



MEMORANDUM

TO: Directors of the Corporation

FROM: John F. Spencer
Chief Executive Officer

DATE: March 23, 2005

SUBJECT: New Jersey Schools Construction Corporation
February Progress Report

Introduction

In February, New Jersey Schools Construction Corporation (SCC) and the New Jersey Department of Labor and Workforce Development aligned with the U.S. Department of Labor's Occupational Safety and Health Administration to improve jobsite safety for workers, students and teachers. SCC also participated in a ribbon cutting for the expansion and renovation of the historic Freshman Academy in Jersey City, and was on hand for a beam signing to mark construction progress at Neptune Middle School.

Also in February, SCC awarded 9 construction packages impacting 8 schools in 8 districts, and advertised another 5 construction packages for schools in 5 districts. SCC also executed 54 Section 15 grants in 13 counties with 20 districts that receive less than 55% of their budget in state aid. These grants supported projects totaling more than \$106 million – with a state share totaling more than \$31 million. The SCC board also granted contingent approval for land acquisition for projects in Essex, Hudson, Middlesex and Cumberland counties.

Since inception, SCC has committed support to over 2,700 school construction projects at nearly 1,800 schools, completing \$660 million in health and safety projects at over 350 urban schools. SCC is building early childhood education centers, launching school-based community revitalization efforts and strengthening the economy by creating employment and business opportunities for companies large and small.



Dr. Charles T. Epps Jr., State Superintendent of Schools, addresses students.

SCC, Jersey City Community Cut Ribbon For Freshman Academy

Landmark City Building Gets New Life As Part Of \$15 Million Project, Opening of 1917 Time Capsule Provides Glimpse of School's History

An historic structure that once housed Jersey City's Board of Education offices began a new chapter in February as its doors opened to Lincoln High School's freshman class for the first time in the building's storied 88-year history. Students, teachers and community supporters joined representatives of the Jersey City School District, the City of Jersey City, and New Jersey Schools Construction Corporation (SCC) earlier today for the dedication and ribbon cutting ceremonies for the new Dr. Charles T. Epps Jr. Freshman Academy. A look into the historic past of the Dr. Charles T. Epps Jr. Freshman Academy also occurred as state and local educational and community leaders opened a 1917 time capsule from the building that will house the Academy.

Named for the current Superintendent of Schools in Jersey City, this \$14.9 million facility includes the full renovation and restoration of the original 17,300-square-foot building, which was built in 1917 as the Administration Building for the Jersey City Board of Education. The project also included the construction of a 24,500-square-foot addition to that edifice that echoes the design and construction elements of the former Administration Building.

The Dr. Charles T. Epps Jr. Freshman Academy will meet the educational needs of more than 400 ninth-grade students currently enrolled at the adjacent Lincoln High School. In addition to a media center, the Academy will have 29 classrooms, which include 12 special education rooms, three science demonstration rooms, four science labs, and a computer lab. Designed by the Gibson Tarquini Group and built by Bovis Lend Lease, this Academy is one of the first secondary-level facilities of its kind to open in Jersey City.

School Superintendent Dr. Charles Epps stated, “Any construction or renovation project requires vision, commitment, and belief, in this case, that the education of our children is important and our children are important for the future of our country, society, and community. The ribbon cutting for this new Freshman Academy is another major step forward in shaping the future of our community.”



Students Take Part in ‘Beam Signing’ at Neptune Middle School
State Fully Funding, Managing \$17.8 Million Expansion

Students and officials of the Neptune Township School District and New Jersey Schools Construction Corporation (SCC) representatives participated in a “Beam Signing” ceremony in February to mark the progress of construction of an addition and renovations to the Neptune Middle School as part of a district-wide school expansion program.

Students in 6th through 8th grades signed a steel beam that will become a permanent part of the school addition. It will include a new 14-classroom math and science wing and increased instructional and performance space for music. Renovations include upgraded HVAC, new ceilings and lighting, upgraded lavatories, media center and classrooms. When finished, the 3-story building will be 137,000 square feet. It is scheduled for completion date this August.

The \$17.8 million project is being fully funded and managed by SCC as part of New Jersey's \$8.6 billion school construction program.



Representatives from Occupational Safety and Health Administration (OSHA) Martin Davis, Philip M. Feist, Lisa Levy, Patricia K. Clark and Gary W. Roskoski, NJ Department of Labor & Workforce Development Commissioner Thomas D. Carver, Robert D. Kulick, (OSHA) SCC CEO John F. Spencer, Lenny Katz, (DOL) and Donald Moore, SCC Design & Construction

OSHA Aligns with N.J. Schools Construction Corporation and State to Protect Employees from Workplace Hazards

Workers on New Jersey school construction sites will be safer thanks to an alliance formed February 25, 2005 by the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA), the New Jersey Schools Construction Corporation (NJSCC), and the New Jersey Department of Labor and Workforce Development (NJDOLWD).

"This alliance is an example of Secretary Elaine L. Chao's commitment to find cooperative ways to improve health and safety for all workers," said Patricia Clark, regional administrator for OSHA in New York. "We must all work together for a common goal - reducing injuries and health hazards at school construction sites."

The alliance will help foster a culture of safety and health with contractors in the NJSCC, with a special focus on industry hazards common to school construction. OSHA and the NJSCC will develop programs to educate workers on hazards such as air contaminants, electrical accidents and falls. OSHA will provide the NJSCC with information, guidance and access to training resources that will help protect employees' safety and health.

"Safety at school construction sites is of critical importance to the work we have been mandated to do throughout the state. This agreement with OSHA and the Department of Labor will enhance our ability to protect not only our building trades workers while they go about their jobs effectively and efficiently, but also students and teachers," said John F. Spencer, chief executive officer of NJSCC, which oversees New Jersey's unprecedented \$8.6 billion school construction program.

The Consultation Division of the NJDOLWD will also assist with training and on-site consultation activities. "We have an obligation to ensure that every worker is able to perform their job in a safe working environment," said Thomas Carver, commissioner of the New Jersey Department of Labor and Workforce Development. "As it reaches every corner of New Jersey, the school construction project is one of the largest initiatives undertaken by the state in decades. That is why it is so important that the state and the federal government have come together today to provide unprecedented resources to protect our workers on this enormous project."

The agreement will remain in effect for two years. Representatives from each organization will create an implementation strategy and then convene at least three times per year to track and share information on activities. All four OSHA area offices in New Jersey - Avenel, Hasbrouck Heights, Marlton and Parsippany-are participating.

Construction Update

Construction Starts

The SCC awarded 9 construction packages in 8 districts during the month of February for combined construction cost estimates totaling \$83,917,698. These awards will involve 8 schools in districts including: Bridgeton, Camden, East Orange, Gloucester City, Hoboken, Irvington, Orange Township and Union City.

As of February 28, 2005, the SCC has entered into 464 construction contracts that total \$2,322,049,055 since the inception of the program.

Contractor Procurement

The SCC advertised 5 construction packages for 5 school districts in the month of February, which will impact 5 schools. (Exhibit B.)

Design update

As of February 28, 2005, the SCC has entered into 275 design contracts with a total value of \$353,731,765 as well as assumed an additional 75 architectural assignments that totaled \$100,261,331.

Predevelopment & Land Acquisition

At the February Board meeting, the directors granted contingent approval for land acquisition to take place for several projects.

One such approval was for acquisition of properties totaling 1.4 acres adjacent an existing 2.28-acre school site in the City of Irvington in Essex County for the expansion of Florence Avenue Elementary School. The acquisition will increase the overall site to 3.42 acres. The existing 3-story, 67,703-square-foot school will grow to 95,144 square feet by adding a 1½-story cafetorium and 2-story classroom wing totaling 27,441 square feet. The expansion will increase the enrollment of the kindergarten-through-8th grade facility from its present 664 students to 709 students.

The Board also contingently approved the acquisition properties in the City of Vineland, Cumberland County, including a 1.671-acre parcel to serve as additional access area for the New Vineland Middle School #1, and a .292-acre sanitary sewer and construction easement for the New Vineland Middle School #2.

Another acquisition contingently approved at the Board's February meeting was for a 15.3-acre parcel in the City of Perth Amboy, Middlesex County, as the site for the New Perth Amboy High School, a planned multi-story, 472,087-square-foot facility with a projected enrollment of 2,774 students in 9th through 12th grades.

The Directors also contingently approved acquisition of properties in Union City, Hudson County, for 3 projects: the New Union Hill High School, the New Early Childhood Center, and Union City Middle School and Board of Education offices.

School District Grants

In February, the SCC executed 54 Section 15 grants with 20 districts that receive less than 55% of their funding in state aid. The total project costs for these grants are expected to be \$106,854,071, with a state share anticipated to be worth \$31,707,947 of that total.

Several districts received multiple grant awards in February. They include Teaneck in Bergen County, which will receive grants for 14 school projects. Total projects costs are expected to be \$3,518,360, with a state share of \$1,340,884. Dumont, also in Bergen County, will receive \$8,169,399 toward 2 projects worth \$26,420,000. Clinton Township in Hunterdon County will receive \$6,328,962 toward 2 projects worth \$37,187,420. Pittsgrove in Salem County will receive \$2,104,657 toward 4 projects worth \$4,168,750.

As of February 28, 2005, the SCC has executed 1,845 Section 15 grant agreements with districts that receive less than 55% of their budget in state aid for total project amounts of \$5,654,023,839, for which the state share totaled \$1,725,431,358. In February alone, 20 districts in 13 counties received \$31,707,947 in direct property tax relief as the state share for projects that totaled \$106,854,071.

Office of Diversity and Emerging Business Markets

SCC Surety Bonding Program Helps Contractors on Road to Success

The New Jersey Schools Construction Corporation (SCC), through its Office of Diversity & Emerging Business Markets, has implemented several successful programs over the past two years to help small, women-owned and minority-owned businesses take part in school construction projects across the state. SCC's small business assistance programs are among the most aggressive – and successful – of their type and include the Contract Carve Out Program, Contractor Training Program, Mentor/Protégé Program and the SCC Customer Service Center.

One of the Office of Diversity's most successful programs is its Surety Bonding & Working Capital Assistance Program, which provides the working capital small firms need to bid on state projects. To date, SCC's Surety Bonding & Working Capital Program has enrolled 135 contractors, 30 of whom have already received bonding – a success rate of more than 20%, considered quite high in the surety bonding arena.

Cumulatively, SCC has confirmed bonding of over \$15 million to qualified New Jersey contractors, helping these companies get out of the starting block and on their way to success. "We've had great success thus far on the SCC bonding program," said Ellen Neyland, whose company, Surety Bond Associates, helps prepare companies to obtain the bonding and capital they need to bid on SCC projects. "Because of the program's success, more and more small business contractors are bidding on SCC work and we expect 2005 to produce many more success stories."

The Surety Bonding and Working Capital Program gives companies the foundation they need to bid on, receive and execute successful contracts with the SCC.

Please visit our website to read the entire February 2005 issue of SCC's **Diversity Digest in which this story originally appeared. The issue features a message for stakeholders from CEO John F. Spencer, articles on WBE environmental consultant Amy S. Greene, the SCC's Contractor Training Program and Pleasantville School District.*

The Office of Diversity & Emerging Business Markets is dedicated to increasing the availability and accessibility of school construction opportunities for small, women and minority-owned businesses and individuals in New Jersey. For more information on how you can be part of our effort to build a better New Jersey, contact Kellie Drakeford, Director, Office of Diversity at (609) 292-1680

Conferences/Presentations

Surety Underwriters Association of NJ Meeting, 2/3/2005, Florham Park

NJ Association of School Administrators Facilities Conference, 2/4/2005, Monroe Township

Pemberton Board of Education, 2/7/2005, Pemberton

SMPS and DBIA Design Build Program, 2/9/2005, Philadelphia

AIANY Architecture for Education Community, 2/9/2005, Manhattan

Working with SCC – Opportunities in the Schools Construction Program, 2/9-10/2005, Orange

SCC Alliance Agreement with OSHA, 2/10/2005, Trenton

Neptune Middle School Beam Signing Ceremony, 2/18/2005, Neptune

SCC Statewide Interfaith Meeting, 2/22/2005, Trenton

Freshman Academy Ribbon Cutting Ceremony, 2/23/2005, Jersey City

Professional Women in Construction, 2/24/2005, New York City

Career Day, 2/26/2005, Newark

John F. Spencer

Prepared by: Kevin McElroy

Attachments

Construction Award Status Report

<u>District</u>	<u>Schools</u>	<u>Description of Work</u>	<u>Contract Award</u>	<u>Notice to Proceed</u>
Gloucester	Gloucester City Jr. Sr. H.S.	Additions of approximately 29,000 sf, alterations and renovations of approximately 36,00 sf.	\$25,679,372.00	2/1/2005
Gloucester	Gloucester City Jr. Sr. H.S.	Construct perimeter fencing and associated parts.	\$68,000.00	2/2/2005
East Orange	New - Langston Hughes Replacement (-x07)	Construct a new Langston-Hughes Elementary School, approximately 92,000 SF, for 516 students from Pre-K to Grade 5. The work includes sitework, structural steel, masonry, roofing, HVAC, plumbing and electrical.	\$17,583,850.00	2/9/2005
Irvington	Augusta E.S.	This was an emergency project: Asbestos and mold conditions requiring immediate abatement in that the space is currently occupied by students and faculty.	\$195,270.00	2/9/2005
Bridgeton	Bridgeton H.S. (media center & elevator additions)	Alterations and renovations of the Auditorium HVAC system.	\$1,159,900.00	2/15/2005
Camden	Early Childhood Development Center (025)	Construction of one building: elementary school building, two story, slab on grade, reinforced concrete structure with masonry infill, approximately 83,645 sq. ft.	\$25,750,000.00	2/15/2005
Hoboken	Wallace Elementary School	Remove and replace an existing boiler system with a new boiler system in the lower level of an existing school. Work includes the demolition and removal of an existing loading dock/ramp, removal of an existing boiler system, furnish & installment of a new boiler system, start-up and commissioning of the new boiler system and constructing a new loading dock/ramp.	\$765,000.00	2/17/2005
Union City	Schlemm Early Childhood Cntr.	New 40,405 s.f. Early Childhood Center with 18 classrooms, multipurpose room, play area and offices.	\$10,930,000.00	2/18/2005
Orange Township	Central E.S.	1) Demolition and reconstruction of a single story connecting corridor; 2) Construction of a new, approximately 2,500 SF, 3 story attached elevator/stair tower; 3) Abatement of existing, approximately 56,000 SF school building	\$1,785,785.00	2/24/2005

