

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, OCTOBER 4, 2023 AT 9:00 A.M.
32 E. FRONT STREET, TRENTON, NJ
JOSEPH A. MCNAMARA BOARD ROOM**

1. NOTICE OF PUBLIC MEETING/PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. APPROVAL OF MEETING MINUTES
 - a. Board Open Session Meeting Minutes of September 6, 2023
4. AUTHORITY MATTERS
 - a. CEO Report
 - b. Chairman's Report
5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)
 - a. Owner Controlled Insurance Program (OCIP V) Broker Services
6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)
 - a. Keansburg School District – Joseph C. Caruso Elementary School– New Parking Lot - ET-0098-C02
 - b. Construction Management Services – Newark Public Schools District, Union City Public Schools District & East Orange School District - EP-0128-M01
 - c. Approval of Change Order No. 4, Revised Final Project Charter and Reestablishment of Contract Value- Irvington Public Schools District - Grove Street Elementary School
 - d. Notice of Adoption – Section 13.a Delegation Agreements, N.J.A.C. 19:34A
 - e. Recommendation for Settlement of Cost Recovery Litigation Relating to the Egg Harbor City Middle School Project - **(to be discussed in Executive Session and voted on upon the Board's return to Open Session)**
7. MONTHLY REPORTS
 - a. *For Informational Purposes*
 - i. Active Projects Report
 - ii. Project Status Reports
 - iii. Contracts Executed Report/Amendments & Change Orders Executed Report
 - iv. Contract Terminations Report (*no activity*)
 - v. Settlement Activities Report (*no activity*)
 - vi. Diversity and Workforce Participation Report
 - vii. Regular Operating District Grant Activity Report
 - viii. Notification of Amendments to Goods and Services Contracts Not Exceeding \$100,000 or 10% of the Contract Value (*no activity*)
 - ix. Communications Report
 - x. Monthly Financial Report
 - xi. Design Contract De-Obligations Report (*no activity*)

8. EXECUTIVE SESSION

- Recommendation for Settlement of Cost Recovery Litigation Relating to the Egg Harbor City Middle School Project
- Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
CCD Report (*no activity*)

9. ADJOURNMENT

APPROVAL OF MEETING MINUTES

September 6, 2023 Open Session Minutes

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, SEPTEMBER 6, 2023**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, September 6, 2023 at 9:00A.M. in the Joseph A. McNamara Board Room at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Public Member, Chairman

Juan Burgos (EDA)

Kevin Luckie (DCA)

Anthony Longo (Treasury)

Bernard Piaia (DOE)

John Capo, Public Member

Daniel Gumble, Public Member

Lester Lewis-Powder, Public Member

Michael Maloney, Public Member

Mario Vargas, Public Member

being all the Members of the Board. Mr. Capo, Mr. Gumble, Mr. Longo, Mr. Lewis-Powder, Mr. Maloney, Mr. Piaia and Mr. Vargas participated in the meeting by teleconference.

At the Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Albert Barnes, chief counsel; Gregory Voronov, managing director planning and program operations; Edythe Maier, director of communications (teleconference); and Jamie Henneke, governance coordinator of the SDA, participated in the meeting. Janice Venables of the Governor's Authorities Unit (GAU) also participated in the meeting.

Pledge of Allegiance

Led by the Chairman, the Members and all assembled stood and recited the Pledge of Allegiance.

The meeting was called to order by Mr. Nixon, who requested that Ms. Henneke read the requisite notice of the meeting. Ms. Henneke announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and was duly posted on the Secretary of State's bulletin board at 20 West State Street in Trenton, New Jersey and on the SDA Website. Ms. Henneke then conducted a roll call and indicated that all the Members of the Board were present.

Approval of Meeting Minutes

The Chairman then presented for consideration and approval the minutes of the Board's August 2, 2023 Open Session meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Vargas, the Open Session minutes of the August 2, 2023 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3a***.

Next, Mr. Nixon presented for consideration and approval the minutes of the Board's August 2, 2023 Executive Session meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Piaia, the Executive Session minutes of the August 2, 2023 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3b***.

Authority Matters

CEO's Report

Next, Mr. Nixon asked Mr. Da Silva for the report of the CEO. Mr. Da Silva provided an update on design-build projects in construction. He said that for the Perth Amboy High School project, paving of roadways and sidewalk installation continues. He reported that painting, ceramic tile and flooring work is ongoing including the installation of the gymnasium's floor, as well as casework, architectural millwork and athletic equipment installation. For the Plainfield Woodland Avenue Elementary School project, he said that the school has been delivered. He advised that punchlist items are nearing completion and management is preparing for the certificate of occupancy.

Turning to design-bid-build projects in the construction stage, Mr. Da Silva reported that for the Orange High School project, the remaining change work for the new boiler breeching is ongoing and is scheduled to be completed next week. For the Orange Cleveland Street Elementary School project, he said that framing, drywall, concrete work and masonry work are ongoing.

In continuing, Mr. Da Silva gave an update on projects in the procurement stage. He advised that for that Garfield New Elementary School project, the demolition and early site preparation package was advertised the previous month. He added that management anticipates receipt and the opening of bids in October.

Turning to non-project related matters, Mr. Da Silva informed the Members that the SDA will hold a groundbreaking ceremony for the new Union City Grade 7-9 School on September 13. He added that management is also working to schedule ribbon cutting events in Millville and Keansburg later this month.

Lastly, Mr. Da Silva said that he would like to acknowledge the retirement of our colleague, Jane Kelly. He advised that after more than 23 years of service to the SDA and the State of New Jersey, Ms. Kelly decided to take on retirement. He said that Ms. Kelly graduated from Seton Hall Law School in 1981 and worked in state government for many years. He noted that she worked for New Jersey Utilities Association, New Jersey Department of Environmental Protection and South Jersey Industries before she joined the SDA in 2008.

In continuing, Mr. Da Silva said that Ms. Kelly's impact will be felt long after her retirement. He explained that she has advanced the SDA's mission and was instrumental in keeping the Board moving smoothly. He said that Ms. Kelly's commitment to the SDA, New Jersey and the Executive Team is appreciated. He added that he is upset to see her go and at the same happy for her because she is moving on to the next chapter of her life and will be enjoying the Jersey Shore.

Mr. Vargas said that when he became a Board Member over 10 years ago, Ms. Kelly guided his smooth transition as a Member. He said that Ms. Kelly did a lot of work behind the scenes to prepare for the Board and Committee meetings. He said that he wanted to publically acknowledge that it was great working with Ms. Kelly and that she did an awesome job for the SDA.

Next, Mr. Nixon said that Ms. Kelly's commitment to the SDA was whole and very passionate. He said that as the Chairman of the Board, Ms. Kelly's guidance and direction was always very valuable and appreciated. He said that he hopes Ms. Kelly is enjoying the beach and he knows whatever she does next, she will excel at it.

Chairman's Report

Appointment of an Additional Assistant Secretary to the Board

Next, Mr. Nixon provided the Report of the Chairman. He said that, as the Members know, the Members elect the SDA's Board Officers each January at our Annual Organizational Meeting. He advised that Vice President Jane Kelly has served as Assistant Secretary of the Board since 2008. He noted that with Ms. Kelly's retirement it requires the Members appoint an Additional Assistant Secretary to the Board for the remaining of this calendar year. He reported that before the Board today is a recommendation to appoint SDA's Chief Counsel Albert D. Barnes to serve as the Authority's Additional Assistant Secretary to the Board.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Burgos, the appointment of Albert D. Barnes to serve as the Authority's Additional Assistant Secretary was approved with the Board's unanimous vote in favor of *Resolution 4bi*.

Audit Committee

2022 Audited Financial Statements; 2022 SDA Annual Report

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on August 21, 2023 at which time management provided the Committee with the July 2023 New Funding Allocation and Capital Plan Update. He reported that there was a \$3.85 million decrease in the Emergent Projects Reserve balance. He said that this increase in commitments follows Board approval of the release of funds for the Burlington City Samuel Smith Elementary School emergent building envelope project. He advised the Board that there were no changes in any of the other reserve balances for the reporting period. Additionally, he reported that the reserve balance for the Regular Operating Districts (RODs) increased by \$700,000 during the reporting period due to a reduction in state share for grant projects nearing completion.

Next, Mr. Nixon reported that management provided the Committee with the July monthly financial report. He advised the Members that the Authority's operating expenses

(Actual vs. Budget) for the year-to-date period totaled approximately \$8.2 million, are down \$2 million as compared to the budget for the corresponding period. He explained that this decrease is largely attributable to lower employee salary and benefit costs, professional & other contracted services, and informational systems, partially offset by overall lower spending. He reported that SDA's current staff headcount is 129 through July 31, representing a decrease of 15 employees compared to year-to-date projections. Mr. Nixon then said that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total approximately \$166.3 million which is approximately \$21.7 million lower as compared to the capital spending forecast for the corresponding period. He advised the Members that this variance is due to costs associated with construction work, grant agreements, project insurance, design services, construction management services and lower benefits expenses allocation to project costs. He reported that the decrease is partially offset by an increase in furniture and equipment purchases, and the acquisition costs associated with the purchase of a school facility. Mr. Nixon said that project expenditures (Actual vs. Prior Year Actual), at \$166.3 million, are \$24.4 million lower when compared to the corresponding prior year period. He advised that this variance is the result of a decrease in expenditures for grant activity construction work, school furniture and equipment purchases, and contract management services offset by property acquisition costs and project insurance.

Mr. Nixon said that, since program inception, 80.2% of the funds authorized for the SDA districts have been disbursed. Additionally, he noted that 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated value of active school facilities capital projects, along with emergent and regular operating district grant projects, is approximately \$1.2 billion.

Next, Mr. Nixon advised the Board that management presented the Committee with two matters requiring Board action. He said that the first item for consideration is management's recommendation for approval of the SDA's 2022 Audited Financial Statements (Audit Statements). Referencing a memorandum that was distributed to the Members in advance of the meeting, he advised that Ernst & Young, LLP (EY), the Authority's independent auditor, reported that the Audit was performed consistent with the established audit plan presented to the Committee in November 2022. He advised that EY outlined the areas of emphasis and the thought process utilized in the development of the audit. Mr. Nixon said that the financial statements contained no corrected misstatements or material uncorrected misstatements. He noted that EY reported that they did not find any matters that would rise to the level of either a material weakness or significant deficiency. In conclusion, Mr. Nixon explained that the independent auditor's report expressed an unmodified, or clean, opinion that the Financial Statements present fairly, in all material respects, the financial position of the Authority as of December 31, 2022 consistent with Generally Accepted Accounting Principles. Mr. Nixon noted the outstanding cooperation and assistance that SDA staff provided throughout the audit process.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Burgos the proposed 2022 Financial Statements were approved with the Board's unanimous vote in favor of ***Resolution 5a.***

Mr. Nixon advised the Members that the Committee met with EY, in accordance with Executive Order No. 122, after the conclusion of the meeting without management present.

Next, Mr. Nixon reported that the Authority's Annual Report for 2022 has been prepared by management in compliance with the SDA's bylaws and in accordance with Executive Order No. 37. He explained that the Annual Report includes, among other things, the Authority's

audited financial statements, and identifies internal controls that govern Authority expenditures, procurements and other financial matters and transactions. He said that management is recommending that the Board approve the Authority's 2022 Annual Report. Mr. Nixon asked for a vote on the 2022 Annual Report.

A resolution pertaining to the 2022 Annual Report was provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Burgos and seconded by Mr. Piaia, the Authority's 2022 Annual Report was approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 5b***.

Adjournment

There being no further business to come before the Board, upon motion by Chairman Nixon and with unanimous consent, the 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 September 6, 2023 meeting.

/s/ Michael Maloney
Secretary

Resolution—3a.

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 September 6, 2023 Board meeting of the New Jersey Schools Development Authority, for the Open Session were duly forwarded to the Office of the Governor following the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's September 6, 2023 Open Session meeting is 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: October 4, 2023

AUTHORITY MATTERS

CEO REPORT

CHAIRMAN'S REPORT

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

Owner Controlled Insurance Program (OCIP V) Broker Services



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Managing Director, Procurement

Curtis Cooper
Insurance Risk Manager, Risk Management

DATE: October 4, 2023

RE: Description: Owner Controlled Insurance Program (OCIP V) Broker Services
Package No.: GP-0291-R01
Fee: Not-to-Exceed \$495,599

INTRODUCTION

The Members of the Authority are requested to approve the award of a contract for Owner Controlled Insurance Program (OCIP V) Broker Services in support of the construction of school facilities projects in the SDA Districts. The selected Broker shall provide a full range of services, including program design, marketing, negotiation, implementation, policy administration and claims management for various insurance needs of the Authority. The engagement will begin upon the initial Notice-to-Proceed for marketing services and extend for a period of three (3) additional years from the effective date for the various new OCIP V policies to be purchased, or until all obligations of the consultant to deliver services pursuant to the Agreement have been performed to the satisfaction of the Authority, whichever occurs later. The term may be extended for one (1) additional year at the sole discretion of the NJSDA. The negotiated total lump sum fee for Broker Services is \$495,599.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of goods and services contracts greater than \$100,000.

DESCRIPTION

The Authority has a rolling capital program consisting of various types of school facilities projects (e.g., new construction, addition and renovation). At present, the Authority's current Owner Controlled Insurance Program (OCIP IV) is still active. The original expiration date for project enrollment was March 31, 2021, however the insurers have allowed several projects that were expected to be in OCIP IV to enroll after that date, basically extending the program. The final such project to enroll was in July, 2022. The original OCIP IV expiration date for project completion was March 31, 2023, however the insurers have extended the date until December 31, 2023 for five projects, and December 31, 2025 for four other projects.

Initially, the Authority intends to direct the Broker to solicit quotations for Workers' Compensation, Commercial General Liability, Excess Liability, and Builder's Risk policies for a new OCIP V. Based upon current planning projections, OCIP V is conservatively expected to enroll eight (8) capital projects with an aggregate construction cost estimate (CCE) of approximately \$500 million, with the potential to enroll several additional construction projects which could increase the aggregate CCE for the program to \$800 million or greater. The marketing results and the cost of OCIP V will be presented separately to the

Members, and if approved, the Authority would then direct the Broker to purchase the insurance policies and perform the requisite policy and claim services.

PROCUREMENT PROCESS

This procurement was advertised beginning on June 23, 2023 on the NJSDA website, on the New Jersey State website, and in selected newspapers for interested firms to participate in the bidding process. Outreach was also performed via e-mail.

A Selection Committee consisting of four (4) NJSDA staff members was established.

Responsive proposals were received from three (3) firms by July 27, 2023. The Technical Proposals were evaluated by the Selection Committee. Evaluations were based upon the information provided by the firms in response to the Request for Proposals (RFP) for this procurement. The Selection Committee members independently evaluated the Technical Proposals based on the following criteria:

- Firm's Broker Experience
- Key Team Members Qualifications and Experience
- Approach to Providing the Required Scope of Services

Each Selection Committee member evaluated each Technical Proposal, assigning a raw score for 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 applied to each of the Selection Committee member's raw scores for each criterion to arrive at a total weighted score as indicated in Table 1 below:

TABLE 1

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Firm's Broker Experience	2.5	25
Key Team Members Qualifications and Experience	4.5	45
Approach to Providing the Required Scope of Services	3.0	30
Total Possible Points		100

For each firm's Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a score for that Technical Proposal. The maximum Technical Proposal Score is 100. All of the scores awarded by the Selection Committee members to a particular firm's Technical Proposal were added together and averaged to arrive at a Final Technical

Proposal Score for each firm. The responsive firms, their scores and rankings are listed in Table 2 below:

TABLE 2

Firm	Final Technical Proposal Score	Final Technical Proposal Rank
Alliant Insurance Services, Inc.	86.500	1
Willis Towers Watson Northeast, Inc.	83.875	2
Turner Surety and Insurance Brokerage, Inc.	77.500	3

The RFP stipulated that a shortlist of the three highest-ranked firms would be determined based on the Final Technical Proposal Scores. The shortlisted firms participated in interviews with the Selection Committee on August 29 and August 31, 2023, as necessary. The interviews allowed the firms to expand and detail their firm and team experience with respect to NJSDA requirements. The Selection Committee interviewed each of the shortlisted firms and evaluated each firm on Interview Criteria and Weighting Factors that were the same as those used in the evaluation of the Technical Proposals, as detailed above.

The individual criteria scores awarded by a particular Selection Committee member were added together to calculate an Interview Score for that firm. The maximum Interview Score is 100. All of the Interview Scores awarded to a particular firm by the Selection Committee members were added together and averaged to arrive at a Final Interview Score for each firm. The shortlisted firms, their scores and rankings are listed in Table 3 below:

TABLE 3

Firm	Final Interview Score	Final Interview Rank
Alliant Insurance Services, Inc.	85.750	1
Willis Towers Watson Northeast, Inc.	80.750	2
Turner Surety and Insurance Brokerage, Inc.	77.417	3

The Final Technical Proposal Score and the Final Interview Score assigned each shortlisted firm were added together and averaged to obtain the firm's Final Combined Score. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Table 4 below:

TABLE 4

Firm	Final Combined Score	Final Combined Rank
Alliant Insurance Services, Inc.	86.125	1
Willis Towers Watson Northeast, Inc.	82.313	2
Turner Surety and Insurance Brokerage, Inc.	77.459	3

Alliant Insurance Services, Inc. (Alliant) received the highest Final Combined Score.

The Fee Proposals, which had been kept separate and sealed, were then opened on August 31, 2023. The fee schedule required firms to provide Lump Sum Fees based upon an aggregate CCE of \$500 million. The

proposed Lump Sum Fees are listed in Table 5 below:

TABLE 5

Policy	Alliant	Willis	Turner
OCIP Marketing Services	\$ 110,352	\$ 52,000	\$ 240,000
OCIP Policy Administration Services	\$ 258,374	\$ 350,000	\$ 66,000
Builder’s Risk Marketing Services	\$ 37,453	\$ 14,000	\$ 37,500
Builder’s Risk Policy Administration Services	\$ 69,656	\$ 30,000	\$ 9,500
OPPI Marketing Services	\$ 48,154	\$ 14,000	\$ 38,000
OPPI Policy Administration Services	\$ 39,142	\$ 30,000	\$ 6,500
Total Lump Sum Fee	\$ 563,131	\$ 490,000	\$ 397,500

Using the Fee Proposals as a guideline, as well as prior experience, NJSDA staff negotiated reductions to the Lump Sum Fees proposed by the highest-ranked firm (Alliant). The final negotiated Lump Sum Fees are listed in Table 6 below:

TABLE 6

Alliant Insurance Services, Inc.	
Policy	Lump Sum Fee
OCIP Marketing Services	\$ 110,352
OCIP Policy Administration Services	\$ 258,374
Builder’s Risk Marketing Services	\$ 18,726
Builder’s Risk Policy Administration Services	\$ 59,558
OPPI Marketing Services	\$ 24,077
OPPI Policy Administration Services	\$ 24,512
Total Lump Sum Fee	\$ 495,599

RECOMMENDATION

The Members of the Authority are requested to authorize NJSDA management to execute a contract with Alliant Insurance Services, Inc. for Owner Controlled Insurance Program (OCIP V) Broker Services for a total lump sum fee not-to-exceed \$495,599. The term of the agreement is three years with an option by the NJSDA to extend the agreement for one additional year. As discussed above, the contract for Broker Services provides for separate scopes of services and lump sum fees for both marketing and policy administration. Although marketing services (and therefore the incurrence of related costs) are anticipated to commence shortly after the award of the contract to Alliant Insurance Services, Inc., the Notice-to-Proceed for policy administration would not be issued until after the Board separately approves the purchase of the various OCIP V policies, expected in the first or second quarter of 2024.

Approval of Award
Package No. GP-0291-R01
Owner Controlled Insurance Program Broker Services
October 4, 2023
Page 5 of 5

Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
Sean Murphy, Managing Director, Procurement

/s/ Curtis Cooper
Curtis Cooper, Insurance Risk Manager, Risk Management

Reviewed and Recommended by: Manuel Da Silva, Chief Executive Officer
Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer

Resolution—5a.

Approval of Award - Package No. GP-0291-R01
Owner Controlled Insurance Program (OCIP V) Broker Services

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve contracts for Goods and Services in an amount exceeding \$100,000; and

WHEREAS, the Authority has a rolling capital program consisting of various types of school facilities projects; and

WHEREAS, the Authority has addressed the insurance needs of its capital program through a series of Owner Controlled Insurance Programs (OCIPs) developed with the assistance of an insurance broker engaged to provide a full range of marketing and policy administration services; and

WHEREAS, the current Owner Controlled Insurance Program (OCIP IV) is due to expire on December 31, 2023 for five (5) projects and on December 31, 2025 for four (4) other projects; and

WHEREAS, the Authority needs to address the insurance needs of future capital projects not included in OCIP IV through a new OCIP (OCIP V) ; and

WHEREAS, the Authority needs to engage an insurance broker to provide insurance marketing and policy administration services (Broker Services) for the new OCIP V; and

WHEREAS, based upon current planning projections, OCIP V will enroll eight (8) or more capital projects with an aggregate construction cost estimate (CCE) of up to \$800 million or more; and

WHEREAS, a procurement for OCIP V Broker Services was advertised beginning on June 23, 2023 on the SDA website, on the New Jersey State website, and in selected newspapers for interested firms to participate in the bidding process; and

WHEREAS, the details of the procurement process conducted by management are set forth in the memorandum presented to the Member of the Authority on this date and incorporated herein; and

WHEREAS, upon conclusion of the procurement process, management recommends that the Members of the Authority approve the award of a contract for OCIP V Broker Services to Alliant Insurance Services, Inc. (Alliant) for a total lump sum fee not-to-exceed \$495,599; and

WHEREAS, the term of the contract will be three (3) years, with an option by the SDA to extend the contract for one additional year; and

WHEREAS, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel; and

WHEREAS, following execution of the contract, the Authority intends to direct Alliant to solicit quotations for Workers' Compensation, Commercial General Liability, Excess Liability and Builder's risk insurance coverage; and

WHEREAS, the marketing results and the cost of OCIP V are expected to be presented to the Members of the Authority in the first or second quarter of 2024, and, if these are approved by the Members, the Authority will then direct Alliant to purchase the insurance policies and to perform the associated requisite administration services.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract for Owner Controlled Insurance Program (OCIP V) Broker Services to Alliant consistent in all respects with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED that, prior to execution of the contract, the contract and related documentation shall be reviewed and approved by the SDA Division of Chief Counsel.

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, Award of Owner Controlled Insurance Program (OCIP V) Enrollment
Administration Services, GP-0291-R01, dated October 4, 2023

Dated: October 4, 2023

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

**Award of Contract - Keansburg School District – Joseph C. Caruso Elementary School–
New Parking Lot ET-0098-C02**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Managing Director, Procurement

Steve Wendling
Interim Program Director, Construction Operations

RE: District: Keansburg
School: Joseph C. Caruso Elementary School
Description: New Parking Lot for Caruso E.S.
Package No.: ET-0098-C02
CCE: \$1,387,135
Advertised CCE Range: \$1,315,000 to \$1,526,000
Award: \$1,334,000
CM: NJSDA Self-Managed

DATE: October 4, 2023

SUBJECT: Award of Contract

INTRODUCTION

We are writing to recommend that the Members of the Authority approve the award of a contract in the amount of \$1,334,000 to Seawolf Construction Corp. dba Imperial Construction & Electric (Imperial)¹ for the conversion of the Joseph C. Caruso Modular Classroom Site to a parking area to support the Joseph C. Caruso Elementary School. The proposed parking facility includes a total of 94 parking spaces, lighting, curbs, catch basins, seepage pit, and landscaping.

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 award of construction contracts greater than \$500,000.00.

BACKGROUND

The Joseph C. Caruso Elementary School, built in 2016, is an approximately 125,000 square foot facility educating approximately 700 students in grades Pre-Kindergarten through Five.

On November 6, 2013, the Members of the Authority approved the Final Project Charter for the Joseph C. Caruso Elementary School. The scope of the Project included construction of the new school on

¹Imperial listed the following subcontractors for the required trades in its Price Proposal: Bayshore Mechanical Contractors, LLC (Plumbing), Seawolf Construction Corp. dba Imperial Construction & Electric (Electrical), and Berto Construction, Inc. (Site Work).

the existing Caruso site and construction of a parking lot on a site adjacent to the school site which housed temporary classroom units serving Pre-Kindergarten students in the District. The work required phasing with the recently completed Port Monmouth Road school project as its completion has allowed for the TCU's to be vacated as those students are now being educated in the Port Monmouth Road school.

The design work for the parking lot is complete and the district has vacated the TCU's, therefore, we are now recommending Board approval of an engagement for General Construction services to complete the removal of the TCU's and performance of site work necessary to provide additional parking for the Caruso school.

PROCUREMENT PROCESS

This package was advertised beginning on July 20, 2023 on the NJSDA website, NJ State website, and in selected newspapers for interested firms, registered as Small Business Enterprises, to participate in the bidding process.

A non-mandatory pre-bid teleconference and mandatory site visit were held on August 14, 2023.

Project Rating Proposals were received from bidders on or before August 16, 2023. The Project Rating Proposal was used by the NJSDA to determine each bidder's Project Rating Limit (i.e. the maximum amount that a bidder may bid for the Project). Bidders were evaluated based on a review of the largest of their four projects completed in the past ten years, reference checks, their safety rating, and prevailing wage record. Based on an evaluation of the information submitted, five (5) 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
Hall Construction Company, Inc.	\$103,266,224
PMY Construction Corporation	\$ 4,712,561
Precise Construction, Inc.	\$ 4,555,232
Samson Concrete & Masonry, LLC	\$ 1,772,280
Seawolf Construction Corporation dba Imperial Construction & Electric	\$ 12,999,657

Price Proposals were received on September 20, 2023. 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 one (1) bidder was responsive. The results of the review are listed in Table 2 below:

TABLE 2

Contractor	Bid Amount	Comments
Samson Concrete & Masonry, LLC	\$985,540.00	Non- responsive bidder. Bid rejected.
PMY Construction Corporation	\$1,301,499.00	Non- responsive bidder. Bid rejected.
Seawolf Construction Corporation dba Imperial Construction & Electric	\$1,334,000.00	Qualified and responsive bidder.

As stipulated in the Contract Documents, each Bid Amount is inclusive of NJSDA-established Allowances totaling \$110,000 as follows: \$100,000 for Subsurface Conditions and \$10,000 for Impacted and Unsuitable Material.

After consultation with the Construction Operations Team, the Office of Chief Counsel and the Executive Team, NJSDA staff were authorized to negotiate price with the single responsive bidder consistent with the “Educational Facilities Construction and Financing Act” P.L. 2000, c.72, codified at N.J.S.A. 52:18A-243j. NJSDA’s “Negotiating Construction Contracts Standard Operating Procedures” provides procedural guidance in securing and negotiating contracts with contractors under conditions when there is no public bid (public exigency), when no bids have been received after having twice solicited (or when bids received are deemed unresponsive), or when only one responsive bid is secured. A “Request for Contract Negotiation Form” was approved by the Chief Financial Officer and Chief Counsel. This approval authorized NJSDA staff to initiate price negotiations with Imperial. Any opportunity for a price reduction through negotiation would of course be identified and considered through performance of a detailed bid review.

The bid submitted by Imperial was less than 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, conferences were conducted on September 22 and September 25, 2023 with Imperial and staff from NJSDA’s Procurement, Construction Operations, Program Operations, and Financial Operations divisions to review the bid. Those discussions verified that Imperial had included all Project scope work in its bid and identified that the majority of the overall variance between the NJSDA’s CCE and Imperial’s Price Proposal is attributable to lower costs for bonds and insurance than those utilized by the NJSDA in developing the CCE. At the time of review, Imperial confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents. NJSDA staff believes the bid amount of \$1,334,000 is a fair and reasonable price consistent with the Project’s scope of work. Therefore, price negotiations were determined to be unnecessary and were not pursued.

The Construction Operations Director and the Financial Operations Director recommend award of the Project to Imperial.

SCOPE OF WORK

The necessary corrective construction work includes:

- Demolition Work
 - Demolition and Removal of Temporary Classroom Units and associated foundations
 - Demolition and removal of existing pavement, curbs and sidewalk
 - Disconnection of existing utilities and proper termination
- Site Restoration and Other Work
 - Upgrades to existing storm water management system
 - Installation of new area lighting
 - Installation of curbs and sidewalk
 - Installation of new paved surface and stripping
 - Landscaping
- Hazardous Materials Abatement Work (as deemed necessary for implementation of the scope listed above).
- Impacted and Unsuitable Materials Work (as deemed necessary for implementation of the scope listed above).

SCHEDULE

Project construction is anticipated to begin November 17, 2023. The schedule recognizes an overall construction duration of 250 calendar days. We anticipate that Project substantial completion would be reached on June 28, 2024.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to Seawolf Construction Corp. dba Imperial Construction & Electric for Package No. ET-0098-C02 in the amount of \$1,334,000, inclusive of NJSDA-established Allowances totaling \$110,000.

Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy

Sean Murphy, Managing Director, Procurement

/s/ Steve Wendling

Steve Wendling, Interim Program Director, Construction Operations

Reviewed and Recommended by: Manuel Da Silva, Chief Executive Officer

Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer

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

Reviewed and Recommended by: Robert Carney, Director, Financial Operations

Resolution—6a.

Award of Contract

District:	Keansburg
School:	Joseph C. Caruso Elementary School
Description:	New Parking Lot for Caruso E.S.
Package No.:	ET-0098-C02
CCE:	\$1,387,135.00
Advertised CCE Range:	\$1,315,000 to \$1,526,000
Award:	\$1,334,500
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 Joseph C. Caruso Elementary School (School), built in 2016, is an approximately 125,000 square foot facility educating approximately 700 students in grades Pre-Kindergarten through Grade 5; and

WHEREAS, on November 6, 2013, the Members of the Authority approved the Final Project Charter for the School;

WHEREAS, the scope of the original Final Project Charter included both the construction of the new School and the restoration of a parking lot on property adjacent to the School site which has been used to house temporary classroom units (TCUs) serving Pre-Kindergarten students in the District (the Project); and

WHEREAS, the Pre-Kindergarten students housed in the TCUs have been relocated to the new Keansburg Port Monmouth Road school recently completed by the Authority; and

WHEREAS, the District has vacated the TCUs, design work for the restoration of the parking lot is complete, and the Authority now seeks approval from the Members of the Board to engage a firm to provide General Construction services to complete the removal of the TCUs and to restore the parking lot (the Parking Lot Work); and

WHEREAS, a package for construction services to perform the Parking Lot Work was advertised as a low bid solicitation beginning on July 20, 2023; and

WHEREAS, the responsive low bidder was Seawolf Construction Corp. d/b/a Imperial Construction & Electric (Imperial); and

WHEREAS, on September 22, 2023, SDA staff and Imperial met to review the bid to ensure that all Parking Lot Work scope work specified was included in the bid and, at the time of this review, Imperial confirmed that its price proposal is inclusive of all scope elements contained in the contract documents; and

WHEREAS, upon completion of the procurement process, the construction operations director and financial operations director recommend that the Members of the Authority authorize and approve the award of a contract in the amount of \$1,334,000 to Imperial, the responsive low bidder, for construction services for the Project; and

WHEREAS, management recommends award of the Parking Lot Work contract to Imperial; and

WHEREAS, the background of the Project and the Parking Lot Work and a description of the recent construction services procurement process followed are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a construction services contract for the Parking Lot Work at the Joseph C. Caruso Elementary School project to Seawolf Construction Corp. d/b/a Imperial Construction & Electric for Contract No. ET-0098-C02 in the amount of \$1,334,000, consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

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, Construction Contract Award, Joseph C. Caruso Elementary School,
Keansburg School District, New Parking Lot, dated October 4, 2023
Dated: October 4, 2023

**Construction Management Services – Newark Public Schools District, Union City Public
Schools District & East Orange School District**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Managing Director, Procurement

DATE: October 4, 2023

RE: Description: Construction Management Services
Package No.: EP-0128-M01
Fee: \$1,334,500 (Contract A - Newark)
\$736,800 (Contract B - Union City & East Orange)

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of the award of two (2) contracts to separate Construction Management firms for Construction Management (“CM”) Services. These contracts are for services to manage multi-Project Contracts covering groupings of several emergent School Facilities Projects located in Newark and located in a combination of Union City and East Orange, as follows:

- A. **Contract A - Newark**
1. Newark, Branch Brook Elementary School, Masonry Repointing and Repairs
 2. Newark, Technology High School, Boiler Room Vault and Façade Repairs
 3. Newark, Cleveland Elementary School, Boiler Room Vault Repairs
 4. Newark, University High School, Roof Replacement
 5. Newark, Salome Urena Elementary School, Masonry Repointing and Replacement
- B. **Contract B - Union City & East Orange**
1. Union City, Emerson Middle School, Roof Replacement and Stucco Repairs
 2. Union City, Union Hill Middle School, Roof Replacement, Stucco and Masonry Repairs
 3. East Orange, Fresh Start Academy, Roof Replacement, Stucco and Masonry Repairs

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of consultant contracts greater than \$100,000. Funding for the proposed engagements is provided within the corresponding Project Budgets.

BACKGROUND

Currently, there are eight (8) emergent projects in the design phase progressing into construction. These projects consist of: underground vault repairs and demolition; roof replacement; masonry repairs and repointing; and stucco repairs and replacement. These projects will be constructed as released while the schools are occupied and unoccupied and during normal hours and off hours. To support these construction activities and the various projects, the Project Team will require personnel to be onsite at all times to manage the projects. A Request for Proposals (“RFP”) for CM Services was issued to procure the services needed to support the various emergent projects referenced above.

PROCUREMENT PROCESS

This multi-project procurement package for CM Services was advertised as a “Price and Other Factors” solicitation beginning on August 9, 2023 on the NJSDA website, NJ State website, and in selected newspapers for interested firms to participate in the bidding process. In addition, the advertisement was distributed to those firms that are pre-qualified in the area of Construction Management (P029) by both the Department of Treasury-Division of Property Management and Construction and the NJSDA. The advertisement stated that the NJSDA would make awards to two separate Construction Management firms, one firm for Contract A - Newark and one firm for Contract B - Union City & East Orange; however, firms were permitted to compete for either one or both of the Contracts by submitting, along with a single Technical Proposal (applicable to one or both of the Contracts), a separate Price Proposal for each Contract the firm was interested in. The advertisement further stated that in the event a single firm achieved the highest Final Combined Score for both Contracts, the NJSDA would determine which Contract would be awarded to that firm, based upon considerations of overall price (i.e., selecting that combination of bids from the highest-scoring and second-highest scoring firms that resulted in the most cost-effective overall pricing and supplying the most benefit to the NJSDA and the School Construction Program). For this multi-project procurement, price was weighted as 40% of the Final Combined Score, and all non-price other factors were weighted as 60% of the Final Combined Score.

A Selection Committee consisting of four (4) NJSDA staff members was established.

Responsive proposals were received from eight (8) firms by September 8, 2023. The Technical Proposals were evaluated by the Selection Committee. Evaluations were based upon the information provided by the firms in response to the RFP for this procurement. The Selection Committee members independently score each Technical Proposal with respect to each Contract that a firm was competing for based on the following criteria:

- Staffing Proposal
- Key Team Members’ Experience on Similarly Sophisticated Projects

Each Selection Committee member evaluated each Technical Proposal with respect to each Contract that a firm was competing for, assigning a raw score for 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 applied to each of the Selection Committee member’s raw scores for each criterion to arrive at a total weighted score as indicated in Table 1 below:

TABLE 1

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Staffing Proposal	5.0	50
Key Team Members’ Experience on Similarly Sophisticated Projects	5.0	50
Total Possible Points		100

The scores awarded by the Selection Committee members to a firm’s Technical Proposal for a particular Contract were added together and averaged to arrive at a Non-Price Score for each firm, with respect to such Contract. The maximum Non-Price Score is 100. This process was repeated for each Contract that a firm was competing for, resulting in a Non-Price Score specific to each Contract that a firm was competing for. The firms, their scores and rankings are listed in Tables 2 and 3 below:

TABLE 2 (Contract A - Newark)

Firm	Non-Price Score	Non-Price Rank
Anser Advisory Management, LLC	85.625	1
STV Construction, Inc.	80.625	2
GREYHAWK North America, LLC	80.000	3
Remington & Vernick Engineers	76.250	4
KS Engineers, P.C.	44.375	5
Colliers Project Leaders USA NE, LLC	41.250	6
M&M Construction Company, Inc.	40.625	7

TABLE 3 (Contract B - Union City & East Orange)

Firm	Non-Price Score	Non-Price Rank
Anser Advisory Management, LLC	85.625	1
Epic Management, Inc.	82.500	2
STV Construction, Inc.	80.625	3
GREYHAWK North America, LLC	80.000	4
Remington & Vernick Engineers	76.250	5
Colliers Project Leaders USA NE, LLC	41.250	6
M&M Construction Company, Inc.	40.625	7

Once all Non-Price Scores for all firms were calculated, the NJSDA opened the sealed Price Proposals and reviewed them for responsiveness. The Price Proposals were publicly opened on September 20, 2023 and the bids were read aloud as required by law.

The lowest responsive Price Proposal on an individual Contract basis was awarded the maximum number of points for the price component, which is 100. All other Price Proposals for that specific Contract were then awarded points based on the percentage that each proposal exceeded the lowest bid for that Contract.

The results of the NJSDA’s review of the Price Proposals are listed in Tables 4 and 5 below:

TABLE 4 (Contract A - Newark)

Firm	Bid Price	Price Score	Price Rank
M&M Construction Company, Inc.	\$1,163,200	100.000	1
Remington & Vernick Engineers	\$1,194,638	97.297	2
KS Engineers, P.C.	\$1,235,792	93.759	3
STV Construction, Inc.	\$1,299,036	88.322	4
Anser Advisory Management, LLC	\$1,334,500	85.273	5
GREYHAWK North America, LLC	\$1,385,292	80.907	6
Colliers Project Leaders USA NE, LLC	\$1,399,280	79.704	7

TABLE 5 (Contract B - Union City & East Orange)

Firm	Bid Price	Price Score	Price Rank
Epic Management, Inc.	\$736,800	100.000	1
Remington & Vernick Engineers	\$857,150	83.666	2
M&M Construction Company, Inc.	\$890,000	79.207	3
STV Construction, Inc.	\$970,192	68.324	4
Anser Advisory Management, LLC	\$974,500	67.739	5
GREYHAWK North America, LLC	\$1,030,988	60.072	6
Colliers Project Leaders USA NE, LLC	\$1,032,080	59.924	7

After the Price Scores were determined for all firms, the Price Scores were adjusted by a weighting factor of 40%. The Non-Price Scores for “Other Factors” criteria were adjusted by a weighting factor of 60%. The weighted Price Scores and the weighted Non-Price Score for each firm were added together to calculate a unique and separate Final Combined Score for each Contract for which the firm was competing. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Tables 6 and 7 below:

TABLE 6 (Contract A - Newark)

Firm	Raw Non-Price Score	Raw Price Score	Weighted Non-Price Score (60%)	Weighted Price Score (40%)	Final Combined Score	Final Rank
Anser Advisory Management, LLC	85.625	85.273	51.375	34.109	85.484	1
Remington & Vernick Engineers	76.250	97.297	45.750	38.919	84.669	2
STV Construction, Inc.	80.625	88.322	48.375	35.329	83.704	3
GREYHAWK North America, LLC	80.000	80.907	48.000	32.363	80.363	4
M&M Construction Company, Inc.	40.625	100.000	24.375	40.000	64.375	5
KS Engineers, P.C.	44.375	93.759	26.625	37.504	64.129	6
Colliers Project Leaders USA NE, LLC	41.250	79.704	24.750	31.882	56.632	7

The highest ranked firm after combining the weighted non-price and price scores for Contract A - Newark was Anser Advisory Management, LLC (“Anser”).

The bid submitted by Anser was greater than the NJSDA estimate. In order to ensure the firm’s Price Proposal was inclusive of all scope elements, a conference was conducted on September 25, 2023 with Anser and staff from NJSDA’s Procurement, Construction Operations, and Program Operations divisions to review the bid. At the time of the review, Anser confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents.

The Construction Operations Program Director recommends award of Contract A - Newark to Anser.

TABLE 7 (Contract B - Union City & East Orange)

Firm	Raw Non-Price Score	Raw Price Score	Weighted Non-Price Score (60%)	Weighted Price Score (40%)	Final Combined Score	Final Rank
Epic Management, Inc.	82.500	100.000	49.500	40.000	89.500	1
Remington & Vernick Engineers	76.250	83.666	45.750	33.466	79.216	2
Anser Advisory Management, LLC	85.625	67.739	51.375	27.096	78.471	3
STV Construction, Inc.	80.625	68.324	48.375	27.329	75.704	4
GREYHAWK North America, LLC	80.000	60.072	48.000	24.029	72.029	5
M&M Construction Company, Inc.	40.625	79.207	24.375	31.683	56.058	6
Colliers Project Leaders USA NE, LLC	41.250	59.924	24.750	23.970	48.720	7

The highest ranked firm after combining the weighted non-price and price scores for Contract B - Union City & East Orange was Epic Management, Inc. (“Epic”).

The bid submitted by Epic was greater than the NJSDA estimate. In order to ensure the firm’s Price Proposal was inclusive of all scope elements, a conference was conducted on September 25, 2023 with Epic and staff from NJSDA’s Procurement, Construction Operations, and Program Operations divisions to review the bid. At the time of the review, Epic confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents.

The Construction Operations Program Director recommends award of Contract B - Union City & East Orange to Epic.

RECOMMENDATION

The Members of the Authority are requested to approve the following:

1. The award of a contract to Anser Advisory Management, LLC in the amount of \$1,334,500 for Construction Management Services for Contract A - Newark; and
2. The award of a contract to Epic Management, Inc. in the amount of \$736,800 for Construction Management Services for Contract B - Union City & East Orange.

Prior to the execution of each contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
 Sean Murphy, Managing Director, Procurement

Reviewed and Recommended by: Manuel Da Silva, Chief Executive Officer
 Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Office
 Reviewed and Recommended by: Gregory Voronov, Managing Director, Planning and Program Operations
 Reviewed and Recommended by: Joseph Lucarelli, Program Director, Construction Operations

Resolution—6b.

Construction Management Services Awards, Contract A: Newark Public Schools District,
Contract B: Union City and East Orange School Districts

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 consultant contracts greater than \$100,000; and

WHEREAS, the Authority has eight (8) emergent projects in the design phase and progressing into the construction phase; and

WHEREAS, the Authority needs to engage construction management firms to provide onsite Construction Management (CM) Services while the projects are under construction; and

WHEREAS, the Authority seeks to advance two (2) contracts for CM Services -- Contract A for the delivery of CM Services relating to five (5) emergent projects in the Newark School District, the scopes of which variously include masonry repointing, repairs and replacement, boiler room vault and façade repairs and roof replacement, and Contract B for the delivery of CM Services relating to two (2) emergent projects in Union City School District and one (1) emergent project in the East Orange School District, the scopes of which variously include roof replacement and stucco and masonry repairs; and

WHEREAS, the Authority’s multi-project procurement package for these CM Services was advertised as a “price and other factors” solicitation beginning on August 9, 2023 on the SDA website, on the New Jersey State website, and in selected newspapers for interested firms to participate in the bidding process; and

WHEREAS, SDA advertised that it would make awards to two (2) separate construction management firms, one firm for the Contract A emergent projects and another firm for the Contract B emergent projects; and

WHEREAS, for this multi-project procurement, the details of which are set forth in the memorandum presented to the Board and incorporated herein, price was weighted as 40% of the final combined score, and all non-price other factors were weighted as 60% of the final combined score; and

WHEREAS, upon completion of the procurement process, the construction operations program operations director recommends award of Contract A to Anser Advisory Management, LLC (Anser) in the amount of \$1,334,500 and Contract B to Epic Management, Inc. (Epic) in the amount of \$736,800 for CM Services for the allotted emergent projects; and

WHEREAS, following post-bid meetings between the SDA staff and Anser with respect to Contract A and between the SDA staff and Epic with respect to Contract B, Anser and Epic have each confirmed that their respective price proposals are inclusive of all scope elements contained in the contract documents; and

WHEREAS, prior to execution of the contracts, the contracts and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of Contract A in the amount of \$1,334,500 to Anser Advisory Management, LLC for Construction Management Services relating to five (5) emergent projects in the Newark School District.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve the award of Contract B in the amount of \$736,800 to Epic Management, Inc. for Construction Management Services relating to two (2) emergent projects in the Union City School District and one (1) emergent project in the East Orange School District.

BE IT FURTHER RESOLVED, that, prior to execution of the contracts, both contracts and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

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, Construction Management Services Awards, Package No. EP-0128-M01,
Contract A: Newark Public School District and Contract B: East Orange and Union
School Districts, dated October 4, 2023

Dated: October 4, 2023

**Approval of Change Order No. 4, Revised Final Project Charter and Reestablishment of
Contract Value - Irvington Public Schools District - Grove Street Elementary School**



TO: Members of the Authority

FROM: Steve Wendling, Interim Program Director, Construction Operations
Gregory Voronov, Managing Director, Planning and Program Operations

DATE: October 4, 2023

SUBJECT: Action No. 1: Approval of Change Order No. 4
Action No. 2: Approval of Revised Final Project Charter
Action No. 3: Reestablishment of Contractor's Contract Value

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions necessary to address conditions at the Grove St. Elementary School (Grove St.) in the Irvington Public Schools District (District). Specifically, we are asking the Board to approve:

1. Change Order No. 4 (CO #4) in the lump sum value of \$400,466.00 for additional funds required to replace the boilers and related HVAC equipment, as well as to provide additional compensation for increased general conditions, bond and insurance, and overhead and profit to complete the scope of work.
2. The Project's Revised Final Project Charter (Charter) representing the Project budget inclusive of dollar values for construction, appropriate contingency, NJSDA staff costs, and other costs necessary to complete the Project.
3. Reestablishment of the contractor contract value for the purpose of the application of ongoing Operating Authority requirements. The reestablished value for this purpose shall be the revised contract value inclusive of all change orders including CO #4 for an adjusted contract value of \$3,368,010.44 as represented in the chart on page 3 of the memorandum.

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 \$500,000.00 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 exceeds 10% of the contract value.

BACKGROUND

The Grove Street Elementary School (Grove Street ES), built in 1925, is an approximately 90,000 square foot facility in the Irvington Public Schools District educating approximately 360 students in grades Pre-Kindergarten through 5. After DOE approval of the emergent project, advancement of the work was delegated to the District. After further consideration, and request by the District, the NJSDA decided to advance the work as an NJSDA-managed project. NJSDA determined to advance the project through the engagement of a General Contractor utilizing the NJSDA's General Construction Services Task Order Contract. Additionally, the General Contractor was required to engage the services of a Design Consultant to complete needed Design Services.

A Notice of Award was issued to Catcord Construction Company, Inc. (Catcord) on March 4, 2022, and a Notice to Proceed was issued on March 29, 2022 with a Commencement Date of April 4, 2022. The original schedule proved to be impractical, as a result Catcord did not have sufficient time to complete the abatement work as planned, in an unoccupied building during the summer of 2022. In the period since August 2022, design, DCA review, and abatement and associated demolition were all completed, and a Certificate of Occupancy was issued for the boiler room. DCA permit release for the balance of the construction work to replace the boilers and related HVAC equipment is expected in the 3rd quarter of 2023.

Difficulties reaching a negotiated final cost with Catcord for the remaining construction work to replace the boilers and related HVAC equipment has delayed the start of the final phase of construction work until April 15, 2024, the date the District will shut down the heating system for the season. In the intervening time, Catcord has re-bid the mechanical subcontractor work to account for the new start date and current market conditions. On September 22, 2023, Catcord provided a proposal to SDA based upon the re-bid.¹

REASON FOR CHANGE

The initial task order assignment and proposed pricing for this project was based upon schematic drawings and the assumption of no construction phasing, short equipment order lead times, and rapid permitting, commencement, and completion of the required abatement work. These assumptions were found to be impractical due to the complexity of the work and other mitigating factors.

Catcord's September 22, 2023 proposal was reviewed by NJSDA Construction Operations, Design Studio, and Financial Operations and was determined to be reasonable based upon current market conditions for the remaining work. A final lump sum cost of \$3,368,010.44 was negotiated with Catcord, which includes the cost of all work performed to date and all remaining work necessary for completion of the project.

Multiple factors combined to cause the significant cost increase. These factors include:

- Additional boiler equipment identified after completed plans and specifications, plus equipment cost escalation;
- Plumbing materials and labor cost escalation;
- HVAC equipment, materials and labor cost escalation; and
- General Conditions, Bond, Insurance, Overhead and Profit.

¹ Catcord Re-Bid contained the following low bid Subcontractors: Concrete- Steven Lombardi Construction in the value of \$15,750; Electrical – Eastern Power Electric LLC in the value of \$89,754.00; Mechanical- PK Mechanical \$1,789,777.00.

SUMMARY OF THE CHANGE

CO #4, in the total lump sum value of \$400,466.00, will provide the additional funds required to replace the boilers and related HVAC equipment, as well as to provide additional compensation for increased general conditions, bonding and insurance, and overhead and profit.

The following is an itemization of the additional costs included in CO #4:

Furnishing and installation of boilers and related HVAC equipment	\$ 282,030.00
General conditions	28,203.00
Bonding and insurance	15,511.00
Overhead and profit	74,722.00
Total	\$ 400,466.00

The construction work to replace the boilers and HVAC equipment will be performed once the 2023-24 heating season has ended.

CALCULATIONS

a. Original Contract Amount	\$2,832,782.00
b. Change Orders to Date (excluding proposed change order)	\$ 89,012.44
c. Pending Change Order No. 3	\$ 45,750.00
d. Proposed Change Order Amount	\$ 400,466.00
e. Total Change Orders to Date including this Change Order (Sum of Lines (b.), (c.), and (d.))	\$ 535,228.44
f. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	18.89%
g. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$3,368,010.44

All documents supporting this change order have been reviewed by the associated NJSDA Project Team for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members, including Financial Operations, have determined that the items included in the change order are justified and that the amount is reasonable and appropriate.

REASON FOR CHARTER REVISION

The Final Charter, approved by the Board in February 2022, was based upon Catcord’s order of magnitude estimate to complete the required work at that time. Based upon the final negotiated value for the project in accordance with the approved final design additional funding is required as discussed above to complete the project.

For this reason, it is now necessary to revise the Final Project Charter to provide the additional funding necessary to complete the Project. The recommended Final Project Charter increase in the amount of \$206,000.00 will be added to the Construction Contingency in order to provide the needed funding for this change order and any potential additional change orders for the Project, which would be subject to further NJSDA review and approval.

REASON FOR REESTABLISHMENT OF CONTRACT VALUE

During the course of the Project, various unforeseen conditions were encountered. Among these was the need to perform abatement and some demolition work while the building was occupied (CO #1, and CO #2), extended design costs and time (CO #3), and unanticipated increases in costs to replace the boilers and related HVAC equipment, materials, and labor resulting from completed plans and specifications, and current market conditions (this CO #4). NJSDA staff have determined that the revised contract value, inclusive of this change order and prior executed change orders, represents the true value of the work necessary to implement the boiler replacement Project. Therefore, we recommend the adjusted contract value, inclusive of all pending and approved change orders to date, as well as this CO #4, is the appropriate baseline for the application of Operating Authority requirements going forward.

If approved, NJSDA management will again seek Board approval should future change orders individually exceed \$500,000.00, or singularly or in the aggregate exceed 10% of the reestablished contract amount of \$3,368,010.44, as set forth above.

RECOMMENDATION

For the reasons stated above, NJSDA management and staff recommend that the Members of the Authority authorize and approve three related actions necessary to address conditions at the Grove St. Elementary School – Boiler Replacement Project in the Irvington Public Schools District:

1. Change Order No. 4 in the lump sum value of \$400,466.00 for additional funds required to replace the boilers and related HVAC equipment, as well as to provide additional compensation for general conditions, bond and insurance, and overhead and profit.
2. The Project's Revised Final Project Charter representing the Project budget inclusive of dollar values for construction, appropriate contingency, NJSDA staff costs, and other costs necessary to complete the Project.
3. Reestablishment of the contractor contract value for the purpose of the application of ongoing Operating Authority requirements. The reestablished value for this purpose shall be the revised contract value inclusive of all previously approved change orders up to September 22, 2023 for an adjusted contract value of \$3,368,010.44 (\$2,832,782.00 plus all change orders executed as of September 22, 2023 and including Change Order Nos. 3 and 4).

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 \$500,000.00 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 exceeds 10% of the contract value.

Recommended by:

/s/ Steve Wendling

Steve Wendling, Interim Program Director, Construction Operations

/s/ Gregory Voronov

Gregory Voronov, Managing Director, Planning and Program Operations

Reviewed and Recommended by: Donald Guarriello, Vice President, CFO

Reviewed and Recommended by: David Magyar, Director, Design Studio

Reviewed and Recommended by: Nicole Burnett, Deputy Director, Construction Operations

Reviewed and Recommended by: Robert Carney, Director, Financial Operations

Reviewed and Recommended by: Robert Fiordimondo, Deputy Director, Contract Management

Prepared and Recommended by: William Coonahan, Deputy Program Director, Program Operations

Prepared and Recommended by: Gabriel Salas, Program Officer, Program Operations

Prepared and Recommended by: Walter Andrew, Program Officer, Construction Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Charter Date

10/04/23

Region: Northern
District: Irvington
School Name: Grove Street Elementary School
Project Type: Emergent
DOE # / Project #: 2330-110-20-0BBL
Project Location: 602 Grove St. Irvington, NJ 07111

Supersedes

Charter Dated

02/16/22

Project Budget: \$ 3,968,782
Anticipated Construction NTP Date April-24
Anticipated Final Completion Date October-24
Project Initiation Date: November-21

Funding Source

2011 Emergent Reserve

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	02/16/22	The scope of services is for the engagement of a Task Order General Contractor w/ Design Services to address the following scope of work: 1) Replacement of four (4) existing steam boilers as well as all associated boiler system accessories. 2) Replacement of water piping and steam traps within the boiler room. 3) New electrical system to support boiler plant and replace all lighting in the boiler room. 4) Demolish three (3) existing Heating and Ventilating units, associated connecting ductwork, hot water coils, connecting hot water piping, valves and controls. 5) Demolish four (4) existing exhaust fans and connecting ductwork. Replace with new H&V units, new exhaust fans and all associated connecting ductwork and all associated appurtenances.
Revision # and Date		
<input checked="" type="checkbox"/> One	10/04/23	
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		
		Purpose for Advancement of Emergent Charter
		To establish the revised final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, allowances, NJSDA staff costs, and estimated other costs.

Recommendation

/s/ Steve Wendling	Oct 4, 2023	/s/ Gregory Voronov	Oct 4, 2023
Interim Program Director	Date	Managing Director - Program Operations	Date
Steve Wendling		Gregory Voronov	
	Date	VP - Program Ops and Strategic Planning	Date
		Vacant	

Approval

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

/s/ Manuel Da Silva	Oct 4, 2023
Chief Executive Officer	Date
Manuel Da Silva	

**New Jersey Schools Development Authority
Emergent Project Charter
Project Budget**

District / Project Name:	Irvington/Grove Street Elementary School
DOE # / Project #:	2330-110-20-0BBL
Charter Date:	10/04/23

Special Considerations:

The project budget is based upon the award value of the Contract for General Construction Services. 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. 3 allowances totaling \$490,000 have been established - 1. Hazardous Materials and Related Activities Allowance: \$325,000 2. Temporary Utilities Disconnection/Connection Allowance: \$15,000 3. Existing Flue/Chimney Allowance: \$150,000

Project Budget:

GC Task Order with Design Costs	
Design & Construction Costs	\$2,417,782
Allowances	\$415,000
Construction Contingency	\$636,000
Total Construction Costs	\$3,468,782
Other Costs:	
Pre-Design Services	\$0
Project Management (SDA Staff)	\$360,000
Other Costs	\$140,000
Total Other Costs	\$500,000
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	\$0
Total PreDevelopment & Environmental Costs	\$0
Total Project Budget	\$3,968,782
2011 Emergent Reserve Impact	
Prior Funding Approved	\$3,762,782
Current Funding Requested	\$206,000

Resolution 6c.

Approval of Change Order No. 4, Revised Final Project Charter and Reestablishment of Contract Value - Irvington Public Schools District - Grove Street Elementary School

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the 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 as well as revised final project charters requires approval by the Members of the Authority; and

WHEREAS, the Irvington (District) Grove Street Elementary School (School), built in 1925, is an approximately 90,000 square foot facility educating approximately 360 students in grades Pre-Kindergarten through 5; and.

WHEREAS, after Department of Education (DOE) approval of the emergent project (Project) at the School, advancement of the work was delegated to the District; and

WHEREAS, after the District's consultant determined that the conditions requiring attention were more extensive than originally identified, advancement of the Project was reassumed by the Authority; and

WHEREAS, SDA determined to advance the Project through the engagement of a general contractor utilizing the SDA's General Construction Services Task Order Contract (GCTO), and to require the general contractor to engage the services of a design consultant to complete needed design services; and

WHEREAS, a notice of award was issued to Catcord Construction Company, Inc. (Catcord), for a not-to-exceed (NTE) amount of \$2,832,782.00, on March 4, 2022, and a notice-to-proceed was issued on March 29, 2022 with a commencement date of April 4, 2022; and

WHEREAS, thereafter, Catcord did not have sufficient time to advance the abatement work while the School was unoccupied during the summer of 2022; and

WHEREAS, in the period since August 2022, design and Department of Community Affairs (DCA) review were completed, abatement and associated demolition activities were completed, and a certificate of occupancy has issued for the boiler room; and

WHEREAS, SDA anticipates release of a DCA permit for the balance of the required Project construction work to replace the boilers and related HVAC equipment in the near future; and

WHEREAS, the initial task order assignment and proposed pricing for the Project were based upon schematic drawings and assumed that there would be no construction phasing, short order lead times for required equipment, and rapid issuance of permits and commencement and completion of required abatement work; and

WHEREAS, since the initial task order assignment, the Project has experienced the need for phasing, longer equipment order lead times, delays in permitting and advancement of abatement work, and delays as to when construction of the final phase of the Project can commence; and

WHEREAS, as a result of these factors, under current market conditions, the cost to advance the balance of the Project work has significantly increased; and

WHEREAS, the increased cost to advance the balance of the Project work is associated with multiple factors, including the need for additional boiler equipment identified after completion of design, together with associated escalation, plumbing materials and labor cost escalation, HVAC equipment, materials and labor cost escalation and increased general conditions, bond, insurance, overhead and profit costs; and

WHEREAS, the Authority has negotiated with Catcord a final lump sum cost for the delivery of the Project of \$3,368,010.44, which includes the cost for all work performed to date and all remaining work necessary for completion of the Project; and

WHEREAS, Change Order (CO) No. 4, in the amount of \$400,466.00 is required to effectuate the adjustment to the final lump sum cost under the task order and to fully fund advancement and completion of the balance of the Project work; and

WHEREAS, the director of the design studio, the construction operations interim director and the financial operations director have reviewed the documents relating to CO No. 4 and have determined that issuance of the change order is justified and that the change order is reasonable and appropriate; and

WHEREAS, the Final Charter for the Project, approved by the Members of the Authority in February 2022, was based upon order of magnitude estimates of funding required to complete the required work as anticipated at that time;

WHEREAS, to fund CO No. 4 and the negotiated final lump sum cost for the task order require that the Construction Contingency under the Revised Final Project Charter be increased in the amount of \$206,000.00; and

WHEREAS, during the course of the Project, various unforeseen factors were encountered such that SDA staff have determined that the revised lump sum cost, inclusive of CO Nos. 3 and 4 and prior executed change orders, in the amount that represents the true value of the work required to implement the Project; and

WHEREAS, for these reasons and as set forth in the memorandum presented to the Members of the Authority on this date and incorporated herein, SDA management and reviewing staff recommend that the Members of the Board authorize and approve CO No. 4, an increase in the Construction Contingency under the Revised Final Project Charter and a reestablishment of the revised contract value of the task order assignment to Catcord.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve Change Order No. 4 in the amount of \$400,466.00, to Catcord Construction Company, Inc for the Grove Street Elementary School emergent project task order in the Irvington School District.

BE IT FURTHER RESOLVED, that the Construction Contingency under the Revised Final Project Charter for the Project be increased in the amount of \$206,000.00.

BE IT FURTHER RESOLVED, that the contract value of the task order assignment for the Project be increased and revised to \$3,368,010.44.

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 Change Order No. 4, Revised Final Project Charter and Reestablishment of Contract Value, Irvington Public Schools District, Grove Street Elementary School, dated October 4, 2023

Dated: October 4, 2023

Notice of Adoption – Section 13.a Delegation Agreements, N.J.A.C. 19:34A



MEMORANDUM

TO: Members of the Authority

FROM: Cecelia Haney, Deputy Chief Counsel and Administrative Practice Officer

DATE: October 4, 2023

RE: Notice of Adoption – Section 13.a Delegation Agreements, N.J.A.C. 19:34A

On April 5, 2023 the Members of the New Jersey Schools Development Authority (“Authority” or “SDA”) approved for proposal and publication a Notice of Proposal for Readoption With Amendments of the Authority’s Rules for Section 13.a Delegation Agreements, codified at N.J.A.C. 19:34A. The Notice of Proposal was published in the New Jersey Register on June 5, 2023.

Management of the Authority now seeks the Members’ approval to formally adopt the Rules as proposed and published in the New Jersey Register. The proposed Notice of Readoption is attached hereto, along with a copy of the Notice of Proposal as proposed and published in the New Jersey Register.

Prior Regulatory History

The Notice of Proposal for Readoption of Chapter 34A with amendments was published in the June 5, 2023 edition of the New Jersey Register at 55 N.J.R. 1166(a). Publication of the Notice of Proposal served to extend the expiration date for the existing rules by 180 days, to November 22, 2023.

The Notice of Proposal was published subject to a 60-day public comment period ending August 5, 2023, and the SDA received no comments in response. Accordingly, the form of the Rules has not changed from the original proposal as published in the Register.

Background

Chapter 34A provides the conditions, eligibility criteria, and process for capital maintenance projects to be delegated to an SDA school district by the Authority, pursuant to N.J.S.A. 18A:7G-13.a. This chapter sets forth the requirements for grant disbursements to fund such delegated capital maintenance projects, and addresses grant oversight. The process spans the initiation of delegation to the final completion and closeout of a capital maintenance project and is intended to balance the goal of expediting the funding and construction of capital maintenance projects with prudent oversight of the State share expended.

SDA proposed to readopt Chapter 34A with amendments to a single section of the rules. The Notice of Proposal detailed these amendments, which are intended to facilitate the use of electronic submissions in applications for delegation of capital maintenance projects to SDA Districts, and to delete an obsolete signage requirement.

Requested Board Action

The Members of the Authority are requested to approve the readoption of the Authority's Rules for Section 13.a Delegation Agreements with the amendments as previously published in the New Jersey Register, and to approve the issuance of the attached Notice of Readoption, and its subsequent filing of the Notice with the Office of Administrative Law.

/s/ Cecelia E. Haney
Deputy Chief Counsel and
Administrative Practice Officer

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Section 13.a Delegation Agreement

Readoption with Amendments: N.J.A.C. 19:34A

Proposed: June 5, 2023, at 55 N.J.R. 1166(a)

Adopted: October 4, 2023, by the New Jersey Schools Development Authority, Manuel M. Da Silva, Chief Executive Officer, with the approval of the NJSDA Board.

Filed: DATE, as R. 2023 d. ___, **without change.**

Authority: 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.), specifically P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238.k; 52:18A-240).

Effective Date: [PUBLICATION DATE]

Expiration Date: [PUBLICATION DATE +7 yrs]

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

The readopted rules with amendments implement State statutes, namely 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.), and specifically N.J.S.A. 18A:7G-13.a. There are no Federal standards or requirements governing the subject matter of these rules in as much as readopted rules with amendments apply only to SDA school districts that are authorized by SDA to manage and perform capital maintenance projects to be performed at school facilities within the State of New Jersey. A Federal standards analysis, therefore, is not required.

Full text of the adoption follows:

Smart Growth Development Impact Analysis

The proposed amendments will not have an impact on smart growth and it is extremely unlikely that they would 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 amendments concern the operational requirements for casinos, racetracks, and online operators within the casino gaming and sports wagering industries.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The proposed amendments will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State of New Jersey because the proposed amendments concern the operational requirements for casinos, racetracks, and online operators within the casino gaming and sports wagering industries. This rulemaking does not impact on the ability of people subject to the criminal justice system to work in the casino or sports wagering industries. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface **thus**):

SUBCHAPTER 1. GENERAL PROVISIONS

13:690-1.4 Internet or mobile gaming system standards and operational controls

(a)-(w) (No change.)

(x) An online operator, including an internet gaming operator and an online sports wagering operator, shall be capable of permitting deposits and withdrawals to or from an online account at the premises of the casino or racetrack with whom the online operator is partnered.

1. Whenever a patron requests a withdrawal of \$500.00 or more, at the racetrack or casino with whom an online operator is partnered, a still image of the patron shall be captured by surveillance or by camera. In addition, the operator shall require the patron to produce identification that satisfies the requirements at N.J.A.C. 13:69D-1.5A. The operator shall retain a copy of the identification.

2. The operator shall be required to maintain the still image and the identification of the patron. Such identification and still image shall be produced upon the demand of the Division, a law enforcement agency, or upon the order of a court of competent jurisdiction.

OTHER AGENCIES**(a)****NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY****Section 13(a) Delegation Agreement****Proposed Redoction with Amendments: N.J.A.C. 19:34A**

Authorized By: Manuel M. Da Silva, New Jersey Schools Development Authority (NJSDA), Chief Executive Officer (with the approval of the NJSDA Board).

Authority: P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238.k and 52:18A-240) (rulemaking authority); 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.) (enabling statutes).

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

Proposal Number: PRN 2023-048.

Submit written comments by August 4, 2023, to:

Cecelia Haney, Administrative Practice Officer
New Jersey Schools Development Authority
PO Box 991

Trenton, NJ 08625-0991

chaney@njsda.gov

The agency proposal follows:

Summary

The New Jersey Schools Development Authority (“SDA” or “Authority”) proposes to readopt N.J.A.C. 19:34A, Section 13(a) Delegation Agreement, with substantive amendments. Chapter 34A, that implements Section 13.a of the Educational Facilities Construction and Financing Act (EFCFA), 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.) (the Act), governs SDA’s discretionary delegation of capital maintenance projects to school districts pursuant to a section 13(a) delegation agreement. Chapter 34A, as previously readopted by SDA with amendments and repeals was scheduled to expire on May 26, 2023, pursuant to N.J.S.A. 52:14B-5.1. Pursuant to N.J.S.A. 52:14B-5.1.c(2) that date is extended 180 days to November 22, 2023, as the SDA filed this notice of readoption with the Office of Administrative Law prior to May 26, 2023.

Chapter 34A provides the conditions, eligibility criteria, and process for capital maintenance projects to be delegated to an SDA school district by the Authority, pursuant to N.J.S.A. 18A:7G-13.a. This chapter sets forth the requirements for grant disbursements to fund such delegated capital maintenance projects and addresses grant oversight. The process spans the initiation of delegation to the final completion and closeout of a capital maintenance project and is intended to balance the goal of expediting the funding and construction of capital maintenance projects with prudent oversight of the State share expended.

The SDA proposes to readopt Chapter 34A with amendments, to a single section of the rules (N.J.A.C. 19:34A-2.3, Execution and other conditions for delegation). The proposed amendments are intended to facilitate the use of electronic submissions in applications for delegation of capital maintenance projects to SDA districts and to delete an obsolete signage requirement. The SDA has reviewed Chapter 34A and has determined that, with the addition of the proposed amendments, this chapter remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated: to provide a mechanism by which SDA can, in its discretion, delegate to SDA school districts the ability to perform capital maintenance projects funded by an SDA grant pursuant to a section 13(a) delegation agreement.

As the SDA 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 summary of the rules proposed for readoption, as well as the substantive amendments to such rules, follows.

Subchapter 1. General Provisions**N.J.A.C. 19:34A-1.1, Purpose and Applicability of Rules**

This section, regarding the purpose and applicability of this chapter, sets forth that the rules are promulgated to implement N.J.S.A. 18A:17G-13.a, which provides that the Authority may, in its discretion, authorize an SDA school district to undertake a capital maintenance project funded through a grant agreement with the district for the payment of the State share.

N.J.A.C. 19:34A-1.2, Definitions

This section sets forth the meanings of the words and terms used throughout this chapter.

N.J.A.C. 19:34A-1.3, Administration and Performance of Grant Agreements

This section provides that the SDA school district, not the SDA, is responsible for the administration and success of the capital maintenance project.

N.J.A.C. 19:34A-1.4, Noncompliance

This section describes the events constituting an event of default, providing a cure process for some of these events, and further provides for broadly framed other non-compliance in addition to the events of default.

N.J.A.C. 19:34A-1.5, Remedies for Events of Default and Noncompliance

This section provides that, in addition to any other remedies as may be provided by law or by the section 13(a) delegation agreement, in the event of noncompliance, the SDA, after notice to the district, may take any of the actions or combinations of actions in this section: withholding of grant disbursements, suspension of the section 13(a) delegation agreement, termination, and any other remedies available pursuant to State law. The section further provides that the SDA may, at its option, take an assignment of any of the contracts in order to complete the capital maintenance project, and the SDA school district shall, on demand, pay to the Authority, reasonable fees and expenses incurred by the Authority in the collection of the repayment of the grant.

N.J.A.C. 19:34A-1.6 (Reserved)

This section is reserved.

N.J.A.C. 19:34A-1.7, Termination by Mutual Agreement

This section provides that the Authority and the school district may terminate the section 13(a) delegation agreement when both parties agree that the continuation of the capital maintenance project would not produce beneficial results commensurate with the further expenditure of funds.

N.J.A.C. 19:34A-1.8, Waiver

This section provides that any school district desiring a waiver or release from the express provisions of this chapter may submit a written request to the Authority, which may grant the waiver only when the Authority determines that such waiver would not contravene the provisions of the Act and would instead promote the statutory purposes of the Act.

N.J.A.C. 19:34A-1.9, Appeals

This section provides for an appeals process that anticipates a request to the SDA for a discretionary informal hearing on the papers, and subsequent appeal procedures in the instance of a contested case, involving a subsequent hearing before the Office of Administrative Law.

Subchapter 2. Delegation to the District of the Design and Construction or Acquisition and Installation of the Capital Maintenance Project**N.J.A.C. 19:34A-2.1, Applicability**

This section provides that this subchapter establishes the Authority's procedures and requirements governing the eligibility determination of a section 13(a) delegation agreement, as well as the circumstances ending the delegation.

N.J.A.C. 19:34A-2.2, Eligible Criteria for Delegation

This section sets forth the eligibility criteria for delegation in three different circumstances: at the design phase after preconstruction approval, at the design phase after project approval, and prior to the construction phase for capital maintenance projects without a design phase.

N.J.A.C. 19:34A-2.3, Execution and Other Conditions for Delegation

This section provides the terms and conditions for Authority execution of the section 13(a) delegation agreement, such as receipt by the Authority of a certified copy of a district board resolution and proof of the district board's delegation to the school business administrator or other authorized officer for supervision of the capital maintenance project, as well as providing for signage to be posted by the district indicating that financing for the facilities project was made available to the district through the Authority. This section is proposed for amendment to delete a requirement that the district submit a "certified copy" of the district resolution authorizing entering into the grant agreement, in favor of requiring only the submission of a "true copy" of the resolution, to facilitate administration of the grant process utilizing electronic documents. An additional proposed amendment provides that, unless otherwise directed by the Authority, the resolution, certificate, and any other documentation required in support of the administration of the 13(a) delegation agreement shall be submitted electronically. A further proposed amendment deletes reference to the signage requirement.

N.J.A.C. 19:34A-2.4, Initial Delegation and Engagement of the Design Consultant

This section addresses the initial delegation in three different circumstances: at the design phase after preconstruction approval, at the design phase after project approval, and prior to the construction phase for capital maintenance projects without a design phase. It also addresses the requirements for district engagement of a design consultant for capital maintenance projects in the first and second of the aforementioned delegation phases.

N.J.A.C. 19:34A-2.5, Design of the Capital Maintenance Project

This section addresses the stages in the delegation from the time the Department of Education (Department) issues a preliminary project report, to the submission of detailed plans and specifications and final eligible costs recommendations to the Department, to the issuance by the Authority of an authorization-to-proceed to the construction phase, which permits the district to proceed with the procurement of contractors to perform the acquisition and installation for the capital maintenance project.

N.J.A.C. 19:34A-2.6, Construction or Acquisition and Installation of the Capital Maintenance Project

This section sets forth the Authority requirements for the district to proceed with the construction of the capital maintenance project, including a requirement that all contractors engaged by the district be prequalified with the Authority, and a requirement that before commencing the construction phase the district shall submit the following to the Authority for review and approval: a construction phase checklist, a contractor certification, acceptable documentation of insurance coverage, and an adjustment of the current working estimate (CWE) to reflect the construction award. This section further specifies that change orders affecting educational spaces must be submitted to the Department for approval, and change orders exceeding five percent of the grant amount must be submitted to the Authority for approval. Finally, this section specifies that the capital maintenance project must be constructed in accordance with the New Jersey Uniform Construction Code and the educational facility planning standards at N.J.A.C. 6A:26-6.2.

Subchapter 3. Grant Amount and Disbursement of the Grant**N.J.A.C. 19:34A-3.1, Grant Amount**

This section addresses the full funding of approved design work prior to a determination of final eligible costs, the requirement that grant funds shall only pay for approved costs, the periodic adjustment of the grant amount and current working estimate, and the process for funding of change orders for which the district is not responsible.

N.J.A.C. 19:34A-3.2, Disbursement Schedule

This section addresses the schedule and the conditions upon which the Authority is obligated to disburse.

N.J.A.C. 19:34A-3.3, Disbursement Documentation and Procedures

This section addresses the documentation required for disbursement of grant funds (invoice, voucher, insurance coverage, certification, and/or checklists), the requirements for disbursement of grant funds upon final completion, and the conditions upon which the Authority is obligated to disburse funds.

N.J.A.C. 19:34A-3.4, Closeout Procedures

This section addresses the process of achieving closeout of a delegated capital maintenance project and provides that closeout shall occur when all applicable administrative actions and all required work have been completed by the district.

Subchapter 4. Contract Award and Compliance**N.J.A.C. 19:34A-4.1, General Provisions**

This section requires a school district to design and construct a capital maintenance project pursuant to the plans and specifications and as approved by the Department. This section also addresses changes in the capital maintenance project impacting educational adequacy and the approval needed for change orders and consultant amendments.

N.J.A.C. 19:34A-4.2, Contract Award and Compliance

This section addresses the district's broad range of responsibilities in awarding contracts for the capital maintenance project, supervising design and construction, monitoring performance to ensure efficient and effective completion, exhausting remedies in the event of default, and taking action involving the contracted party deemed by the district to be reasonably necessary. This section requires the district to obtain and maintain licenses and certifications required by governmental authorities, to award contracts in accordance with the Public School Contracts Law, and to have construction contracts include provisions regarding compliance with the New Jersey Prevailing Wage Act, the New Jersey Law Against Discrimination, and the law establishing the Office of the State Comptroller. This section incorporates the School Ethics Law by reference, and also includes other conflict of interest provisions requiring reporting by the district. This section further addresses the maintenance plan of a capital maintenance project, proof of insurance, district responsibilities regarding the tax-exempt status of bonds issued by the New Jersey Economic Development Authority (NJEDA), a variety of required district certifications, bid guarantees, performance bonds, and general language providing that the Authority may impose such other conditions as may be necessary and appropriate to implement the laws of the State and effectuate the purposes and intent of the Act.

This section conforms with the Authority's contractor and consultant prequalification rules, Procedures for Prequalification of Contractors and Professional Services Consultants for the New Jersey Schools Construction Corporation, at N.J.A.C. 19:38A. This section further requires that the district comply with the requirements at N.J.S.A. 52:15C-10 concerning the notices to the State Comptroller and the timing of the procurement process relative to the award of contracts.

N.J.A.C. 19:34A-4.3, Fraud and Other Unlawful and Corrupt Practices

This section addresses the district's responsibilities in administering moneys pursuant to this chapter, the section 13(a) delegation agreement and any contracts entered into in connection with the capital maintenance project free from bribery, graft, and corrupt practices. This section also provides that the district must take appropriate remedial actions with respect to any allegations or evidence of such illegality or corrupt practices.

N.J.A.C. 19:34A-4.4, Debarment

This section provides that the district and its consultants or contractors shall not enter into a contract for work on a preconstruction activity or capital maintenance project with any person or firm that has been debarred, suspended, or disqualified from State, NJEDA, Authority, or Federal government contracting. This section also sets forth requirements for statements in contracts and bid specifications relating to debarment, suspension, or disqualification from contracting. Addressed, as well, is the district's affirmative obligation to notify the Authority, in writing, whenever it has knowledge that any contracted party, subconsultants, or subcontractor is on the debarment or suspension list maintained by the Authority, the Department of the Treasury, NJEDA, or the Federal government.

N.J.A.C. 19:34A-4.5 (Reserved)

This section is reserved.

N.J.A.C. 19:34A-4.6, Disclosure and Publicity

This section provides that submissions received by the Authority shall constitute government records and that public dissemination of information by the district concerning the capital maintenance project shall acknowledge the Authority's financial support.

N.J.A.C. 19:34A-4.7, Access and Record Retention

This section provides that the governmental entities with oversight responsibilities concerning the schools construction program shall have broad access to records pertaining to capital maintenance activities retained by the districts. This section also provides that the district must also include in all contracts a provision requiring contracted parties to permit the Authority and other governmental units to investigate, audit, examine, and inspect these records. This section additionally addresses

record retention requirements for records relating to capital maintenance projects that are funded through a section 13(a) delegation agreement.

Social Impact

The rules proposed for readoption with amendments will apply to SDA school districts that seek to manage and administer the performance of capital maintenance projects funded by an SDA grant and delegation of authority pursuant to a section 13(a) delegation agreement.

The SDA believes that the rules proposed for readoption with amendments will have a positive social impact and that no negative impact will result. The readoption of these rules can be expected to positively impact the students, teachers, and parents served by SDA school districts because they provide guidance on the roles and responsibilities of the SDA and SDA school districts with respect to State funding and delegation of capital maintenance projects pursuant to a section 13(a) delegation agreement. The rules provide flexibility sought by both SDA school districts and the SDA for delegating capital maintenance projects pursuant to section 13(a) delegation agreements. This will enable SDA school districts to better meet health and safety facilities standards, and by successfully undertaking capital maintenance projects, allow SDA school districts to build the capacity that will enable them to undertake other, more complex school facilities projects.

Economic Impact

The rules proposed for readoption with amendments address the SDA's discretionary delegation to SDA school districts of capital maintenance projects, pursuant to section 13(a) of the Act. The State share for section 13(a) delegated projects is funded with State contract bonds issued by the NJEDA pursuant to section 25 of the Act, the payment of which is conditioned on appropriations being made by the Legislature. The rules proposed for readoption with amendments will have a positive economic impact on the long-term economic growth of the State of New Jersey because significant activity in the planning, construction, architecture, and engineering professions will directly result from these rules, providing obvious Statewide economic benefits in the short term.

Federal Standards Statement

The rules proposed for readoption with amendments implement State statutes, namely 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.), and specifically N.J.S.A. 18A:7G-13.a. There are no Federal standards or requirements governing the subject matter of these rules in as much as the rules proposed for readoption with amendments apply only to SDA school districts that are authorized by the SDA to manage and perform capital maintenance projects at school facilities within the State of New Jersey. A Federal standards analysis, therefore, is not required.

Jobs Impact

The rules proposed for readoption with amendments will support the creation of a number of new jobs in New Jersey as a result of facilitating the delegation of capital maintenance projects to SDA school districts pursuant to N.J.S.A. 18A:7G-13.a. Jobs will primarily be created in the construction and design sectors.

Agriculture Industry Impact

The rules proposed for readoption with amendments will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The rules proposed for readoption with amendments primarily impact New Jersey SDA school districts, but may, through implication, impose compliance requirements on small businesses, as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., which are engaged by districts to support or perform delegated capital maintenance projects. The types of small businesses that may be affected by the rules include consultants (for example, design consultants, such as architects and engineers), contractors, and their subconsultants and subcontractors providing materials or services to the school district in connection with a school facilities project. Considering the scale of capital maintenance projects delegated to SDA school districts by the Authority, it is anticipated that the number of small businesses to which the rules will apply will be substantial. These rules, specifically N.J.A.C. 19:34A-4.7, impose records access and retention of records obligations that may affect

contractors and consultants that are small businesses; the requirement that consultant and contractors be prequalified by the Authority as a condition of Authority funding of a section 13(a) grant, and the contract award and compliance requirements set forth at N.J.A.C. 19:34A-4.2.

The majority of the aforementioned requirements are imposed by other laws and rules, in that the rules impose virtually no change to the way school districts procure goods and services. One exception is the record access and retention provisions (access to additional governmental entities, retention period of 10 years to correlate with the statute of limitations for architectural services claims). The costs incurred in the records provisions are not anticipated to be substantially more than the costs otherwise incurred for record retention. It is unlikely that a small business would have to employ professional services to comply with this requirement. The rules are designed to minimize any adverse economic impact on small businesses by making a few changes in the way school districts procure goods and services.

Housing Affordability Impact Analysis

The rules proposed for re-adoption with amendments address the discretionary delegation of authority to SDA school districts for capital maintenance projects and administration of a grant program for funding the State share of such capital maintenance projects and, therefore, will not have an impact on the affordability of 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 re-adoption with amendments will have an insignificant impact on smart growth development because it is extremely unlikely that the rules proposed for re-adoption with amendments would evoke a change in housing production in the State of New Jersey Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The SDA has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for re-adoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:34A.

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

SUBCHAPTER 2. DELEGATION TO THE DISTRICT OF THE DESIGN AND CONSTRUCTION OR ACQUISITION AND INSTALLATION OF THE CAPITAL MAINTENANCE PROJECT

19:34A-2.3 Execution and other conditions for delegation

(a) (No change.)

(b) The district shall execute the section 13(a) delegation agreement within such period of time and pursuant to such terms and conditions as the Authority may determine in its sole discretion, and return the section 13(a) agreement together with all applicable attachments to the Authority for execution by the Authority. Such terms and conditions shall include:

1. Delivery by the district to the Authority of a [certified] **true** copy of a resolution of the district board authorizing the execution and delivery of the agreement and proof of the district board's delegation of authority to the school business administrator or other authorized officer for supervision of the capital maintenance project; [and]

2. Delivery by the district to the Authority of a certificate executed by the school business administrator or other authorized officer as to the following:

i.-ii. (No change.)

iii. The agreement has been duly authorized, executed, and delivered by the district, and constitutes a valid and binding agreement of the district enforceable in accordance with its terms[.]; **and**

3. Unless otherwise directed by the Authority, the resolution, certificate, and any other documentation required in support of the administration of the 13(a) delegation agreement shall be submitted electronically.

(c) (No change.)

(d) Upon execution of the agreement, the Authority shall transmit to the district the section 13(a) delegation agreement [as well as a sign to the extent permitted by zoning laws indicating that financing was made available to the district through the Authority].

Resolution—6d.

Notice of Adoption with Amendments Section 13.a Delegation Agreement Rules, N.J.A.C. 19:34A

Resolution

WHEREAS, P.L. 2007, 137 (N.J.S.A. 52:18A-238(k)) requires that the Members of the New Jersey Schools Development Authority (SDA or Authority) adopt, amend and repeal rules and regulations to carry out the provisions of P.L. 2000, c. 72 (C. 18A:7G-1 et seq.) and P.L. 2007, c. 137 (C. 52:18A-235 et seq.); and

WHEREAS, the SDA's regulations at N.J.A.C. 19:34A, governing Section 13.a Delegation Agreements (the Rules), provide the conditions, eligibility criteria, and process for capital maintenance projects to be delegated to an SDA school district by the Authority, pursuant to N.J.S.A. 18A:7G-13.a.; and

WHEREAS, on April 5, 2023, the Members of the Authority approved for proposal and publication a Notice of Proposal for Readoption With Amendments of the Authority's Rules for Section 13.a. Delegations Agreements, codified at N.J.A.C. 19:34A (Notice of Proposal); and

WHEREAS, the Notice of Proposal was published in the June 5, 2023 edition of the New Jersey Register at 55 N.J.R. 1166(a); and

WHEREAS, publication of the Notice of Proposal served to extend the expiration date for the existing rules by 180 days to November 22, 2023; and

WHEREAS, in the Notice of Proposal, the SDA proposed to readopt Chapter 34A with amendments to a single section of the rules; and

WHEREAS, the Notice of Proposal detailed the proposed amendments, which are intended to facilitate the use of electronic submissions in applications for delegation of capital maintenance projects to SDA Districts and to delete an obsolete signage requirement; and

WHEREAS, the Rules' background, regulatory history and a summary of the proposed amendments are described in the memorandum presented to the Members of the Authority on this date and incorporated herein; and

WHEREAS, SDA management recommends that the Members of the Authority approve the readoption of the Rules with amendments, as previously published in the New Jersey Register, and to approve the issuance of the Notice of Readoption, a copy of which is attached to the memorandum presented to the Members of the Authority on this date and incorporated herein, the subsequent filing of the Notice of Readoption with the Office of Administrative Law.

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 proposed readoption of the Authority's Section 13.a Delegation Agreement Rules, N.J.A.C. 19:34A, with amendments, as well as the issuance of the Notice of Readoption and the filing of the Notice of Readoption with the Office of Administrative Law.

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, Notice of Adoption with Amendments: Section 13.a Delegation Agreements
Rules, N.J.A.C. 19:34A, dated, October 4, 2023

Dated: October 4, 2023

MONTHLY REPORTS
(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: October 4, 2023

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 Authority's Capital Plans.

The 2nd part of the report displays project completion milestones for all other active major capital projects and emergent projects for which a contract for construction has been awarded.



2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/23

2011 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Bridgeton	Buckshutem ES	K-8	581	645	\$23.3	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Bock)	5/31/13
Bridgeton	Quarter Mile Lane ES	PK-8	731	795	\$39.0	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Bock)	5/31/13
Elizabeth	Frank J. Cicarell Academy (Academic HS)	9-12	1,091	1,284	\$64.1	Existing Design	School occupied Sep. 2016. (Patock)	12/8/11 7/11/12
Jersey City	Patricia M. Noonan ES (ES 3)	PK-5	778	848	\$54.0	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Dobco, Inc.)	6/25/12 2/25/13
Jersey City	Dr. Maya Angelou PS #20	K-5	628	698	\$49.3	Existing Design	School occupied Sep. 2016. (Dobco, Inc.)	4/17/12 3/6/13
Long Branch	Catrambone ES	PK-5	794	867	\$40.0	Existing Design	School occupied Sep. 2014. (Terminal Construction)	12/20/11
New Brunswick	Redshaw ES	PK-5	906	990	\$51.2	Kit of Parts/ Design-Build	School occupied Jan. 2015. (Hall Construction)	5/29/12
Newark	Oliver St. ES	PK-8	848	932	\$73.6	Kit of Parts/ Design-Build	School occupied May 2016. (Epic Management)	6/27/12 11/29/12
Paterson	Dr. Hani Awadallah ES (Marshall St. ES)	K-8	650	722	\$55.2	Existing Design	School occupied Sep. 2016. (Dobco, Inc.)	6/13/12 2/12/13
Paterson	PS 16	PK-8	641	705	\$62.4	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Hall Construction)	3/27/12 8/28/13
West New York	Harry L. Bain PS 6	PK-6	736	814	\$16.8	Design-Bid-Build	School occupied Sep. 2017. (Paul Otto)	2/27/12 12/29/15

*PLEASE NOTE - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.
NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/23

2012 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Gloucester City	Elementary/Middle School	4-8	687	763	\$65.3	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Terminal)	3/4/14
Keansburg	Caruso ES	K-4	758	842	\$50.9	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Hall Construction)	10/20/11 6/27/13
Keansburg	Port Monmouth Road School	PK	318	318	\$28.4	Design-Bid-Build	Award for D-B approved Nov. 2019 Board. (Niram)	6/24/19
New Brunswick	Robeson ES	PK-5	823	893	\$48.5	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Hall Construction)	4/22/15
Newark	Elliot Street ES	PK-8	848	932	\$46.7	Kit of Parts/ Design-Build	School occupied Jan. 2016. (Hall Construction)	12/27/12
Newark	South Street ES	PK-8	597	657	\$69.9	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Bock)	6/28/13 6/29/15
Passaic	Dayton Ave. Campus	PK-8	2,760	3,020	\$240.9	Kit of Parts/ Design-Build	Award for D-B approved Nov. 2017 Board. (Terminal)	6/13/17
Phillipsburg	High School	9-12	1,846	2,172	\$127.5	Existing Design	School occupied Sep. 2016. (Epic Management)	9/27/12
West New York	Memorial HS	9-12	1,859	2,194	\$16.0	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Renovation work delegated to District via Grant.	n/a

*PLEASE NOTE - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.
NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/23

2012 Portfolio Projects (Educational Priority that require further conversations with District & 2013 Amended Projects) - sorted by District

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
East Orange	Sheila Y. Oliver Academy (GW Carver ES)	PK-5	470	512	\$41.2	Kit of Parts/ Design-Build	School delivered Sep. 2020 (Dobco)	4/26/16 1/20/17
Elizabeth	New ES @ Halloran PS #22 ES Site	2-8	860	956	\$55.3	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Torcon)	6/9/14
Garfield	James Madison ES	K-5	275	305	\$29.7	Existing Design	School occupied Sep. 2018. (Brockwell & Carrington)	2/19/14 6/30/15
Harrison	New ES	PK - 1	392	432	\$36.1	Kit of Parts/ Design-Build	School delivered Nov. 2020 (Dobco)	11/10/15 7/13/16
Irvington	Madison Avenue ES	PK-5	463	504	\$38.6	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Bock)	11/19/15 8/16/16
Millville	Senior HS Addition/Renovation	HS	2,026	2,384	\$145.0	Design-Build	Award for D-B approved Apr. 2017 Board. (Hall Construction)	9/30/16
Passaic	Sonia Sotomayor ES (New ES @ Leonard Place)	K-5	628	698	\$55.9	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Dobco, Inc.)	8/13/15
Paterson	New MS @ Union Ave.	6-8	996	1107	\$113.9	Design-Build	Award for D-B approved Sep. 2018 Board. (Epic Management)	3/2/17 4/26/18
Pemberton	Denbo-Crichton ES	PK-5	846	930	\$58.7	Design-Build	School delivered Sep. 2020. (Bock)	3/1/17 9/13/17
Perth Amboy	High School	HS	2,800	3,295	\$283.8	Design-Build	Award for D-B approved Nov. 2019 Board. (Terminal)	3/26/19
Perth Amboy	Rose M. Lopez ES (Seaman Avenue ES)	K-5	724	804	\$56.4	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Epic Management).	2/3/16
Plainfield	New Woodland ES	K-5	756	840	\$59.4	Kit of Parts/ Design-Build	Award for D-B approved Feb. 2020 Board. (Epic Management)	5/23/18 8/29/19
Union City	New Grade 7 to 9 School	7-9	756	840	\$93.7	Kit of Parts/ Design-Build	Award for D-B approved Jun. 2022 Board. (Dobco, Inc.)	5/19/21 11/15/21
Vineland	Lincoln Ave. MS (New MS)	6-8	562	624	\$49.8	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Bock).	9/24/15

***PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.
NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/23

2012 Portfolio Projects (Facilities Deficiencies) - sorted by District

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Camden	High School	9-12	1,244	1,468	\$132.6	Design-Build	School occupied Sep. 2021 (Bock)	6/9/17 3/23/18
Hoboken	Demarest ES	ES	TBD	TBD	TBD	Design-Bid-Build	Pre-Design Services ongoing.	TBD
Orange	Cleveland St. ES	PK-6	316	348	\$51.7	Design-Bid-Build	Award for GC approved Apr. 2023. (Terminal) <i>Note: Previous GC Terminated for convenience 3/1/22.</i>	9/10/18 11/14/18 1/30/23
Orange	High School	9-12	1,440	1,694	\$59.8	Design-Bid-Build	Award for GC approved Mar. 2019 Board. (Terminal)	10/12/18
Trenton	Central HS	10-12	1,850	2,176	\$155.4	Design-Build	School occupied Sep. 2019. (Terminal)	12/19/14 9/29/15

***PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.

NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



Active Project Status Report Status as of 9/1/2023

Major Capital Projects - With Contract for Building Construction Awarded

#	District	Project Name	Project Scope	Project Status	Substantial Completion	Status Substantial Completion	School Opening	Status of School Opening	Total Estimated Project Cost
1	City of Orange	Cleveland Street ES	Addition/Renovation	Construction	2Q 2024	On-target	Sep-24	On-target	\$ 51,682,267
2	Perth Amboy	New High School	New Construction	Construction	2Q 2024	On-target	Sep-24	On-target	\$ 283,830,000
3	Plainfield	New Woodland ES	New Construction	Construction	2Q 2023	Achieved	Sep-23	Achieved	\$ 59,440,000
4	Union City	New Grade 7 to 9 School	New Construction	Design-Build Design	3Q 2025	On-target	Sep-25	On-target	\$ 93,696,300



Active Project Status Report Status as of 9/1/2023

Emergent Projects - With Contract for Construction Awarded

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	East Orange	Fresh Start Academy	Building Envelope Repairs	GCTO w/ Design Design Phase	2Q 2024	On Target	2Q 2024	On-Target	\$ 3,909,963
2	Irvington	Grove Street School	Boiler Replacement	GCTO w/ Design Construction Phase	1Q 2024	On Target	2Q 2024	On-Target	\$ 3,762,782
3	Newark	Cleveland School	Boiler Room Vault Repairs	GCTO w/ Design Design Phase	4Q 2023	On Target	1Q 2024	On-Target	\$ 1,664,389
4	Newark	Salome Urena School	Exterior Masonry Repairs	GCTO w/ Design Design Phase	1Q 2024	On Target	2Q 2024	On-Target	\$ 342,938
5	Newark	Techonology High School	Structural Vault Repairs and Façade Repairs	GCTO w/ Design Design Phase	4Q 2023	On Target	1Q 2024	On-Target	\$ 2,867,680
6	Newark	University High School	Building Envelope Repairs	GCTO w/ Design Design Phase	1Q 2024	On Target	2Q 2024	On-Target	\$ 1,819,548
7	Paterson	PS #5	Roof Replacement & Masonry Repairs	Construction	1Q 2023	Achieved	3Q 2023	On-Target	\$ 10,968,112
8	Trenton	Franklin ES	Exterior Structural Repairs	GCTO w/ Design Design Phase	1Q 2024	On Target	2Q 2024	On-Target	\$ 476,424
9	Union City	Emerson Middle School	Roof, Masonry & Stucco Repairs	GCTO w/ Design Design Phase	1Q 2024	On Target	2Q 2024	On-Target	\$ 2,842,848
10	Union City	Union Hill Middle School	Roof, Masonry, Stucco & Chimney Repairs	GCTO w/ Design Design Phase	1Q 2024	On Target	2Q 2024	On-Target	\$ 3,507,102

PROJECT STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Planning and Program Operations

DATE: October 4, 2023

SUBJECT: Executive Summary – Monthly Project Status Reports

MONTHLY PROJECT STATUS REPORT

Projects that have Expended 75% or More of Board Approved Contingency:

No activity during the reporting period

Projects Greater than 90 Days Behind Schedule:

No activity during the reporting period

Revisions to Project Charters:

Revised Final Project Charter for the Millville Senior HS addition and renovation project incorporating a Board approved budget increase to support additional HVAC renovation work.



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: January 2008 to August 2023

District	Project	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ¹	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
----------	---------	--	--------------------------------	------------------------------------	-------------------------------------	----------------------	----------	----------------

In Construction

Millville	Millville Senior HS - Addition & Renovation	\$5,000,000	\$5,000,000	\$0	100.0%	100%	Board approved additional building condition repair work and flood hazard area mitigation work added to the project.	Project is in construction and scheduled for completion per the original schedule. Revised Final Project Charter approved by the CEO in June 2021 to allocate additional contingency to the project from the Unforeseen Events Reserve.
Orange	Orange HS - Addition & Renovation	\$4,525,000	\$4,525,000	\$0	100.0%	100%	Unforeseen conditions related to the site and renovation portions of the project and connection of the HS to the Orange Preparatory Academy.	Project is in construction and scheduled for completion this year. Revised Final Project Charter approved by the CEO to allocate additional contingency to the project from the Unforeseen Events Reserve.

Substantially Complete & Building Occupied

Please refer to the Project Close-Out Activity Report for status of close-out activities

Newark	Speedway Avenue E.S.	\$1,826,000	\$1,754,119	\$71,881	96.1%	100%	1. Removal of unforeseen impacted materials	Project complete and building occupied. Project close-out pending resolution of open contracts.
West New York	West New York P.S. #2	\$2,708,883	\$2,708,883	\$0	100.0%	100%	1. Unforeseen site foundation issues	Project complete and building occupied. Project close-out pending resolution of open contracts.

¹ Does not include expended contingency or contingency funds allocated for change orders, amendments



Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy

Reporting Period: August 2023

#	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
---	------------	----------	---------	---	----------------------------------	--	------------------------------	----------	----------------

No Activity During the Reporting Period



Revisions to Project Charters

Reporting Period: August 2023

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
1	Millville	Millville Senior HS	Budget Increase	\$ 4,162,825	2.87%	Board Approval	Additional funding to support additional HVAC renovation scope being advanced to address humidity issues in the building.

CONTRACTS EXECUTED REPORT/AMENDMENTS & CHANGE ORDERS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: October 4, 2023

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 August 1, 2023 through August 31, 2023.

Noteworthy Items during the reporting period:

- Executed 1 General Construction Task Order contract for the emergent building envelope repair project at the East Orange Fresh Start Academy with Integrated Construction Enterprises for \$2,950,968.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the August 1, 2023 through August 31, 2023.

Noteworthy Items during the reporting period:

- No Professional Services Amendment were executed during the reporting period.
- 4 Construction Services Change Orders were executed during the reporting period totaling \$43k, of the executed change orders none required Board approval.

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.

- No Activity to Report

Contracts Executed Report

Reporting Period: 8/1/2023 through: 8/31/2023

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										
East Orange	Fresh Start Academy	Reno	Construction	EP-0123-C01	Integrated Construction Enterprises, Inc.	MS	\$2,950,968	08/22/2023	-	
Contractor										
Part 2. Construction Services							\$2,950,968			

Contracts Executed Report

Reporting Period: 8/1/2023 through: 8/31/2023

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 4. Other Contracts & Services											
Others											
Millville	High School	RenoAdd	FFE	ST-0046-Q51	Krueger International, Inc.		\$17,426	8/10/2023	-		
Perth Amboy	New Perth Amboy High School	New	FFE	ET-0099-K04	Washington Computer Services		\$643,550	8/24/2023	-		
Perth Amboy	New Perth Amboy High School	New	FFE	ET-0099-Q01	Krueger International, Inc.		\$52,242	8/29/2023	-		
Others											
Part 4. Other Contracts & Services							\$713,218				Total Contracts Awarded
Grand Totals - Professional and Construction Services Combined							\$3,664,186				4

**** Contracts less than \$10,000 are not displayed**

Project Types Legend

HS Health & Safety
 New New Constuction
 Add Addition
 RenoAdd Addition & Renovation
 Reno Renovation

Contract Types Legend

Aquisition 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

Amendments & Change Orders Report

Reporting Period: 8/1/2023 through: 8/31/2023

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %
Construction Services													
Contractor													
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	267	Terminal Construction Corp.	8/11/2023	\$37,000,000	\$8,071,177	\$7,156			\$45,078,333	21.83%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	264	Terminal Construction Corp.	8/15/2023	\$37,000,000	\$8,078,333	\$26,532			\$45,104,865	21.90%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	266	Terminal Construction Corp.	8/15/2023	\$37,000,000	\$8,104,865	\$6,918			\$45,111,783	21.92%
Plainfield	New K-5 Elementary School	ET-0100-B01	3/11/2020	16	Epic Management, Inc.	8/9/2023	\$45,335,000	\$160,542	\$2,107			\$45,497,649	0.35%

Construction Services \$42,713

Total Change Order Summary
\$42,713

Total Change Orders
4

Grand Totals	
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

CONTRACT TERMINATIONS REPORT *(no activity)*

SETTLEMENT CLAIMS *(no activity)*

DIVERSITY AND WORKFORCE PARTICIPATION REPORT



MEMORANDUM

TO: Members of the Authority

FROM: J Manuel Castillo, Director – EEO/Affirmative Action & Vendor Services

DATE: October 4, 2023

RE: Diversity and Workforce Participation Monthly Update for July 2023

The EEO/Affirmative Action & Vendor Services Team consistently participates in mandatory pre-bid and pre-construction meetings to inform and provide guidance to bidders regarding SDA’s Small Business Enterprise (SBE) and Workforce goals, policies and procedures. The guidance provided in such meetings is on, among other things, the following:

- SBE subcontracting goal of 25% of all contracts
- County workforce goals for minorities and females
- Local 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

During these meetings, our Team strongly encourages vendors to identify and hire minority-owned, female-owned and disabled veteran-owned firms, as well as locally based enterprises, for diverse business participation on all school building projects. As each project progresses, our Team provides vendors outreach strategies to support their efforts in reaching the above-mentioned goals.

SMALL BUSINESS ENTERPRISE ATTAINMENT

The SDA regularly exceeds the State-mandated 25% SBE goal. The total SDA fully contracted dollars awarded in July 2023 was \$0. The total fully contracted dollars awarded in 2023 through July 31, 2023 was \$27,725,523. Of that total, \$12,732,500 was awarded to SBEs, including minority, female and veteran owned SBEs. This represents an SBE initial participation of 45.93% of all NTP-issued SDA contracts awarded in calendar year 2023. Participation will continue to increase as prime contractors hire additional subcontractors/subconsultants throughout the lifecycle of the construction project.

Diversity Breakdown

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$ 12,732,500	45.93%
Minority Business Enterprises	\$ 540,000	1.95%
Women Business Enterprises	\$ 1,283,000	4.63%
Minority/Women Owned Business Enterprises	\$ -0-	0.00%
Veteran Owned Business Enterprises	\$ -0-	0.00%
Disabled Veteran Owned Business Enterprises	\$ -0-	0.00%
TOTAL DIVERSITY CONTRACTS	\$ 14,555,500	52.51%

WORKFORCE PARTICIPATION

For the month of July 2023, there was a contractor workforce of 399 on SDA projects. This represents a total of 32,315 contractor workforce hours. This is explained in more detail below:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	28	2,175	6.73%
Hispanic	82	5,476	16.95%
Indigenous American	0	0	0.00%
Asian	3	360	1.11%
Total Minority Participation	113	8,011	24.79%
Total Non-Minority Participation	286	24,304	75.21%
Total Contractor Workforce	399	32,315	100.00%

There was a contractor workforce of 280,663 total workforce hours on SDA projects for the period of January 1, 2023 through July 31, 2023, which includes 6,781 total female workforce hours.

The following table highlights the *Local County Contractor Workforce* participation for this period:

Local County Contractor Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	280,663	100.00%
*Total Local County Workforce Hours	26,406	9.41%
Total Local County Non-Minority Workforce Hours	18,622	6.64%
Total Local County Female Workforce Hours	549	0.20%
Total Local County Minority Workforce Hours		2.77%
**Local County Workforce Hours by Ethnicity:		
Black	1,237	0.44%
Hispanic	6,283	2.24%
Indigenous American	0	0.00%
Asian	264	0.09%

*Total workforce and total local county workforce represent all laborers including females.

**Ethnicity breakdown of Total Local County Minority Workforce Hours.

NOTE: Hours worked by female laborers who are minority are included in total number of hours worked by female laborers. Therefore, for the purposes of this memorandum, hours worked by female minority laborers are not included in the minority breakdown.

The following table represents contractor minority and female workforce for all SDA active Capital Projects and all active and completed Emergent Projects for the period of January 1, 2023 through July 31, 2023.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Local County Workforce Hours & Percentage	
Millville HS	8,228	1,284	15.61%	290	3.52%
Orange HS	818	246	30.07%	82	10.02%
Perth Amboy HS	241,005	69,029	28.64%	22,370	9.28%
Plainfield ES	23,699	5,626	23.74%	55	0.23%
Cleveland St ES	4,245	1,827	43.04%	114	2.69%
Emergent Projects	2,436	1,552	63.01%	0	0.00%

Reviewed and recommended by: J Manuel Castillo
Prepared by: Charlotte Brooks

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Planning and Program Operations

DATE: October 4, 2023

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 August 2023. Also included is a detailed list of grants executed and grants offered during the reporting period if applicable.

Monthly Update:

- No grants were offered during the reporting period.
- No grants were executed during the reporting period.
- 4 grants impacting 3 districts were closed out during the reporting period representing total project costs of \$3.1M and state share of \$1.3M.
- Since inception, over \$2.95B has been disbursed to 523 regular operating districts through the grant program.
- Since inception over \$3.3B in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	-	523	520	45
Number of Grant Projects	-	5,395	5,225	170
Total Project Cost Estimate	\$ -	\$ 8,938,557,425	\$ 8,802,774,282	\$ 135,783,143
Grant Amount	\$ -	\$ 2,999,267,838	\$ 2,934,258,105	\$ 65,009,734
Amount Disbursed	N/A	\$ 2,953,637,567	\$ 2,934,258,105	\$ 19,379,462

Total Funding Offered to School Districts via Grant Program	\$ 3,342,209,450
Total ROD Grant Funding remaining for new Grant Projects	\$ 476,570,309

1. Includes grants that have been offered to District's but have not yet been executed.

Monthly Activity ROD Grant Summary		
	Executed	Closed-Out
Districts Impacted	-	3
Number of Grant Projects	-	4
Total Project Cost Estimate	\$ -	\$ 3,133,784
Grant Amount	\$ -	\$ 1,337,971
Amount Disbursed	NA	\$ 1,337,971

* 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.

**NOTIFICATION OF AMENDMENTS TO GOODS AND SERVICES CONTRACTS NOT
EXCEEDING \$100,000 OR 10% OF THE CONTRACT VALUE (*no activity*)**

COMMUNICATIONS MONTHLY REPORT



MEMORANDUM

TO: Members of the Authority
FROM: /s/ Edye Maier, Director of Communications
DATE: October 4, 2023
RE: Monthly Communications Report

SDA Joined by Union City Officials and Students to Break Ground for a New Grade 7 to 9 School



On September 13, 2023, SDA CEO Manuel Da Silva joined Union City School District officials and students, as well as Mayor and State Senator Brian Stack at a ground breaking ceremony for the new grade 7 to 9 School. Following remarks by officials, Union City eighth grade student Azilah Moore spoke of her excitement for the new school with

those present. The ceremony also included the District's Jr. ROTC Color Guard.

The new, \$93.7 million school will be an approximately 132,000 square-foot, six-story facility designed to educate a maximum of 936 students in seventh to ninth grades. In addition to general classrooms and science labs, the school will include specialized educational spaces such as three art rooms, a stem/robotics lab, a hydroponics lab, a technology lab, vocal music room, a dance studio, a rooftop environmental science lab with an outdoor growing area, a media center, a gymnasium, and a cafetorium with a stage/instrumental room.

Camden School District Announces Reconstruction Plan for Eastside High School

On September 18, 2023, the Camden School District was joined by SDA, local, state, and federal officials to announce a reconstruction plan for Eastside High School. This project will address the



facilities deficiencies needs project identified for advancement in Camden as part of the SDA's Statewide Strategic Plan. CEO Manuel Da Silva shared remarks with those in attendance. He explained that after the SDA's engagement of a bridging design consultant in the coming months, commencement of the planning and development phase will begin.

SDA Celebrates the Ribbon Cutting Ceremony for the Addition/Renovation Project at Millville High School



On September 21, 2023, the SDA joined Millville School District officials and students today for a ribbon cutting ceremony to celebrate the completion of the addition/renovation project at Millville High School. The highlights of the ceremony were the various presentations from students, including remarks from the school's National Honor Society President, flag salute by the Senior Class President and Honor Guard, as well as musical selections from the choir and Marching Bolts Drumline.

Millville students now have access to approximately 230,000 square-feet of additions and more than 55,000 square-feet of renovations and alterations to the existing building following the completion of this multi-phase project. Construction activities for this project were completed in four phases to allow the Millville School District to continue to utilize the existing facility as construction progressed. The new auditorium was the most recent addition completed at the school in 2023. The two-story connector was also delivered in 2023 and included two art studios, a broadcasting/production studio and three small group instructional rooms.

MONTHLY FINANCIAL REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Sherman E. Cole, MBA, CPA
Controller

DATE: October 4, 2023

RE: Monthly Financial Report – August 2023

Fund Reporting Operating Expenses (Year-to-Date Actual vs. Budget)

For August 2023 year to date, Authority operating expenses, **\$9.3M**, are **\$2.1M** lower than budget for the corresponding period. This variance is attributable to lower spending activity for personnel costs **\$1.7M**, professional and other contracted services **\$459K**, and information systems **\$375K**. This variance is offset by a lower payroll and benefits expense allocation to project costs, **\$831K**.

The full time employee (FTE) headcount is 127 as of August 31, 2023. This total represents a 17 FTE decrease in comparison to the year to date budgeted headcount.

Fund Reporting Operating Expenses (Year-to-Date Actual vs. Prior Year Actual)

For August 2023 year to date, Authority operating expenses, **\$9.3M**, are **\$478K** lower when compared to the corresponding prior year. This variance is primarily attributable to year-over-year decreases in personnel costs **\$262K** and a higher payroll and benefits expense allocation to project costs **\$200K**.

The current number of FTEs, 127, is down 5 FTEs as compared to the corresponding prior year headcount.

School Facilities Project Expenditures (Year-to-Date Actual vs. Forecast)

For August 2023 year to date, project costs, **\$185.3M**, are **\$19.2M** lower than the capital spending forecast for the corresponding period. This variance is attributable to decreased spending for construction work **\$16.0M**, grant agreements **\$12.3M**, project insurance **\$1.7M**, design services **\$1.6M**, construction management services **\$954K**, and a lower payroll and benefits expense allocation to project costs **\$831K**. Partially offsetting this variance is the increase in school furniture and equipment purchases, **\$301K**, and the increase in acquisition costs associated with the purchase of a school facility in 2023, **\$15.5M**.

School Facilities Project Expenditures (Year-to-Date Actual vs. Prior Year Actual)

For August 2023 year to date, project expenditures, **\$185.3M**, are lower by **\$23.8M** when compared to the corresponding prior year. This variance is attributable to decreases in spending for grant agreements **\$16.8M**, construction work **\$16.0M**, school furniture and equipment **\$7.3M**, and construction management services, **\$1.1M**. This variance is partially offset by an increase in acquisition costs associated with the aforementioned purchase of a school facility, **\$15.5M**, design services **\$1.1M**, and project insurance, **\$697K**.

Other

Since program inception, 80.4% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception, 96% of all SDA disbursements relate to school facility projects and 4% relate to operating expense.

The estimated value of active school facilities, capital, emergent and ROD grant projects is approximately \$1.2B.

Attachment

New Jersey Schools Development Authority
Monthly Financial Report
August 2023
(Unaudited)

New Jersey Schools Development Authority

Overview of Financial Position

August 31, 2023

To: The Audit Committee

From: Sherman E. Cole, Controller

The information contained in this monthly financial report is for the period as of, and for the year-to-date ending, August 31, 2023.

► Overall **Cash and Cash Equivalents** have increased by \$65.0 million to \$467.8 million, as follows:

■ Appropriation from State	\$ 250,000,000
■ Investment earnings	9,572,495
■ Miscellaneous revenue	16,639
■ Project costs	(185,345,390)
■ SDA operating expenses	(9,718,889)
■ SDA capital expenditures	-
■ Deposits (primarily district local shares)	455,796
Net Change in Cash	\$ 64,980,651

► **Prepaid Expenses** total \$289,227 as follows:

- Prepaid insurance of \$201,006.
- Prepaid security deposit of \$55,798 for the Authority's leased swing space.
- Prepaid MIS maintenance service contracts of \$30,418.
- Other prepaids of \$2,005.

► **Capital Assets** total \$1,722,724 (net of accumulated depreciation of \$8,569,169), consisting of leasehold improvements (SDA office), and capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is generally calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$0 and **Depreciation Expense** is \$355,749.

► **Accrued Liabilities** total \$79.4 million, as follows:

- Accrued project costs of \$14.9 million consisting of unpaid invoices (\$1.2 million) and retainage (\$13.7 million). Project-related lease liabilities are \$0.6 million.
- Net pension liability of \$29.4 million.
- Other post-employment benefits obligation of \$24.6 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$2.4 million (PRO liability \$2.4 million, offset by expected cost recoveries of \$0.0 million).
- Estimated liability for loss contingencies totaling \$5.5 million.
- Payroll related liabilities of \$1.4 million.
- Other accrued liabilities of \$ 0.1 million, including non-project lease liabilities of \$0.5 million.

► **Deposits** total \$8.4 million, as follows:

- \$8.4 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$364.2 million.

New Jersey Schools Development Authority

School Facilities Project Expenditures & Funding Allocation

August 31, 2023

► **School Facilities Construction Bond/Note Proceeds/Appropriations & Project Expenditures**

- During the current year to date, the SDA has received \$0.0 million in bond/note proceeds & \$250.0 million in appropriations. The total amount received since program inception is \$12.4 billion.
- Project expenditures for the month and year-to-date periods total \$19.0 million and \$185.3 million, respectively, as follows:

Category	Current Month	Year-To-Date	Since Inception
Construction	\$ 16,315,614	\$ 94,632,290	\$ 5,758,479,402
Design Services	197,021	924,085	413,879,579
PMF/CM Services	190,615	2,101,346	481,593,301
SDA Project Management	722,442	6,444,703	137,528,499
Property Acquisition, Relocation & Enviro	207,480	16,198,228	602,516,621
School Furniture, Fixtures & Equipment	277,525	3,897,012	240,125,006
Project Insurance	79,401	159,145	114,759,113
NJ State Inter-Agency Transfers	115,944	545,421	53,621,820
SDA District Grant & Funding Agreements	-	42,585,921	980,304,987
Regular Operating District Grant Agreements	836,964	17,233,615	3,003,526,251
Real-Time Project Audits	11,023	129,146	1,193,823
Property Management, Maintenance & Utils	26,381	214,932	19,347,959
Outside Legal & Claims Resolution Services	4,870	94,050	12,338,330
Temporary Staffing	1,235	28,595	10,755,034
Other Project Costs	33,150	156,901	62,597,428
Project Credits	-	-	(54,902,944)
Total Project Expenditures	19,019,665	185,345,390	11,837,664,209
Less: Local Share Contributions	-	-	(185,112,439)
Project Expenditures (State Share)	\$ 19,019,665	\$ 185,345,390	\$ 11,652,551,770
2023 Capital Spending Forecast	\$ 16,570,318	\$ 204,557,058	

Allocations Since Program Inception

► **All Funding Sources & Expenditures**

	All Sources ¹	Total Funding ²	Paid to Date ³
■ SDA Districts	\$ 10,750,000,000	\$ 10,889,104,707	\$ 8,754,522,630
■ RODs Incl Vo-Tech Schools	4,000,000,000	4,056,231,335	3,429,146,228
Total - State Share	\$ 14,750,000,000	\$ 14,945,336,042	\$ 12,183,668,858

► **Percentage of Total Funding Paid to Date**

■ SDA Districts	80.4%
■ RODs Incl Vo-Tech Schools	84.5%
Total - State Share	81.5%

1 Of the \$14.8 billion authorized for the school construction program (including bond funds & appropriations), \$12,447,702,648 has been received to date.

2 Includes bonding cap amounts, appropriations and other income and miscellaneous revenue earned to date (i.e., interest income on invested funds).

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$531,117,088.

New Jersey Schools Development Authority
Fund Reporting Operating Expenses vs Budget
August 31, 2023

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
Personnel Expenses:			
Employee Salaries	\$ 8,356,769	\$ 9,538,221	\$ (1,181,452)
Employee Benefits	4,667,267	5,132,353	(465,086)
Direct Hire Temporary Employee Costs	5,288	32,296	(27,008)
Total Employee Salaries & Benefits Costs	13,029,324	14,702,870	(1,673,546)
Less: Employee Salaries & Benefits Costs			
Charged to Projects	6,444,703	7,275,706	(831,003)
Salaries & Benefits Charged to Operating Expense	6,584,621	7,427,164	(842,543)
Temporary Staffing Services	-	100,000	(100,000)
Travel & Expense Reimbursements	9,704	20,600	(10,896)
Training & Professional Development	18,750	63,200	(44,450)
Total Personnel Expenses	6,613,075	7,610,964	(997,889)
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	1,464,386	1,561,664	(97,278)
Information Systems	700,790	1,075,892	(375,102)
Professional & Other Contracted Services	147,450	606,900	(459,450)
Property & Casualty Insurance	342,851	368,920	(26,069)
SDA-Owned Automobiles	50,134	118,336	(68,202)
Communications & Outreach	855	2,664	(1,809)
Reserve for Unforeseen Events & New Initiatives	-	33,336	(33,336)
Total Authority Operating Expenses	\$ 9,319,541	\$ 11,378,676	\$ (2,059,135)
 2023 Annual Operating Budget		 \$ 15,910,844	

New Jersey Schools Development Authority

Fund Reporting Operating Expenses vs Prior Year

August 31, 2023

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2022</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
Personnel Expenses:			
Employee Salaries	\$ 8,356,769	\$ 8,588,211	\$ (231,442)
Employee Benefits	4,667,267	4,677,596	(10,329)
Direct Hire Temporary Employee Costs	5,288	25,386	(20,098)
Total Employee Salaries & Benefits Costs	13,029,324	13,291,193	(261,869)
Less: Employee Salaries & Benefits Costs			
Charged to Projects	6,444,703	6,244,715	199,988
Salaries & Benefits Charged to Operating Expense	6,584,621	7,046,478	(461,857)
Temporary Staffing Services	-	-	-
Travel & Expense Reimbursements	9,704	12,116	(2,412)
Training & Professional Development	18,750	20,534	(1,784)
Total Personnel Expenses	6,613,075	7,079,128	(466,053)
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	1,464,386	1,380,416	83,970
Information Systems	700,790	621,590	79,200
Professional & Other Contracted Services	147,450	314,704	(167,254)
Property & Casualty Insurance	342,851	305,898	36,953
SDA-Owned Automobiles	50,134	95,834	(45,700)
Communications & Outreach	855	72	783
Reserve for Unforeseen Events & New Initiatives	-	-	-
Total Authority Operating Expenses	\$ 9,319,541	\$ 9,797,642	\$ (478,101)

New Jersey Schools Development Authority

Employee Headcount

August 31, 2023

	<u>Current Month End</u>	<u>Budget</u>	<u>Over/ (Under)</u>
Office of Chief Executive Officer	2	2	-
Human Resources	4	4	-
Vacant Positions	0	6	(6)
Communications	3	3	-
Legislative Affairs	1	1	-
EEO/AA & Vendor Services	4	4	-
Office of Program Operations & Strategic Planning	0	1	(1)
Capital Planning & Program Operations	10	10	-
Design Studio	10	12	(2)
Grants Administration	7	7	-
Real Estate Services & Predevelopment	2	2	-
Office of Construction Operations	0	0	-
Project Teams	18	22	(4)
Office of Corporate Governance & Legal Affairs	3	4	(1)
Chief Counsel	7	7	-
Information Systems	11	12	(1)
Central Records Management	3	3	-
Safety	4	5	(1)
Internal Audit	2	2	-
Office of Chief Financial Officer	1	1	-
Financial Operations	7	7	-
Financial Accounting & Disbursements	11	11	-
Procurement	10	10	-
Risk Management	2	3	(1)
Facilities	5	5	-
Total Full-Time Employees at Month End	<u>127</u>	<u>144</u>	<u>(17)</u>
 Total Full-Time Employees at Year End		<u>150</u>	

New Jersey Schools Development Authority
Statement of Net Position
August 31, 2023

	<u>Current Month End</u>	<u>2022 Year End</u>	<u>Over/ (Under)</u>
ASSETS			
Cash and Cash Equivalents	\$ 467,812,040	\$ 402,831,389	\$ 64,980,651
Receivables	758	739	19
Prepaid Expenses	289,227	127,272	161,955
Capital Assets, net of accumulated depreciation	1,722,724	3,280,015	(1,557,291)
Total Assets	<u>469,824,749</u>	<u>406,239,415</u>	<u>63,585,334</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount for Pensions & OPEB	<u>7,491,381</u>	<u>9,950,484</u>	<u>(2,459,103)</u>
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES			
	<u>\$ 477,316,130</u>	<u>\$ 416,189,899</u>	<u>\$ 61,126,231</u>
LIABILITIES			
Accrued Project Costs	\$ 23,458,855	\$ 50,313,595	\$ (26,854,740)
Net Pension Liability	29,428,895	29,428,895	-
Accrued Other Post-Employment Benefits	24,557,828	24,317,811	240,017
Other Accrued Liabilities	1,985,418	5,409,755	(3,424,337)
Deposits	8,442,208	7,986,412	455,796
Total Liabilities	<u>87,873,204</u>	<u>117,456,468</u>	<u>(29,583,264)</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount for Pensions & OPEB	<u>25,264,768</u>	<u>25,264,768</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	1,722,724	3,280,015	(1,557,291)
Restricted for Schools Construction:			
Special Revenue Fund	<u>362,455,434</u>	<u>270,188,648</u>	<u>92,266,786</u>
Net Position	<u>364,178,158</u>	<u>273,468,663</u>	<u>90,709,495</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION			
	<u>\$ 477,316,130</u>	<u>\$ 416,189,899</u>	<u>\$ 61,126,231</u>

New Jersey Schools Development Authority
Statement of Activities
August 31, 2023

	<u>Current Year-To Date</u>	<u>2022 Year-To Date</u>	<u>Over/ (Under)</u>
REVENUES			
Program Revenues:			
Appropriation from State	\$ 250,000,000	\$ -	\$ 250,000,000
General Revenues:			
Investment Earnings	9,572,495	1,963,647	7,608,848
Rental Income	4,800	9,120	(4,320)
Other Revenue-OPRA	11,839	10,984	855
Total Revenues	259,589,134	1,983,751	257,605,383
EXPENSES			
Administrative & General Expenses	9,906,335	10,775,027	(868,692)
School Facilities Project Costs	158,973,304	179,920,717	(20,947,413)
Total Expenses	168,879,639	190,695,744	(21,816,105)
CHANGE IN NET POSITION	90,709,495	(188,711,993)	279,421,488
Beginning of Period Net Position	273,468,663	483,103,647	(209,634,984)
NET POSITION END OF PERIOD	\$ 364,178,158	\$ 294,391,654	\$ 69,786,504

DESIGN CONTRACT DE-OBLIGATIONS REPORT (*no activity*)

RESOLUTION TO ADJOURN INTO EXECUTIVE SESSION

Resolution—8.

Resolution to Adjourn into Executive Session

Resolution

WHEREAS, the “Senator Byron M. Baer Open Public Meetings Act” (OPMA), N.J.S.A. 10:4-6, declares “the right of the public to be present at all meetings of public bodies” except as expressly provided in the Act; and

WHEREAS, N.J.S.A. 10:4-12 (b) provides that a public body may exclude the public from that portion of a meeting at which the public body discusses, among other things, any matter involving the lease... of real property with public funds...or any pending or anticipated litigation or contract negotiations in which the public body is or may become a party...falling within the attorney-client privilege, to the extent that confidentiality is required to preserve the attorney-client relationship; and

WHEREAS, the Members of the Authority have before them on this date one matter that, pursuant to N.J.S.A. 10:4-12, are appropriate for consideration in Executive Session consistent with the provisions of the OPMA; and

WHEREAS, the matter for consideration by the Board in Executive Session is a proposed Settlement of Cost Recovery Litigation Relating to the Egg Harbor City Middle School Project; and

WHEREAS, the minutes of the Board’s October 4, 2023 Executive Session meeting will be available for release for public review upon the full and final conclusion of all negotiations, legal proceedings, and settlements, and associated matters and/or the execution of all documentation, agreements and leases associated with the matters to be discussed therein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby resolve to adjourn into Executive Session to consider and deliberate with regard to the matter described herein and, thereafter, to vote on the associated Resolution No. 6e. upon the Board’s return to Open Session.

BE IT FURTHER RESOLVED, that the minutes of the Board’s October 4, 2023 Executive Session meeting will be available for release for public review upon the full and final conclusion of all negotiations, legal proceedings, settlements, and associated matters, and/or the execution of all documentation, agreements and leases associated with the matters to be discussed therein.

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: Resolution to Adjourn into Executive Session, dated October 4, 2023

Dated: October 4, 2023