

**MEMORANDUM**

TO: Members of the Authority

FROM: Larry Hanover, Senior Public Information Manager

DATE: April 29, 2009

SUBJECT: New Jersey Schools Development Authority (SDA)
April Progress Report

Introduction:

During a weeklong celebration of Earth Day, Governor Jon S. Corzine visited Park Avenue Elementary School in Orange, an example of how New Jersey's school construction program is generating jobs while simultaneously providing sustainable, environmentally friendly schools. During the April 23 visit, the Governor announced the state's school construction program created or saved 4,500 jobs in March.

"We believe that environmentally responsible construction and job creation go hand in hand," Governor Corzine said. "The work at Park Avenue School demonstrates how our school construction program is stimulating the economy in a way that also provides sustainable, environmentally friendly schools. Equally important, over the life of this project, approximately 322 jobs will have been created or saved. It is a microcosm of the statewide program, which is generating thousands of jobs for our citizens."

The SDA March jobs report notes the creation of 701 new jobs. It also includes the preservation of 2,337 jobs that may not have existed if not for the school construction program. Another 1,519 are estimated to have been indirectly created or saved.

The school construction program is central to the state's effort to mitigate the effects of the national recession through job creation. The SDA has accelerated projects in response to Governor Corzine's direction to advance his Economic Assistance and Recovery Plan. The SDA plans to begin preliminary or full construction of 27 projects in 2009, with job creation expected to accelerate in the latter half of the year as more projects break ground. Overall, the SDA will invest \$1.3 billion in 27 Capital Plan projects in 2009. Over the life of these projects, the SDA expects to create or save about 11,000 jobs.

“We are pleased to have created or saved so many jobs during these difficult economic times,” said SDA CEO Kris Kolluri. “Our figures will only improve throughout the year as our acceleration efforts in support of the Governor’s economic plan take firmer hold.”

The jobs report is the result of the Governor’s action in January to create a task force to monitor job creation resulting from his economic plan. The Governor is requiring agencies, including SDA, to submit reports monitoring the effectiveness of these efforts.

Park Avenue Elementary School, constructed in 1880, is the oldest public school structure still in use in the city. In addition to the renovation, the project entails a 68,527-square-foot addition and construction of two playgrounds. The addition will consist of a gymnasium, cafeteria, media center, administrative office and eight classrooms.

The project has other features important to sustainability. They include efficient use of natural daylight, which is critical for student performance and reduces electrical consumption, and using a playground surface material produced from recycled tires. Central to the SDA’s sustainability efforts is its 21st Century Schools Design Manual, which defines performance standards for design and construction of schools that are safe, environmentally friendly and energy-efficient.

All SDA projects meet LEED (Leadership in Energy & Environmental Design) standards, as developed by the U.S. Green Building Council. The Park Avenue School addition/renovation project is no exception. Key features include reuse of the existing school, which conserves raw materials, and a high-efficiency HVAC system, which significantly reduces energy costs. The PreK-8 school, with a capacity of 383 students, will open in September 2009.

SDA Events:

- April 2: **Alliance for Action:** Kolluri discussed the SDA’s construction program at an event in Trenton entitled “Economic Stimulus – How to Get in on the Action.”
- April 2: **Greater Atlantic City Chamber of Commerce:** Jerry Murphy, Vice President/Chief Operating Officer, spoke at an event entitled “2009 Major Public Construction Projects.”
- April 3: **New Jersey Business and Industry Association: Surviving the Recession.** Murphy discussed SDA’s upcoming projects and how to work with the SDA at a seminar in Edison entitled “Surviving the Recession.”
- April 4: A groundbreaking for the new **Egg Harbor City Elementary/Middle School** was held by SDA and School District officials, who were joined by students, teachers, parents, residents, and city and community leaders. The new 61,954-square-foot, two-story school for 364 students in 4th through 8th grades,

will be built on a 10-acre district-owned site on Havana Avenue. The school is scheduled to open in September 2010.

- April 16: The SDA released its **2008 Annual Report**, reflecting on a year that resulted in \$3.9 billion in new funding for the school construction program, the completion of 17 schools and the development of an accelerated-construction strategy to stimulate the state's economy. The SDA's 17 completed schools, along with other rehabilitation projects, resulted in nearly 8,000 jobs saved or created, according to the report. The schools also provided more than 8,000 new seats for the children of New Jersey. Districts from Newark, which celebrated the opening of Central High School, to Camden, which marked the completion of its Early Childhood Development Center, benefited from efforts to address overcrowded, outdated and unsafe facilities. For 2009, the SDA is projecting the completion of 18 schools across New Jersey, according to the report. The report is available at <http://www.njsda.gov/RP/reports/2008AnnualReport.pdf>.
- April 17: The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA), the SDA and the New Jersey Department of Labor and Workforce Development have renewed their alliance to promote workplace safety and health at New Jersey school construction sites. The OSHA alliance will provide SDA members and others with information, guidance and access to training resources that will help them protect employees' health and safety, particularly in reducing and preventing exposure to school construction industry hazards.
- April 24: **New Jersey Principals and Supervisors Association meeting:** Murphy spoke about the school construction program, including current and future projects in the pipeline, new initiatives, and information about current procedures that school leaders will need to understand to apply for future projects. The event was in Monroe Township.
- April 28: At a community meeting April 28, SDA officials discussed upcoming construction work related to **Jersey City Elementary School No. 13**.

Upcoming Events:

- May 5: CEO Kolluri will give a keynote speech at a regional conference of the **Council of Educational Facility Planners** regarding the status of the school construction program. The event will be at the Hyatt Regency in New Brunswick.
- May 8: **NJ Business & Industry Association:** Murphy, VP/Project Management Regina Bleck and Chief Counsel Janesa Urbano will discuss how to go about getting work on SDA projects. The event will be at Pines Manor in Edison.

- May 13: **Speech to Morris County Chamber of Commerce:** CEO Kolluri will discuss the status of the school construction program and how to get work with the SDA. The event will be at the Sheraton Parsippany.
- May 14: **Community meeting/Pemberton Township:** SDA officials will discuss the upcoming Early Childhood Center project
- May 20: Ribbon-cutting at **Horbelt Elementary School in Barnegat.**
- May 21: Ribbon-cutting at **Dunfee Elementary School in Barnegat.**
- May 27: Groundbreaking for **Pemberton Early Childhood Center.**

Construction Update:

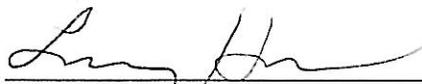
The SDA currently has **18** active construction projects in SDA (formerly Abbott) Districts, **3** active Demonstration Projects and **8** ongoing projects in Regular Operating Districts (ROD). Overall the SDA has completed **592** projects: **46** new schools; **41** extensive additions, renovations and/or rehabilitations; **21** other rehabilitation projects; **354** health and safety projects; **127** SDA District grant projects; and **3** demonstration projects in SDA Districts. In addition, **19** ROD projects managed by the SDA have been completed. The program also has distributed \$2.2 billion in grants, impacting more than **1,400** suburban ROD schools statewide.

Contractor Procurement:

A bid was advertised in April for an abatement/demolition project at **Lanning Square Elementary School in Camden.** (Exhibit A)

Construction Contracts:

As of April 27, 2009, the Authority has entered into construction contracts totaling \$3,270,991,254.80 since the inception of the school construction program in 2002.



Larry Hanover

