

## MEMORANDUM

TO: Members of the Authority

FROM: Larry Hanover, Senior Public Information Manager

DATE: February 25, 2009

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

### Introduction:

Kris Kolluri, CEO of the New Jersey Schools Development Authority, has embarked on an increasing number of speaking engagements to discuss the SDA's pivotal role in creating jobs to mitigate the recession's effects on New Jersey.

From December 2007 through December 2008, the state lost 63,000 jobs, including 9,200 in the construction industry. Such losses make it critical to accelerate construction, Kolluri said on February 20 at a seminar on the school construction program sponsored by the New Jersey Business and Industry Association.

Governor Jon S. Corzine's decision to stand "tall and strong" and successfully push to enact \$3.9 billion in new school construction last year will pay dividends in job creation, the CEO said. The SDA will expend an estimated \$765 million on projects in 2009.

The SDA has a total of 27 projects being initiated in 2009, he told the NJBIA audience. (See the SDA's home page at [www.njsda.gov](http://www.njsda.gov) and click on "2009 Scheduled Projects" to view the list.)

The need for more work is critical given that 155 of New Jersey's 2,430 schools are more than 100 years old, he said. In some schools, bottled water is shipped in because water from the buildings' fountains is impure. He also cited the example of Jersey City's Public School No. 20, where students have to go as far as three flights of steps to use a bathroom.

The Governor has three goals, he said – to build schools immediately to help the children, make them anchors for SDA District communities, and stimulate the economy. Funds will be spent expeditiously and with controls.

Vice President/CEO Jerry Murphy, Regina Bleck, Vice President for Project Management, and Vice President/Chief Counsel Janesa Urbano also spoke at the event at Pines Manor in Edison.

The demand for work in the business community was illustrated by attendance at the NJBIA seminar. The event was sold out. Future events are being scheduled to accommodate those who could not get tickets.

### **SDA Events:**

- January 27: A ribbon-cutting ceremony was held to formally dedicate Elizabeth's newly opened **Juan Pablo Duarte-José Julián Martí School No. 28**. Elizabeth Board of Education and SDA officials joined students, faculty, community members and area dignitaries to celebrate the seventh new school to open in Elizabeth under the funding and management of the SDA. The school, which opened in December 2008, accommodates 750 students from pre-kindergarten through eighth grade. Altogether, the SDA has spent or committed more than \$462.8 million for projects in the city.
- February 5: **Alliance for Action meeting:** Kolluri addressed membership at the Alliance's offices in Edison regarding the status of the program and upcoming projects.
- February 6: **Chamber of Commerce-Southern New Jersey public policy forum:** Chief of Staff Tom DiGangi took part in a panel on the topic "South Jersey Coast to Coast: Keeping the Region's Economic Engine Running." The event was held at The Mansion in Voorhees.
- February 11: **Joint Committee of the Public Schools meeting:** The CEO addressed the committee to provide an update on the program, including information on projects in Paterson. The event was held at Paterson's recently opened International High School.

### **Upcoming Events:**

- March 31: **South Jersey Energy Symposium: Implementing the NJ Energy Master Plan.** Kolluri will speak regarding "The Economic Stimulus Package and its Relationship to the Energy Master Plan." The event will be at Richard Stockton College of New Jersey in Pomona.
- April 3: **New Jersey Business and Industry Association: Surviving the Recession.** Kolluri and Murphy will provide an update on the school construction program and explain the process for seeking to work with the SDA. The event will be held in Edison.

**Construction Update:**

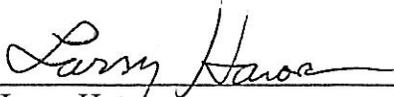
The SDA currently has 17 active construction projects in SDA (formerly Abbott) Districts, 3 active Demonstration Projects and 8 ongoing projects in Regular Operating Districts (ROD). Overall the SDA has completed 592 projects: 46 new schools; 41 extensive additions, renovations and/or rehabilitations; 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:**

Bids were advertised in February for a school playground and parking area project in Plainfield, school demolition projects in Newark and a general construction services task order contract. (Exhibit A)

**Construction Contracts:**

As of February 25, 2009, the Authority has entered into construction contracts totaling \$3,573,539,788.79 since the inception of the school construction program in 2002.

  
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Larry Hanover

