



MEMORANDUM

TO: Members of the Authority

FROM: Larry Hanover, Senior Public Information Manager

DATE: April 1, 2009

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

Introduction:

More than 130 New Jersey school districts are eligible to receive approximately \$180 million for capital maintenance and construction projects under the first round of SDA regular operating district grant allocations. In order to receive the State share for their projects, the Regular Operating District (ROD) officials must secure their local shares through public referendum or budget approval.

Governor Jon S. Corzine announced the grant allocations March 6 during a tour of Washington Community Elementary School in Bayonne. The announced grant awards represent the first of multiple rounds of funding opportunities.

“Today, we are delivering on our commitment to transform our schools into safe, healthy learning environments for our children,” Governor Corzine said. “We recognize that many non-Abbott districts are struggling with costs for construction, maintenance and repairs to make desperately needed improvements. Investing in these types of projects will help stimulate the economy and create job opportunities during this critical time.”

SDA CEO Kris Kolluri stated, “School construction is a vital need statewide and affects all of our children. The funding opportunities announced today will both benefit future generations of New Jersey students and create much-needed jobs to stimulate the economy in these unprecedented times.”

Commissioner of Education Lucille E. Davy noted it is much harder for children to succeed academically when taught in an overcrowded building or one in need of repair. “It is difficult for children to learn in an old school with crumbling plaster, broken lights, sagging ceilings or inadequate bathrooms,” the Commissioner said.

Last July, Governor Corzine signed legislation authorizing an additional \$3.9 billion for the schools construction program. Of that funding, \$1 billion was made available for the state share of funding for projects in RODs. The Department of Education (DOE) established processes for district applications, project evaluations and prioritization and aid eligibility.

A report on the first round allocations – including the districts, their approved projects and the funds they can expect to receive, along with descriptions of the DOE application and evaluation processes and a county-by-county analysis of the grant distribution can be found on the School Facilities page of the Department of Education website at <http://www.state.nj.us/education>

Fifty-seven projects in 18 districts require referendums. They are scheduled for April 21, 2009.

SDA Events:

- March 18: Furthering his commitment to build infrastructure and improve educational facilities across the state, Governor Corzine joined SDA and Camden School District officials to break ground for the new **Morgan Village Middle School**. The 520-student school will serve children in grades 6-8. It is the fifth new project to get under way in Camden under New Jersey's school construction program. "Camden's students deserve to be educated in safe, modern schools and I am proud that the new Morgan Village Middle School project will deliver those surroundings to them while promoting the city's revitalization and creating jobs during tough economic times," Governor Corzine said. The 92,390-square-foot, two-story middle school will be built on a parcel next to the existing school and marks another step in the redevelopment of Camden and stimulating its economy. The construction project is expected to save and create 275 jobs. The school is scheduled to open in September 2010.
- March 24: **Building Contractors Association of New Jersey event:** CEO Kris Kolluri spoke to BCANJ members regarding how the SDA's construction program is stimulating the economy and providing bidding opportunities for members.
- March 31: **South Jersey Energy Symposium: Implementing the NJ Energy Master Plan.** CEO Kris Kolluri discussed "The Economic Stimulus Package and its Relationship to the Energy Master Plan." The event was held at Richard Stockton College of New Jersey in Pomona.
- March 31: **New Jersey Building and Construction Trades Council event:** Kolluri spoke at an event, also attended by the Governor, regarding the SDA's accelerated construction and how it is stimulating the economy and providing jobs for members.

Upcoming Events:

- April 2: **Alliance for Action:** Kolluri will discuss the SDA's construction program at an event entitled "Economic Stimulus – How to Get in on the Action." The event will be at the Lafayette Yard Marriott in Trenton.

- April 2: **Greater Atlantic City Chamber of Commerce:** Jerry Murphy, Vice President/Chief Operating Officer, will speak at an event entitled “2009 Major Public Construction Projects.” The event will be at Greate Bay Country Club, Somers Point.
- April 3: **New Jersey Business and Industry Association: Surviving the Recession.** Kolluri and Murphy will discuss SDA’s upcoming projects and how to work with the SDA at a seminar entitled “Surviving the Recession.” EDA’s Caren Franzini and others from private industry will speak on various topics. The event will be held in Edison.
- April 4: **Egg Harbor City Elementary/Middle School groundbreaking:** The new 61,954-square-foot facility will house 364 students in grades 4-8. The school is scheduled to open in September 2010. This is new construction for a Regular Operating District project where the construction contract came in \$2.8 million under budget.
- April 17: **Occupational Safety and Health Administration (OSHA) Agreement Event:** SDA and OSHA officials will sign an agreement continuing an alliance to foster a culture of safety and health with SDA contractors. The event will be held at SDA headquarters.
- April 24: **New Jersey Principals and Supervisors Association meeting:** Murphy will speak about the school construction program, including current and future projects in the pipeline, any new initiatives, and information about current procedures that school leaders will need to understand to apply for future projects. The event will be at the Foundation for Educational Administration (FEA) Conference Center in Monroe Township.

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 advertised in March included an entry tower restoration project at **Camden High School**, a classroom space conversion project at **Roberto Clemente Annex/K Center in Paterson**, an abatement/demolition project at **Victor Mravlag School #21 in Elizabeth** and an abatement/demolition project at **Elberon School in Long Branch**. (Exhibit A)

Construction Contracts:

As of March 31, 2009, the Authority has entered into construction contracts totaling \$3,574,700,699 since the inception of the school construction program in 2002.

Larry Hanover

