

## MEMORANDUM

TO: Members of the Authority

FROM: Larry Hanover, Senior Public Information Manager

DATE: December 10, 2007

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

### **Introduction:**

New Jersey Schools Development Authority Chairman Barry Zubrow and CEO Scott Weiner are scheduled to testify before the Joint Committee on the Public Schools on Thursday, December 20. Their testimony will center on the SDA's First Biannual Report on the School Construction Program. This report is replacing the prior Annual Reports on the School Facilities Construction Program published by the New Jersey Department of Education (DOE) and is required by the Program and Governance Reform legislation (P.L. 2007, c. 137) that established the SDA.

This report will provide details on the School Construction Program from inception, focusing on January 1, 2007 through September 30, 2007. Subsequent reports will focus on six-month intervals. The next report to the Legislature is due on May 1, 2008.

This inaugural report will provide a comprehensive summary of how taxpayer money is spent on the mission of building schools in New Jersey's neediest districts and detail the initiatives and reforms the organization has undergone since Governor Jon S. Corzine took office nearly two years ago.

The report will detail various measurements of progress made by the SDA, including data on the initiation and completion of projects and the distribution of funds for projects in urban and suburban districts alike. One key measure of SDA performance came in the first week of September 2007 when 22 new schools opened across New Jersey. This was by far the largest number of schools opened in a single September since the inception of the school construction program, benefiting 13,500 students. This achievement was possible due to SDA's increased project management capacity and efficiencies.

The overall total for the school construction program as of September 30, 2007, including the openings cited above, comes to 559 completed projects. They are broken down as follows: 41 new schools; 28 major additions and renovations in New Jersey's Abbott districts; 382 health, safety and other projects; and 108 Abbott district-managed projects with eligible costs less than \$500,000.

As of September 30, 2007, the SDA has executed grants impacting 1,431 schools and 473 Regular Operating Districts. The total State share was \$2,205,472,315, leveraging projects costing a total of \$7,107,876,925. More than 80 percent of New Jersey school districts have benefited from the program. All such grants, which covered 40 percent of eligible costs, have been spent or committed.

The report will also discuss another key measure of SDA performance: its ability to deliver projects on time and on budget. Discussion will center on the new Project Charter initiative, which requires affirmative Board action at the outset to establish the budget and project cycle and institutes monitoring by Authority staff. The SDA's performance should see continued improvement as a result.

The report will discuss a number of SDA initiatives to improve stewardship of public dollars, as well as efforts on the legal front to recover costs. It also will focus on the 21st Century Schools Design Manual, a significant step forward in the goal of building high-performance schools, as well as the On-Call Demolition Program, which is significantly shortening the amount of time it takes to demolish buildings upon acquisition by the SDA.

#### **Other SDA news** (as of December 10, 2007):

- A groundbreaking ceremony on November 30 marked the start of construction of the new **Park Elementary School** in Newark. The new school will accommodate up to 690 students in pre-kindergarten through 8th grades. The school is located within the community it will serve and is adjacent to Branch Brook Park.
- A ribbon-cutting and dedication ceremony on December 4 formally marked the completion of **Public School No. 4** in West New York, which opened to students in September. The school, which opened in September, provides 21<sup>st</sup> century educational opportunities to 705 pre-kindergarten to 6<sup>th</sup> grade students.
- A groundbreaking ceremony on December 10 marked the start of construction for a much-needed addition and extensive renovations at the 115-year-old **Lincoln Avenue Elementary School** in Orange. It will provide 21<sup>st</sup> century academic space and technology for 645 students in kindergarten through 8th grades. The original school opened in 1892 and was last expanded in 1906.

**Construction Update:**

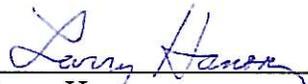
The SDA currently has **23** projects under construction. Overall, the SDA has completed **41** schools and **28** major renovations and additions, along with nearly 400 health, safety and other projects in Abbott districts. The program also has distributed \$2.2 billion in grants, impacting more than 1,400 suburban schools statewide.

**Contractor Procurement**

Construction bids were advertised in December for school projects in Camden and Orange. (Exhibit A)

**Construction Contracts**

As of November 30, 2007, the authority has entered into construction contracts totaling \$3,303,062,972 since the inception of the school construction program in 2002.

  
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Larry Hanover

