayonne	Number 12, John M. Bailey E.S.	G5-1882-D01	6/21/04	1	District - Bayonne	12/19/12	\$368,190	\$0		\$-83,990			\$284,200	-22.81%	\$368,190	-22.81%
Bayonne	Lincoln No. 5 E.S.	G5-1883-D01	6/21/04	1	District - Bayonne	12/19/12	\$274,687	\$0		\$-181,262			\$93,425	-65.98%	\$274,687	-65.98%
Bayonne	Bayonne H.S.	G5-1885-D01	6/21/04	1	District - Bayonne	12/20/12	\$4,362,981	\$0		\$-135,526			\$4,227,454	-3.10%	\$4,362,981	-3.10%
Bayonne	Number 3, Walter F. Robinson E.S.	G5-2375-D01	3/4/05	1	District - Bayonne	12/19/12	\$3,514,098	\$0		\$-74,000			\$3,440,098	-2.10%	\$3,514,098	-2.10%
Cedar Grove Township	South End E.S.	G5-0476-D01	8/7/02	1	District - Cedar Grove Township	12/20/12	\$96,000	\$0		\$-6,770			\$89,230	-7.05%	\$96,000	-7.05%
Central Regional	Central Regional H.S.	G5-4716-D01	4/19/11	3	District - Central Regional	12/21/12	\$1,095,630	\$-53,431		\$-2,224			\$1,039,975	-5.07%	\$1,095,630	-5.07%
East Greenwich Township	Jeffrey Clark School	G5-4137-D01	3/5/12	1	District - East Greenwich Township	12/10/12	\$3,553,480	\$0		\$-198,831			\$3,354,649	-5.59%	\$3,553,480	-5.59%
East Greenwich Township	Samuel Mickle E.S.	G5-4138-D01	3/5/12	1	District - East Greenwich Township	12/10/12	\$3,465,433	\$0		\$-375,841			\$3,089,592	-10.84%	\$3,465,433	-10.84%
Freehold Township	Joseph J. Catena E.S.	G5-3802-D01	5/26/10	1	District - Freehold Township	12/31/12	\$36,100	\$0		\$-20,506			\$15,594	-56.80%	\$36,100	-56.80%
Freehold Township	Clifton T. Barkalow E.S.	G5-3804-D01	5/26/10	1	District - Freehold Township	12/31/12	\$10,330	\$0		\$-3,033			\$7,297	-29.36%	\$10,330	-29.36%
Freehold Township	Dwight D. Eisenhower E.S.	G5-3805-D01	5/26/10	1	District - Freehold Township	12/31/12	\$16,480	\$0		\$-6,704			\$9,776	-40.67%	\$16,480	-40.67%
Freehold Township	Joseph J. Catena E.S.	G5-4181-D01	12/22/10	2	District - Freehold Township	12/17/12	\$99,123	\$-30,036		\$6,838			\$75,925	-23.40%	\$99,123	-23.40%
Freehold Township	C. Richard Applegate E.S.	G5-4183-D01	12/22/10	2	District - Freehold Township	12/17/12	\$97,280	\$-28,113		\$6,914			\$76,081	-21.79%	\$97,280	-21.79%
Freehold Township	Marshall W. Erickson E.S.	G5-4185-D01	12/22/10	2	District - Freehold Township	12/17/12	\$99,123	\$-26,876		\$7,038			\$79,285	-20.01%	\$99,123	-20.01%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Garfield	James Madison School #10 (Most Holy Name)	NT-0014-L18	1/16/08	41	Public Service Electric and Gas Company	12/27/12	\$188	\$765		\$22			\$975	417.84%	\$188	417.84%
Garfield	James Madison School #10 (Most Holy Name)		1/16/08	42	Public Service Electric and Gas Company	12/27/12	\$188	\$787		\$7			\$982	421.44%	\$188	421.44%
Hackettstown	Hackettstown H.S.	G5-1094-D01	6/4/03	1	District - Hackettstown	12/31/12	\$2,530,305	\$0		\$119,359			\$2,649,663	4.71%	\$2,530,305	4.71%
Hamilton Township - Mercer	Morgan E.S.	G5-4243-D01	11/16/11	1	District - Hamilton Township - Mercer County	12/10/12	\$276,777	\$0		-\$4,804			\$221,973	-19.80%	\$276,777	-19.80%
Hamilton Township - Mercer	Yardville Heights E.S.	G5-4245-D01	11/16/11	1	District - Hamilton Township - Mercer County	12/10/12	\$189,374	\$0		-\$11,096			\$178,278	-5.85%	\$189,374	-5.85%
Hawthorne	Roosevelt E.S.	G5-4259-D01	9/30/11	1	District - Hawthorne	12/19/12	\$213,962	\$0		-\$20,734			\$193,228	-9.69%	\$213,962	-9.69%
Lumberton Township	Florence L. Walther E.S.	G5-4317-D01	5/4/12	1	District - Lumberton Township	12/28/12	\$52,739	\$0		-\$2,435			\$50,304	-4.61%	\$52,739	-4.61%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R01	4/12/01	28	Star Ledger Newspaper	12/19/12	\$130,907	\$1,311		\$12,141			\$144,359	10.27%	\$130,907	10.75%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R02	4/12/01	33	Times Newspaper (The)---(Adverts)	12/11/12	\$62,132	\$638		\$41			\$62,811	1.09%	\$62,132	1.09%
Multi-District, Project, or Statewide	Adverts As Contracts		4/12/01	34	Times Newspaper (The)---(Adverts)	12/24/12	\$62,132	\$697		\$10			\$62,840	1.13%	\$62,132	1.10%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R17	9/12/01	3	New Jersey Press Media Solutions	12/19/12	\$454	\$136		\$600			\$1,190	161.98%	\$454	166.33%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R28	6/27/11	1	The Trentonian Newspaper	12/19/12	\$1,019	\$0		\$1,019			\$2,039	100.00%	\$1,019	100.00%
Long Branch	George L. Catrambone E.S. (formerly Elberon)	GP-0005-R01	5/1/01	5	National Reprographics Inc.	12/12/12	\$799,128	\$15,538		\$1,708			\$816,374	2.15%	\$799,128	2.15%
Multi-District, Project, or Statewide	Marshall Street Elementary School New Science Park HS	GP-0005-R10	7/3/02	18	Napco Copy Graphics Center Corp.	12/12/12	\$251,397	\$68,107		\$235			\$319,739	27.18%	\$251,397	27.18%
Camden City	Octavius V. Catto Community School	GP-0089-R07	8/19/08	12	Greenbaum, Rowe, Smith & Davis LLP	12/17/12	\$303,190	-\$11,377		\$880			\$292,693	-3.46%	\$303,190	-3.46%
Paterson	New PS# 16	GP-0089-R08	8/19/08	31	Hill Wallack, LLP	12/20/12	\$2,000	\$136,880		\$2,200			\$141,080	6,953.99%	\$2,000	6953.99%
Camden City	Lanning Square		8/19/08	32	Hill Wallack, LLP	12/21/12	\$2,000	\$139,080		\$13,551			\$154,631	7,631.56%	\$2,000	7631.56%

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Paterson	New PS# 16	GP-0089-R08	8/19/08	33	Hill Wallack, LLP	12/21/12	\$2,000	\$152,631		\$341			\$154,972	7,648.59%	\$2,000	7648.59%
Multi-District, Project, or Statewide	Statewide Signage		8/19/08	34	Hill Wallack, LLP	12/21/12	\$2,000	\$152,972		\$1,280			\$156,252	7,712.59%	\$2,000	7712.59%
Newark	West Side H.S.	GP-0089-R09	9/2/08	27	Riker, Danzig, Scherer, Hyland & Perretti LLP	12/13/12	\$0	\$396,793		\$21,538			\$418,331	0.00%	\$0	NA
Barnegat	New Barnegat High School	GP-0089-R11	8/26/08	57	Sterns & Weinroth	12/4/12	\$148,910	\$484,775		\$5,291			\$638,976	329.10%	\$148,910	329.10%
East Orange	Performing Arts School		8/26/08	58	Sterns & Weinroth	12/21/12	\$148,910	\$490,066		\$52,895			\$691,871	364.62%	\$148,910	364.62%
West New York	Memorial HS/Freshman & Soph Academy	GP-0162-R10	10/20/11	4	Brown & Connery, LLP	12/19/12	\$0	\$10,317		\$4,240			\$14,557	0.00%	\$0	NA
Camden City	Dudley E.S.	GP-0162-R12	10/20/11	2	Greenbaum, Rowe, Smith & Davis LLP	12/17/12	\$0	\$1,506		\$1,280			\$2,786	0.00%	\$0	NA
Camden City	Dudley E.S.		10/20/11	3	Greenbaum, Rowe, Smith & Davis LLP	12/17/12	\$0	\$2,786		\$612			\$3,397	0.00%	\$0	NA
Jersey City	Frank R. Conwell MS #4 (New Middle School #4)	GP-0162-R15	10/20/11	1	Sterns & Weinroth	12/21/12	\$0	\$0		\$3,600			\$3,600	0.00%	\$0	NA
Camden City	Early Childhood Development Center #25	GP-0162-R18	10/20/11	3	Dilworth Paxson LLP	12/27/12	\$0	\$2,630		\$18,223			\$20,853	0.00%	\$0	NA

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

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Professional Services & Grants																
Others																
Multi-District, Project, or Statewide	10 Region PMF Selection	PM-0016-P01	11/26/02	35	Epic Management, Inc.	12/11/12	\$18,597,709	\$3,605,484	9/9/10	\$-6,621			\$22,196,572	19.35%	\$18,597,709	0.23%
Multi-District, Project, or Statewide	10 Region PMF Selection	PM-0018-P01	11/26/02	20	Sordoni Skanska Inc.	12/13/12	\$9,966,700	\$3,946,673	7/26/06	\$140,414	Yes	11/7/12	\$14,053,787	41.00%	\$9,966,700	1.85%
Multi-District, Project, or Statewide	10 Region PMF Selection		11/26/02	22	Sordoni Skanska Inc.	12/13/12	\$9,966,700	\$4,087,087	7/26/06	\$-579,856	Yes	11/7/12	\$13,473,931	35.18%	\$9,966,700	-3.96%
New Brunswick	Temporary School	ET-0071-G01	9/7/12	4	30 Van Dyke Avenue, Urban Renewal	12/28/12	\$0	\$-275,652		\$-87,617			\$-363,269	0.00%	\$0	NA
Newark	Cleveland E.S.	GB-0135-D01	11/3/08	1	District - Newark	12/19/12	\$1,385,619	\$0		\$-81,334			\$1,304,285	-5.86%	\$1,385,619	-5.86%
Newark	Quitman Street E.S.	GB-0139-D01	11/3/08	1	District - Newark	12/24/12	\$127,514	\$0		\$-2,557			\$124,957	-2.00%	\$127,514	-2.00%
Newark	ECC Leonard Place & Madison St	GP-0047-L07	9/1/04	56	Carella, Byrne, Cecchi, Olstein, Brody & Agnello	12/21/12	\$1,443,843	\$642,411		\$3,060			\$2,089,314	44.70%	\$1,443,843	44.70%
Newark	ECC Leonard Place & Madison St		9/1/04	57	Carella, Byrne, Cecchi, Olstein, Brody & Agnello	12/21/12	\$1,443,843	\$645,471		\$3,888			\$2,093,201	44.97%	\$1,443,843	44.97%
Newark	West Side H.S.	NE-0008-L56	7/1/04	33	City of Newark	12/20/12	\$2,512	\$5,178		\$50			\$7,740	208.08%	\$2,512	208.08%
Newark	Ridge Street (Replacement)	NE-0010-L42	4/22/04	1	City of Newark	12/7/12	\$2,221	\$0		\$1,727			\$3,948	77.74%	\$2,221	77.74%
Paterson	Number 24 E.S.	GP-0100-R07	3/19/12	2	Keefe Bartels	12/12/12	\$2,500	\$5,088		\$-5,088			\$2,500	0.00%	\$2,500	NA
Paterson	Marshall Street Elementary School	PA-0006-R02	12/16/10	2	National Construction Rentals	12/11/12	\$2,742	\$1,935		\$1,834			\$6,512	137.44%	\$2,742	137.44%
Paterson	New International High School Academy	PA-0008-R04	3/1/09	23	Paterson Public Schools	12/21/12	\$177,221	\$188,286		\$10,789			\$376,295	112.33%	\$177,221	112.33%
Penns Grove-Carneys Point Regional	Paul W. Carleton E.S.	G5-4423-D01	10/16/12	1	District - Penns Grove-Carneys Point Regional	12/21/12	\$91,971	\$0		\$-423			\$91,548	-0.45%	\$91,971	-0.45%
Penns Grove-Carneys Point Regional	Lafayette-Pershing E.S.	G5-4424-D01	10/16/12	1	District - Penns Grove-Carneys Point Regional	12/21/12	\$68,978	\$0		\$-647			\$68,331	-0.93%	\$68,978	-0.93%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services																
Others																
South Brunswick Township	Crossroads M.S. - South	G5-1600-D01	1/22/04	2	District - South Brunswick Township	12/21/12	\$1,082,906	\$-629,200		\$-83,624			\$370,082	-65.82%	\$1,082,906	-65.82%
Springfield Township - Union	Florence M. Gaudineer M.S.	G5-1023-D01	9/12/03	1	District - Springfield Township - Union	12/10/12	\$400,829	\$0		\$-5,097			\$395,733	-1.27%	\$400,829	-1.27%
Teaneck	Teaneck H.S.	G5-1797-D01	2/2/05	1	District - Teaneck	12/4/12	\$170,400	\$0		\$-12,550			\$157,850	-7.36%	\$170,400	-7.36%
Teaneck	Teaneck H.S.	G5-1798-D01	2/2/05	1	District - Teaneck	12/4/12	\$194,800	\$0		\$-36,030			\$158,770	-18.49%	\$194,800	-18.49%
Teaneck	Teaneck H.S.	G5-1799-D01	2/2/05	1	District - Teaneck	12/4/12	\$411,704	\$0		\$-67,986			\$343,718	-16.51%	\$411,704	-16.51%
Teaneck	Teaneck H.S.		2/2/05	2	District - Teaneck	12/6/12	\$411,704	\$-67,986		\$0			\$343,718	-16.51%	\$411,704	-16.51%
Teaneck	Hawthorne E.S.	G5-1833-D01	2/2/05	1	District - Teaneck	12/4/12	\$128,118	\$0		\$-10,737			\$117,381	-8.38%	\$128,118	-8.38%
Teaneck	Benjamin Franklin M.S.	G5-2760-D01	2/2/06	1	District - Teaneck	12/4/12	\$255,415	\$0		\$-11,208			\$244,207	-4.38%	\$255,415	-4.38%
Trenton	Martin Luther King/Jefferson School	GP-0105-R01	5/20/08	4	First Environment, Inc.	12/20/12	\$113,566	\$14,455		\$14,168			\$142,188	25.20%	\$113,566	25.20%
Trenton	Roebbling School	WT-0008-L06	2/3/04	131	Public Service Electric and Gas Company	12/20/12	\$30,574	\$16,798		\$116			\$47,487	55.32%	\$30,574	55.32%
Trenton	Martin Luther King/Jefferson School	WT-0011-R05	12/1/06	5	Gibbons P.C.	12/21/12	\$359,274	\$53,285		\$10,000			\$422,559	17.61%	\$359,274	17.61%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)	HU-0012-M01	5/19/09	6	Epic Management, Inc.	12/13/12	\$1,353,617	\$240,478	12/7/11	\$7,548			\$1,601,644	18.32%	\$1,353,617	1.38%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)	HU-0012-R03	3/20/12	5	United Water New Jersey	12/19/12	\$3,576	\$-3,576		\$189			\$189	-94.71%	\$3,576	-94.71%
Washington Township - Mercer	New High School	G5-0048-D01	5/1/02	1	District - Robbinsville	12/18/12	\$6,626,484	\$0		\$-29,039			\$6,597,445	-0.43%	\$6,626,484	-0.43%
Watchung Hills Regional	Watchung Hills Regional H.S.	G5-3945-D01	6/11/10	1	District - Watchung Hills Regional	12/10/12	\$365,338	\$0		\$-187,044			\$178,294	-51.19%	\$365,338	-51.19%
Westfield	Washington E.S.	G5-2887-D01	8/22/06	1	District - Westfield	12/12/12	\$112,606	\$0		\$-22,570			\$90,036	-20.04%	\$112,606	-20.04%
Others																
Professional Services																
										\$-2,134,665						

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Construction Services																
Contractor																
Elizabeth	Number 21, Victor Mravlag E.S.	EL-0016-C03	11/16/06	117	Ernest Bock & Sons, Inc.	12/20/12	\$20,587,000	\$7,709,123	7/5/12	\$7,061			\$28,303,184	37.48%	\$20,587,000	0.03%
Elizabeth	Number 21, Victor Mravlag E.S.		11/16/06	118	Ernest Bock & Sons, Inc.	12/20/12	\$20,587,000	\$7,716,184	7/5/12	\$1,794			\$28,304,978	37.48%	\$20,587,000	0.04%
Elizabeth	Number 21, Victor Mravlag E.S.		11/16/06	121	Ernest Bock & Sons, Inc.	12/20/12	\$20,587,000	\$7,717,978	7/5/12	\$3,853			\$28,308,831	37.50%	\$20,587,000	0.06%
Long Branch	George L. Catrambone E.S. (formerly Elberon)	ET-0068-C01	8/22/12	3	Terminal Construction Corp.	12/12/12	\$27,500,000	\$24,824		\$3,698			\$27,528,522	0.10%	\$27,500,000	0.10%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)	HU-0012-C01	9/25/09	81	Chanree Construction Co Inc	12/12/12	\$25,276,828	\$1,409,307		\$29,037			\$26,715,173	5.69%	\$25,276,828	5.69%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	79	Chanree Construction Co Inc	12/27/12	\$25,276,828	\$1,438,345		\$2,421			\$26,717,594	5.69%	\$25,276,828	5.69%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	84	Chanree Construction Co Inc	12/27/12	\$25,276,828	\$1,440,766		\$10,821			\$26,728,415	5.74%	\$25,276,828	5.74%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	77	Chanree Construction Co Inc	12/28/12	\$25,276,828	\$1,451,587		\$2,561			\$26,730,976	5.75%	\$25,276,828	5.75%
Newark	Oliver Street E.S.	NE-0013-J01	4/3/09	5	CAP Services, Inc.	12/21/12	\$1,836,824	\$1,749,060	1/4/10	\$-379,513	Yes	7/5/12	\$3,206,371	74.56%	\$1,836,824	-23.43%
Newark	Oliver Street E.S.		4/3/09	6	CAP Services, Inc.	12/27/12	\$1,836,824	\$1,362,468	7/5/12	\$-86,070			\$3,113,223	69.48%	\$1,836,824	-4.68%
Contractor																
Construction Services																
										\$-404,337						

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Other Contracts & Services																
Appraisals																
West New York	Memorial HS/Freshman & Soph Academy	NT-0021-L27	4/1/10	5	Value Research Group, LLC	12/14/12	\$0	\$67,400		\$900			\$68,300	0.00%	\$0	NA
Appraisals																
Others																
Jersey City	ECC 03	JE-0008-L02	10/11/01	1	Land Title Agency, Inc.	12/11/12	\$650	\$0		-\$650			\$0	-100.00%	\$650	-100.00%
West New York	Memorial HS/Freshman & Soph Academy	GP-0041-L11	9/25/08	7	Chicago Title Insurance Company	12/19/12	\$0	\$1,480		\$24,869			\$26,349	0.00%	\$0	NA
Others																
Other Contracts & Services										\$25,119						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 12/1/12 through 12/31/12

Total Change Order Summary

Total Change Orders

Grand Totals

\$-2,513,883

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Column Description Legend

CO Execution Date	Date the Change Order was entered into the SIMS system
Revised Contract Amount	Current value of the contract (excluding additional assignments) including current change order
Cumulative CO %	Cumulative percentage change in contract value (excluding additional assignments) over the original contract award amount
RBC Value	Revised Basis Contract Value – This value is the Original Award amount for contracts executed after July 27, 2005 or contracts for which board approval has been required after July 27, 2005. Otherwise, this value is the contract value as of July 27, 2005.
Cumulative % since last Board Approval	Cumulative percentage change in contract value since either the later of July 27, 2005 or last board action date over the RBC Value. If the current change order received approval prior to July 27, 2005 this value is not applicable.

CONTRACT TERMINATIONS REPORT

(no activity)

SETTLEMENT CLAIMS

Settled Claims Log

Contract #	School Name	Claimant	Type of Claim	Settlement Date	Claim Amount (Per SDA Form 505)	Settlement
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #56 Snow Melt Sys at ADA Ramp	1/2/2013	\$4,321.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #67 Alumunim Window Storage Costs	1/2/2013	\$22,058.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #30 - Hollow Metal Door Damage	1/2/2013	\$5,447.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #28 Diaper Changing Station	1/2/2013	\$10,375.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #33 Playground Sidewalk	1/2/2013	\$22,934.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #79 Temporary Heat 12/10/10-2/4/11	1/2/2013	\$23,275.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	Non-potable Water	1/2/2013	\$786,579.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR#21 Access Road Costs/Weather Delay	1/2/2013	\$53,702.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	15 Day Time Extension Request/Fire Safing	1/2/2013	\$50,441.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	2 Day Time Delay/3rd Party Inspection Delay	1/2/2013	\$7,156.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #89 and #95 Temp Heat 2/5/11-4/1/11	1/2/2013	\$8,966.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #58 Masonry Changes	1/2/2013	\$5,981.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #68 Stud and HM Frames	1/2/2013	\$3,635.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #94R2 Canopy Flat roof Framing	1/2/2013	\$4,161.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #114 Concrete Pad	1/2/2013	\$7,614.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #60 Elec & Plumbing at Pump House	1/2/2013	\$28,035.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #36 Addl Tube Steel at Block A	1/2/2013	\$6,043.94	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR 45R1 Fire sys Backflow Preventer	1/2/2013	\$5,375.67	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #47R Addl Elec Work	1/2/2013	\$2,936.60	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #75 Conflict of Floor Truss/Location	1/2/2013	\$4,509.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #40 Circuit Breaker Changes	1/2/2013	\$1,410.15	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #82R3 1 Day Security/Pwr Outage	1/2/2013	\$4,707.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #83 HVAC Modifications	1/2/2013	\$7,925.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #90 & #103 Truss X-Bracing	1/2/2013	\$34,121.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #91 Review of Addenda	1/2/2013	\$3,274.82	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #97 Wireless Microphone	1/2/2013	\$482.54	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #105 Acit Waste Tank Cover	1/2/2013	\$2,119.82	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #109 Soffit/Chase Wall at Ductwall	1/2/2013	\$2,674.25	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #110 Steel Angle/Gypsum Wallboard	1/2/2013	\$1,329.15	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR 111R1 Reconstruct Elevator Shaft	1/2/2013	\$4,133.52	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #129 Angle Add at Outrigging Block	1/2/2013	\$1,773.90	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #125, #139, #140 Roof/Refrg Comp.	1/2/2013	\$14,376.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #145 Changed Porcelain Tile	1/2/2013	\$1,113.69	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #142 Generator Start-up	1/2/2013	\$4,147.88	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #100 Dehumidification Caf/Gym	1/2/2013	\$12,681.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #144 Ext Const Delay Costs	1/2/2013	\$38,808.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #132 Relocate Gym Lights	1/2/2013	\$1,736.52	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #136 Fireproofing at Ceiling of Elevator	1/2/2013	\$3,637.67	\$0.00

Settled Claims Log

Contract #	School Name	Claimant	Type of Claim	Settlement Date	Claim Amount (Per SDA Form 505)	Settlement
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	Extended General Conditions	1/2/2013	\$250,936.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	Relocate Card Readers	1/2/2013	\$3,966.00	\$0.00
NT-0032-C01	4 Clark Public Schools	D&K Construction	Delay Claim	1/2/2013	\$1,908,972.00	\$192,826.27
ES-0024-C01	Central ES	Occidental Const	Extended General Conditions	1/2/2013	\$444,808.00	\$54,626.14
PA-0019-N01	Paterson PS #24	D&K Construction	Added Excavation/Backfill	1/2/2013	\$24,644.00	\$20,201.00
PA-0019-N01	Paterson PS #24	D&K Construction	Utility Pole Relocation	1/2/2013	\$7,308.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Existing Soil Piles Obstruction	1/2/2013	\$396,235.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - open Excavations	1/2/2013	\$177,419.00	\$35,736.82
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Basement Shoring	1/2/2013	\$610,243.00	\$106,111.75
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Underground Storage Tanks	1/2/2013	\$13,869.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Out of Sequence Work	1/2/2013	\$514,515.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - NJDCA Stop Work Order	1/2/2013	\$141,935.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Revised Structural Dwgs/ACC Block	1/2/2013	\$171,505.00	\$241,222.86
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Concrete Bonding	1/2/2013	\$247,727.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - PSE&G Request fpr 3 Phase Power	1/2/2013	\$419,891.00	\$153,406.86
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - NJDCA Req. to Protect Beams	1/2/2013	\$473,117.00	\$156,348.60
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - A/E Rejection of Bellows	1/2/2013	\$319,354.00	\$165,282.80
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - PSE&G's Gas Start-up	1/2/2013	\$70,968.00	\$53,605.23
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Issuance of ATC Panels Pwr CO	1/2/2013	\$301,612.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Install of 3 Story Metal Stud Wall	1/2/2013	\$230,644.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay/Addl Costs - Revised Backstop Dwgs	1/2/2013	\$632,438.00	\$69,409.90
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - NJSDA Building Approval	1/2/2013	\$88,709.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Added Structural Steel	1/2/2013	\$88,120.00	\$66,000.00
			TOTAL FOR JANUARY, 2013		\$8,742,932.12	\$1,314,778.23

CONTRACTOR AND WORKFORCE COMPLIANCE REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds /s/ Karon Simmonds
Director Risk Management and Vendor Services
Office of the Chief Financial Officer

DATE: February 6, 2013

SUBJECT: Contractor and Workforce Compliance Monthly Update for November, 2012

SMALL BUSINESS ENTERPRISE (SBE) COMPLIANCE REVIEW

Project Approvals:

Two emergent construction projects were verified to be compliant with SBE requirements by the Contractor Compliance Coordinator.

Vendor Services staff continues to participate at mandatory pre-bid and pre-construction meetings to instruct and inform bidders regarding SDA's SBE goals, policies and procedures, including:

- Small Business Enterprise subcontracting goal of 25% of all contracts
- County workforce goals for minorities and females
- Detailed process procedures to monitor and track the progress made toward these goals throughout the life cycle of each project

At these meetings, general contractors are strongly encouraged to identify and hire minority-owned and women-owned firms, as well as locally-based enterprises, for diverse business participation on all school building projects. Additional outreach strategies are discussed and utilized.

SMALL BUSINESS ENTERPRISE (SBE) COMPLIANCE MONITORING

The SDA regularly exceeds the State-mandated 25% SBE goal. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total SDA contract dollars awarded from January 1 through November 30, 2012 was \$84,742,280.83.

- The total contract dollars awarded to all SBE contractors (January 1 through November 30, 2012), was \$25,869,988.20 (including minorities and women). This represents 30.53% of all SDA contracts.

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 Contractor and Workforce Compliance Monthly Update
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Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$16,082,517.20	18.98%
Small/ Minority Business Enterprises	\$3,353,489.00	3.96%
Small/Women Business Enterprises	\$6,433,982.00	7.59%
Small/Minority/Women Business Enterprises	\$-0-	0.00%
Total SBE Contracts	\$25,869,988.20	30.53%

Ethnic Breakdown

The total SBE contracts awarded with minority participation were \$3,248,489.00 equaling 7.18% (includes S/MBEs and S/M/WBEs as shown below).

Ethnicity	Contract Amount	Percentage
Native American	\$-0-	0.00%
Asian	\$3,215,173.00	3.79%
Black	\$-0-	0.00%
Hispanic	\$138,316.00	0.16%
Total	\$3,353,489.00	3.96%

WORKFORCE COMPLIANCE MONITORING

For the month of November, 2012 there was a contractor workforce of 128 on SDA projects. This represents a total of 12,608 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	7	999	7.92%
Hispanic	29	2,778	22.03%
American Indian	0	0	0.00%
Asian	0	0	0.00%
Total Minority Participation	36	3,777	29.96%
Total Non-Minority Participation	92	8,831	70.04%

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There was a contractor workforce of 117,388 total workforce hours and 2,746 total female workforce hours on SDA projects for the period of January 1, 2012 through November 30, 2012. The following table highlights the Local County contractor workforce participation for that period:

Local County Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	120,134	100.00%
*Total Local County Workforce Hours	14,772	14.41%
Total Local County Non-Minority Workforce Hours	7,148	5.95%
Total Local County Female Workforce Hours	264	0.20%
Total Local County Minority Workforce Hours	7,624	6.35%
**Local County Workforce Hours by Ethnicity:		
Black	1,314	1.10%
Hispanic	6,310	5.25%
America Indian	0	0.00%
Asian	0	0.00%

*Total workforce and total local county workforce represent all laborers including females

**Minority breakdown represents Black, Hispanic, American Indian, and Asian laborers. Minority female laborers are captured as female laborers only and are not included in the minority breakdown.

The following table represents contractor and female workforce for all SDA active capital projects and all active and completed emergent projects for the period of January 1, 2012 through November 30, 2012.

SDA Managed Project	Total Workforce Hours	Local County Workforce Hours & Percentage	
Elizabeth, Victor Mravlag E.S.	42,075	5,107	12.14%
Union City, Columbus E.S.	39,297	358	0.91%
West New York, Number 3 E.S.	3,390	312	9.20%
All Emergent Projects (YTD)	3,980	301	7.56%
Totals	88,742	6,078	6.85%

Prepared by: Lorena Young, Contractor Compliance Analyst
 Nicholas Torrens, Vendor Analyst

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: February 6, 2013

SUBJECT: Regular Operating District Grant Activity Report
(For Informational Purposes Only)

This report summarizes the Regular Operating District Grant activity from inception to date and for the month of December 2012. Also included is a detailed list of grants executed and grants offered during the reporting period.

Monthly Update:

- No grants were offered during the reporting period.
- 4 grants impacting 1 district were executed during the reporting period representing \$1.2M in total project costs and state share of \$0.7M.
- 51 grants impacting 22 districts were closed out during the reporting period representing \$156.6M in total project costs and state share of \$44.9M.
- Since inception, over \$2.3B has been disbursed to over 500 regular operating districts through the grant program.
- Since inception \$2.8B in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.



Monthly Regular Operating District Grant Report - Summary

As of 12/31/2012

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	151	506	470	238
Number of Grant Projects	509	3,949	2,964	985
Total Project Cost Estimate	\$ 684,334,628	\$ 8,058,857,558	\$ 6,183,274,228	\$ 1,875,583,330
Grant Amount	\$ 235,753,004	\$ 2,611,708,194	\$ 1,973,827,030	\$ 637,881,164
Amount Disbursed	N/A	\$ 2,305,077,563	\$ 1,973,827,030	\$ 331,250,533

Total Funding Offered to School Districts via Grant Program	\$ 2,847,461,198
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Total ROD Grant Funding remaining for new Grant Projects	\$ 353,433,211
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1. Includes grants that have been offered to District's but have not yet been executed.

ROD Grant Summary - December 2012		
	Executed	Closed-Out
Districts Impacted	1	22
Number of Grant Projects	4	51
Total Project Cost Estimate	\$ 1,189,486	\$ 156,632,650
Grant Amount	\$ 724,751	\$ 44,904,319
Amount Disbursed	NA	\$ 44,904,319

* Report is inclusive of all Regular Operating Districts grants (including vocational school districts)

** Total Project Cost Estimate and Grant Amount may be adjusted as the projects advance. Grant Amount is capped at the value approved in the DOE Final Eligible Cost Approval.



Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail
December 2012

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Somerset	North Plainfield Borough	East End E.S.	\$ 365,715	\$ 222,829	Restroom ADA renovations
Somerset	North Plainfield Borough	North Plainfield H.S.	\$ 323,698	\$ 197,229	Replacement of flooring, lighting, ceiling, circulation desk, shelving, reading areas in the Media Center.
Somerset	North Plainfield Borough	Stony Brook E.S.	\$ 305,985	\$ 186,436	Renovate existing bathrooms to conform with ADA standards, fixtures, partitions and finishes.
Somerset	North Plainfield Borough	West End E.S.	\$ 194,088	\$ 118,257	Renovate existing restrooms; fixtures, partitions and accessories, ADA fixtures and finishes.
Grand Total		Grants Executed - 4	\$ 1,189,486	\$ 724,751	

NOTIFICATION OF AMENDMENTS TO GOODS AND SERVICES CONTRACTS NOT EXCEEDING \$250,000

(no activity)

COMMUNICATIONS MONTHLY REPORT



MEMORANDUM

TO: Members of the Authority

FROM: /s/ Kristen MacLean, Director of Communications

DATE: February 6, 2013

SUBJECT: New Jersey Schools Development Authority Monthly Communications Report

Christie Administration Visits Demolition Sites of Future Elementary Schools in Jersey City and Paterson



Demo site for ES 3 in Jersey City



Demo site for PS 16 in Paterson

SDA CEO Marc Larkins joined district, local and state officials to tour demolition activities at sites in Jersey City and Paterson to make room for new elementary schools.

Formerly home to industrial buildings, the 2.8 acre site in Jersey City is being readied for the future construction of a new Elementary School 3. The new 122,000 square foot elementary school facility will be designed to educate approximately 775 students from pre-kindergarten through fifth grades. The school will be the fourth new building constructed by the SDA in Jersey City, and will help to relieve overcrowding that exists in the district.

The new PS 16 in Paterson will replace the existing PS 16 located adjacent to the new school site. The Phase 1 site work will prepare a three acre site for the future construction of a new 101,000 square foot elementary school facility that will be designed to educate approximately 650 students from kindergarten through eighth grades. The school will be the fifth new building constructed by the SDA in Paterson, and will help to relieve the overcrowding that exists in the district.

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SDA Highlights Recent Project Activity

The SDA issued press releases throughout the month of January to highlight recent project advancement. A press release was issued for the demolition site tours in Jersey City and Paterson. In addition, the SDA issued a press release announcing the purchase of the St. Joseph's High School property in West New York to address the overcrowding concerns that exist at the city's Memorial High School.

SMWBE Contractor Training Program

The Communications Department continued outreach efforts for the 2013 SMWBE Contractor Training Program. Program orientation will commence February 12 and sessions will run through April 9, 2013 with a "Graduation" ceremony scheduled for the following week. The SMWBE Contractor Training Program enables small, minority and women-owned businesses to gain valuable knowledge on how to do business with the SDA. Participants receive instruction from SDA staff and subject matter experts on bidding, estimating, scheduling, budgeting, accounting, bonding and marketing.

Report Prepared by: Edye Maier

MONTHLY FINANCIAL REPORT

(no activity)

PUBLIC COMMENT STATEMENT

We will now begin the Public Comment Portion of the Meeting consistent with the New Jersey Open Public Meetings Act.

We would ask that any member of the public who wishes to address the Board limit their comments to 3 minutes. If there are multiple individuals from the same organization or district who wish to address the Board on the same matter, we would ask that you come up together to offer your remarks.

Please keep in mind that public comment is to afford citizens the opportunity to comment on matters pertinent to the Authority's business. Should you seek answers to questions on any topic, please contact the Authority at 609-943-4585 at your convenience.