

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, MAY 1, 2013 AT 9:00 A.M.
ONE WEST STATE STREET, ONE WEST BOARD ROOM

AGENDA

1. NOTICE OF PUBLIC MEETING

2. ROLL CALL

3. APPROVAL OF MEETING MINUTES

- a. Board Open Session Meeting Minutes of April 3, 2013
- b. Board Executive Session Meeting Minutes of April 3, 2013

4. AUTHORITY MATTERS

- a. CEO Report
- b. Chairman's Report

5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)

6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)

a. *Change Orders/Amendments*

1. COMPANY NAME: Tricon Enterprises, Inc.
DISTRICT: Keansburg
CONTRACT NO.: ET-0061-N01
PMF/CM: NJSDA Self-Managed
SCHOOL NAME: Joseph C. Caruso Elementary School
CHANGE ORDER NO.: 6
REASON: Additional Work
AMOUNT: \$30,495.98
CONTRACT STATUS: 78.14% Paid to Date against the Current Contract Value

2. COMPANY NAME: Patock Construction Co., Inc.
DISTRICT: Elizabeth
CONTRACT NO.: EL-0006-C01
PMF/CM: Greyhawk North America, LLC
SCHOOL NAME: Elizabeth Academic High School
CHANGE ORDER NO.: 1
REASON: Constructability Review
AMOUNT: \$879,525
CONTRACT STATUS: 0% Paid to Date against the Current Contract Value
ANTICIPATED OCCUPANCY DATE: June 2016

b. *Approval of Awards*

- i. Release of Funds from Program Reserve, Award of Contract and Approval of the Final Charter – Irvington Public Schools – Union Avenue Middle School – Emergent Project – Roof Repairs/Replacement, Masonry Repairs and Lintel Replacement/Repairs
- ii. Release of Funds from Program Reserve, Award of Contract and Approval of the Final Charter – Irvington Public Schools – Chancellor Avenue School – Emergent Project – Roof Repairs/Replacement, Masonry Repairs, and Lintel Repairs/Replacement

- iii. Release of Funds from Program Reserve, Award of Contract and Approval of the Final Charter – Passaic City Public School District – Passaic High School 12 – Emergent Project – Masonry Repair, Lintel Replacement and Window Assembly and Grade Level Drainage Repairs
- iv. Release of Funds from Program Reserve, Award of Contract and Approval of the Final Charter – Salem City School District – Salem High School – Emergent Project – Partial Roof Replacement and Repairs
- v. Award of Contract and Approval of Revised Final Project Charter – Paterson School District – Marshall Street Elementary School – Construction of New Elementary School
- vi. Construction Award – Jersey City School District- Frank R. Conwell Public School 3/Middle School 4 – Corrective Work
- c. *Construction Award*
 - i. Construction Manager Award – Paterson School District - Marshall Street Elementary School – Construction Management Services
 - ii. Construction Manager Award – Jersey City School District - PS No. 20 Elementary School – Construction Management Services
- d. *Rule Readoptions*
 - i. Rule Readoption: N.J.A.C. 19:38 --Procedures for Bidding for the New Jersey Schools Construction Corporation's School Facilities Projects for the Schools Construction Program
 - ii. Rule Readoption: N.J.A.C. --19:38A Procedures for Prequalification of Contractors and Professional Services Consultants for the New Jersey Schools Construction Program

7. MONTHLY REPORTS

- a. *For Informational Purposes*
 - i. Active Projects Report
 - ii. Project Close Out Status Report
 - iii. Project Status Reports
 - iv. Contracts Executed Report/Amendments & Change Orders Executed Report
 - v. Contract Terminations Report (*no activity*)
 - vi. Settlement Activities Report
 - vii. Contractor and Workforce Compliance Report
 - viii. Regular Operating District Grant Activity Report
 - ix. Notification of Amendments to Goods and Services Contracts Not Exceeding \$250,000 (*No activity*)
 - x. Communications Report
 - xi. Monthly Financial Report

8. PUBLIC COMMENT(S)

9. REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE – TO BE DONE IN EXECUTIVE SESSION

- a. Litigation Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
CCD Report (*no activity*)

10. ADJOURNMENT

APPROVAL OF MEETING MINUTES

APRIL 3, 2013 OPEN SESSION

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING**

WEDNESDAY, APRIL 3, 2013

A meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA”, “NJSDA” or “the Authority”) was held on Wednesday, April 3, 2013 at 9:00 AM at the offices of the Authority at One West State Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Kevin Luckie (NJDOE)
Jennifer D’Autrechy (Treasury)
Bernard Piaia (NJDOE)
Michael Capelli
Kevin Egan
Karim Hutson
Loren Lemelle
Lester Lewis-Powder
Robert Nixon
Martin Perez
Mario Vargas

being a quorum of the Board. Mr. Egan, Mr. Hutson, Mr. Lewis-Powder, Mr. Perez, Mr. Capelli and Mr. Piaia participated in the meeting via telephone conference.

At the Chairman’s request, Marc Larkins, chief executive officer; Jason Ballard, chief of staff; Jane Kelly, vice president and assistant secretary; Andrew Yosha, vice president; Donald Guarriello, vice president and chief financial officer; Albert Barnes, acting chief counsel; Manuel Da Silva, program director; Gregory Voronov, program director; James Adams, program

director; and Sean Murphy, director, of the SDA participated in the meeting. Nicole Crifo of the Governor's Authorities Unit also participated in the meeting by teleconference.

The meeting was called to order by the Chairman of the Board, Mr. Walsh. Mr. Walsh requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey.

Approval of Meeting Minutes

Mr. Walsh then presented the minutes of the Open and Executive Session meetings of the Board held March 6, 2013 for consideration and approval. A copy of the minutes and resolutions presented had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Luckie, the Open and Executive Session meeting minutes were approved by the Board upon its vote in favor of the resolutions attached hereto as *Exhibit 3a & 3b*.

Authority Matters

CEO Report

Mr. Walsh asked Mr. Larkins to provide the report of the CEO. With regard to SDA events, Mr. Larkins reported that staff met with the Building Contractors Association of New Jersey (BCANJ) on March 15. He said that this meeting provides a good forum for receiving feedback from the contractor community regarding how the SDA is doing and for answering questions regarding new processes and procedures. Mr. Larkins also reported that, on March 21, SDA staff attended a groundbreaking ceremony for the Redshaw Elementary School (Redshaw) in the New Brunswick School District. He said that it was a very exciting event and well

attended. Mr. Vargas also attended the event and shared with the Members his observations of the excitement of the children that were in attendance.

Next, Mr. Larkins reported that the SDA has been asked to appear at the Assembly Budget Hearing on April 11. He added that, on April 16, the SDA will celebrate another graduation event for its third session of training for Small Minority and Women Owned Business Enterprises (SMWBE).

In continuing, Mr. Larkins noted that there are a number of awards on the Board agenda today with regard to Capital and emergent projects.

With regard to Capital projects, Mr. Larkins reported that the SDA continues to receive positive interest in its advertisements and he listed three (3) pre-bid conferences that recently have been held at the SDA with regard to elementary school projects. He noted that two (2) were for the Jersey City School District and one (1) was for the Paterson School District. Mr. Larkins informed the Members that, for each project, there were more than ten (10) contractors attending the pre-bid conference suggesting that the SDA will receive competitive bids for those projects. He said that he will update the Members as to the outcome of the bid process.

Mr. Larkins then noted that the Authority's 2012 Financial Statements and 2012 Annual Report are on today's agenda. He provided the Members with a few highlights from the Annual Report. Mr. Larkins said that the West New York High School (WNY) in the WNY School District has been completed and that the SDA had purchased the old St. Joseph's Catholic High School in WNY, which is providing additional capacity. He also reported that he has attended a number of ribbon cutting ceremonies. With regard to emergent projects, Mr. Larkins reported that the SDA had announced the terms of the program last spring. He said that, at the time, seventy-six (76) approved projects had been announced, but this list was later pared down to

sixty-eight (68) projects. Of the 68, Mr. Larkins reported that thirty-seven (37) projects were delegated back to the school districts, which leaves a little over thirty (30) emergent projects for the SDA to manage. He noted that four (4) of those projects are currently in construction phase and a number of them are moving through the procurement process. Mr. Larkins said that several of those procurement projects are on today's Board agenda. Mr. Larkins then reported that, last year, the SDA executed a number of Regular Operating District (ROD) grants and that the active portfolio is over 1,000 ROD grants representing hundreds of millions of dollars in school improvements. He said that this is inclusive of both State aid and local share. In terms of cost recovery efforts, Mr. Larkins reported that over \$4 million was recouped by the SDA for errors and omissions and through rebate programs.

A resolution pertaining to the approval of the 2012 Annual Report had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Ms. Lemelle, the 2012 Annual Report was approved by the Board upon its vote in favor of the resolution attached hereto as *Exhibit 4ai*.

Chairman's Report

Mr. Walsh encouraged the Members to review the Annual Report and noted that there is a lot of good information in the report. He commended Mr. Larkins on the great job that he is doing at the SDA. Mr. Walsh informed the Members that he and Mr. Larkins continue to have discussions regarding advancing more work. He said that it is his belief that more information will follow as to ways that the SDA can get more work out. Mr. Walsh invited the Members to email him if they have any suggestions on improving the process.

Audit Committee Report

The Chairman then requested that Mr. Nixon provide the Board with the report of the Audit Committee. Mr. Nixon advised the Members that the Audit Committee met on March 18, 2013. He said that management had provided the Committee with the February 2013 New Funding Allocation and Capital Plan Update. He said that management reported a \$100,000 decrease in the Unforeseen Events Reserve balance and an increase of \$5.3 million in the Planning Reserve balance. He reported that there was no change in the 2008 Capital Plan Emergent Projects Reserve balance and noted a \$700,000 decrease in the 2011 Capital Plan Emergent Projects Reserve balance. Mr. Nixon advised that the reserve balance for the Regular Operating Districts (“RODs”) decreased by \$5 million.

Mr. Nixon then reported that Ernst & Young (E&Y) had presented the Authority’s 2012 Financial Statements (Financial Statements) to the Committee. He said that the auditor’s report expressed an unqualified opinion that the financial statements present fairly, in all material respects, the financial position of the Authority consistent with generally accepted accounting principles. He advised that E&Y presented their 2012 audit results and required communications which noted that E&Y in-house actuaries are in agreement with the assumptions made in the Authority’s report. He said that E&Y also provided an overview of its Management Letter noting that no issues rose to the level of deficiencies. Mr. Nixon then informed the Members that following the regular Audit Committee meeting the Committee met without management present for a discussion with E&Y. Mr. Nixon invited Mr. Guarriello and E&Y to address any questions the Members might have regarding the Financial Statements. Mr. Guarriello introduced Amy Wong of E&Y and indicated that he and Ms. Wong were available for questions or discussion. Mr. Nixon then suggested that the Members approve the 2012 Financial

Statements. Mr. Walsh asked if there were any further questions on the Financial Statements. There were none.

A resolution pertaining to the 2012 Financial Statements had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Luckie and seconded by Ms. Lemelle, the 2012 Financial Statements were approved by the Board upon its vote in favor of the resolution attached hereto as *Exhibit 5a*.

Mr. Nixon then reported that management had advised the Committee that the Audit Recommendations Progress matrix has now been revised to track and report progress on a “recommendation basis” rather than on an “audit basis”. He explained that this change will eliminate multiple reporting of duplicate and/or similar recommendations. He then reported that management had discussed with the Committee four (4) completed recommendations. He said that the four are SDA Owned Real Estate; SDA Central File Project – Phase One; SDA Process for Review/Analysis of Design Consultants (DC) Allowance Balances and SDA Process for Review of Tax Payments and Appeals related to SDA Real Estate.

In continuing, Mr. Nixon said that Management provided the program assessment and development audit of the Dayton Avenue Campus in the Passaic School district. Mr. Nixon then outlined the key points of the Dayton Avenue Campus Audit (“Audit”). He said that the Audit was conducted as a statutorily mandated audit with the objective to ensure that State funds were appropriately expended. He explained that the Audit spanned an eleven (11) year period encompassing many starts and stops. He advised that the majority of the funds were expended on the purchase of a hospital and acreage, noting that the original “campus” plan was to build three (3) schools and administrative space. He said that the campus project encountered adverse environmental conditions and other issues which included the district’s revamping of their Long

Range Facility Plan (LRFP). Mr. Nixon advised that the Audit will be the foundation report as Audit number 1 of possibly three (3) new projects in Passaic. He stated that the Passaic Dayton Avenue Campus Elementary School is identified as a project on the 2012 Capital Portfolio Plan. Mr. Nixon provided additional details regarding the Audit, noting that the Audit had concluded that State funds were spent according to the policies that were then in place and within the legal confines of the SDA. He advised that the Committee had concluded that the adverse issues presented in the Audit could not happen again given the Authority's current policies and procedures. Mr. Vargas asked what the costs were to-date. Mr. Ballard said that the costs are approximately \$42 million, noting that the purchase of the hospital alone was \$28 million. Mr. Nixon stressed that the cost will be divided among the three (3) projected school projects. He added that the cost of the hospital and acreage was competitive given the real estate climate at the time of purchase.

Mr. Nixon then reported that the Committee was provided with the February 2013 Monthly Financial Report with management advising that, as of February 2013, the Authority's operating expenditures totaled \$5.1 million which is \$668,000 lower than budget for the period. He said that this is a \$190,000 decrease from the corresponding period in the prior year. Mr. Nixon added that, as of February 2013 year to date, project expenditures, at \$26 million, are down \$1.7 million as compared to corresponding prior year; and down \$14.9 million in comparison to the 2013 Capital spending forecast. He said that the year-over-year variance is attributable to a decrease in grant activity (\$9.1 million), offset by increases in construction (\$5 million) and personnel expenses from the operating expenses. Mr. Nixon reported that, since inception, 66.4% of the funds authorized for the SDA Districts have been disbursed. He advised that 96% of all SDA disbursements relate to school facilities projects and 4% relate to program

administrative and general expenses. In conclusion, Mr. Nixon said that the estimated value of current school facilities project activity is approximately \$2.2 billion.

School Review Committee Report

Design-Build Award and Approval of Final Project Charter – Newark School District – Elliott Street Elementary School; Release of Funds From Program Reserve, Award of Contract and Approval of Final Charter – Trenton Public Schools – Trenton Central High School West Campus– Emergent Project – Replacement of Condensate System; Release of Funds From Program Reserve, Award of Contract and Approval of Final Charter – Passaic City Public School District – Wm. B. Cruise Memorial School #11 – Emergent Project – Masonry Repairs and Lintel Replacement; Release of Funds From Program Reserve – Millville School District – Holly Heights Elementary School – Emergent Project – Roof Replacement; Construction Award – Newark School District – Oliver Street Elementary School – Construction Management Award – Approval of Revised Final Project Charter; Award of Construction Contract and Approval of Final Project Charter – Phillipsburg School District – Phillipsburg High School – Construction of New School

Mr. Luckie advised the Members that the School Review Committee met on March 18, 2013 and discussed various issues. He reported that the Committee recommends that the Board approve a final project charter and award of a design/build contract to Hall Construction Company, Inc. in the amount of \$37,937,000 for Design-Build services for the New Elliott Street Elementary School in the Newark Public School District. Mr. Luckie noted that the Elliott Street School is a 2012 Capital Plan project designed to educate 848 students in grades Pre-K through Eighth. Mr. Murphy provided an overview of the award. In response to Member questions, Mr. Adams also provided background information regarding the project.

A resolution pertaining to the design-build award and final project charter for the Elliott Street project had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Ms. Lemelle, the design-build award

to Hall Construction and the final project charter were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6ai*.

Mr. Luckie then presented a memorandum regarding the release of funds from the program reserve, contract award and approval of the final charter for Trenton Central High School West Campus (TCHSWC) in the Trenton School District for a condensate system replacement emergent project. He reported that the Members are requested to approve the award of a construction contract in the amount of \$1,325,000 to Kappa Construction Corporation (Kappa Construction); the release of \$1,878,853 from the Program Reserve to address the emergent project; and the final charter for the condensate system replacement emergent project. Mr. Murphy provided the Members with an overview of the project. Mr. Walsh requested that the School Review Committee (SRC) be briefed at the April SRC meeting as to why only two (2) bidders of the five (5) who had attended the pre-bid conference submitted bids. He asked that staff obtain and share any comments that were made by the three (3) contractors who decided not to submit bids.

A resolution pertaining to the release of funds from the program reserve, contract award to Kappa Construction and final charter for TCHSWC in the Trenton School District for a condensate system replacement emergent project had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Ms. Lemelle, the award, final charter and release of funds were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6aii*.

Mr. Luckie then presented a memorandum regarding the release of funds from the program reserve, contract award and the final charter for Wm. B. Cruise Memorial School #11 (Wm. B. Cruise) in the Passaic City School District for a masonry repairs and lintel replacement

emergent project. He noted that the Wm. B. Cruise School educates 1,200 students in grades 1 through 5. He said that the project is advancing following site visits by SDA and DOE and DOE's issuance of a pre-construction approval for an emergent project to address conditions related to the masonry and lintels at the facility. Mr. Murphy provided the Members with an overview of the project.

A resolution pertaining to the release of funds from the program reserve, contract award to Circle A Construction and approval of the final charter for Wm. B. Cruise in the Passaic City School District for a masonry repairs and lintel replacement emergent project had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Perez, and seconded by Mr. Vargas, the award, final charter and release of funds were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6aiii*.

Mr. Luckie then presented a memorandum regarding the release of funds from the program reserve for the Holly Heights Elementary School (Holly Heights) in the Millville School District for a roof replacement emergent project. He said that the Committee recommends that the Board approve the release of \$750,000 from the program reserve for the emergent roof replacement project at the Holly Heights School, which is a 93,179 square foot facility that educates 534 students in grades K through 5th. Mr. Luckie said that the project is advancing following SDA and DOE site visits and the issuance of a Pre-Construction approval by DOE for an emergent project to address conditions related to the partially failing roof system. Mr. Voronov provided the Members with additional details regarding the project.

A resolution pertaining to the release of funds from the program reserve for Holly Heights Elementary School in the Millville School District for a roof replacement emergent project had been provided to the Members in advance of the meeting. Following discussion,

upon a motion by Mr. Nixon, and seconded by Mr. Vargas, the release of funds from the program reserve was approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6aiv*.

Mr. Luckie then presented a memorandum regarding a construction management award and revised final project charter for the Oliver Street Elementary School (Oliver Street) in the Newark School District. He reported that the Committee recommends that the Board approve the award of a contract to Gilbane Building Co. in the amount of \$1,207,951 for Construction Management (CM) Services. He also asked for Board approval of an increase to the Final Project Charter in the amount of \$234,246 to reflect the actual dollar value for the award of the CM contract and appropriate contingency. Mr. Luckie said that the contract is for services to manage the design-build construction of the new Oliver Street Elementary School in the Newark School District. Mr. Luckie noted that the Oliver Street project is advancing as part of the 2011 Capital Plan. Mr. Murphy provided the Members with an overview of the project, noting that the project was advertised as a price and other factors project.

A resolution pertaining to the construction management award and revised final project charter for Oliver Street had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Mr. Nixon, the award, revised final charter and release of funds were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6bi*.

Mr. Luckie then presented a memorandum regarding a construction contract award and final project charter for the new Phillipsburg High School (Phillipsburg) project in the Phillipsburg School District. Mr. Larkins provided the Members with an overview of the project and some background regarding the procurement process and a discussion ensued.

A resolution pertaining to the construction contract award and approval of final project charter for Phillipsburg had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Ms. D'Autrechy, the contract award and final project charter were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 6bii*.

Reports

Mr. Walsh referenced the monthly reports and asked Mr. Ballard to update the Members regarding Project Closeouts. Mr. Ballard informed the Members that SDA staff has continued to advance the Trenton and Vineland projects. He said that there should be a resolution to the two (2) projects in the coming weeks and that they likely will be closed out by June. Mr. Ballard also reported that three (3) Capital projects either have been transferred or closed this past month. He said that staff work is ongoing.

Public Comments

Mr. Walsh announced that, consistent with the Open Public Meetings Act, the Public Comments portion of the meeting would begin. He requested, whenever possible, that multiple individuals from the same organization or district come up together to offer comments. He advised that the public comment period is to afford citizens the opportunity to comment on matters pertinent to the Authority's business. He requested that those speaking hold their comments to between three (3) and five (5) minutes.

Referencing a list of those who had indicated an interest in providing public comment, Mr. Walsh then invited Mr. John Rodden to address the Board. Mr. Rodden introduced himself to the Members as the President of the Gloucester City Education Association. He reminded the Board that he also had addressed them at their Board meeting held March 6. He said that he was

present to discuss the Gloucester City MS project, a project that is ten years in the making. He thanked the Board for SDA's responsiveness following his appearance last month, noting that a meeting has since taken place which was very encouraging. He said that it is his understanding that the project has a January 2015 start date and a March 2017 completion date. He noted that dates have fallen by the wayside in the past and asked for assurances that this would not happen here. He said that his members are resolved to seeing this project through to the end and will attend SDA meetings regularly in order to relay timely information to the community and voice concerns going forward. He said that community meetings are being planned for late April/early May and he invited the SDA to participate in these meetings. He said that he would like to connect the SDA directly with the Gloucester City Community. Mr. Rodden said that he will be reaching out to see if the SDA can attend the community meetings to provide an update. He closed by again thanking the Members and expressed the hope that all parties are on the same page.

At the Chairman's request, Marie Blistan approached the podium and addressed the Board. Ms. Blistan introduced herself as a representative of the NJEA and the Healthy Schools Coalition. She said that she has three questions for the Board based on the materials distributed last month. She first thanked the Board for efforts in Gloucester City. She then asked for an update relative to the materials distributed last month, i.e. the status of those projects. Mr. Larkins replied that the Public Comment Period is to afford the public an opportunity to share their concerns with the Members. He said that it is not the forum for an exchange on particular issues and that he hesitated to get into a "back and forth" conversation. Rather, he invited Ms. Blistan to remain until after the meeting or to contact SDA to meet and discuss particular issues of concern. Ms. Blistan referenced Trenton Central High School, noting that it was on the

agenda and reminded the Members of the discussion of that facility last month. Mr. Walsh said meetings regarding TCHS are in process and are ongoing. Ms. Blistan then referenced issues in Irvington and also indicated that she did not understand what had been said earlier in the meeting regarding the Irvington Union School. Mr. Larkins reiterated a willingness to discuss with Ms. Blistan any issues regarding particular projects following the Board meeting or at a future scheduled meeting. Ms. Blistan then asked if any site visits had been conducted following the meeting last month. Mr. Walsh said that he is working on the site visit issue.

Mr. Walsh then asked Moriah Kinberg to address the Board. Ms. Kinberg advised the Board that she represents the Work Environment Council and serves as the coordinator for the Healthy Schools Coalition. She reminded the Board that representatives from a number of districts had addressed the Board last month at which time they had described conditions in the Trenton Central High School (TCHS) facility and other facilities. She said that she had recently attended a TCHS Facility Advisory Board meeting and was advised that SDA has been meeting with that group. She said that the timelines that have been discussed appear to be rather long given the nature of the facility needs, especially the leaky roof. She noted that the other districts represented at the March SDA Board meeting had also commented on the conditions at TCHS and stressed that this is a facility that needs attention. Ms. Kinberg also repeated in some detail the concerns that had been expressed by representatives of the cities of Paterson, Camden and Orange at the March meeting and referenced issues that exist in Irvington and Jersey City as well. Ms. Kinberg asked for a response to these issues. Mr. Larkins stressed that the Authority would like to be open and transparent and repeated his suggestion, as made to previous speakers, that Ms. Kinberg remain to speak with him after the meeting about particular projects and issues or contact SDA and schedule a meeting to discuss these concerns. Ms. Kinberg said that a

meeting request has been submitted to the Authority and that she is awaiting dates. Ms. Kinberg then reiterated issues that had been raised regarding Newark facilities at the March meeting as well as comments made by Trenton resident Denise Millington. Mr. Walsh asked Ms. Kinberg to summarize for him the information she has provided and to email it to him. Ms. Kinberg said that she would do so but that the information was largely taken from notes that the Members have.

Mr. Walsh then asked Elizabeth Smith to address the Board. Ms. Smith said that she is Executive Director of the Statewide Education Organizing Committee, the organized public school parents for Jersey City, Asbury Park, Newark and Elizabeth, and a member of the Healthy Schools Coalition. She said that she would not repeat the statements offered by previous speakers. However, she asked if there is a mechanism to expedite projects that impact the health and well-being of students, staff and others. She said that she recognizes that there are constraints that impact the Authority but questioned whether there can be more efficient advancement of the projects working within those constraints. Mr. Walsh stressed that this is being attended to and efforts continually are being made by the Authority to advance the projects. Ms. Smith also asked that direct communication with the communities be improved and suggested, for example, the establishment of website updates that can be easily understood by a layperson. She expressed her appreciation for the opportunity to address the Board.

Mr. Walsh then asked Deborah Cornavaca to address the Board. She said that she also had addressed the Board in March. She outlined her experience serving as a member of several Boards and indicated that she understands the parameters applicable thereto. She stressed the need for the Board to exercise its oversight role when things are not functioning and “business as usual” is not sufficient. She said that she recognizes the reorganizational efforts that have been

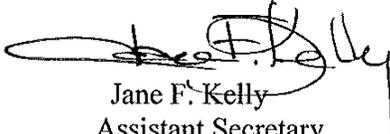
undertaken at SDA but opined that they are not translating into work “on the ground”. She said that something different is needed and stressed that community members want to work with SDA in this process. She said that in this way the communities may become assets or allies of the SDA. She said that a choice can be made as to whether to be allies or adversaries, noting that the latter relationship is how the communities sometimes feel when meeting with SDA. She said that the communities need the ability to understand the issues that are impeding the SDA’s ability to advance projects (be they legislative, regulatory, gubernatorial, statutory or otherwise) so that they can be addressed. She said that if this cannot be done by those currently involved, other people should step in to fix the unacceptable conditions that exist.

Mr. Walsh then asked for a motion to adjourn into Executive Session to discuss a proposed settlement of claims filed by Hunt Construction Co., Inc. Upon motion duly made by Mr. Luckie and seconded by Mr. Nixon, the Board adjourned into Executive Session.

Following discussion in Executive Session, the Board returned to Open Session. Upon motion duly made by Ms. Lemelle, and seconded by Mr. Luckie, the Board approved the proposed settlement of claims submitted by Hunt Construction Group, Inc upon its unanimous vote in favor of the resolution attached hereto as *Exhibit A1*.

Mr. Walsh then asked for a motion to adjourn the meeting. Upon motion and with unanimous consent, the meeting was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its April 3, 2013 meeting.



Jane F. Kelly
Assistant Secretary

RESOLUTION—3a./3b.**Approval of Minutes**

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the April 3, 2013 Board meetings of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on April 5, 2013.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's April 3, 2013 Open and Executive Session meetings are hereby approved.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Dated: May 1, 2013

AUTHORITY MATTERS

CEO REPORT

CHAIRMAN'S REPORT (*ORAL*)

REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE

CHAIRMAN'S REPORT

REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE

CHAIRMAN'S REPORT

CHANGE ORDERS/AMENDMENTS

TRICON ENTERPRISES, INC.



MEMORANDUM

TO: Members of the Authority

FROM: James D. Adams
Program Director, Program Operations

DATE: May 1, 2013

SUBJECT: Change Order – Tricon Enterprises, Inc.

COMPANY NAME:	Tricon Enterprises, Inc.
DISTRICT:	Keansburg
CONTRACT NO:	ET-0061-N01
PMF/CM:	NJSDA Self-Managed
SCHOOL NAME:	Joseph C. Caruso ES
CHANGE ORDER NO.:	6
REASON:	Additional work
AMOUNT:	\$30,495.98
CONTRACT STATUS:	78.14% Paid to Date against the Current Contract Value

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of Change Order #6 in the amount of \$30,495.98. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a change order which singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. This change order, when aggregated with prior approved change orders is greater than 10% of the contract value.

BACKGROUND

Tricon Enterprises, Inc. was issued a Notice to Proceed (NTP) on January 27, 2012 to demolish the former Joseph C. Caruso E.S. and VFW building in Keansburg due to their extremely poor condition and stage of deterioration. At the March 7, 2012 NJSDA Board Meeting, the Members approved the Authority’s 2012 Capital Plan. This Plan identified the Joseph C. Caruso E.S. project as one of the projects for advancement in 2012.

Members of the Authority
Change Order No. 6
Keansburg School District – Joseph C. Caruso E.S.
May 1, 2013
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There has been prior change order activity on this engagement, including the following:

- On August 1, 2012, the Members of the Authority approved Change Order No. 2 in the amount of \$180,000 for the removal of Asbestos Containing Material (ACM) roofing from the existing Caruso School; and
- On October 3, 2012, the Members of the Authority approved Change Order No. 8 in the amount of \$39,000 for the removal of ACM insulation from steam piping in the ceiling and stairwell of the existing Caruso School.

REASON FOR CHANGE

This change order is for the abatement and disposal of additional ACM found during the demolition of the building. The additional ACM was not identified in a hazardous materials survey that was completed by Hatch Mott MacDonald (HMM), the environmental consultant retained by the NJSDA for this project, and therefore was not identified in the original contract. Specifically, the contractor discovered approximately 80 linear feet of asbestos-insulated steam piping concealed in the exterior walls of the auditorium. Additionally, a layer of asbestos-containing waterproofing was identified under the auditorium floor. Therefore, the entire 6' concrete auditorium floor had to be disposed of as ACM. HMM has acknowledged the error, and has provided inspections, testing, air monitoring and oversight necessary for the removal of this additional material at no cost to the NJSDA. The contractor was able to continue work on other areas of this project, and this change order provides that the contractor shall not seek any claim for delay due to this change in the contract work.

Contrary to the current change order process and contract language, the work in this Change Order has been performed by the General Contractor (GC). Although the GC proceeded at its own risk, the work described in this change order was necessary to complete the work on the critical path of the schedule. This work has been completed and accepted by the NJSDA. The timeframe for seeking Board approval of costs associated with this work was impacted by ongoing negotiations with the contractor. No additional change order activity will be necessary.

This issue has been referred to the Special Projects Division along with information regarding HMM's cooperation in evaluating potential cost recovery activity.

Members of the Authority
 Change Order No. 6
 Keansburg School District – Joseph C. Caruso E.S.
 May 1, 2013
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SUMMARY OF CHANGE

This change order represents the removal of approximately 80 linear feet of asbestos-insulated steam piping concealed in the exterior walls of the auditorium and ACM waterproofing under the auditorium floor.

1) Removal of approximately 80' of asbestos-wrapped steam pipe	\$	5,017.68
2) Removal of ACM waterproofing under auditorium floor	\$	20,936.36
3) Overhead, Profit, Bond and Insurance	\$	4,541.94

ADDITIONAL COSTS \$ 30,495.98

All documents supporting this change order have been reviewed by the associated SDA project team members as well as the Program Director, Deputy Program Director, and the Contract Management Division (CMD) for adherence to current NJSDA policy and procedures. All reviewing SDA staff members, including CMD, have determined that the change order is justified and that the amount is reasonable and appropriate.

CALCULATIONS

a. Original Contract Amount	\$	870,000
b. Change Orders to Date (excluding proposed change order)	\$	192,886
c. Proposed Change Order Amount	\$	30,496
d. Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.))	\$	223,382
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))		26%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$	1,093,382

Members of the Authority
Change Order No. 6
Keansburg School District – Joseph C. Caruso E.S.
May 1, 2013
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RECOMMENDATION

The Members of the Authority are requested to approve Change Order No.6 in the amount of \$30,495.98. In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any change order which singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. This change order, when aggregated with prior approved change orders is greater than 10% of the contract value.

/s/ James D. Adams
James D. Adams, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
Reviewed and Recommended by: Aaron C. Goss, Deputy Director, Program Operations
Prepared and Recommended by: John Hamilton, Program Officer, Program Operations

Resolution—6a1.

COMPANY NAME: Tricon Enterprises, Inc.
 DISTRICT: Keansburg
 CONTRACT NO: ET-0061-N01
 PMF/CM: NJSDA Self-Managed
 SCHOOL NAME: Joseph C. Caruso ES
 CHANGE ORDER NO.: 6
 REASON: Additional work
 AMOUNT: \$30,495.98
 CONTRACT STATUS: 78.14% Paid to Date against the Current Contract Value

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve a change order which singularly exceeds \$500,000 or which singularly or in the aggregate is greater than 10% of the contract value; and

WHEREAS, Tricon Enterprises, Inc. was issued a Notice to Proceed (NTP) on January 27, 2012 to demolish the former Joseph C. Caruso ES and VFW building in Keansburg; and

WHEREAS, in March 2012, the SDA Board approved the Authority’s 2012 Capital Plan which identified the Joseph C. Caruso ES project to advance in 2012; and

WHEREAS, there has been prior change order activity on this engagement; and

WHEREAS, the details of the prior change order activity, along with a description of the work necessitating Change Order No. 6 and the costs associated therewith are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, Change Order #6, in the amount of \$30,495.98, when aggregated with prior approved change orders is greater than 10% of the contract value; and

WHEREAS, this matter has been referred to the Special Projects Division for an evaluation as to cost recovery potential; and

WHEREAS, all documents supporting this change order have been reviewed by the associated SDA project team members as well as the program director, deputy program director, and the contract management division (CMD) for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that the change order is justified and that the amount is reasonable and appropriate.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve Change Order No.6 in the amount of \$30,495.98 to Tricon Enterprises, Inc. for the Joseph C. Caruso Elementary School Project in the Keansburg School District consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum-Change Order No. 6, Tricon Enterprises, Inc., (Contract No.: ET-0061-N01), Joseph C. Caruso Elementary School, Keansburg School District, dated May 1, 2013

Dated: May 1, 2013

PATOCK CONSTRUCTION CO., INC.



MEMORANDUM

TO: Members of the Authority

FROM: Corrado Minervini
Program Director, Program Operations

DATE: May 1, 2013

SUBJECT: Change Order – Patock Construction Co., Inc.

COMPANY NAME:	Patock Construction Co., Inc.
DISTRICT:	Elizabeth
CONTRACT NO.:	EL-0006-C01
PMF/CM:	Greyhawk North America, LLC
SCHOOL NAME:	Elizabeth Academic High School
CHANGE ORDER NO.:	1
REASON:	Constructability Review
AMOUNT:	\$879,525
CONTRACT STATUS:	0% Paid to Date against the Current Contract Value
ANTICIPATED OCCUPANCY DATE:	June 2016

INTRODUCTION

I am writing to recommend approval by the Members of the Authority for Change Order No. 1 in the aggregate amount of \$879,525. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a change order that singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. Change Order No.1 represents 46 items which have been aggregated for reasons of efficiency and consolidated resolution prior to the start of construction work. As an aggregated value, this consolidated change order singularly exceeds \$500,000.

On November 7, 2012 the Members of the Authority approved the award of a contract in the amount of \$42,977,700 to Patock Construction Co., Inc. (Patock), for the construction of the Academic High School in the Elizabeth School District, and also approved a final Project Charter for the project. Before construction initiates, Patock was contractually required to perform a Constructability Review to identify any potential conflicts in the project documents and, if any conflicts are identified, the corresponding cost to address them.

The Project Charter approved on November 7, 2012 includes a construction contingency from which to address the potential cost impact resulting from the Constructability review. Any cost impact resulting from the Constructability Review will constitute a Change Order to the contract.

Members of the Authority
Change Order No. 1 – Patock Construction Co., Inc.
Elizabeth School District – Elizabeth Academic High School
May 1, 2013
Page 2

BACKGROUND

The Elizabeth Academic High School will be a new 183,822 square foot facility designed to educate 1,091 students in grades nine through twelve. The Elizabeth Academic High School is among the projects included in the SDA's 2011 Capital Plan.

On December 20, 2012 Patock was issued a Notice to Proceed (NTP) to perform the Constructability Review.

The Constructability Review performed by Patock was completed on March 5, 2013. Skidmore, Owings & Merrill, Architects, P.A. (SOM), the Design Consultant and Greyhawk North America LLC (Greyhawk), the Construction Manager (CM), have participated in progress meetings during the performance of the Constructability Review and SOM has responded to questions from Patock throughout that process.

Patock's Constructability Review deliverables include provision of a written Constructability Review Report as well as one of the following certifications upon conclusion of the Constructability Review:

- a) that the project documents are complete and free of conflicts; or
- b) that corrections are required, along with a proposal for a Change Order to address the needed corrections. This conclusion requires the contractor to certify that, following correction of the documents and execution of the Change Order, the contractor waives any right to further Change Orders or Claims resulting from deficiencies in the documents that could or should have been discovered during the Constructability review; or
- c) that corrections are needed for which the contractor cannot determine a cost at the time of conclusion of the Constructability review.

Any proposed Change Order resulting from the Constructability Review is subject to review and approval of the SDA prior to issuance to Patock of the Notice to Proceed (NTP) for construction. In requiring the performance of the Constructability Review, the SDA is seeking to minimize the potential for future change orders as well as support project schedule requirements through early identification and resolution of issues, thereby preventing potential costly construction delays.

Members of the Authority
 Change Order No. 1 – Patock Construction Co., Inc.
 Elizabeth School District – Elizabeth Academic High School
 May 1, 2013
 Page 3

REASON FOR CHANGE

The purpose of the Constructability Review is for the General Contractor to verify the following:

- Constructability of the Work;
- Coordination of the Work;
- Elimination of Conflicts in the Work; and
- Completeness of the Work

It is the Authority’s intent to utilize the findings of the Constructability Review Report to identify and resolve errors, omissions, inconsistencies, conflicts, inaccuracies or other deficiencies in the Project Documents that would affect the Project’s cost and schedule during construction, thereby eliminating future change orders caused by such deficiencies.

Patock identified 126 questions during the constructability review and received responses to all 126 questions. Upon review by the SDA, SOM and Greyhawk, these responses led to 39 items being considered additional work to the contract, 7 items being considered as credits to the contract and other items considered minor changes with no cost impact to the contract.

Negotiations have resulted in submission by Patock of a proposed consolidated change order accompanied by a certification stating that following correction of the documents and execution of this consolidated change order, Patock waives their right to further Change Orders or Claims resulting from Deficiencies in the Documents that could or should have been discovered during the Constructability Review.

SUMMARY OF CHANGE

Consolidated Change Order No. 1, valued at an aggregate amount of \$879,525 is required to address necessary additional construction services as a result of the Constructability Review.

1) Patock and Subcontractor Direct Cost	\$ 721,514
2) <u>Overhead, Profit, Bond and Insurance</u>	<u>\$ 158,011</u>
Additional Costs	\$ 879,525

All documents supporting this consolidated change order have been reviewed by the associated NJSDA project team members as well as the Program Director, Deputy Program Director and the Contract Management Division (CMD), for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members have determined that the items included in the change order are justified and that the aggregate amount is reasonable and appropriate.

Members of the Authority
 Change Order No. 1 – Patock Construction Co., Inc.
 Elizabeth School District – Elizabeth Academic High School
 May 1, 2013
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CALCULATIONS

a.	Original Contract Amount	\$	42,977,700.00
b.	Change Orders to Date (excluding proposed change order)	\$	-
c.	Proposed Change Order Amount	\$	879,525.00
d.	Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.))	\$	879,525.00
e.	Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))		2.05%
f.	Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$	43,857,225.00

RECOMMENDATION

The Members of the Authority are requested to approve Change Order No. 1 in the aggregate amount of \$879,525. In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, a change order that singularly exceeds \$500,000 or when aggregated with all prior change orders is greater than 10% of the contract value requires approval by the Members of the Authority. This consolidated change order is for an aggregate value that exceeds \$500,000.

/s/ Corrado Minervini
 Corrado Minervini, Program Operations Director

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
 Reviewed and Recommended by: Robert Ryan, Deputy Director, Program Operations
 Prepared and Recommended by: Gabriel Salas, Program Officer, Program Operations

Resolution—6a2.

COMPANY NAME: Patock Construction Co., Inc.
 DISTRICT: Elizabeth
 CONTRACT NO.: EL-0006-C01
 PMF/CM: Greyhawk North America, LLC
 SCHOOL NAME: Elizabeth Academic High School
 CHANGE ORDER NO.: 1
 REASON: Constructability Review
 AMOUNT: \$879,525
 CONTRACT STATUS: 0% Paid to Date against the Current Contract Value
 ANTICIPATED OCCUPANCY
 DATE: June 2016

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve a change order which singularly exceeds \$500,000 or which singularly or in the aggregate is greater than 10% of the contract value; and

WHEREAS, the Elizabeth Academic High School (Academic HS) in the Elizabeth School District was included among the 2011 SDA Capital Plan projects, will be a new 183,822 square foot facility designed to educate 1,091 students in grades nine through twelve; and

WHEREAS, in November 2012 the Members of the Authority approved the award of a contract in the amount of \$42,977,700 to Patock Construction Co., Inc. (Patock), for construction of the Academic High School and a final Project Charter for the project; and

WHEREAS, in March 2013, a Constructability Review commenced to identify potential conflicts in the project documents and the corresponding cost to address the same was completed; and

WHEREAS, the Project Charter approved in November 2012 includes a construction contingency from which to address any cost impact resulting from the Constructability Review, which cost impact shall constitute a Change Order to the contract; and

WHEREAS, Change Order No.1 in the amount of \$879,525, representing 39 items so identified which have been aggregated for reasons of efficiency and consolidated resolution, exceeds \$500,000; and

WHEREAS, details as to the project’s background, constructability review process, cost impacts and the basis for those changes identified as necessary are set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, all documents supporting this change order have been reviewed by the associated SDA project team members as well as the program director, deputy program director, and the contract management division (CMD) for adherence to current SDA policy and procedures and

all reviewing SDA staff members have determined that the change order is justified and that the amount is reasonable and appropriate.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve Change Order No.1 in the amount of \$879,525 to Patock Construction Co., Inc. (Contract No.:EL-0006-C01) for the Academic High School Project in the Elizabeth School District consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum-Change Order No. 1, Patock Construction Co., Inc., (Contract No.:
EL-0006-C01), Academic High School, Elizabeth School District, dated May 1, 2013
Dated: May 1, 2013

APPROVAL OF AWARDS

RELEASE OF FUNDS FROM PROGRAM RESERVE, AWARD OF CONTRACT AND APPROVAL OF THE FINAL CHARTER – IRVINGTON PUBLIC SCHOOLS – UNION AVENUE MIDDLE SCHOOL – EMERGENT PROJECT – ROOF REPAIRS/REPLACEMENT, MASONRY REPAIRS AND LINTEL REPLACEMENT/REPAIRS



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: Irvington Public Schools
School: Union Avenue Middle School
Description: Emergent Project - Roof Repairs or Replacement, Masonry Repairs and Lintel Repairs or Replacement
Package No.: EP-0091-C01
Award: \$2,397,018.00
CM: NJSDA Self-Managed

DATE: May 1, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Irvington Public Schools – Union Avenue Middle School
Emergent Project – Roof Repairs or Replacement, Masonry Repairs and Lintel Repairs or Replacement

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the Union Avenue Middle School in the Irvington Public Schools:

1. The release of funds from the NJSDA Program Reserve maintained for emergent projects;
2. The award of a construction contract; and
3. The Final Charter.

The recommended value for release from the Program Reserve is the not-to-exceed (N.T.E.) amount of \$3,126,332.00, a dollar value based upon the recommended N.T.E. construction contract value of \$2,397,018.00. The recommended Final Charter represents the project budget inclusive of N.T.E. dollar values for the award of construction as well as contingency (copy attached). As discussed below, the recommended actions represent N.T.E. values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Irvington Public Schools – Union Avenue Middle School - Emergent Project

May 1, 2013

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Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000.00. Further, the Operating Authority requires Board approval for the award of construction contracts greater than \$500,000.00. Both the construction award amount and the release of funds from the reserve exceed \$500,000.00.

BACKGROUND

The Union Avenue Middle School, built in 1930 with an addition completed in 1993, is a 137,467 square foot facility educating 672 students in grades 6 through 8. As a result of site visits conducted by NJSDA and New Jersey Department of Education (NJDOE) in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to water infiltration, specifically related to the masonry, roof, and window lintels at this facility.

After receipt of the Pre-Construction Approval from NJDOE, the NJSDA performed additional site visits to determine the source of the water infiltration at the Union Avenue Middle School. Those site visits resulted in the scope detailed below.

PROCUREMENT PROCESS

The construction contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the GC Task Order. The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be performed, at least for the initial phases, on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

This package will be awarded on a time and materials basis pursuant to the NJSDA's existing General Construction Services Task Order Contract.

On January 31, 2013, Procurement staff contacted Catcord Construction Company, Inc., the next firm on the contractor rotational list, and confirmed its interest in the project.

SCOPE OF WORK

On February 7, 2013, a site visit was held with Catcord Construction Company, Inc., to review the emergent condition and discuss appropriate action(s) to address the condition. NJSDA staff instructed Catcord Construction Company, Inc., to engage a design consultant necessary for developing a proposal, cost estimate and schedule that recognizes an approach to first defining and then implementing appropriate action to address the emergent condition, as follows:

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

Irvington Public Schools – Union Avenue Middle School - Emergent Project

May 1, 2013

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- Review the existing facility conditions and plans, to evaluate potential appropriate solutions for repairs and/or alterations;
- Provide three (3) proposed alternative solutions and cost analyses to remedy the Emergent Condition; and
- Deliver to NJSDA a Final Report, providing recommended corrective action and a construction cost proposal inclusive of the following services and deliverables;
 - Repair or replace up to 150 window lintels contributing to water infiltration in the 1930 portion of the school;
 - Repair and repoint brick masonry parapets;
 - Repair or replace portions of the roof to address water infiltration; and
 - Provide plans, inclusive of modifications to the existing structure. Prepare documents to secure construction permits and prepare record set drawings/plans at the completion of the project.

On April 9, 2013, Catcord Construction Company, Inc. provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, report submission and implementation of the various solutions proposed to remedy the emergent condition. The above-mentioned assessment and deliverables when completed will enable NJSDA staff to evaluate and select the most appropriate solution, and scope of work to address the emergent project timely and efficiently.

The N.T.E. value of the recommended award represents Catcord Construction Company, Inc.'s cost proposal for the most extensive solution presented to address the condition: replacement of identified roof sections requiring replacement, masonry repairs, and replacement of 150 window lintels. Upon completion of the selected design solution, the NJSDA shall review and validate the final projected cost and schedule for the scope of work. This review shall result in a determination to either advance the project on a time and material basis, or to establish a fixed cost for the scope of work defined in the construction documents.

Contract Management Division (CMD) and Program Operations reviewed Catcord Construction Company, Inc.'s cost proposal for this most extensive solution, in the amount of \$2,397,018.00 and determined it was reasonable for the elements included in the Scope of Work. The Program Operations Deputy Director, Program Operations Director, CMD Deputy Director, and CMD Director recommend that Procurement proceed with the issuance of a task order to Catcord Construction Company, Inc.

FINAL BUDGET

Based on Catcord Construction Company, Inc.'s, proposal, the construction cost to address the emergent project is a N.T.E. value of \$2,397,018.00.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$3,126,332.00.

Members of the Authority
 Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Irvington Public Schools – Union Avenue Middle School - Emergent Project
 May 1, 2013
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BUDGET SUMMARY

<u>Projected Budget Summary Not-to-Exceed</u>	
▪ Construction Costs	\$ 2,397,018.00
▪ Construction Contingency (15%)	\$ 359,553.00
▪ Design Costs (in-house)	\$ 71,910.00
▪ Project Management (NJSDA managed)	\$ 178,000.00
▪ Other Costs (5%)	<u>\$ 119,851.00</u>
▪ Total	\$ 3,126,332.00

SCHEDULE

Design services will initiate late spring 2013 and construction services to implement the selected solution for this project are anticipated to begin in December, 2013 with construction duration of 220 days to Final Completion.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$3,126,332.00 from the Program Reserve to address the emergent project at the Union Avenue Middle School in the Irvington Public Schools.;
2. The award of the construction contract to Catcord Construction Company, Inc. for a N.T.E. value, in the amount of \$2,397,018.00; and
3. The Final Charter for the emergent project at the Union Avenue Middle School in the Irvington Public Schools.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved N.T.E. value.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
 Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations
 Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations
 Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations
 Prepared and Recommended by: Ray Klepar, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Region: Northern
District: Irvington Public Schools
School Name: Union Avenue Middle School
Project Type: Emergent
DOE # / Project #: 2330-140-12-0ACW
Project Location: 427-455 Union Avenue, Irvington, NJ

Charter Date
05/01/13
Supersedes Charter Dated
N/A

Project Budget: \$ 3,126,332
Anticipated Construction NTP Date 06/14/13
Anticipated Final Completion Date 10/16/14
Project Initiation Date: 07/18/12

Funding Source
2011 Emergent Reserve

Charter Version and Date	Project Summary
<input checked="" type="checkbox"/> Final <div style="float: right;">05/01/13</div>	The contractor shall review the existing exterior facility conditions to evaluate the emergent condition repairs and/or alterations. Provide three (3) proposed alternative solutions and cost analyses to remedy the emergent condition; and issue a Final Report with a recommended corrective action and construction cost proposal. Design and implement the necessary alterations to prevent further damage from weather and water infiltration. Design and implement the necessary alterations to address conditions related to water infiltration, specifically related to the roof, masonry, and lintels.
Revision # and Date	
<input type="checkbox"/> One	
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	Purpose for Advancement of Emergent Charter
	To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project	Date	Managing Director - Program Operations	Date
Manuel Da Silva		Gregory Voronov	

VP - Program Operations	Date
Andrew Yosha	

Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer	Date
Marc Larkins	

**New Jersey Schools Development Authority
Emergent Project Charter
Project Budget**

District / Project Name:	Irvington Public Schools/Union Ave., MS
DOE # / Project #:	2330-140-12-0ACW
Charter Date:	05/01/13

Special Considerations:

Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

Project Budget:

Construction Costs:	
Building Costs	\$2,397,018
Site Costs	\$0
Construction Contingency	\$359,553
Total Construction Costs	\$2,756,571

Other Costs:	
Design in-house	\$71,910
Construction Admin	N/A
Project Management (SDA Staff)	\$178,000
Other Costs	\$119,851
Total Other Costs	\$369,761

PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	
Total PreDevelopment & Environmental Costs	\$0

Total Project Budget	\$3,126,332
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2011 Emergent Reserve Impact

Prior Funding Approved	\$0
Current Funding Requested	\$3,126,332

Resolution—6bi.

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Irvington Public Schools – Union Avenue Middle School
 Emergent Project – Roof Repairs or Replacement, Masonry Repairs and Lintel Repairs or Replacement

District: Irvington Public Schools
 School: Union Avenue Middle School
 Description: Emergent Project - Roof Repairs or Replacement, Masonry Repairs and Lintel Repairs or Replacement
 Package No.: EP-0091-C01
 Award: \$ 2,397,018.00
 CM: NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

WHEREAS, the Operating Authority further requires that the Members of the Authority approve the award of construction contracts greater than \$500,000 and Final Project Charters; and

WHEREAS, both the construction award amount and the release of funds from the program reserve exceed \$500,000.

WHEREAS, the Union Avenue Middle School (Union Avenue MS), built in 1930 with an addition completed in 1993, is a 137,467 square foot facility educating 672 students in grades 6 through 8; and

WHEREAS, following site visits conducted by SDA and New Jersey Department of Education (DOE) staff in 2011 and 2012 to review potential emergent conditions within the district, DOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to water infiltration, specifically to the masonry, roof, and window lintels at the facility; and

WHEREAS, after receipt of the Pre-Construction Approval, SDA performed additional site visits to determine the source of the water infiltration at the Union Avenue MS, which visits resulted in establishment of the scope of work set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, the construction contract award recommended for this project results from utilization of the SDA General Construction Services Task Order Contract (GC Task Order) authorized by the Board in August 2011; and

WHEREAS, on January 31, 2013, Procurement staff contacted Catcord Construction Company, Inc. (Catcord), the next firm on the CG Task Order contractor rotational list, and confirmed its interest in the project; and

WHEREAS, the steps taken by Catcord to date, steps to be taken going forward, project scope, procurement process, project schedule, project budget, and anticipated construction schedule are set forth with particularity in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the SDA Contract Management (CMD) and Program Operations Division reviewed Catcord's cost proposal for the most extensive solution, in the amount of \$2,397,018 and determined it was reasonable for the elements included in the scope of work; and

WHEREAS, the program operations deputy director and director and CMD deputy director and director recommend that SDA procurement staff proceed with the issuance of a task order to Catcord; and

WHEREAS, the recommended value for release from the Program Reserve is the not to exceed (NTE) amount of \$3,126,332 a dollar value based upon the recommended NTE construction contract value of \$2,397,018; and

WHEREAS, the recommended Final Charter represents the project budget inclusive of NTE dollar values for the award of construction as well as contingency; and

WHEREAS, as set forth in the memorandum presented to the Board on this date and incorporated herein, the recommended actions represent NTE values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$3,126,332 from the Program Reserve, the award of the construction contract to Catcord Construction Company, Inc. (Package No. EP-0091-C01) for a not to exceed value in the amount of \$2,397,018; and the Final Charter for the emergent project at the Union Avenue Middle School in the Irvington Public Schools consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum- Release of Funds from Program Reserve, Award of Contract to Catcord Construction Company, Inc. (Package No. EP-0091-C01), and Approval of the Final Charter, Irvington Public Schools – Union Avenue Middle School Emergent Project – Roof Repairs or Replacement, Masonry Repairs and Lintel Repairs or Replacement, dated May 1, 2013

Dated: May 1, 2013

RELEASE OF FUNDS FROM PROGRAM RESERVE, AWARD OF CONTRACT AND APPROVAL OF THE FINAL CHARTER – IRVINGTON PUBLIC SCHOOLS –CHANCELLOR AVENUE SCHOOL – EMERGENT PROJECT – ROOF REPAIRS/REPLACEMENT, MASONRY REPAIRS, AND LINTEL REPAIRS/REPLACEMENT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: Irvington Public Schools
School: Chancellor Avenue School
Description: Emergent Project – Roof Repairs or Replacement, Masonry Repairs, and Lintel Repairs or Replacement
Package No.: EP-0086-C01
Award: \$555,490.00
CM: NJSDA Self-Managed

DATE: May 1, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter Irvington Public Schools – Chancellor Avenue School Emergent Project – Roof Repairs or Replacement, Masonry Repairs, and Lintel Repairs or Replacement

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the Chancellor Avenue School in the Irvington Public Schools:

1. Release of funds from the NJSDA Program Reserve maintained for emergent projects;
2. The award of a construction contract; and
3. The final charter.

The recommended value for release from the Program Reserve is the not-to-exceed (N.T.E.) amount of \$804,253.00, a dollar value based upon the recommended N.T.E. construction contract value of \$555,490.00. The recommended Final Charter represents the project budget inclusive of N.T.E. dollar values for the award of construction as well as contingency (copy attached).

As discussed below, the recommended actions represent N.T.E. values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Irvington Public Schools – Chancellor Avenue School - Emergent Project

May 1, 2013

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Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000.00. Further, the Operating Authority requires Board approval for the award of construction contracts greater than \$500,000.00. Both the construction award amount and the release of funds from the reserve exceed \$500,000.00.

BACKGROUND

The Chancellor Avenue School, built in 1914 with an addition completed in 1925, is a 61,675 square foot facility educating 475 students in grades kindergarten through 5. As a result of site visits conducted by NJSDA and New Jersey Department of Education (NJDOE) in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to water infiltration, specifically related to the roof, masonry and lintels at this facility.

After receipt of the Pre-Construction Approval from NJDOE, the NJSDA sought and received information from the Irvington Public School District to assist in the development of a scope of work appropriate to address the condition. After analyzing the information, inclusive of the age of the facility and nature of the emergent condition, the NJSDA performed additional site visits to determine the source of the water infiltration at the Chancellor Avenue School. Those site visits resulted in the scope detailed below.

PROCUREMENT PROCESS

The construction contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the GC Task Order. The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be performed, at least for the initial phases, on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

This package will be awarded on a time and materials basis pursuant to the NJSDA's existing General Construction Services Task Order Contract.

On December 11, 2012, Procurement staff contacted The Bennett Company, the next firm on the contractor rotational list, and confirmed its interest in the project.

SCOPE OF WORK

On December 19, 2012, a site visit was held with The Bennett Company to review the emergent condition and discuss appropriate action(s) to address the condition. NJSDA staff instructed The Bennett Company to engage a design consultant necessary for developing a proposal, cost estimate and schedule that recognizes an approach to first defining and then implementing appropriate action to address the emergent condition, as follows:

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

Irvington Public Schools – Chancellor Avenue School - Emergent Project

May 1, 2013

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- Review the existing facility conditions and plans, to evaluate potential appropriate solutions for repairs and/or alterations;
- Provide three (3) proposed alternative solutions and cost analyses to remedy the Emergent Condition; and
- Deliver to NJSDA a Final Report, providing recommended corrective action and a construction cost proposal inclusive of the following services and deliverables:
 - Repair or replacement of roofing and flashing to prevent water infiltration;
 - Removal and replacement of stucco with weather barrier system, or repair of the stucco;
 - Repair and repoint masonry cracks and repair or replacement of courtyard window lintels; and
 - Provide plans, inclusive of modifications to the existing structure. Prepare documents to secure construction permits and prepare record set drawings/plans at the completion of the project.

On April 12, 2013, The Bennett Company provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, report submission and implementation of the various solutions proposed to remedy the emergent condition. The above-mentioned assessment and deliverables when completed will enable NJSDA staff to evaluate and select the most appropriate solution, and scope of work to address the emergent project timely and efficiently.

The N.T.E. value of the recommended award represents The Bennett Company's cost proposal for the most extensive solution presented to address the condition: roof replacement, replacement of the stucco, masonry repairs and lintel replacement. Upon completion of the selected design solution, the NJSDA shall review and validate the final projected cost and schedule for the scope of work. This review shall result in a determination to either advance the project on a time and material basis, or to establish a fixed cost for the scope of work defined in the construction documents.

Contract Management Division (CMD) and Program Operations reviewed The Bennett Company's cost proposal for this most extensive solution, in the amount of \$555,490.00 and determined it was reasonable for the elements included in the Scope of Work. The Program Operations Deputy Director, Program Operations Director, and CMD Director recommend that Procurement proceed with the issuance of a task order to The Bennett Company.

FINAL BUDGET

Based on The Bennett Company's proposal, the construction cost to address the emergent project is a N.T.E. value of \$555,490.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$804,253.00.

Members of the Authority
 Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Irvington Public Schools – Chancellor Avenue School - Emergent Project
 May 1, 2013
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BUDGET SUMMARY

<u>Projected Budget Summary Not-to-Exceed</u>	
▪ Construction Costs	\$ 555,490.00
▪ Construction Contingency (15%)	\$ 83,324.00
▪ Design Costs (in-house)	\$ 16,665.00
▪ Project Management (NJSDA managed)	\$ 121,000.00
▪ Other Costs (5%)	<u>\$ 27,774.00</u>
▪ Total	\$ 804,253.00

SCHEDULE

Design services will initiate late spring 2013 and construction services to implement the selected solution for this project are anticipated to begin in September, 2013 with construction duration of 125 days to Final Completion.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$804,253.00 from the Program Reserve to address the emergent project at the Chancellor Avenue School in the Irvington Public Schools;
2. The award of the construction contract to The Bennett Company, Inc. for a N.T.E. value in the amount of \$555,490.00; and
3. The Final Charter for the emergent project at the Chancellor Avenue School in the Irvington Public Schools.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved N.T.E. value.

/s/ Sean Murphy
 Sean Murphy, Procurement Director

/s/ Manuel Da Silva
 Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
 Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations
 Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations
 Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations
 Prepared and Recommended by: Ray Klepar, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Region: Northern
District: Irvington Public Schools
School Name: Chancellor Avenue ES
Project Type: Emergent
DOE # / Project #: 2330-090-12-0ACT
Project Location: 844 Chancellor Ave., Irvington, NJ

Charter Date
05/01/13
Supersedes Charter Dated
N/A

Project Budget: \$ 804,253
Anticipated Construction NTP Date 06/14/13
Anticipated Final Completion Date 03/25/14
Project Initiation Date: 07/18/12

Funding Source
2011 Emergent Reserve

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	05/01/13	The contractor shall review the existing exterior facility conditions to evaluate the emergent condition repairs and/or alterations. Provide three (3) proposed alternative solutions and cost analyses to remedy the emergent condition; and issue a Final Report with a recommended corrective action and construction cost proposal. Design and implement the necessary alterations to address conditions related to water infiltration, specifically related to the roof, masonry and lintels at this facility.
Revision # and Date		
<input type="checkbox"/> One		
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		Purpose for Advancement of Emergent Charter
		To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project	Date	Managing Director - Program Operations	Date
Manuel Da Silva		Gregory Voronov	
VP - Program Operations Date <div style="border: 1px solid black; padding: 2px; display: inline-block; width: 150px;">Andrew Yosha</div>			

Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer	Date
Marc Larkins	

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**New Jersey Schools Development Authority
Emergent Project Charter
Project Budget**

District / Project Name:	Irvington Public Schools/Chancellor Avenue, ES
DOE # / Project #:	2330-090-12-0ACT
Charter Date:	05/01/13

Special Considerations:

Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

Project Budget:

Construction Costs:	
Building Costs	\$555,490
Site Costs	\$0
Construction Contingency	\$83,324
Total Construction Costs	\$638,814
Other Costs:	
Design in-house	\$16,665
Construction Admin	N/A
Project Management (SDA Staff)	\$121,000
Other Costs	\$27,774
Total Other Costs	\$165,439
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	
Total PreDevelopment & Environmental Costs	\$0
Total Project Budget	\$804,253
2011 Emergent Reserve Impact	
Prior Funding Approved	\$0
Current Funding Requested	\$804,253

Resolution—6bii.

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Irvington Public Schools – Chancellor Avenue School
 Emergent Project – Roof Repairs or Replacement, Masonry Repairs, and Lintel Repairs or Replacement

District: Irvington Public Schools
 School: Chancellor Avenue School
 Description: Emergent Project – Roof Repairs or Replacement, Masonry Repairs, and Lintel Repairs or Replacement
 Package No.: EP-0086-C01
 Award: \$555,490.00
 CM: NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

WHEREAS, the Operating Authority further requires that the Members of the Authority approve the award of construction contracts greater than \$500,000 and Final Project Charters; and

WHEREAS, both the construction award amount and the release of funds from the program reserve exceed \$500,000; and

WHEREAS, Chancellor Avenue School, in the Irvington Public Schools, built in 1914 with an addition completed in 1925, is a 61,675 square foot facility educating 475 students in grades kindergarten through 5; and

WHEREAS, following site visits conducted by SDA and New Jersey Department of Education (DOE) staff in 2011 and 2012 to review potential emergent conditions within the district, DOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to water infiltration, specifically to the masonry, roof, and window lintels at the facility; and

WHEREAS, after receipt of the Pre-Construction Approval, SDA sought additional information and performed additional site visits to determine the source of the water infiltration at the Chancellor Avenue MS, which visits resulted in establishment of the scope set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, the construction contract award recommended for this project results from utilization of the SDA General Construction Services Task Order Contract (GC Task Order) authorized by the Board in August 2011; and

WHEREAS, on December 11, 2012, Procurement staff contacted The Bennett Company (Bennett), the next firm on the CG Task Order contractor rotational list, and confirmed its interest in the project which will be awarded on a time and materials basis; and

WHEREAS, the steps taken by Bennett to date, steps to be taken going forward, project scope, procurement process, project schedule, project budget, and anticipated construction schedule are set forth with particularity in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the SDA Contract Management Division (CMD) and Program Operations Division reviewed Bennett's cost proposal for this most extensive solution, in the amount of \$555,490 and determined it was reasonable for the elements included in the scope of work; and

WHEREAS, the program operations deputy director and director, and CMD deputy director and director recommend that SDA procurement staff proceed with the issuance of a task order to Bennett; and

WHEREAS, the recommended value for release from the Program Reserve is the not to exceed (NTE) amount of \$804,253, a dollar value based upon the recommended NTE construction contract value of \$555,490; and

WHEREAS, the recommended Final Charter represents the project budget inclusive of NTE dollar values for the award of construction as well as contingency; and

WHEREAS, as set forth in the memorandum presented to the Board on this date and incorporated herein, the recommended actions represent NTE values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$804,253 from the Program Reserve, the award of the construction contract to The Bennett Company (Package No. EP-0086-C01) for a not to exceed value in the amount of \$555,490; and the Final Charter for the emergent project at the Chancellor Avenue School in the Irvington Public Schools consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum- Release of Funds from Program Reserve, Award of Contract to The Bennett Company (Package No. EP-0086-C01), and Approval of the Final Charter, Irvington Public Schools – Chancellor Avenue School Emergent Project – Roof Repairs or Replacement, Masonry Repairs and Lintel Repairs or Replacement, dated May 1, 2013

Dated: May 1, 2013

**RELEASE OF FUNDS FROM PROGRAM RESERVE, AWARD OF CONTRACT AND APPROVAL OF THE
FINAL CHARTER – PASSAIC CITY PUBLIC SCHOOL DISTRICT – PASSAIC HIGH SCHOOL 12 –
EMERGENT PROJECT – MASONRY REPAIR, LINTEL REPLACEMENT AND WINDOW ASSEMBLY AND
GRADE LEVEL DRAINAGE REPAIRS**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: Passaic City Public School District
School: Passaic High School 12
Description: Emergent Project- Masonry Repair, Lintel Replacement and Window Assembly, and Grade Level Drainage Repairs
Package No.: EP-0090-C01
Award: \$458,812.00
CM: NJSDA Self-Managed

DATE: May 1, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter Passaic City Public School District – Passaic High School 12
Emergent Project – Masonry Repair, Lintel Replacement and Window Assembly, and Grade Level Drainage Repairs

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the Passaic High School 12 in the Passaic City Public School District:

1. The release of funds from the NJSDA Program Reserve maintained for emergent projects;
2. The award of a construction contract; and
3. The final charter.

The recommended value for release from the Program Reserve is the not-to-exceed (N.T.E.) amount of \$669,339.00, a dollar value based upon the recommended N.T.E. construction contract value of \$458,812.00. The recommended Final Charter represents the project budget inclusive of N.T.E. dollar values for the award of construction as well as contingency (copy attached). As discussed below, the recommended actions represent N.T.E. values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000. The overall funding total requested to address the emergent project at this school exceeds \$500,000.00.

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter

Passaic City Public School District – Passaic High School 12 - Emergent Project

May 1, 2013

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BACKGROUND

Passaic High School 12, built in 1959 with four additions completed in 1965, 1974, 1978 and 1986, is a 307,365 square foot facility educating 3,000 students in grades 9 through 12. As a result of site visits conducted by NJSDA and New Jersey Department of Education (NJDOE) in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to grade level drainage and water infiltration, specifically related to the masonry, windows, and lintels at this facility.

After receipt of the Pre-Construction Approval from NJDOE, the NJSDA received information provided by the District and additional site visits were made to determine the source of the water infiltration at Passaic High School 12. Those site visits resulted in the scope detailed below.

PROCUREMENT PROCESS

The construction contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the GC Task Order. The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be performed, at least for the initial phases, on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

This package will be awarded on a time and materials basis pursuant to the NJSDA's existing General Construction Services Task Order Contract.

On February 5, 2013, Procurement staff contacted Molba Construction, the next firm on the contractor rotational list, and confirmed its interest in the project.

SCOPE OF WORK

On February 21, 2013, a site visit was held with Molba Construction and its water proofing consultant to review the emergent condition and discuss appropriate action(s) to address the condition. NJSDA staff instructed Molba Construction to develop a proposal, cost estimate and schedule that recognizes an approach to first defining and then implementing appropriate actions to address the emergent condition, as follows:

- Review the existing facility conditions and plans to evaluate potential appropriate solutions for water infiltration repairs;
- Provide three (3) proposed alternative solutions and cost analyses to remedy the Emergent Condition; and
- Deliver to NJSDA a Final Report, providing recommended corrective action and a construction cost proposal inclusive of the following services and deliverables:

Members of the Authority

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Passaic City Public School District – Passaic High School 12 - Emergent Project

May 1, 2013

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- Masonry repair, lintel repair or replacement and window assembly work necessarily resulting from the lintel repair or replacement facing the courtyard and in select areas around the perimeter;
- Perform grade level drainage repairs to direct drainage away from the doors adjacent to the cafeteria and basement walls;
- Provide elevations and details for the masonry repair, lintel repair or replacement, and window assembly work, grade level drainage repairs and prepare record set drawings/plans at the completion of the project.

On April 10, 2013 Molba Construction provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, report submission and implementation of the various solutions proposed to remedy the emergent condition. The above-mentioned assessment and deliverables when completed will enable NJSDA staff to evaluate and select the most appropriate solution, and scope of work to address the emergent project timely and efficiently.

The N.T.E. value of the recommended award represents Molba Construction’s cost proposal for the most extensive solution presented to address the condition: masonry repair, lintel replacement, window assembly and installation of a trench drain with necessary re-grading. Upon completion of the selected design solution, the NJSDA shall review and validate the final projected cost and schedule for the scope of work. This review shall result in a determination to either advance the project on a time and material basis, or to establish a fixed cost for the scope of work defined in the construction documents.

Contract Management Division (CMD) and Program Operations reviewed Molba Construction’s cost proposal for the most extensive solution, in the amount of \$458,812.00 and determined it represented a reasonable working estimate for the elements included in the Scope of Work, recognizing that with a time and material not-to-exceed task order such as this one, the actual time and material costs will be monitored and evaluated by NJSDA. The Program Operations Deputy Director, Program Operations Director, CMD Deputy Director, and CMD Director recommend that Procurement proceed with the issuance of a task order to Molba Construction.

FINAL BUDGET

Based on Molba Construction’s proposal, the construction cost to address the emergent project is a N.T.E. value of \$458,812.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$669,339.00.

BUDGET SUMMARY

Projected Budget Summary Not-to-Exceed

▪ Construction Costs	\$458,812.00
▪ Construction Contingency (15%)	\$ 68,822.00
▪ Design Costs (in-house)	\$ 13,764.00
▪ Project Management (NJSDA managed)	\$105,000.00
▪ Other Costs (5%)	<u>\$ 22,941.00</u>
▪ Total	<u>\$669,339.00</u>

Members of the Authority
 Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Passaic City Public School District – Passaic High School 12 - Emergent Project
 May 1, 2013
 Page 4 of 4

SCHEDULE

Design services will initiate late spring 2013 and construction services to implement the selected solution for this project are anticipated to begin in late summer, 2013 with construction duration of 125 days to Final Completion.

RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$669,339.00 from the Program Reserve to address the emergent project at the Passaic High School 12 in the Passaic City Public School District;
2. The award of the construction contract to Molba Construction for a N.T.E. value in the amount of \$458,812.00; and
3. The Final Charter for the emergent project at the Passaic High School 12 in the Passaic City Public School District.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved N.T.E. value.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

- Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
- Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations
- Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations
- Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations
- Prepared and Recommended by: Theresa dunn Egan, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Region: Northern
District: Passaic City Public Schools
School Name: Passaic High School 12
Project Type: Emergent
DOE # / Project #: 3970-050-12-0ADZ
Project Location: 170 Paulison Avenue, Passaic, NJ

Charter Date
05/01/13
Supersedes Charter Dated
N/A

Project Budget: \$ 669,339
Anticipated Construction NTP Date 06/14/13
Anticipated Final Completion Date 01/22/14
Project Initiation Date: 07/18/12

Funding Source
2011 Emergent Reserve

Charter Version and Date	Project Summary
<input checked="" type="checkbox"/> Final <div style="float: right;">05/01/13</div>	The contractor shall review the existing facility conditions and plans to evaluate the emergent condition repairs and/or alterations. Provide three (3) proposed alternative solutions and cost analyses to remedy the emergent condition; and issue a Final Report with a recommended corrective action and construction cost proposal. Design and implement the necessary alterations to address conditions related to water infiltration, specifically related to the masonry, windows, lintels and grade level drainage at this facility.
Revision # and Date	
<input type="checkbox"/> One	
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	Purpose for Advancement of Emergent Charter
To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, and estimated other costs.	

Recommendation

Program Director - Project	Date	Managing Director - Program Operations	Date
Manuel Da Silva		Gregory Voronov	
VP - Program Operations		Date	
Andrew Yosha			

Approval
 (If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer	Date
Marc Larkins	

**New Jersey Schools Development Authority
Emergent Project Charter
Project Budget**

District / Project Name:	Passaic City Public Schools/Passaic High School 12
DOE # / Project #:	3970-140-12-0AEA
Charter Date:	05/01/13

Special Considerations:

Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

Project Budget:

Construction Costs:	
Building Costs	\$458,812
Site Costs	\$0
Construction Contingency	\$68,822
Total Construction Costs	\$527,634
Other Costs:	
Design in-house	\$13,764
Construction Admin	N/A
Project Management (SDA Staff)	\$105,000
Other Costs	\$22,941
Total Other Costs	\$141,705
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	\$0
Total PreDevelopment & Environmental Costs	\$0
Total Project Budget	\$669,339
2011 Emergent Reserve Impact	
Prior Funding Approved	\$0
Current Funding Requested	\$669,339

Resolution—6biii.

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Passaic City Public School District – Passaic High School 12
 Emergent Project – Masonry Repair, Lintel Replacement and Window Assembly and Grade Level Drainage
 Repairs

District: Passaic City Public School District
 School: Passaic High School 12
 Description: Emergent Project- Masonry Repair, Lintel Replacement and Window Assembly and
 Grade Level Drainage Repairs
 Package No.: EP-0090-C01
 Award: \$458,812.00
 CM: NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

WHEREAS, the Operating Authority further requires that the Members of the Authority approve the award of construction contracts greater than \$500,000 and Final Project Charters; and

WHEREAS, both the construction award amount and the release of funds from the program reserve exceed \$500,000; and

WHEREAS, Passaic High School 12, in the Passaic School District, built in 1959 with four additions completed in 1965, 1974, 1978 and 1986, is a 307,365 square foot facility educating 3,000 students in grades 9 through 12; and

WHEREAS, following site visits conducted by SDA and New Jersey Department of Education (DOE) staff in 2011 and 2012 to review potential emergent conditions within the district, DOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to grade level drainage and water infiltration, specifically related to the masonry, windows, and lintels at this facility; and

WHEREAS, after receipt of the Pre-Construction Approval, SDA sought additional information and performed additional site visits to determine the source of the water infiltration at Passaic HS 12, which visits resulted in establishment of the scope set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, the construction contract award recommended for this project results from utilization of the SDA General Construction Services Task Order Contract (GC Task Order) authorized by the Board in August 2011; and

WHEREAS, on February 5, 2013, SDA Procurement staff contacted Molba Construction (Molba), the next firm on the GC Task Order contractor rotational list, and confirmed its interest in the project which will be awarded on a time and materials basis; and

WHEREAS, the project background, steps taken by Molba to date, steps to be taken going forward, project scope, procurement process, project schedule, project budget, and anticipated construction schedule are set forth with particularity in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the SDA Contract Management Division (CMD) and Program Operations Division reviewed Molba Construction's cost proposal for the most extensive solution, in the amount of \$458,812 and determined it represented a reasonable working estimate for the elements included in the Scope of Work, recognizing that the actual time and material costs will be monitored and evaluated by SDA; and

WHEREAS, the Program Operations Deputy Director, Program Operations Director, CMD Deputy Director, and CMD Director recommend that Procurement proceed with the issuance of a task order to Molba Construction; and

WHEREAS, the recommended value for release from the Program Reserve is the not to exceed (NTE) amount of \$669,339, a dollar value based upon the recommended NTE construction contract value of \$458,812; and

WHEREAS, the recommended Final Charter represents the project budget inclusive of NTE dollar values for the award of construction as well as contingency; and

WHEREAS, as set forth in the memorandum presented to the Board on this date and incorporated herein, the recommended actions represent NTE values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$669,339 from the Program Reserve, the award of the construction contract to Molba Construction (Package No. EP-0090-C01) for a not to exceed value in the amount of \$458,812; and the Final Charter for the emergent project at the Passaic High School 12 in the Passaic Public School District consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum- Release of Funds from Program Reserve, Award of Contract to Molba Construction (Package No. EP-0090-C01), and Approval of the Final Charter, Passaic Public Schools – Passaic High School 12, Emergent Project-- Masonry Repair, Lintel Replacement and Window Assembly and Grade Level Drainage Repairs, dated May 1, 2013

Dated: May 1, 2013

**RELEASE OF FUNDS FROM PROGRAM RESERVE, AWARD OF CONTRACT AND APPROVAL OF THE
FINAL CHARTER – SALEM CITY SCHOOL DISTRICT – SALEM HIGH SCHOOL – EMERGENT PROJECT –
PARTIAL ROOF REPLACEMENT AND REPAIRS**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Manuel Da Silva
Program Director, Program Operations

RE: District: Salem City School District
School: Salem High School
Description: Emergent Project – Partial Roof Replacement and Repairs
Package No.: EP-0093-C01
Award: \$647,271.00
CM: NJSDA Self-Managed

DATE: May 1, 2013

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Salem City School District – Salem High School
Emergent Project – Partial Roof Replacement and Repairs

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of three related actions to address an emergent condition at the Salem High School in the Salem City Public School District:

1. Release of funds from the NJSDA Program Reserve maintained for emergent projects;
2. The award of a construction contract; and
3. The final charter.

The recommended value for release from the Program Reserve is the not-to-exceed (N.T.E.) amount of \$877,143.00, a dollar value based upon the recommended N.T.E. construction contract value of \$647,271.00. The recommended Final Charter represents the project budget inclusive of N.T.E. dollar values for the award of construction as well as contingency (copy attached). As discussed below, the recommended actions represent N.T.E. values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000.00. Further, the Operating Authority requires Board approval for the

Members of the Authority
Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Salem City School District – Salem High School - Emergent Project
May 1, 2013
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award of construction contracts greater than \$500,000.00. Both the construction award amount and the release of funds from the reserve exceed \$500,000.00.

BACKGROUND

The Salem High School, built in 1971 is a 142,841 square foot facility educating 450 students in grades 9 through 12. As a result of site visits conducted by NJSDA and New Jersey Department of Education (NJDOE) in 2011 and 2012 to review potential emergent conditions within the district, the NJDOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to the water infiltration specifically related to the roofing at this facility.

After receipt of the Pre-Construction Approval from NJDOE, the NJSDA received information provided from the Salem School District to assist in the development of a scope of work appropriate to address the condition. After analyzing the information, the NJSDA performed additional site visits to determine the condition of the roofing as it relates to the source of the water infiltration. Those site visits resulted in the scope detailed below.

PROCUREMENT PROCESS

The construction contract award recommended for this project results from utilization of the NJSDA General Construction Services Task Order Contract (GC Task Order).

At the August 3, 2011 Board Meeting, the Members of the Authority approved the use of the GC Task Order. The GC Task Order has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the pool. Bidders were required to select a region (North, South, or both) for job order assignments and accept the defined cost multiplier of 1.10, as decided by the Authority, for use in establishing compensation for those task order assignments to be performed, at least for the initial phases, on a time and materials basis. GC Task Order work may also be assigned on a lump sum basis after competitive bidding among Task Order Contractors.

This package will be awarded on a time and materials basis pursuant to the NJSDA's existing General Construction Services Task Order Contract.

On February 1, 2013, Procurement staff contacted Hall Construction Co., Inc., the next firm on the contractor rotational list, and confirmed its interest in the project.

SCOPE OF WORK

On February 5, 2013 and on February 13, 2013, site visits were held with Hall Construction Co., Inc. to review the emergent condition and discuss appropriate action to address the condition related to water infiltration. NJSDA staff instructed Hall Construction Co., Inc. to develop a proposal, cost estimate, and schedule to address the emergent condition as follows:

- Review the existing facility conditions and plans, to evaluate potential appropriate solutions for repairs;
- Engage a Site Environmental Consultant to perform testing and sampling of the areas that would be impacted in order to determine whether to perform abatement efforts; and
- Provide the proposed solution and cost analyses to remedy the Emergent Condition:

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 Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Salem City School District – Salem High School - Emergent Project
 May 1, 2013
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- o Perform abatement activities if required.
- o Replace Rotunda roof and adjacent roof over entranceway and canopy.
- o Repair or replace roof area over hallway adjacent to cafeteria.
- o Provide a 20 year Manufacturer’s Warranty for roofing replaced.

On April 12, 2013, Hall Construction Co., Inc. provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the testing and sampling, abatement activities and roof replacement or repair as chosen by NJSDA to be the most appropriate. The above-mentioned testing and sampling will enable NJSDA staff to evaluate and select the most appropriate scope of work to address the emergent project timely and efficiently.

The N.T.E. value of the recommended award represents Hall Construction Co., Inc.’s cost proposal for the most extensive solution presented to address the condition: roofing replacement and required abatement activities. The NJSDA reviewed and validated the final projected cost and schedule for the scope of work. All work is to be performed on a time and material basis with a not-to exceed amount of \$647,271.00.

Contract Management Division (CMD) and Program Operations reviewed Hall Construction Co., Inc.’s cost proposal for this solution, in the amount of \$647,271.00 and determined it was reasonable for the elements included in the Scope of Work. The Program Operations Deputy Director, Program Operations Director, CMD Deputy Director, and CMD Director recommend that Procurement proceed with the issuance of a task order to Hall Construction Co., Inc.

FINAL BUDGET

Based on Hall Construction Co., Inc. proposal, the construction cost to address the emergent project is a N.T.E. value of \$647,271.00. The total funding, including design costs and construction contingency, is estimated at a not-to-exceed value of \$877,143.00.

BUDGET SUMMARY

<u>Projected Budget Summary Not-to-Exceed</u>	
▪ Construction Costs	\$ 647,271.00
▪ Construction Contingency (15%)	\$ 97,091.00
▪ Design Costs (in-house)	\$ 19,418.00
▪ Project Management (NJSDA managed)	\$ 81,000.00
▪ Other Costs (5%)	<u>\$ 32,363.00</u>
▪ Total	\$ 877,143.00

SCHEDULE

Construction services to implement the selected solution for this project are anticipated to begin in early Summer, 2013 with construction duration of 80 calendar days to Final Completion.

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Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
Salem City School District – Salem High School - Emergent Project
May 1, 2013
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RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$877,143.00 from the Program Reserve to address the emergent project at the Salem High School in the Salem City School District;
2. The award of the construction contract to Hall Construction Co., Inc. for a N.T.E. value in the amount of \$647,271.00; and
3. The Final Charter for the emergent project at Salem High School in the Salem City School District.

After selection of the appropriate solution to address the emergent condition, the NJSDA Program Operations Division will inform the Board of that selection, as well as provide the Board with updated project cost information within the approved N.T.E. value.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ Manuel Da Silva

Manuel Da Silva, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations
Reviewed and Recommended by: Vincent Lechmanick, Deputy Program Director, Program Operations
Reviewed and Recommended by: Katherine Gallo, Program Officer, Program Operations
Prepared and Recommended by: Ronald Dworkis, Program Officer, Program Operations

New Jersey Schools Development Authority Emergent Project Charter - Summary

Region: Southern
District: Salem City School District
School Name: Salem High School
Project Type: Emergent
DOE # / Project #: #4630-050-12-0AEB
Project Location: 219 Walnut Street, Salem, NJ 08079

Charter Date
05/01/13
Supersedes
Charter Dated
N/A

Project Budget: \$ 877,143
Anticipated Construction NTP Date: 06/14/13
Anticipated Final Completion Date: 10/31/13
Project Initiation Date: 07/18/12

Funding Source
2011 Emergent Reserve

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	05/01/13	The general contractor shall implement the necessary alterations to address conditions related to water infiltration specifically related to the roofing at this facility. The general contractor shall perform testing and sampling of roofing areas and perform abatement activities if required. Replace Rotunda roof and adjacent roof over entry lobby, entranceway and entry canopy. Repair or replace roof area over hallway "B" & "C" Wings adjacent to cafeteria. Provide a 20 year Manufacturer's Warranty for roofing replaced.
Revision # and Date		
<input type="checkbox"/> One		
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		Purpose for Advancement of Emergent Charter
		To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, and estimated other costs.

Recommendation

Program Director - Project Manuel Da Silva	Date	Managing Director - Program Operations Gregory Voronov	Date
VP - Program Operations Andrew Yosha	Date		

Approval
 (If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer Marc Larkins	Date
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**New Jersey Schools Development Authority
Emergent Project Charter
Project Budget**

District / Project Name:	Salem City School District/ Salem High School
DOE # / Project #:	#4630-050-12-0AEB
Charter Date:	05/01/13

Special Considerations:
 Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

Project Budget:	
Construction Costs:	
Building Costs	\$647,271
Site Costs	\$0
Construction Contingency	\$97,091
Total Construction Costs	\$744,362
Other Costs:	
Design in-house	\$19,418
Construction Admin	N/A
Project Management (SDA Staff)	\$81,000
Other Costs	\$32,363
Total Other Costs	\$132,781
PreDevelopment & Environmental Costs:	
PreDevelopment	\$0
Environmental/Remediation	
Total PreDevelopment & Environmental Costs	\$0
Total Project Budget	\$877,143
2011 Emergent Reserve Impact	
Prior Funding Approved	\$0
Current Funding Requested	\$877,143

Resolution—6biv.

Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Charter
 Salem City School District – Salem High School
 Emergent Project – Partial Roof Replacement and Repairs

District:	Salem City School District
School:	Salem High School
Description:	Emergent Project – Partial Roof Replacement and Repairs
Package No.:	EP-0093
Award:	\$647,271.00
CM:	NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

WHEREAS, the Operating Authority further requires that the Members of the Authority approve the award of construction contracts greater than \$500,000 and Final Project Charters; and

WHEREAS, both this construction award amount and release of funds from the reserve exceed \$500,000; and

WHEREAS, the Salem High School (Salem HS), in the Salem School District, built in 1971, is a 142,841 square foot facility educating 450 students in grades 9 through 12; and

WHEREAS, following site visits conducted by SDA and New Jersey Department of Education (NJDOE) staff in 2011 and 2012 to review potential emergent conditions within the district, DOE issued a Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to the water infiltration specifically related to the roofing at the facility; and

WHEREAS, after receipt of the Pre-Construction Approval, SDA received information and performed additional site visits to determine the condition of the roofing as it relates to the source of the water infiltration which resulted in the establishment of the scope of work set forth in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, The construction contract award recommended for this project results from utilization of the SDA General Construction Services Task Order Contract (GC Task Order) authorized by the Board in August 2011; and

WHEREAS, on February 1, 2013, SDA Procurement staff contacted Hall Construction Co., Inc., the next firm on the contractor rotational list, and confirmed its interest in the project which shall be awarded on a time and materials basis pursuant to the GC Task Order Contract; and

WHEREAS, the steps taken by Hall to date, steps to be taken going forward, project scope, procurement process, project schedule, project budget and anticipated construction schedule are set forth with particularity in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the SDA Contract Management Division (CMD) and Program Operations Division reviewed Hall's cost proposal for the recommended solution, in the amount of \$647,271 and determined it was reasonable for the elements included in the scope of work; and

WHEREAS, the Program Operations Deputy Director and Director, and CMD Deputy Director and Director recommend that Procurement staff proceed with the issuance of a task order to Hall Construction Co., Inc.; and

WHEREAS, the recommended value for release from the Program Reserve is the not-to-exceed (NTE) amount of \$877,143, a dollar value based upon the recommended NTE construction contract value of \$647,271; and

WHEREAS, the recommended Final Charter represents the project budget inclusive of NTE dollar values for the award of construction as well as contingency; and

WHEREAS, As set forth in the memorandum presented to the Board on this date and incorporated herein, the recommended actions represent NTE values to support development and implementation of the most appropriate, efficient and timely action to address the emergent condition.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the release of \$877,143 from the Program Reserve to address the emergent project at the Salem High School in the Salem City School District; the award of the construction contract to Hall Construction Co., Inc. for a NTE value, in the amount of \$647,271 and the Final Charter for the emergent project at Salem High School in the Salem City School District consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum- Release of Funds from Program Reserve, Award of Contract to Hall Construction Co. (Package No. EP-0093), and Approval of the Final Charter, Salem City School District – Salem High School Emergent Project-- Partial Roof Replacement and Repairs, dated May 1, 2013

Dated: May 1, 2013

**AWARD OF CONTRACT AND APPROVAL OF REVISED FINAL PROJECT CHARTER – PATERSON
SCHOOL DISTRICT – MARSHALL STREET ELEMENTARY SCHOOL – CONSTRUCTION OF NEW
ELEMENTARY SCHOOL**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

Thomas Schrum
Program Director, Program Operations

RE: DISTRICT: Paterson
SCHOOL: Marshall Street Elementary School
PACKAGE #: PA-0006-C04
WORK TO BE PERFORMED: Construction of New Elementary School
CCE: \$26,525,000.00
CM: STV Construction, Inc.
DESIGN CONSULTANT: DI Group Architecture

DATE: May 1, 2013

SUBJECT: Award of Contract, Approval of Sole Source Designation in Procurement, Approval of Settlement with Subcontractor Haberle Steel, Inc., and Approval of Revised Final Project Charter

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$29,345,000 to Ernest Bock & Sons, Inc.¹ for construction services for the new Marshall Street Elementary School (Marshall St ES) in the Paterson Public School District. Before construction initiates, the awardee is required to perform a constructability review to identify any potential conflicts and their resulting cost impact.

Additionally, we are recommending approval by the Members of the sole-source designation of Haberle Steel, Inc., as the required structural steel subcontractor for fabrication and erection of steel for the project, for the reasons articulated herein.

¹ Ernest Bock & Sons, Inc. listed the following subcontractors for the required trades in its Price Proposal: MMC Contractors Northeast, Inc. (HVAC), Brian Trematore Plumbing & Heating, Inc. (Plumbing), P.J. Smith Electrical Contractors, Inc. (Electrical), and Haberle Steel, Inc. (Structural Steel & Ornamental Iron).

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Award of Contract, Approval of Sole Source Designation in Procurement,
Settlement with Haberle Steel, Inc., and Final Project Charter
Package No. PA-0006-C04
Paterson – Marshall St. Elementary School
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Furthermore, we are recommending that the Members approve settlement negotiations and settlement payments to Haberle Steel, Inc. for amounts relating to completed but unpaid fabrication efforts and for storage of the structural steel from April 2010 to the present, as well as negotiations to establish fixed costs for services included within the scope of work for the sole-source designation as fabricator and steel erector referenced above.

Finally, we are also recommending approval by the Members of the attached Revised Final Project Charter representing the project budget inclusive of dollar values for the award of construction, as well as a construction contingency which is intended to address, but is not limited to, any potential cost impact which may be identified during the constructability review.

Pursuant to the SDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of construction contracts greater than \$500,000 and for the approval of Revised Project Charters which modifications singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter. In the case of the Marshall St. ES project, the revised project charter increases the total project budget by \$11.6 million or 26.5%.

BACKGROUND

The Marshall St. ES project will be a new 105,491 square foot facility designed to educate 650 students from Kindergarten to 8th grade in the Paterson School District. This project includes a pedestrian bridge over the NJ Transit railroad right of way, necessary to provide access for the areas of the city the school is serving.

Prior activity for the Marshall St. ES project included its advancement into construction in 2009, following SDA Board approval of the award and Final Project Charter. After construction initiated, the project encountered obstacles that impacted its advancement. For these and other reasons, the SDA engagements for construction and construction management were terminated.

At the March 2, 2011 NJSDA Board Meeting, the Marshall St. ES project was approved to advance under the Authority's 2011 Capital Plan. NJSDA staff undertook a review and validation of the project's design and completed work to date, in order to recommend a plan for advancement for the project. The review determined that the project cost and schedule efficiencies would be supported by a two phase construction process: Phase I: Early Site Preparation to address removal of the stockpiled unsuitable soil and Phase II: Construction of the Marshall St. ES.

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Phase I Early Site Preparation was completed in November 2012. The site was also resurveyed and documented for the new construction contract, inclusive of documenting work previously completed.

A solicitation for GC Services was issued on February 12, 2013. A Construction Management firm (CM) will be hired to manage the construction phase of the new Marshall St. ES and the award of this engagement is the subject of a separate recommendation to the Members.

STRUCTURAL STEEL AND SOLE SOURCE DESIGNATION OF SUBCONTRACTOR

The review and validation of prior completed work under the terminated construction contract resulted in a determination to include in the new construction procurement a requirement for bidders to use and incorporate the structural steel that had been purchased and partially fabricated under the original terminated construction contract, in an effort to efficiently advance the project and recover the value of the structural steel fabricated to date (totaling \$888,419). As the structural steel had been only partially fabricated (to approximately 55% completion), it was recognized that the original fabricator would be the only vendor capable or available to complete the fabrication in a manner that would ensure continuity of the process and avoid potential errors or conflicts in the fabrication, in order to shield the Authority from liability with respect to the structural steel.

Executive Order 37 (2006) specifies that sole source awards may be made “when there is only one vendor capable or available to provide the goods or services” in question. NJSDA staff determined that the completion of the fabrication needed to be performed by the original fabricator, Haberle Steel, Inc., in order to ensure accurate and efficient completion of the fabrication; furthermore, that the erection of the steel needed to be procured from the same entity as the completion of fabrication, in order to minimize and resolve errors or conflicts in the steel fabrication that are often revealed in the erection and assembly process. Accordingly, the NJSDA specified in the bid documents the requirement that bidders contract with the original fabricator for the completion of fabrication and for erection of the structural steel. NJSDA staff documented the rationale for the sole-source requirement in accordance with Executive Order 37 (2006), which rationale was reviewed and approved by the Office of the State Comptroller. The NJSDA now seeks the Members’ approval of this sole-source designation for the reasons described in this memorandum.

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SETTLEMENT AGREEMENT WITH HABERLE STEEL, INC.

As part of the preparations to use the existing structural steel, the Authority was required to negotiate directly with the original steel supplier and fabricator to resolve outstanding payment obligations for uninvoiced fabrication work to date, for costs associated with changes to the steel design for the project, and for storage of the structural steel to date, which costs were not paid under Haberle's original terminated subcontract. Haberle submitted documentation in support of a demand for \$368,000 for the completed but uninvoiced fabrication work to date, which NJSDA staff reviewed and found to be accurate and reasonable. Haberle submitted a claim for \$102,599 for changes made to the structural steel design, but upon review NJSDA determined that an agreed upon amount of \$45,765 was appropriate for this work. Finally, Haberle submitted documentation in support of steel storage costs incurred from April 2010 to December 2012, for a total of \$211,875. Upon review of this documentation, NJSDA staff insisted upon an adjustment to the storage duration, such that storage costs commenced in 2010 and would extend through April 2013 to cover the procurement period for this contract, and negotiated a cost of \$148,259.42 for such storage costs. Added together, the foregoing amounts comprise a combined Settlement Amount of \$562,024.42.

Additionally, in anticipation of the sole-source designation of Haberle Steel, Inc. as the required subcontractor to perform the completion of fabrication and erection of the structural steel, NJSDA staff negotiated favorable pricing for such work, including field bolts, joists and decking, transport and delivery of the steel. Haberle submitted a cost breakdown for such work, and after review and negotiation, NJSDA and Haberle agreed to a fixed price of \$1,378,080 for performance of the remaining steel fabrication and erection, including transport, delivery, joists, decking, and all other associated costs. This fixed price for the remaining steel fabrication and erection was included in the bid documents and pre-loaded into the price proposal form for this procurement.

The NJSDA seeks the Board Members' approval of the Settlement Agreement with Haberle Steel, Inc., including the prenegotiated pricing for completion of the structural steel package for the project going forward, and the payment of the combined Settlement Amount of \$562,024.42.

PROCUREMENT PROCESS

This package was advertised as a "Price and Other Factors" solicitation on February 12, 2013 on the SDA website, on the State of New Jersey Business Opportunities website, and in selected newspapers for interested firms to participate in the bidding process. For this procurement, "Price" was weighted as significantly more important than all "Other Factors," with price equaling 80% of the overall weight, and all non-price factors having a combined weight of 20%.

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 Award of Contract, Approval of Sole Source Designation in Procurement,
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A mandatory pre-bid conference was held on February 21, 2013.

In accordance with regulations, the SDA employed a two-step process for this procurement. The first step required interested bidders to submit a Project Rating Proposal, which was used by the SDA to determine each bidder’s Project Rating Limit, or maximum amount that a bidder may bid, for the project. Project Rating Proposals were received on February 27, 2013. Bidders were evaluated based on the largest of four projects completed in the past seven years, safety records as well as reference checks. Based on evaluation of the information submitted, ten (10) bidders received a Project Rating Limit.

The Project Rating Limits resulting from the Project Rating Evaluations are listed in Table 1 below:

TABLE 1

Contractor	Project Rating Limit
APS Contracting, Inc.	\$ 18,645,209
Delric Construction Co., Inc.	\$ 49,850,921
Dobco, Inc.	\$ 77,351,010
Epic Management, Inc.	\$ 231,312,160
Ernest Bock & Sons, Inc.	\$ 107,084,530
Hall Construction Co., Inc.	\$ 131,295,840
Paul Otto Building Co., Inc.	\$ 32,926,209
Prismatic Development Corp.	\$ 103,600,000
Terminal Construction Corp.	\$ 212,681,000
Vanas Construction Co., Inc.	\$ 62,304,369

Bidder Questions were received by March 20, 2013. Addenda responses to Bidder Questions were issued to the bidders on March 13 and March 28, 2013.

The second step of the response required bidders to simultaneously submit a Technical Proposal and a sealed Price Proposal. Technical and Price Proposals were received on April 10, 2013 from three (3) bidders. The Technical Proposal provided information regarding the bidder’s past experience and qualifications as well as the bidder’s overall approach to the project and to the Constructability Review portion of the project. Interviews were held with each of the three (3) bidders at SDA offices in Trenton on April 16, 2013, affording members of the Selection Committee an opportunity to obtain any additional information from each bidder as needed to complete their evaluations of the Technical Proposals.

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Members of the Selection Committee, comprised of two (2) SDA Program Operations representatives and one (1) Paterson School District representative, were responsible for independently evaluating and scoring the Technical Proposal submittals with respect to the non-price evaluation criteria. The proposals were evaluated by the Selection Committee members based on the following criteria:

- Bidder's experience on similar projects
- Experience of key team members on similar projects
- Bidder's prior affirmative action experience
- Bidder's schedule compliance on similar projects
- Bidder's safety record
- Bidder's history of claims on payment bond
- Approach to project
- Approach to constructability review

Each Selection Committee member evaluated each Technical Proposal, assigning a raw score for each criterion on a scale of 0 to 10 as follows:

- 9 - 10 points - outstanding response - offers significant advantages.
- 7 - 8 points - superior response - exceeds requirements with no deficiencies.
- 5 - 6 points - sufficient response - meets the requirements with no significant deficiencies.
- 3 - 4 points - minimal response - meets the requirements but contains some significant deficiencies.
- 1 - 2 points - marginal response - comprehends requirements, but contains many significant deficiencies.
- 0 points - unsatisfactory response - requirements not addressed and lack of detail precludes adequate evaluation.

Members of the Authority
 Award of Contract, Approval of Sole Source Designation in Procurement,
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Weighting factors were then applied to each of the Selection Committee member’s raw scores for each criterion to arrive at a total weighted score as follows in Table 2 below:

TABLE 2

Criteria	Weighting Factor	Maximum Weighted Points
Bidder’s experience on similar projects	2.0	20
Experience of key team members on similar projects	1.5	15
Bidder’s prior affirmative action experience	0.5	5
Bidder’s schedule compliance on similar projects	1.0	10
Bidder’s safety record	0.5	5
Bidder’s history of claims on payment bond	0.5	5
Approach to project	2.5	25
Approach to constructability review	1.5	15
Total Possible Points		100

For each Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a Total Non-Price Score for that Technical Proposal. The maximum Total Non-Price Score is 100. All of the Total Non-Price Scores awarded to a Technical Proposal by the Selection Committee members were added together and averaged to arrive at a Final Non-Price Score for each Technical Proposal.

The results of the Selection Committee’s review of the Technical Proposals are listed in Table 3 below:

TABLE 3

Contractor	Raw Non-Price Score	Non-Price Rank
Ernest Bock & Sons, Inc.	85.500	1
Delric Construction Co., Inc.	64.500	2
Dobco, Inc.	57.333	3

Once all the Technical Proposals were scored, the Authority opened the sealed Price Proposals and reviewed them for responsiveness. The Price Proposals were publicly opened on April 19, 2013 and the bids were read aloud as required by law.

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The lowest responsive Price Proposal was awarded the maximum number of points for the price component, which is 100. All other Price Proposals were awarded points based on the percentage that each proposal exceeded the lowest bid.

The results of the SDA’s review of the Price Proposals are listed in Table 4 below:

TABLE 4

Contractor	Bid Amount	Raw Price Score	Price Rank
Dobco, Inc.	\$27,975,000	100.000	1
Ernest Bock & Sons, Inc.	\$29,345,000	95.103	2
Delric Construction Co., Inc.	\$30,053,000	92.572	3

Before being combined with the non-price scores, the price scores for all bidders were adjusted by a weighting factor of 80%, and the scores for the non-price “Other Factors” criteria were adjusted by a 20% weighting factor.

The combined scores and final rankings are listed in Table 5 below:

TABLE 5

Contractor	Raw Non-Price Score	Weighted Non-Price Score	Raw Price Score	Weighted Price Score	Combined Score	Final Rank
Ernest Bock & Sons, Inc.	85.500	17.100	95.103	76.082	93.182	1
Dobco, Inc.	57.333	11.467	100.000	80.000	91.467	2
Delric Construction Co., Inc.	64.500	12.900	92.572	74.058	86.958	3

The highest ranked bidder was Ernest Bock & Sons, Inc.

The bid submitted by Ernest Bock & Sons, Inc. (EBS), which was not the lowest submitted price proposal, is greater than the CCE. In order to understand the differential between the CCE and the EBS bid, and to ensure the contractor’s Price Proposal was inclusive of all scope elements, a conference was conducted on April 22, 2013 with Procurement, Program Operations, Contract Management Division, the design consultant and EBS to review the bid. The discussion identified variances between the CCE and Price Proposal in several categories, with the largest variances in masonry, concrete and finishes, followed by mechanical and electrical. A bid breakdown review with EBS of these items was conducted and the scope of work was reviewed. During that review, it was explained that EBS’s pricing for the masonry and concrete aspects includes removal and replacement of a portion of that work performed by the prior GC along with completion of all required scope. As for the electrical and mechanical aspects, EBS stated its bid represented what

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EBS determined to be the most appropriate cost for this work based upon submissions from its named subcontractors. During the review, EBS confirmed that its price proposal is inclusive of all scope elements including the Pedestrian Bridge, the Cooling Tower and the boilers as indicated and contained in the Contract Documents. EBS confirmed that the construction duration including close out was 24 months from NTP. EBS also confirmed its understanding that this project requires performance of a constructability review prior to the NTP for construction.

After performance of the bid review and conference with the contractor, the Program Operations Deputy Director, the Program Operations Director, and the Contract Management Director recommend award of the project to Ernest Bock & Sons, Inc.

FINAL PROJECT CHARTER

The attached Revised Final Project Charter represents the project budget inclusive of actual dollar values for the award of the construction contract, pre-development expenses, engaged design and construction management services, as well as estimated costs for future project scope elements such as FF&E, technology, and appropriate contingencies. As a revision to the Final Project Charter approved in November, 2009, it also includes actual dollar values expended or anticipated to be expended for the now terminated earlier engagements. The Revised Final Project Charter results in an increase to the budget of \$11.6 million due to increased costs associated with the prior stoppage of work, termination of the earlier contracts, and the completion of the project through new construction and construction management engagements.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to the highest ranked bidder, Ernest Bock & Sons, Inc., for Contract No. PA-0006-C04 in the amount of \$29,345,000. Such approval is conditioned upon the agreement and related documentation being reviewed and approved by the SDA Division of Chief Counsel.

As part of that approval, the Members of the Authority are requested to approve the sole-source designation of Haberle Steel, Inc., as the specified subcontractor for completion of fabrication and performance of steel erection services.

Additionally, the Members of the Authority are requested to approve the Settlement Agreement with Haberle Steel, Inc., resolving claims for uninvoiced fabrication services, steel design changes and steel storage costs for a total of \$ \$562,024.42, as well as memorializing negotiated costs for the completion of fabrication and steel erection included in this procurement, totaling \$1,378,080.

Members of the Authority
Award of Contract, Approval of Sole Source Designation in Procurement,
Settlement with Haberle Steel, Inc., and Final Project Charter
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The Members of the Authority are also requested to approve the attached Revised Final Project Charter representing all expended and projected funds necessary for completion of the project.

/s/ Sean Murphy
Sean Murphy, Procurement Director

/s/ Thomas Schrum
Thomas Schrum, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
Reviewed and Recommended by: Greg Voronov, Managing Director, Program Operations
Reviewed and Recommended by: Joseph Lucarelli, Deputy Program Director, Program Operations
Prepared and Recommended by: Jeannette North, Program Officer, Program Operations

CHIEF EXECUTIVE OFFICER CERTIFICATION

Consistent with Executive Order #37 (Corzine), I hereby certify that the circumstances of this procurement warrant application of the sole source exemption set forth in Section 16c of EO #37.

/s/ Jason Ballard
Marc Larkins, Chief Executive Officer

New Jersey Schools Development Authority Project Charter - Summary

Charter Date
05/01/13

Supersedes Charter Dated
11/05/09

Region: Northern
District: Paterson
Project Name: Marshall Street ES
School Type: Elementary School
DOE # / Project #: 4010-N01-02-0169
Project Type (New/Add/Reno): New
Project Location: Paterson
Number of Students: 650

Land Acquisition Required? Yes No
Temporary Space Required? Yes No

Funding Source
2011 Capital Plan

Project Budget: \$ 55,150,306

Funding Allocated
\$43,584,272

Anticipated Substantial Completion Date: 11/06/15

Anticipated School Occupancy Date: 01/05/16

Project Team Leader: Felipe Marrero

District Local Share
\$0.00

Project Initiation Date: 10/31/01

SDA Board - Project Charter Approval Date: 05/01/13

Charter Version and Date	Project Summary									
<input type="checkbox"/> Planning	The Marshall St. ES project is a 105,491 square foot facility to educate 650 students from Kindergarten to 8th grade. The school project includes an outdoor play area, parking lot and a storm water detention/filtration system. In addition, this project includes a pedestrian bridge over the NJ Transit railroad right of way, necessary to provide access for the areas of the city the school is serving.									
<input type="checkbox"/> Preliminary										
<input checked="" type="checkbox"/> Final 11/05/09										
Purpose for Advancement of Current/Revised Project Charter										
This Revised Final Charter is being advanced for approval, inclusive of revised final budget and schedule for the project based upon termination of the original GC and CM and the award of new GC and CM contracts.										
District Project Goals										
Address elementary school overcrowding.										
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 25%;">Revision # and Date</th> <th style="width: 75%;">Project Summary</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/> One 05/01/13</td> <td rowspan="6">This Revised Final Charter is being advanced for approval, inclusive of revised final budget and schedule for the project based upon termination of the original GC and CM and the award of new GC and CM contracts.</td> </tr> <tr> <td><input type="checkbox"/> Two</td> </tr> <tr> <td><input type="checkbox"/> Three</td> </tr> <tr> <td><input type="checkbox"/> Four</td> </tr> <tr> <td><input type="checkbox"/> Five</td> </tr> <tr> <td><input type="checkbox"/> Six</td> </tr> </tbody> </table>		Revision # and Date	Project Summary	<input checked="" type="checkbox"/> One 05/01/13	This Revised Final Charter is being advanced for approval, inclusive of revised final budget and schedule for the project based upon termination of the original GC and CM and the award of new GC and CM contracts.	<input type="checkbox"/> Two	<input type="checkbox"/> Three	<input type="checkbox"/> Four	<input type="checkbox"/> Five	<input type="checkbox"/> Six
Revision # and Date	Project Summary									
<input checked="" type="checkbox"/> One 05/01/13	This Revised Final Charter is being advanced for approval, inclusive of revised final budget and schedule for the project based upon termination of the original GC and CM and the award of new GC and CM contracts.									
<input type="checkbox"/> Two										
<input type="checkbox"/> Three										
<input type="checkbox"/> Four										
<input type="checkbox"/> Five										
<input type="checkbox"/> Six										

Recommendation

Program Director - Program Operations _____ Date _____
 Thomas Schrum

Managing Director - Capital Planning _____ Date _____
 Gregory Voronov

Vice President - Program Operations _____ Date _____
 Andrew Yosha

Approval

Chief Executive Officer _____ Date _____
 Marc Larkins

New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method

Charter Date
05/01/13

District / Project Name:	Paterson / Marshall Street ES
DOE # / Project #:	4010-N01-02-0169

Project Milestones	Date
School Occupancy Date	01/05/16

DELIVERY METHOD	Design/Bid/Build
------------------------	-------------------------

<u>Real Estate Services</u>	Start	Est.	Act.	Finish	Est.	Act.
Feasibility	09/18/02	<input type="checkbox"/>	<input checked="" type="checkbox"/>	04/21/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>
EO215 Requirements	11/30/02	<input type="checkbox"/>	<input checked="" type="checkbox"/>	03/15/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Acquisition	04/23/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/17/07	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Relocation	08/15/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/16/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Demolition	06/09/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>	04/01/05	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Remediation	06/09/04	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11/21/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Deed Restriction Required?	Yes			Date		
District Notified?	Yes	05/29/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Classification Exception Area?	Yes					
District Notified?	No	<input type="checkbox"/>	<input type="checkbox"/>			

Special Considerations

<u>Design:</u>	Date	Est.	Act.	Start	Est.	Act.	Finish	Est.	Act.
Design Start (NTP)	05/01/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
Design Restart (if applicable)	03/26/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>						
Program Concept Phase	05/01/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/30/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Schematic Design Phase	05/01/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/13/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Design Development Phase	07/08/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/14/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Construction Documents Phase	09/26/03	<input type="checkbox"/>	<input checked="" type="checkbox"/>	01/04/13*	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
DCA Review	08/15/05	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10/29/09**	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Bid and Award	02/12/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/13/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>			

Special Considerations

* Project was suspended in June 2010. Project reinitiated as part of the 2011 Capital Plan. Design revisions started 3/26/12 to align the project design closely with the current SDA systems and materials standards and to include all corrective work to re-start construction.

** An amended DCA release is anticipated for current design revisions & also for potential constructability review design revisions.

<u>Construction:</u>	Date	Est.	Act.
Construction Start (NTP)	06/14/13*	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	11/06/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	01/05/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer	03/04/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	02/04/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	10/03/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	10/31/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

*Construction Start (NTP) represents the anticipated issuance of the NTP to initiate the Constructability Review. An Authorization-to-Proceed with construction to the General Contractor upon completion of the Constructability Review is anticipated for 10/24/13.

**New Jersey Schools Development Authority
Project Charter - Project Budget**

Charter Date

05/01/13

District / Project Name: Paterson / Marshall Street ES
DOE # / Project #: 4010-N01-02-0169

2011 Capital Plan Funding Allocation \$ **43,584,272**

Special Considerations:

Budget for building and site costs reflect the award amount for the general contractor upon identification of the highest ranked firm. Also, the budget for PMF/CM services reflects the award amount for the firm identified as the highest ranked construction management firm.

Project Budget:

Gross Building Area (GSF):		Grossing Factor:
		1.54
New	105,491	
Addition	0	
Renovation	0	
Total Gross Building Area (GSF):	105,491	
Estimated Building Cost / GSF		
New Construction Cost/GSF	\$283.50	
Renovation Cost/GSF	\$0.00	

Construction Costs:

Building Costs	\$25,360,000
Site Costs	\$3,985,000
Structural Steel Costs (Haberle)	\$562,024
Original General Contractor Costs	\$5,419,501
Demolition	\$0
E-Rate (If separately bid)	\$6,024
Cost Escalation 0 months at 5 % per year	\$0
Design Contingency	\$0
Construction Contingency	\$2,934,500
Total Construction Costs	\$38,267,049

Pre-Development Costs:

Consultant Services	\$883,956
Early Site Packages (Demolition/Remediation)	\$2,298,444
Land Acquisition	\$3,869,847
Relocation	\$784,447
Property Maintenance/Carry Costs	\$80,457
Total Pre-Development Costs	\$7,917,150

Other Costs:

Design	\$3,117,951
Project Management (SDA Staff)	\$1,101,000
PMF/CM	\$1,674,868
Prior CM Engagement	\$512,706
FF&E	\$1,044,361
Technology	\$928,321
Commissioning	(Included in CM)
Temporary Space	\$0
Other Costs	\$586,900
Total Other Costs	\$8,966,107

Other Funding Sources

Rebates & Refunds	\$0
District Local Share Funds	\$0
Total Other Funding Sources	\$0

Total Project Budget **\$55,150,306**

Funding from Prior Allocation **\$11,762,650**

Funding from 2011 Capital Plan **\$43,387,656**

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**New Jersey Schools Development Authority
Project Charter - Budget Variance**

Charter Date
05/01/13

District / Project Name: Paterson / Marshall Street ES
DOE # / Project #: 4010-N01-02-0169

Project Budget:

	2011 Capital Plan Estimate	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:	1.54	1.54	0.00
Gross Building Area (GSF):			
New	105,491	105,491	0
Addition	0	0	0
Renovation	0	0	0
Total Gross Area (GSF):	105,491	105,491	0
Construction Costs			
Building Costs	\$22,000,000	\$25,360,000	(\$3,360,000)
Site Costs	\$2,400,000	\$3,985,000	(\$1,585,000)
Structural Steel Costs (Haberle)	\$0	\$562,024	(\$562,024)
Original General Contractor Costs	\$0	\$5,419,501	(\$5,419,501)
Demolition	\$0	\$0	\$0
E-Rate (If separately bid)	\$488,918	\$6,024	\$482,894
Cost Escalation	\$0	\$0	\$0
Design Contingency	\$0	\$0	\$0
Construction Contingency	\$2,490,000	\$2,934,500	(\$444,500)
Total Construction Costs	\$27,378,918	\$38,267,049	(\$10,888,131)
Pre-Development Costs:			
Consultant Services	\$931,678	\$883,956	\$47,722
Early Site Packages (Demolition/Remediation)	\$2,446,431	\$2,298,444	\$147,987
Land Acquisition	\$3,811,457	\$3,869,847	(\$58,389)
Relocation	\$815,919	\$784,447	\$31,472
Property Maintenance/Carry Costs	\$67,015	\$80,457	(\$13,442)
Total Pre-Development Costs	\$8,072,500	\$7,917,150	\$155,350
Other Costs:			
Design	\$2,322,029	\$3,117,951	(\$795,922)
Project Management (SDA Staff)	\$1,101,000	\$1,101,000	\$0
PMF/CM	\$1,657,279	\$1,674,868	(\$17,589)
Prior CM Engagement	\$0	\$512,706	(\$512,706)
FF&E	\$1,402,637	\$1,044,361	\$358,276
Technology	\$1,051,978	\$928,321	\$123,657
Commissioning	\$0	(Included in CM)	\$0
Temporary Space	\$0	\$0	\$0
Other Costs	\$597,931	\$586,900	\$11,031
Total Other Costs	\$8,132,854	\$8,966,107	(\$833,253)
Other Funding Sources			
Rebates & Refunds	\$0	\$0	\$0
District Local Share Funds	\$0	\$0	\$0
Total Other Funding Sources	\$0	\$0	\$0
Total Project Budget	\$43,584,272	\$55,150,306	(\$11,566,034)
Funding from Prior Allocation	\$11,762,650	\$11,762,650	\$0
Funding from 2011 Capital Plan	\$31,821,622	\$43,387,656	(\$11,566,034)

Budget Variance Analysis:

Increased costs are associated with the prior stoppage of work, termination of the earlier Construction and PMF/CM contracts, additional design work to advance project and the completion of the project through new construction and construction management engagements.

Schedule Variance Analysis:

Resolution—6bv.

Award of Contract Approval of Sole Source Designation in Procurement, Settlement with Subcontractor Haberle Steel, Inc., and Revised Final Project Charter

DISTRICT:	Paterson
SCHOOL:	Marshall Street Elementary School
PACKAGE #:	PA-0006-C04
WORK TO BE PERFORMED:	Construction of New Elementary School
CCE:	\$26,525,000.00
CM:	TBD
DESIGN CONSULTANT:	DI Group Architecture

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority requires that the Members of the Authority approve the award of construction contracts greater than \$500,000; and

WHEREAS, the Operating Authority further requires that the Members of the Authority approve Revised Project Charters with modifications singularly or in the aggregate exceeding 10% of the most recent Board-approved Project Charter as well as settlement agreements and sole source designations in procurement; and

WHEREAS, upon completion, the Marshall Street ES (the Project) in the Paterson School District will be a 105,491 square foot facility designed to educate 650 students from Kindergarten through 8th grade; and

WHEREAS, in March 2011, the SDA Board approved the Authority’s 2011 Capital Plan identifying the Project, which previously had been terminated, as one of the projects for advancement; and

WHEREAS, SDA staff undertook a review and validation of the project’s design and completed work to date, in order to recommend a plan for Project advancement, ultimately establishing a two phased construction approach for the project; and

WHEREAS, Phase I Early Site Preparation was completed in November 2012 and a “price (80%) and other factors (20%)” solicitation for general contractor services was issued on February 12, 2013; and

WHEREAS, the memorandum presented to the Board on this date and incorporated herein provides comprehensive details pertaining to the Project's background, the attached final project charter, the procurement and bid review process, the proposed settlement of certain claims and costs submitted by Haberle Steel, Inc. (Haberle), the issues surrounding structural steel for the Project and the appropriateness of a sole source designation of Haberle in connection therewith; and

WHEREAS, upon completion of the procurement and bid review process, the program operations deputy director and director, and the contract management deputy director and director recommend award of the contract for construction services in the amount of \$29,345,000 to Ernest Bock & Sons, Inc.; and

WHEREAS, management recommends Board approval of the attached revised final project charter representing the project budget inclusive of dollar values for the award of construction, as well as a construction contingency which is intended to address, but is not limited to, any potential cost impact which may be identified during the constructability review to be conducted; and

WHEREAS, the revised project charter increases the total project budget by \$11,600,000 or 36.4% thus necessitating Board approval; and

WHEREAS, executive management recommends Board approval of the sole source designation of Haberle Steel, Inc. for structural steel related services and the settlement of certain claims and costs submitted by Haberle Steel, Inc. as described in the memorandum presented to the Board on this date.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract in the amount of \$29,345,000 to the highest ranked bidder, Ernest Bock Sons, Inc. for Contract No. PA-0006-C04, with such approval contingent upon review and approval of the agreement and related documentation by the SDA Division of Chief Counsel.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby approve the Revised Final Project Charter, resulting in an increase to the project budget of \$11.6 million, representing all expended and projected funds necessary for completion of the project.

BE IT FURTHER RESOLVED, that the Members of the Authority approve the settlement agreement with Haberle Steel, Inc. resolving claims, charges and costs and memorializing certain costs the terms of which are set forth in the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that the Members of the Authority approve the sole source designation of Haberle Steel, Inc. as the specified subcontractor for completion of fabrication and performance of steel erection services as described in the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Award of Contract and Approval of Revised Final Project Charter
(Package No.: PA-0006-C04), Marshall Street Elementary School, Paterson School
District, dated May 1, 2013

Dated: May 1, 2013

**CONSTRUCTION AWARD – JERSEY CITY SCHOOL DISTRICT- FRANK R. CONWELL PUBLIC
SCHOOL 3/MIDDLE SCHOOL 4 – CORRECTIVE WORK**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Procurement Director

C. Aidita Milsted
Program Director, Program Operations

RE: District: Jersey City Public Schools
School: Frank R. Conwell Public School 3/Middle School 4
Description: Corrective Work
Package No.: JE-0016-C04
CCE: \$ 696,607
Award: \$ 688,000
CM: NJSDA Self-Managed

DATE: May 1, 2013

SUBJECT: Award of Contract and Approval of Final Charters

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$688,000 to Alna Construction Corporation for corrective work at the Frank R. Conwell Public School 3 and Middle School 4 in the Jersey City Public Schools District (JCPS) and the approval of final charters (copies attached) for the two projects. The need for corrective work is discussed in the Background section, below. Prior construction activity at each school preceded the implementation of project charters. The final charters now recommended for Board action pertain exclusively to scope, funding and schedule for the corrective work.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the award of construction contracts greater than \$500,000. Further, the Operating Authority requires Board approval for the approval of a final project charter. The construction award amount exceeds \$500,000 and approval of final project charters is being sought.

BACKGROUND

The Frank R. Conwell Public School # 3 (PS3) is a 114,000 square foot facility educating 576 students in grades Pre-K through 5 and Middle School # 4 (MS4) is a 166,000 square foot facility educating 810 students in grades 6 through 8 in the JCPS. Design for the two facilities was completed by the

Members of the Authority
Award of Contract and Approval of Final Charters
Jersey City Public Schools, Frank R. Conwell PS3/MS4
May 1, 2013
Page 2 of 5

architectural firm Edwards & Kelsey under two separate contracts, and subsequently procured for construction as a single contract.

Terminal Construction Corporation was awarded the contract to construct both schools with a Notice to Proceed (NTP) dated August 26, 2003. Temporary Certificates of Occupancy for both schools were issued on December 8, 2005 and an Eleven-Month Walk-through was held in late 2006. Certificates of Occupancy were issued on July 24, 2007 for PS3 and May 13, 2009 for MS4. Prior to, and upon occupancy of the schools, the District provided the NJSDA with an inventory of concerns, seeking corrective action.

After discussion with the district, analysis of district-provided information and site visits conducted by representatives of NJSDA Program Operations Division, Contract Management Division (CMD) and the Division of Office of Chief Counsel, NJSDA review determined that a number of the identified concerns were appropriate for corrective action.

The concerns were divided into the following three categories:

- I. Phase I Work – Items not requiring either a Design Consultant and/or the issuance of a New Jersey Department Community Affairs (NJDCA) permit.
- II. Phase II Work – Items requiring the services of a Design Consultant or the issuance of a NJDCA permit.
- III. Phase III Work – Items requiring the services of a HVAC Commissioning Agent.

In April 2011, Board Approved Preliminary Charters allocated funding from the Unforeseen Events Reserve to address costs inclusive of all phases to remedy the JCPS identified concerns at PS3 and MS4.

On June 30, 2011, Ingrassia Construction Company, Inc. was issued a NTP to perform Phase I work. In as much as the nature of the work to be performed did not require outside professional design staff or NJDCA review, and the fact that the design professionals engaged on this project stopped work in 2006, NJSDA Program Operations, with assistance from CMD, developed a scope of services to address the Phase I work to be completed. Phase I work was completed by Ingrassia Construction Company, Inc. in the summer of 2011. An eleven-month walk-through was held on July 2, 2012. All work was completed on time and accepted by NJSDA.

On July 6, 2011, the Members of the Authority approved the award of a contract for HVAC Retro-Commissioning Services to Concord Engineering in order to investigate, validate and quantify issues related to the HVAC systems at both schools. The Retro-Commissioning study was completed in March 2012 identifying the causes of the operating and performance issues with the HVAC systems. For project efficiency reasons, advancement of the design of the identified HVAC corrective work and the design to address Phase II work were consolidated.

Members of the Authority
 Award of Contract and Approval of Final Charters
 Jersey City Public Schools, Frank R. Conwell PS3/MS4
 May 1, 2013
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On August 29, 2012, Purcell Architects was issued a NTP to perform design work to address the work previously identified as Phase II and III work consisting of predesign conditions evaluation, development of Plans and Specifications for corrective work and construction administration services. The construction documents were completed on January 15, 2013 and the project was advanced for bidding and award of the construction contract. The completion of this work will conclude all corrective work by the NJSDA at the two school facilities.

NJSDA Division of Chief Counsel and Special Projects Division are addressing potential and ongoing actions associated with the project history.

PROCUREMENT PROCESS

This package was advertised on March 26, 2013 on the NJSDA website, NJ State website, and in selected newspapers for interested firms to participate in the bidding process.

A mandatory pre-bid conference was held on April 2, 2013.

Project Rating Proposals were received on April 5, 2013. Bidders were evaluated based on the largest of four projects completed in the past seven years, safety records as well as reference checks. Based on evaluation of the information submitted, four (4) bidders received a Project Rating Limit.

Requests for Information (RFIs) were received by April 5, 2013. The addendum containing the responses to the RFIs were issued to the bidders on April 9, 2013.

Price Proposals were received from two (2) bidders on April 19, 2013. The Price Proposals were publicly opened and the lump sum base bids were read aloud as required by law.

Following the public bid opening, the NJSDA performed a review of the Price Proposals to determine the responsiveness of each bidder to the solicitation. The review determined that two (2) bidders were responsive. The results of the review are listed below:

Contractor	Bid Amount	Comments
Alna Construction Corporation	\$688,000.00	Qualified and responsive bidder.
Brockwell & Carrington Contractors, Inc.	\$944,000.00	Qualified and responsive bidder.

The responsive low bidder was Alna Construction Corporation.

The bid submitted by Alna Construction Corporation was below the CCE. In order to understand the differential between the CCE and the bid price and to ensure the contractor's Price Proposal was inclusive of all scope elements, a conference was conducted on April 22, 2013 with Procurement, Program Operations, Contract Management Division and Alna Construction Corporation, to review the bid. After discussion, it was determined that some aspects of the bid were higher and others lower than the CCE, and that the major differential related to HVAC, for which the contractor's value was lower

Members of the Authority
 Award of Contract and Approval of Final Charters
 Jersey City Public Schools, Frank R. Conwell PS3/MS4
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than the NJSDA estimate: Alna Construction Corporation’s bid represents scope for HVAC balancing services consistent with the solicitation documents and different from the CCE. Additionally, the contractor’s pricing for sitework is higher than the NJSDA estimate. At the time of review, Alna Construction Corporation confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents. The Program Operations Deputy Director, the Program Operations Director, the Contract Management Director and the Design Consultant recommend award of the project to Alna Construction Corporation.

FINAL BUDGET

Based on Alna Construction Corporation’s bid, the construction cost to address the corrective work previously identified as Phase II and Phase III is \$688,000. The total funding, including design costs, all phases of construction and construction contingency, is estimated at \$1,564,968.

<u>Budget Summary</u>	<u>PS3</u>	<u>MS4</u>
• Construction Costs (Phase I)	\$ 82,428	\$ 48,340
• Construction Costs (Phase II and III)	\$340,500	\$347,500
• Construction Contingency	\$ 68,100	\$ 69,500
• Design Costs	\$108,394	\$111,606
• Project Management (NJSDA staff)	\$101,000	\$101,000
• Retro Commissioning	\$ 71,600	\$ 80,600
• Other Costs	<u>\$ 17,025</u>	<u>\$ 17,375</u>
Total	\$789,047	\$775,921

SCHEDULE

Construction of the work previously identified as Phase II and Phase III is anticipated to begin in the summer 2013. The schedule recognizes the purchase of long-lead items and includes an overall construction duration of seventy-five (75) days. Substantial completion is anticipated to be reached in October 2013.

Members of the Authority
Award of Contract and Approval of Final Charters
Jersey City Public Schools, Frank R. Conwell PS3/MS4
May 1, 2013
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RECOMMENDATION

The Members of the Authority are requested to approve:

1. The award of a contract to Alna Construction Corporation for Contract No. JE-0016-C04 in the amount of \$688,000.
2. The final charters for the projects at Public School 3 and Middle School 4 in the Jersey City Public Schools District.

/s/ Sean Murphy

Sean Murphy, Procurement Director

/s/ C. Aidita Milsted

C. Aidita Milsted, Program Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations
Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations
Reviewed and Recommended by: Michael Anselmo, Deputy Program Director, Program Operations
Prepared and Recommended by: Mirna I. Quintana, Program Officer, Program Operations

New Jersey Schools Development Authority Project Charter - Summary

Region: Trenton
District: Jersey City
Project Name: Frank R. Conwell PS # 3
School Type: Elementary School
DOE # / Project #: 2390-N01-99-0227
Project Type (New/Add/Reno): Corrective Work
Project Location: 111 Bright Street; Jersey City, NJ 07302
Number of Students: 576

Charter Date
05/01/13
Supersedes Charter Dated
04/06/11

Land Acquisition Required? Yes No

Temporary Space Required? Yes No

Funding Source
2008 Capital Plan Reserve for Unforeseen Events

Project Budget: \$ 789,047

Anticipated Substantial Completion Date N/A

Anticipated School Occupancy Date N/A

Project Initiation Date: N/A

SDA Board - Project Charter Approval Date: 05/01/13

July 2008 Capital Plan Estimate
\$0

District Local Share
\$0.00

Charter Version and Date		Project Summary	
<input type="checkbox"/> Planning		Project consists of corrective work to remedy district-identified concerns at PS # 3 in Jersey City.	
<input type="checkbox"/> Preliminary	04/06/11		
<input checked="" type="checkbox"/> Final	05/01/13		
		Purpose for Advancement of Current/Revised Project Charter	
Revision # and Date		Final Charter is being advanced at this time to establish final scope, budget and schedule inclusive of completed Phase 1 work and award for Phase 2 construction.	
<input type="checkbox"/> One			
<input type="checkbox"/> Two			
<input type="checkbox"/> Three			
			District Project Goals
<input type="checkbox"/> Four			Corrective action to address concerns.
<input type="checkbox"/> Five			
<input type="checkbox"/> Six			

Recommendation

Program Director - Project _____ **Date** _____
 Aidita Miisted

Program Director - Capital Planning _____ **Date** _____
 Gregory Voronov

VP - Program Operations _____ **Date** _____
 Andrew Yosha

Approval

_____ **Chief Executive Officer** _____ **Date** _____
 Marc Larkins

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New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method						Charter Date 05/01/13
District / Project Name:		Jersey City / Frank R. Conwell PS # 3				
DOE # / Project #:		2390-N01-99-0227				
Project Milestones					Date	
School Occupancy Date					N/A	
DELIVERY METHOD			Design/Bid/Build			
Real Estate Services						
Feasibility	Start	N/A	Est.	Act.	Finish	N/A
EO215 Requirements	N/A				N/A	
Site Acquisition	N/A				N/A	
Relocation	N/A				N/A	
Demolition	N/A				N/A	
Remediation	N/A				N/A	
Deed Restriction Required?	N/A	Date				
District Notified?	N/A		<input type="checkbox"/>	<input type="checkbox"/>		
Classification Exception Area?	N/A					
District Notified?	N/A		<input type="checkbox"/>	<input type="checkbox"/>		
Special Considerations						
N/A						
Design:						
	Date	Est.	Act.		Est.	Act.
Design Start (NTP)	08/29/12		x			
Design Restart (if applicable)	N/A					
	Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase	08/29/12		x	12/07/12		x
Schematic	12/10/12		x	12/21/12		x
Design Documents	N/A			N/A		
Construction Documents	12/21/12		x	01/15/13		x
DCA Review	01/15/13		x	03/26/13		x
Bid and Award	03/26/13		x	05/22/13	x	
Special Considerations						
The Program Concept Phase for this project consisted of the investigation, analysis and recommendation of design solutions to rectify all remaining identified items at this school. This included the evaluation of the Retro-Commissioning Report on the HVAC systems at this facility, as prepared for this project by Concord Engineering Group, Inc. (JE-0016-R08) under separate procurement.						
Construction:						
	Date	Est.	Act.			
Construction Start (NTP)	06/07/13	x				
Substantial Completion (TCO)	N/A					
School Occupancy Date	N/A					
Title Transfer	N/A					
Final Completion (C of A)	09/04/13	x				
Post Occupancy Walk Through	08/04/14	x				
Project Close-Out	12/31/14	x				
Special Considerations						
This Final Charter is being advanced to procure a general construction contractor to allow for the completion of remaining items during the summer of 2013.						

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date 05/01/13
District / Project Name: Jersey City / Frank R. Conwell PS # 3		
DOE # / Project #: 2390-N01-99-0227		
July 2008 Capital Plan Estimate		\$ -
Special Considerations:		
<p>Phase 1 Construction: Allowed for the completion of identified items not requiring the Issuance of permits by the New Jersey Department of Community Affairs. This work was completed during the summer of 2011.</p> <p>Phase 2 Construction: This procurement will allow for the engagement of a general construction contractor to complete remaining items during the summer of 2013.</p> <p>Other Costs for projects range from 2% to 5% of Building Costs, with such costs for this project budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.</p>		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor: N/A
New Addition	Renovation	114,000
Total Gross Building Area (GSF):		114,000
Estimated Building Cost / GSF		N/A
New Construction Cost/GSF	Renovation Cost/GSF	N/A
Construction Costs:		
Phase 1 Construction	\$82,428	
Phase 2 Construction	\$340,500	
Demolition (existing school)	\$0	
E-Rate (If separately bid)	\$0	
Cost Escalation	\$0	
Design Contingency	\$0	
Construction Contingency	\$68,100	
Total Construction Costs	\$491,028	
Other Costs:		
Design	\$108,394	
Project Management (SDA Staff)	\$101,000	
PMF/CM	\$0	
FF&E	\$0	
Technology	\$0	
Commissioning	\$71,600	
Other Costs	\$17,025	
Total Other Costs	\$298,019	
Costs without Real Estate	\$789,047	
Real Estate Costs:		
PreDevelopment/Scope Development	\$0	
Land Acquisition	\$0	
Relocation	\$0	
Demolition (Acquired Property)	\$0	
Property Maintenance/Carry Costs	\$0	
Environmental/Remediation	\$0	
Temporary Space	\$0	
Total Real Estate Costs	\$0	
Rebates & Refunds	\$0	
District Local Share Funds	\$0	
Total Project Budget	\$789,047	
Funding from Prior Allocation	\$0	
Funding from 2008 Allocation	\$789,047	

New Jersey Schools Development Authority Project Charter - Summary

Region: Trenton
District: Jersey City
Project Name: Frank R. Conwell MS 4
School Type: Middle School
DOE # / Project #: 2390-N02-99-0228
Project Type (New/Add/Reno): Corrective Work
Project Location: 107 Bright Street; Jersey City, NJ 07302
Number of Students: 810

Charter Date
05/01/13
Supersedes Charter Dated
04/06/11

Land Acquisition Required? Yes No

Temporary Space Required? Yes No

Funding Source
2008 Capital Reserve for Unforeseen Events

Project Budget: \$ 775,921

Anticipated Substantial Completion Date: N/A

Anticipated School Occupancy Date: N/A

Project Initiation Date: N/A

SDA Board - Project Charter Approval Date: 05/01/13

July 2008 Capital Plan Estimate
\$0

District Local Share
\$0.00

Charter Version and Date		Project Summary	
<input type="checkbox"/> Planning		Project consists of corrective work to remedy district-identified concerns at MS # 4 in Jersey City.	
<input type="checkbox"/> Preliminary	04/06/11		
<input checked="" type="checkbox"/> Final	05/01/13		
		Purpose for Advancement of Current/Revised Project Charter	
Revision # and Date		Final Charter is being advanced at this time to establish final scope, budget and schedule inclusive of completed Phase 1 work and award for Phase 2 construction.	
<input type="checkbox"/> One			
<input type="checkbox"/> Two			
<input type="checkbox"/> Three			
			District Project Goals
<input type="checkbox"/> Four			Corrective action to address concerns.
<input type="checkbox"/> Five			
<input type="checkbox"/> Six			

Recommendation

Program Director - Project _____ **Date** _____
 Aidita Milsted

Program Director - Capital Planning _____ **Date** _____
 Gregory Voronov

VP - Program Operations _____ **Date** _____
 Andrew Yosha

Approval

Chief Executive Officer _____ **Date** _____
 Marc Larkins

New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method						Charter Date 05/01/13	
District / Project Name:		Jersey City / Frank R. Conwell MS 4					
DOE # / Project #:		2390-N02-99-0228					
Project Milestones					Date		
School Occupancy Date					N/A		
DELIVERY METHOD			Design/Bid/Build				
Real Estate Services		Start	Est.	Act.	Finish	Est.	Act.
Feasibility		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
EO215 Requirements		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Site Acquisition		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Relocation		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Demolition		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Remediation		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?		N/A	Date				
District Notified?		N/A	<input type="checkbox"/>	<input type="checkbox"/>			
Classification Exception Area?		N/A					
District Notified?		N/A	<input type="checkbox"/>	<input type="checkbox"/>			
Special Considerations							
N/A							
Design:		Date	Est.	Act.			
Design Start (NTP)		08/29/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Design Restart (if applicable)		N/A	<input type="checkbox"/>	<input type="checkbox"/>			
		Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase		08/29/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/07/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic		12/10/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/21/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design Documents		N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Construction Documents		12/21/12	<input type="checkbox"/>	<input checked="" type="checkbox"/>	01/15/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DCA Review		01/15/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>	03/28/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bid and Award		03/26/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/22/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Special Considerations							
The Program Concept Phase for this project consisted of the investigation, analysis and recommendation of design solutions to rectify all remaining identified items at this school. This included the evaluation of the Retro-Commissioning Report on the HVAC systems at this facility, as prepared for this project by Concord Engineering Group, Inc. (JE-0016-R08) under separate procurement.							
Construction:		Date	Est.	Act.			
Construction Start (NTP)		06/07/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Substantial Completion (TCO)		N/A	<input type="checkbox"/>	<input type="checkbox"/>			
School Occupancy Date		N/A	<input type="checkbox"/>	<input type="checkbox"/>			
Title Transfer		N/A	<input type="checkbox"/>	<input type="checkbox"/>			
Final Completion (C of A)		09/04/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Post Occupancy Walk Through		08/04/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Project Close-Out		12/31/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Special Considerations							
This Final Charter is being advanced to procure a general construction contractor to allow for the completion of remaining items during the summer of 2013.							

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date 05/01/13
District / Project Name: Jersey City / Frank R. Conwell MS 4		
DOE # / Project #: 2390-N02-99-0228		
July 2008 Capital Plan Estimate	\$	-
Special Considerations:		
<p>Phase 1 Construction: Allowed for the completion of identified items not requiring the issuance of permits by the New Jersey Department of Community Affairs. This work was completed during the summer of 2011.</p> <p>Phase 2 Construction: This procurement will allow for the engagement of a general construction contractor to complete remaining items during the summer of 2013.</p> <p>Other Costs for projects range from 2% to 5% of Building Costs, with such costs for this project budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.</p>		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor: N/A
New Addition	_____	
Renovation	_____	166,000
Total Gross Building Area (GSF):	_____	166,000
Estimated Building Cost / GSF		
New Construction Cost/GSF	N/A	
Renovation Cost/GSF	N/A	
Construction Costs:		
Phase 1 Construction	_____	\$48,340
Phase 2 Construction	_____	\$347,500
Demolition (existing school)	_____	\$0
E-Rate (If separately bid)	_____	\$0
Cost Escalation	_____	\$0
Design Contingency	_____	\$0
Construction Contingency	_____	\$69,500
Total Construction Costs	_____	\$465,340
Other Costs:		
Design	_____	\$111,606
Project Management (SDA Staff)	_____	\$101,000
PMF/CM	_____	\$0
FF&E	_____	\$0
Technology	_____	\$0
Commissioning	_____	\$80,600
Other Costs	_____	\$17,375
Total Other Costs	_____	\$310,581
Costs without Real Estate	_____	\$775,921
Real Estate Costs:		
PreDevelopment/Scope Development	_____	\$0
Land Acquisition	_____	\$0
Relocation	_____	\$0
Demolition (Acquired Property)	_____	\$0
Property Maintenance/Carry Costs	_____	\$0
Environmental/Remediation	_____	\$0
Temporary Space	_____	\$0
Total Real Estate Costs	_____	\$0
Rebates & Refunds	_____	\$0
District Local Share Funds	_____	\$0
Total Project Budget	_____	\$775,921
Funding from Prior Allocation	_____	\$0
Funding from 2008 Allocation	_____	\$775,921

Resolution—6bvi.

Award of Contract and Approval of Final Charters

District: Jersey Public Schools
 School: Frank R. Conwell Public School 3/Middle School 4
 Description: Corrective Work
 Package No.: JE-0016-C04
 CCE: \$ 696,607
 Award: \$ 688,000
 CM: NJSDA Self-Managed

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) provides that the Members of the Authority shall approve the award of construction contracts greater than \$500,000 and Final Project Charters; and

WHEREAS, the construction award amount in the matter presented to the Board concerning the Frank R. Conwell Public School 3 (PS3) and the Middle School 4 (MS4) in the Jersey City School District exceeds \$500,000 and the approval of final project charters is being sought with respect thereto; and

WHEREAS, PS3 is a 114,000 square foot facility educating 576 students in grades Pre-K through 5 and MS4 is a 166,000 square foot facility educating 810 students in grades 6 through 8 (collectively “the Projects); and

WHEREAS, Certificates of Occupancy were issued on July 24, 2007 for PS3 and May 13, 2009 for MS4; and

WHEREAS, prior to, and upon occupancy of the schools, the District provided the SDA with an inventory of concerns, seeking corrective action; and

WHEREAS, after discussion with the district, analysis of district-provided information and site visits conducted by representatives of SDA, a review determined that a number of the identified project concerns were appropriate for corrective action; and

WHEREAS, the nature of the identified concerns and corrective work, project charter status, project background, procurement process and post bid conference details relevant to the Projects are set forth in detail in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, at the time of review, Alna Construction Corporation confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents; and

WHEREAS, the Program Operations Deputy Director and Director, and the Contract Management Deputy Director and Director and the Design Consultant recommend award of the project to Alna Construction Corporation in the amount of \$688,000 for the Projects' necessary corrective work; and

WHEREAS, SDA Division of Chief Counsel and Special Projects Division are addressing potential and ongoing actions associated with the project history.

WHEREAS, executive management and associated program staff further recommend Board approval of the Projects' final charters as presented to the Board on this date.

NOW, THEREFORE, BE IT RESOLVED, that consistent with the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the award of a contract to Alna Construction Corporation (Contract No. JE-0016-C04) in the amount of \$688,000 for the Public School 3 and Middle School 4 in the Jersey City School District.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve the Final Project Charters as presented to the Board on this date for the Public School 3 and Middle School 4 projects in the Jersey City School District consistent with the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum- Award of Contract, Alna Construction Company (Contract No. JE-0016-C04) and Approval of Final Charters, Frank R. Conwell Public School 3 and Middle School 4 in the Jersey City School District, dated May 1, 2013

Dated: May 1, 2013

CONSTRUCTION AWARDS

**CONSTRUCTION MANAGER AWARD – PATERSON SCHOOL DISTRICT - MARSHALL STREET
ELEMENTARY SCHOOL CONSTRUCTION MANAGEMENT SERVICES**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
 Procurement Director

RE: District: Paterson
 School: Marshall Street Elementary School
 Description: Construction Management Services
 Package No.: PA-0006-M02
 Estimated Fee: \$1,723,596
 Award: \$1,522,607
 General Contractor: Ernest Bock & Sons, Inc.

DATE: May 1, 2013

SUBJECT: Construction Manager Award

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of the award of a contract for Construction Management Services for the new Marshall Street Elementary School in the Paterson Public Schools District.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of consultant contracts greater than \$100,000. Funding for this engagement is available within the Project Budget, in accordance with the Revised Final Project Charter to be approved by the Members on May 1, 2013.

BACKGROUND

When completed, the Marshall Street Elementary School project will be a new 105,491 square foot facility designed to educate 650 students from Kindergarten to 8th grade in the Paterson School District. In addition, this project includes a pedestrian bridge over the NJ Transit railroad right of way, necessary to provide access for the areas of the city the school is serving.

Prior activity for the Marshall Street Elementary School project included its advancement into construction in 2009, following SDA Board approval of the award and Final Project Charter. After construction initiated, the project encountered obstacles that impacted its advancement. For these and other reasons, the SDA engagements for construction and construction management were terminated.

At the March 2, 2011 NJSDA Board Meeting, the Marshall Street Elementary School project was approved to advance under the Authority's 2011 Capital Plan. NJSDA staff undertook a review and validation of the project's design and completed work to date, in order to recommend a plan for advancement for the project. The review determined that the project cost and schedule efficiencies would be supported by a two phase construction process: Phase I: Early Site Preparation to address removal of the stockpiled unsuitable soil and Phase II: Construction of the Marshall Street Elementary School.

Members of the Authority
 Package No. PA-0006-M02
 Paterson – Marshall Street ES - Construction Management Services
 May 1, 2013
 Page 2

Phase I Early Site Preparation was completed in November 2012. The site was also resurveyed and documented for the new construction contract, inclusive of documenting work previously completed.

A solicitation for Phase II Construction of the Marshall Street Elementary School was issued on February 12, 2013 and the award of this engagement is the subject of a separate recommendation to the Members.

PROCUREMENT PROCESS

This package was advertised as a “Price and Other Factors” solicitation beginning on February 21, 2013 on the NJSDA website and on the State of New Jersey Business Opportunities website. In addition, the advertisement was distributed to those firms that are pre-qualified in the area of Construction Management (P029) by both the Department of Treasury-Division of Property Management and Construction and the NJSDA. For this procurement, price was weighted as 40% of the overall weight, and all non-price factors had a combined weight of 60%.

A Selection Committee consisting of three NJSDA staff members was established.

Firms interested in submitting a proposal were required to send an e-mail giving Notice of Intent to Participate (NOI) by March 4, 2013. NOIs were received from twelve (12) prequalified construction management firms. Responsive proposals were received from ten (10) firms by March 19, 2013. Technical Proposals were evaluated by the Selection Committee. Evaluations were based upon the information provided by the firms in response to the RFQ/RFP for this project. The three committee members evaluated the Technical Proposals for Construction Management Services separately based on the following criteria:

- Firm’s CM Experience on Similar Projects
- Staffing Proposal
- Key Team Members’ Experience on Similar Projects
- Approach to Project

Each Selection Committee member evaluated each Technical Proposal, assigning a raw score for each criterion on a scale of 0 to 10 as follows:

- Outstanding (9-10): depth and quality of response offers significant advantages.
- Superior (7-8): exceeds RFQ/RFP requirements with no deficiencies.
- Sufficient (5-6): meets RFQ/RFP requirements with no significant deficiencies.
- Minimal (3-4): meets RFQ/RFP requirements but contains some significant deficiencies.
- Marginal (1-2): comprehends intent of RFQ/RFP but contains many significant deficiencies.
- Unsatisfactory (0): requirements not addressed and lack of detail precludes adequate evaluation.

Weighting factors were applied to each of the Selection Committee member’s raw scores for each criterion to arrive at a total weighted score as follows:

Criteria	Weighting Factor	Maximum Weighted Points
Firm’s CM Experience on Similar Projects	1.0	10
Staffing Proposal	3.0	30
Key Team Members’ Experience on Similar Projects	3.0	30
Approach to Project	3.0	30
Total Possible Points		100

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For each firm’s Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a score for that Technical Proposal. The maximum score for a Technical Proposal is 100. All of the scores awarded by the Selection Committee members to a particular firm’s Technical Proposal were added together and averaged to arrive at a Final Technical Proposal Score for each firm. The responsive firms, their scores and ranks are listed in Table 1 below:

TABLE 1

Firm	Final Technical Proposal Score	Technical Rank
URS Corporation	75.000	1
Jay Shapiro and Associates, Inc.	67.667	2
Heery International, Inc.	67.333	3
Joseph Jingoli & Son, Inc.	66.667	4
STV Construction, Inc.	66.000	5
MAST Construction Services, Inc.	57.000	6
Armand Corporation	54.667	7
The McCloud Group	54.667	7
JBC Associates, Inc.	54.333	9
HAKS Engineers, Architects and Land Surveyors, PC	49.333	10

A shortlist of the six (6) highest-ranked firms was determined based on the Final Technical Proposal Scores. The shortlisted firms participated in interviews with the Selection Committee on April 9, 2013. The interviews allowed the firms to expand and detail their firm and team experience with respect to NJSDA requirements for construction management services. The Selection Committee interviewed each of the shortlisted firms and evaluated each firm on Interview Criteria and Weighting Factors that were the same as those used in the evaluation of the Technical Proposals, as detailed above.

The individual criteria scores awarded by a particular Selection Committee member were added together to calculate an Interview Score for that firm. The maximum Interview Score is 100. All of the Interview Scores awarded to a particular firm by the Selection Committee members were added together and averaged to arrive at a Final Interview Score for each firm. The shortlisted firms, their scores and ranks are listed in Table 2 below:

TABLE 2

Firm	Final Interview Score	Interview Rank
URS Corporation	90.000	1
Heery International, Inc.	80.000	2
STV Construction, Inc.	80.000	2
MAST Construction Services, Inc.	70.000	4
Jay Shapiro and Associates, Inc.	60.000	5
Joseph Jingoli & Son, Inc.	60.000	5

The Final Interview Score for each shortlisted firm was added to the Final Technical Proposal Score for such firm, and the two scores were averaged to arrive at a Non-Price Score for each shortlisted firm. The maximum Non-Price Score is 100. The shortlisted firms, their scores and ranks are listed in Table 3 below:

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TABLE 3

Firm	Non-Price Score	Non-Price Rank
URS Corporation	82.500	1
Heery International, Inc.	73.667	2
STV Construction, Inc.	73.000	3
Jay Shapiro and Associates, Inc.	63.833	4
MAST Construction Services, Inc.	63.500	5
Joseph Jingoli & Son, Inc.	63.333	6

Once all the Non-Price Scores for all shortlisted firms were calculated, the NJSDA opened the sealed Price Proposals and reviewed them for responsiveness.

The lowest responsive Price Proposal was awarded the maximum number of points for the price component, which is 100. All other Price Proposals were awarded points based on the percentage that each proposal exceeded the lowest bid.

The results of the NJSDA’s review of the Price Proposals are listed in Table 4 below:

TABLE 4

Firm	Bid Price	Price Score	Price Rank
MAST Construction Services, Inc.	\$1,431,545	100.000	1
STV Construction, Inc.	\$1,522,607	93.639	2
Jay Shapiro and Associates, Inc.	\$1,563,210	90.803	3
Heery International, Inc.	\$1,610,707	87.485	4
Joseph Jingoli & Son, Inc.	\$1,797,635	74.427	5
URS Corporation	\$2,061,719	55.979	6

After the Price Scores were determined for all shortlisted firms, the Price Scores were adjusted by a weighting factor of 40%. The Non-Price Scores for “Other Factors” criteria were adjusted by a weighting factor of 60%. The Price Score and Non-Price Score for each shortlisted firm were added together for a Final Combined Score. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Table 5 below:

TABLE 5

Firm	Raw Non-Price Score	Weighted Non-Price Score	Raw Price Score	Weighted Price Score	Final Combined Score	Final Rank
STV Construction, Inc.	73.000	43.800	93.639	37.456	81.256	1
Heery International, Inc.	73.667	44.200	87.485	34.994	79.194	2
MAST Construction Services, Inc.	63.500	38.100	100.000	40.000	78.100	3
Jay Shapiro and Associates, Inc.	63.833	38.300	90.803	36.321	74.621	4
URS Corporation	82.500	49.500	55.979	22.392	71.892	5
Joseph Jingoli & Son, Inc.	63.333	38.000	74.427	29.771	67.771	6

The Members are requested to approve the award of a contract to the firm with the highest Final Combined Score, STV Construction, Inc., for a total lump sum fee of \$1,522,607 for Construction Management Services for the new Marshall Street Elementary School located in the Paterson Public Schools District.

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Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
Sean Murphy
Procurement Director

Resolution—6ci.

Construction Manager Award

District: Paterson
 School: Marshall Street Elementary School
 Description: Construction Management Services
 Package No.: PA-0006-M02
 Estimated Fee: \$1,723,596
 Award: \$1,522,607
 General Contractor: Ernest Bock & Sons, Inc.

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve the award of consultant contracts greater than \$100,000; and

WHEREAS, when completed, the Marshall Street Elementary School project (the Project) will be a new 105,491 square foot facility designed to educate 650 students from Kindergarten to 8th grade in the Paterson School District; and

WHEREAS, after its advancement into construction in 2009, the project encountered obstacles that impacted its advancement resulting in termination of SDA engagements for construction and construction management services; and

WHEREAS, in March 2011, the Project was approved to advance under the Authority’s 2011 Capital Plan and a review and validation of the project’s design and completed work to date subsequently ensued so that a plan for Project advancement might be established; and

WHEREAS, the review determined that the project cost and schedule efficiencies would be supported by a two phase construction process, of which Phase I, early site preparation, was completed in November 2012; and

WHEREAS, a solicitation for Phase II Construction of the Marshall Street Elementary School was issued on February 12, 2013 and the award of this engagement is the subject of a separate recommendation to the Members; and

WHEREAS, this package for construction management services was advertised as a “Price and Other Factors” solicitation beginning on February 21, 2013 , with price weighted as 40% of the overall weight, and all non-price factors having a combined weight of 60%; and

WHEREAS, details relevant to the project’s background and the procurement process conducted for construction management services are set forth in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, following completion of the procurement process, executive management and associated program staff recommend the award of a contract for construction management services for the new Marshall Street Elementary School located in the Paterson Public Schools District to STV Construction, Inc., for a total lump sum fee of \$1,522,607; and

WHEREAS, funding for this engagement is available within the Project Budget, in accordance with the Revised Final Project Charter to be approved by the Members on May 1, 2013.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract for Construction Management Services for the new Marshall Street Elementary School located in the Paterson Public Schools District to STV Construction, Inc., for a total lump sum fee of \$1,522,607 with execution be preceded by review and approval of the contract and related documentation by the SDA Division of Chief Counsel.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum- Construction Manager Award, STV Construction, Inc., (Package No. PA-0006-M02), Marshall Street Elementary School, Paterson School District, dated May 1, 2013

Dated: May 1, 2013

**CONSTRUCTION MANAGER AWARD – JERSEY CITY SCHOOL DISTRICT - PS NO. 20 ELEMENTARY SCHOOL –
CONSTRUCTION MANAGEMENT SERVICES**



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
 Procurement Director

RE: District: Jersey City
 School: New PS No. 20 Elementary School
 Description: Construction Management Services
 Package No.: JE-0010-M01
 Estimated Fee: \$1,550,000
 Award: \$1,102,736
 General Contractor: TBD

DATE: May 1, 2013

SUBJECT: Construction Manager Award

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of the award of a contract for Construction Management services for the New PS No. 20 Elementary School located in the Jersey City Public Schools District.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of consultant contracts greater than \$100,000. Funding for this engagement is available within the Project Budget, in accordance with the most recent Project Charter approved by the Members on January 7, 2009.

BACKGROUND

The New PS No. 20 Elementary School project will provide a new 108,867 square-foot facility designed to educate 628 students in grades K through Five.

The New PS No. 20 Elementary School project was approved to advance under the Authority’s 2011 Capital Plan at the March 2, 2011 NJSDA Board Meeting. NJSDA staff undertook a review and validation of the project’s existing schematic design, inclusive of design documents relative to site development and environmental considerations, to ensure conformance with the current required approach. The review determined that project cost and schedule efficiencies would be supported by a two phase construction process: Phase I: Early Site Preparation; and Phase II: Construction of the New PS No. 20 Elementary School.

Phase I of the New PS No. 20 Elementary School project required the NJSDA to demolish all subsurface footings, foundations and slabs, as well as excavation removal and disposal of Underground Storage Tanks (USTs) and unsuitable soil. The Notice to Proceed (NTP) for Phase I (Early Site Package) work was issued on July 20, 2012. The work was self-managed by the NJSDA and was substantially completed on November 29, 2012.

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The Phase II Construction engagement was advertised on March 6, 2013.

PROCUREMENT PROCESS

This package for Phase II was advertised as a “Price and Other Factors” solicitation beginning on February 5, 2013 on the NJSDA website and on the State of New Jersey Business Opportunities website. In addition, the advertisement was distributed to those firms that are pre-qualified in the area of Construction Management (P029) by both the Department of Treasury-Division of Property Management and Construction and the NJSDA. For this procurement, price was weighted as 40% of the overall weight, and all non-price factors had a combined weight of 60%.

A Selection Committee consisting of three NJSDA staff members was established.

Firms interested in submitting a proposal were required to send an e-mail giving Notice of Intent to Participate (NOI) by February 15, 2013. NOIs were received from thirteen (13) prequalified construction management firms. Responsive proposals were received from eight (8) firms by March 5, 2013. Technical Proposals were evaluated by the Selection Committee. Evaluations were based upon the information provided by the firms in response to the RFQ/RFP for this project. The three committee members evaluated the Technical Proposals for Construction Management Services separately based on the following criteria:

- Firm’s CM Experience on Similar Projects
- Staffing Proposal
- Key Team Members’ Experience on Similar Projects
- Approach to Project

Each Selection Committee member evaluated each Technical Proposal, assigning a raw score for each criterion on a scale of 0 to 10 as follows:

- Outstanding (9-10): depth and quality of response offers significant advantages.
- Superior (7-8): exceeds RFQ/RFP requirements with no deficiencies.
- Sufficient (5-6): meets RFQ/RFP requirements with no significant deficiencies.
- Minimal (3-4): meets RFQ/RFP requirements but contains some significant deficiencies.
- Marginal (1-2): comprehends intent of RFQ/RFP but contains many significant deficiencies.
- Unsatisfactory (0): requirements not addressed and lack of detail precludes adequate evaluation.

Weighting factors were applied to each of the Selection Committee member’s raw scores for each criterion to arrive at a total weighted score as follows:

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Firm’s CM Experience on Similar Projects	1.0	10
Staffing Proposal	3.0	30
Key Team Members’ Experience on Similar Projects	3.0	30
Approach to Project	3.0	30
Total Possible Points		100

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For each firm’s Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a score for that Technical Proposal. The maximum score for a Technical Proposal is 100. All of the scores awarded by the Selection Committee members to a particular firm’s Technical Proposal were added together and averaged to arrive at a Final Technical Proposal Score for each firm. The responsive firms, their scores and ranks are listed in Table 1 below:

TABLE 1

Firm	Final Technical Proposal Score	Technical Rank
Gilbane Building Company	74.333	1
Joseph Jingoli & Son, Inc.	74.333	1
STV Construction, Inc.	72.000	3
Pinnacle Consulting & Construction Services, Inc.	62.333	4
MAST Construction Services, Inc.	58.333	5
P. W. Moss & Associates	54.000	6
Armand Corporation	52.667	7
D’Huy Engineering, Inc.	52.000	8

A shortlist of the six (6) highest-ranked firms was determined based on the Final Technical Proposal Scores. The shortlisted firms participated in interviews with the Selection Committee on March 27, 2013. The interviews allowed the firms to expand and detail their firm and team experience with respect to NJSDA requirements for construction management services. The Selection Committee interviewed each of the shortlisted firms and evaluated each firm on Interview Criteria and Weighting Factors that were the same as those used in the evaluation of the Technical Proposals, as detailed above.

The individual criteria scores awarded by a particular Selection Committee member were added together to calculate an Interview Score for that firm. The maximum Interview Score is 100. All of the Interview Scores awarded to a particular firm by the Selection Committee members were added together and averaged to arrive at a Final Interview Score for each firm. The shortlisted firms, their scores and ranks are listed in Table 2 below:

TABLE 2

Firm	Final Interview Score	Interview Rank
Pinnacle Consulting & Construction Services, Inc.	86.000	1
Joseph Jingoli & Son, Inc.	64.000	2
Gilbane Building Company	60.667	3
STV Construction, Inc.	53.000	4
MAST Construction Services, Inc.	45.000	5
P. W. Moss & Associates	40.000	6

The Final Interview Score for each shortlisted firm was added to the Final Technical Proposal Score for such firm, and the two scores were averaged to arrive at a Non-Price Score for each shortlisted firm. The maximum Non-Price Score is 100. The shortlisted firms, their scores and ranks are listed in Table 3 below:

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TABLE 3

Firm	Non-Price Score	Non-Price Rank
Pinnacle Consulting & Construction Services, Inc.	74.167	1
Joseph Jingoli & Son, Inc.	69.167	2
Gilbane Building Company	67.500	3
STV Construction, Inc.	62.500	4
MAST Construction Services, Inc.	51.667	5
P. W. Moss & Associates	47.000	6

Once all the Non-Price Scores for all shortlisted firms were calculated, the NJSDA opened the sealed Price Proposals and reviewed them for responsiveness.

The lowest responsive Price Proposal was awarded the maximum number of points for the price component, which is 100. All other Price Proposals were awarded points based on the percentage that each proposal exceeded the lowest bid.

The results of the NJSDA’s review of the Price Proposals are listed in Table 4 below:

TABLE 4

Firm	Bid Price	Price Score	Price Rank
P. W. Moss & Associates	\$ 902,000	100.000	1
Gilbane Building Company	\$1,102,736	77.745	2
STV Construction, Inc.	\$1,195,514	67.460	3
MAST Construction Services, Inc.	\$1,284,708	57.571	4
Pinnacle Consulting & Construction Services, Inc.	\$1,495,000	34.257	5
Joseph Jingoli & Son, Inc.	\$1,765,402	4.279	6

After the Price Scores were determined for all shortlisted firms, the Price Scores were adjusted by a weighting factor of 40%. The Non-Price Scores for “Other Factors” criteria were adjusted by a weighting factor of 60%. The Price Score and Non-Price Score for each shortlisted firm were added together for a Final Combined Score. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Table 5 below:

TABLE 5

Firm	Raw Non-Price Score	Weighted Non-Price Score	Raw Price Score	Weighted Price Score	Final Combined Score	Final Rank
Gilbane Building Company	67.500	40.500	77.745	31.098	71.598	1
P. W. Moss & Associates	47.000	28.200	100.000	40.000	68.200	2
STV Construction, Inc.	62.500	37.500	67.460	26.984	64.484	3
Pinnacle Consulting & Construction	74.167	44.500	34.257	13.703	58.203	4
MAST Construction Services, Inc.	51.667	31.000	57.571	23.028	54.029	5
Joseph Jingoli & Son, Inc.	69.167	41.500	4.279	1.712	43.212	6

The Members are requested to approve the award of a contract to the firm with the highest Final Combined Score, Gilbane Building Company, for a total lump sum fee of \$1,102,736 for Construction Management Services for the new PS No. 20 Elementary School located in the Jersey City Public Schools District.

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Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
Sean Murphy
Procurement Director

Resolution—6cii.

Construction Manager Award

District:	Jersey City
School:	New PS No. 20 Elementary School
Description:	Construction Management Services
Package No.:	JE-0010-M01
Estimated Fee:	\$1,550,000
Award:	\$1,102,736
General Contractor:	TBD

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve the award of consultant contracts greater than \$100,000; and

WHEREAS, when completed, the New PS No. 20 Elementary School project will provide a new 108,867 square-foot facility designed to educate 628 students in grades K through Five; and

WHEREAS, in March 2011, the Project was approved to advance under the Authority’s 2011 Capital Plan and a review and validation of the project’s existing schematic design was undertaken to ensure conformance with the current required approach; and

WHEREAS, the review determined that the project cost and schedule efficiencies would be supported by a two phase construction process and a Notice to Proceed (NTP) for Phase I (Early Site Package) work was issued on July 20, 2012, with such work substantially completed on November 29, 2012; and

WHEREAS, the Phase II Construction engagement was advertised on March 6, 2013; and

WHEREAS, this package for construction management services was advertised as a “Price and Other Factors” solicitation beginning on February 5, 2013; and

WHEREAS, details relevant to the project’s background and the procurement process conducted for construction management services are set forth in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, management recommends that upon review and approval of the contract and related documentation by the SDA Office of Chief Counsel, the award of a contract for construction management services for the PS No. 20 Elementary School in the Jersey City School District to Gilbane Building Company for a total lump sum fee of \$1,102,736; and

WHEREAS, funding for this engagement is available within the Project Budget, in accordance with the most recent Project Charter approved by the Members on January 7, 2009.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract for Construction Management Services to Gilbane Building Company for a total lump sum fee of \$1,102,736 (Package No.:JE-0010-M01) for the new PS No. 20 Elementary School located in the Jersey City School District consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that prior to execution, the contract with Gilbane Building Company for Construction Management Services and related documentation shall be reviewed and approved by the SDA Division of Chief Counsel.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum-Construction Management Services Award (Contract No.: JE-0010-Mo1), New PS No. 20 Elementary School, Jersey City School District, dated May 1, 2013

Dated: May 1, 2013

RULE READOPTIONS

**RULE READOPTION: N.J.A.C. 19:38 --PROCEDURES FOR BIDDING FOR THE NEW JERSEY SCHOOLS
CONSTRUCTION CORPORATION'S SCHOOL FACILITIES PROJECTS FOR THE SCHOOLS
CONSTRUCTION PROGRAM**



MEMORANDUM

TO: Members of the Authority

FROM: Jane Kelly, Vice President
 Division of Corporate Governance and Operations

DATE: May 1, 2013

RE: Proposed Readoption With Amendments and New Rule:
 Procedures for Bidding For The New Jersey Schools Construction Corporation's School
 Facilities Projects For The Schools Construction Program, N.J.A.C. 19:38

Management of the New Jersey Schools Development Authority (“Authority” or “SDA”) is seeking the approval of the Board for the Readoption of the Authority’s Rules for Procedures for Bidding For The New Jersey Schools Construction Corporation's School Facilities Projects For the Schools Construction Program, N.J.A.C. 19:38.

Prior Regulatory History

Chapter 38 was originally adopted by the NJSCC on May 15, 2006, and is scheduled to expire on May 15, 2013.

The Rules establish requirements, standards and procedures for the Authority’s procurement of construction contracts on a “low-bid” basis for the Authority’s capital program contracts, and are intended to apply mainly to smaller scale construction projects that do not involve complete construction of a new school facility. Accordingly the Rules are intended to complement, not supplant, the Authority’s other procurement paradigms of “price and other factors” construction procurement, under N.J.A.C. 19:38B; and design-build procurement processes pursuant to design-build procurement rules under N.J.A.C. 19:36.

Basis for Readoption with Amendments

The Rules are proposed for readoption with amendments and a new rule. The proposed changes to the current regulation are intended to recognize the transition from the SCC to SDA, to clarify the processes for determination of project rating limits, bidding and protests and appeals of matters relating to bidding, and to reflect applicable statutory and regulatory updates.

Most of the amendments are technical in nature, including changes throughout the Rules to reflect the abolition of the New Jersey Schools Construction Corporation (“Corporation” or “NJSCC”) and the creation of the New Jersey Schools Development Authority (“Authority” or “SDA”) by P.L. 2007, c. 137, § 13 (N.J.S.A. 52:18A-247), which transferred all functions, powers and duties of the former NJSCC to the Authority, and decreed that statutory and regulatory references to the NJSCC shall mean and refer to the Authority.

Additionally, the Authority has proposed to change the name of the chapter from “Procedures For Bidding For The New Jersey Schools Construction Corporation’s School Facilities Projects For The Schools Construction Program” to “Procedures for Low-Bid Procurement of Construction Contracts For School Facilities Projects” to reflect the abolition of the NJSCC and to reflect that the procedures for “low-bid” procurement through award to the “lowest responsible bidder” are in addition to other procurement procedures for “design-build” and “price and other factors” procurement of construction contracts for School Facilities Projects, pursuant to rules codified at N.J.A.C. 19:36 and N.J.A.C. 19:38B.

Other notable amendments include:

- Changes to reflect that these Rules will not apply to design-build procurements or construction contracts procured pursuant to the Authority’s “price and other factors” procurement procedures.
- Deletion of a requirement that performance evaluations be performed by two evaluators, a practice that had its basis in reliance by NJSCC on Project Management Firms to manage the day-to-day construction management of construction projects.
- A new section defining the “low-bid” basis for awards under this chapter, specifying that the bidder with the responsive submission offering the lowest contract price and conforming to all requirements of the advertisement and the bid and contract documents.
- Replacement of references to a “Managing Director of Procurement” (a position that currently does not exist) with a more general reference to the “Authority.”
- The addition of language, in each of the subsections dealing with protests of particular kinds of Authority actions, indicating that the Authority “may deny any protest that is not filed within the time periods specified,” or may deny “any protest that fails to provide the specific reasons for and arguments supporting the protest.”
- Clarification that the Authority has sole discretion whether to grant a request for an informal hearing regarding a bid protest.
- Extension of the time for issuance of a decision after an informal hearing from ten calendar days to fourteen.
- Changes to indicate that a hearing officer is selected not by the Managing Director of Procurement, but by the Authority’s CEO or the designee of the CEO.

Requested Board Action

The Members of the Authority are requested to approve the proposed readoption of the Authority’s “low-bid” procurement Rules, as well as the issuance of the attached Notice of Readoption, and the filing of the Notice with the Office of Administrative Law.

/s/ Jane F. Kelly

Jane F. Kelly, Vice President
Corporate Governance & Operations

Prepared by Cecelia Haney, Senior Counsel

JFK/ceh



MEMORANDUM

TO: Members of the Authority

FROM: Jane F. Kelly, Vice President
 Division of Corporate Governance and Operations

DATE: May 1, 2013

RE: Changes to Notice of Proposal for Proposed Re-adoption With Amendments and New Rule: Procedures for Bidding For The New Jersey Schools Construction Corporation's School Facilities Projects For The Schools Construction Program, N.J.A.C. 19:38

This Memorandum is intended to advise the Members of certain technical changes to the Notice of Proposal for the proposed re-adoption of the Authority’s “low-bid” rules for procurement of construction contracts. The Authority requests that the Members consider this information as modifying the previously-circulated Notice of Proposal for Proposed Re-adoption of N.J.A.C. 19:38 currently before the Members for consideration and approval.

The proposed technical changes to the Notice of Proposal are as follows:

- Regulatory citations to the Authority’s “design build” and “price and other factors” procurement regulations are added in the discussion of application of these rules in proposed section 1.1;
- The definition of the term “firm,” is deleted as this term has been replaced by use of the more specific term “contractor”;
- A reference to the Schools Construction Corporation (the predecessor in interest to NJSDA) has been deleted in the definition of “bid advertisement” on page 17 of the Notice of Proposal; and
- A reference to the Schools Construction Corporation (the predecessor in interest to NJSDA) is deleted from the definition of “Design-build contract” on page 18 of the Notice of Proposal.

Due to time constraints, the Authority will not be reissuing a revised Notice of Proposal reflecting the foregoing technical changes, but Authority representatives will discuss the changes (as listed above) at the May 1 meeting for the Members’ consideration and approval when acting upon the original Notice of Proposal. Please consider this memorandum as augmenting the original memorandum previously received in your Board meeting materials.

 /s/ Jane F. Kelly
 Jane F. Kelly, Vice President
 Corporate Governance & Operations

Prepared by Cecelia Haney, Senior Counsel

JFK/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Procedures For Bidding For The New Jersey Schools Construction Corporation's School

Facilities Projects For The Schools Construction Program

Proposed Readoption with Amendments: N.J.A.C. 19:38 1.1 through 5.1.

Proposed New Rule: N.J.A.C. 19:38 3.12

Authorized By: New Jersey Schools Development Authority, Marc Larkins, Chief Executive Officer.

Authority: P.L. 2007, c.137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); P.L. 2007, c.137, (N.J.S.A. 52:18A-235 et seq.) (enabling statutes).

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2013-

Submit written comments by _____ 2013 to:

Cecelia Haney, Administrative Practice Officer

New Jersey Schools Development Authority

PO Box 991

Trenton, NJ 08625-0991

The agency proposal follows:

Summary

The New Jersey Schools Development Authority proposes to readopt N.J.A.C. 19:38 (the “Rules”) with amendments and a new rule. Significant among the amendments to the Rules are changes to reflect the abolition of the New Jersey Schools Construction Corporation (“Corporation” or “NJSCC”) and the creation of the New Jersey Schools Development Authority (“Authority” or “SDA”) by P.L. 2007, c. 137, § 13 (N.J.S.A. 52:18A-247), which transferred all functions, powers and duties of the former NJSCC to the Authority, and decreed that statutory and regulatory references to the NJSCC shall mean and refer to the Authority.

Chapter 38 was originally adopted by the NJSCC on May 15, 2006, and is scheduled to expire on May 15, 2013. The Rules govern the Authority’s procedures for the procurement of construction contracts through a low-bid procedure, and is intended to apply mainly to smaller scale construction projects that do not involve complete construction of a new school facility. Accordingly the Rules are intended to complement, not supplant, the Authority’s other procurement paradigms of “price and other factors” construction procurement, under Authority rules formerly codified at N.J.A.C. 19:38B and currently proposed for adoptions as new rules (see 45 N.J.R. 112(a)); and design-build procurement processes pursuant to design-build procurement rules codified N.J.A.C. 19:36.

The Authority has reviewed Chapter 38 and has determined that it remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, with the addition of the proposed amendments.

As the Authority has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

A section-by-section description of the proposed amendments to the chapter follows.

Chapter Title

The Authority has proposed to change the name of the chapter from “Procedures For Bidding For The New Jersey Schools Construction Corporation's School Facilities Projects For The Schools Construction Program” to “Procedures for Low-Bid Procurement of Construction Contracts For School Facilities Projects” to reflect the abolition of the NJSCC and to reflect that the procedures for “low-bid” procurement through award to the “lowest responsible bidder” are in addition to other procurement procedures for “design-build” and “price and other factors” procurement of construction contracts for School Facilities Projects, pursuant to rules currently codified at N.J.A.C 19:36 and proposed rules currently pending as N.J.A.C. 19:38B.

19:38-1.1 Applicability

This section, regarding the applicability of this chapter, has been proposed for re-adoption with amendments. The original language of this section, which indicated that the procedures in this chapter were applicable to all of the Authority’s construction contract procurements except design-build contracts, is amended to indicate that this chapter will not apply to construction contracts procured pursuant to the Authority’s “price and other factors” procurement procedures embodied in rules formerly codified at N.J.A.C. 19:38B, and currently proposed for adoption as new rules at 45 N.J.R 112(a). This section is further amended to delete the embedded interpretation of a “design-build contract,” which term has been added to the “Definitions” section of these rules (N.J.A.C. 19:38-1.2) and is now defined using the interpretive language deleted from this section.

19:38-1.2 Definitions

This section sets forth the meaning of the words and terms used throughout this chapter. Amendments to the section include changes to previously defined terms, the addition of new terms, and the deletion of terms and definitions rendered obsolete by the proposed amendments, as set forth below.

New definitions include:

“Act,” or EFCFA, which refers to the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G – 1 et seq.) as amended, and P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.);

“Authority” or “SDA,” which reflects the creation of a new governmental entity by P.L. 2007, c. 137 as the successor to the New Jersey Schools Construction Corporation, which was simultaneously abolished in that same legislation. Accordingly, throughout N.J.A.C. 19:38, references to “Corporation” and “SCC” have been replaced, where appropriate, with references to the “Authority” and “SDA”;

“Contractor” which refers to any association, company, corporation, joint stock company, limited liability company, partnership, sole proprietorship, or other business entity, including their assignees, lessees, receivers or trustees, which is in the business of performing construction work, and which is proposed to replace the term “firm” throughout these amended regulations in specific recognition that only contractors (as opposed to consultants) may be classified by DPMC and thus only contractors may bid on Authority construction contracts.

“Notice to proceed,” which refers to the written document authorizing a consultant to commence performance of services, pursuant to the Agreement;

“Other facilities,” a definition taken from the Act, which refers to types of facilities excluded from the definition of “school facilities” under the Act; and

“Protest,” which means a challenge or objection to an Authority decision or action.

The following definitions have been amended:

“Aggregate rating,” which is amended to replace the references to “firm” with the more specific “contractor,” because only contractors, not consultants, receive an aggregate rating. Further amendments include replacement of references to the now-abolished New Jersey Schools Construction Corporation with references to its successor entity, the New Jersey Schools Development Authority, as well as amendments to clarify that the aggregate rating assigned by SDA shall be identical to that assigned by the New Jersey Department of Treasury, Division of Property Management and Construction (“DPMC”), and if the DPMC modifies a contractor’s aggregate rating, the aggregate rating assigned by the Authority shall be considered automatically similarly modified;

“Bid,” which is amended to reflect that it refers to the Project Rating Proposal and the Price Proposal submitted by a contractor;

“Bid advertisement,” which is amended to replace references to the repealed statutes authorizing the NJSCC’s procurement of construction contracts, with references to N.J.S.A. 52:7G-243h, which governs the Authority’s procurement of construction contracts. The definition is further amended to clarify that the bid advertisement shall be part of the contract documents;

“Bid documents,” which is amended to replace the reference to “Corporation” with “Authority”;

“Contract,” which is amended to replace the reference to “Corporation” with “Authority”;

“Grant funded district,” which is amended to replace the reference to “Corporation” with “Authority” and which is further amended to reflect grant funding pursuant to Section 13 of EFCFA (N.J.S.A. 18A:7G-13) in addition to the existing reference to section 15 of EFCFA, N.J.S.A. 18A:7G-15;

“Instructions to Bidders,” which is amended to replace the reference to “Corporation” with “Authority”;

“Notice of DPMC Classification,” which is amended to replace a reference to “the Firm” with “a contractor”;

“Notice of Prequalification,” which is amended to replace the reference to “Corporation” with “Authority,” and which is further amended to refer to a letter “notifying a firm that it has secured Authority prequalification for the applicable period”;

“Prequalification,” which is amended to replace the reference to “Corporation” with “Authority”;

“Price Proposal,” which is amended to replace references to “the firm” with “the contractor”;

“Project Rating Proposal,” which is amended to replace “part” with “component” and to replace the reference to “Corporation” with “Authority”;

“School facilities package,” which is amended to refer to a singular school facilities project, in addition to the reference to “school facilities projects,” plural, and is further amended to delete the reference to “any and all of” the school facilities project;

“School facilities project,” which is amended in conformity with N.J.S.A. 52:18A-236 to include planning activities associated with a school facilities project, to clarify that maintenance activities that come within the definition are confined to capital maintenance projects, and to delete from the definition the “repair” of a school facility; and

“School facility,” which is amended to bring the term into conformity with its statutory definition pursuant to P.L. 2007, c. 137 (N.J.S.A. 18A:7G-3) by adding references to facilities that “support educational buildings and structures,” such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, and to include to the statutory distinction of “other facilities,” which are defined as structures or improvements that do not constitute school facilities and which are elsewhere defined to include athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building, or facility used solely for school administration. The definition is further amended to delete a reference to DOE regulations which is inconsistent with the statutory definition.

Deleted definitions include:

“Corporation,” which referred to the now-defunct New Jersey Schools Construction Corporation;

“DPMC 27” which referred to a particular form utilized by DPMC in the contractor classification process, but which was not referred to specifically in these regulations;

“EFCFA” which term has been subsumed within the definition of “the Act”, meaning the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72; and

“Project management firm” or “PMF” which referred to a particular type of agent engaged by the Authority, but which is deleted in favor of a broader reference to the Authority’s agents, which may include both Project Management Firms and Construction Managers.

19:38-2.1 Necessity for Prequalification

This section is amended to replace references to “Corporation” with references to “Authority.”

19:38-3.1 Contents of the bid

This section is amended to clarify that, pursuant to this chapter, a bid consists of two separate components, the Project Rating Proposal and the Price Proposal. Additionally, this section is amended to replace a reference to EFCFA with “the Act,” and to replace references to “Corporation” with references to “Authority.”

19:38-3.2 Fraudulent statements

This section is proposed for readoption without change.

19:38-3.3 Submission of Project Rating Proposal

This section is amended to replace references to “Corporation” with references to “Authority,” and to include a cross-reference to Section 3.11 of these proposed rules to reference the reasons to justify rejection of irregular bids.

19:38-3.4 Calculation of the Project Rating

This section is amended to replace references to “Corporation” with references to “Authority.”

19:38-3.5 Determination of Project Rating

This section is amended to clarify that the Project Rating for a particular trade is calculated in accordance with a specific formula, and to replace references to “Corporation” with references to “Authority.” This section is further amended to delete an obsolete requirement that performance evaluations be performed by two evaluators. This requirement had been developed at a time when the Authority had relied upon the Project Management Firms to provide primary monitoring of day to day construction activities on a project, and the Project Management Firm assigned to a project functioned as a second reviewer of the contractor. Because the Authority is relying less on Project Management Firms, especially for smaller-scope projects that utilize the low-bid procurement method described in this Chapter, the two-reviewer requirement is no longer relevant or desirable.

19:38-3.6 Submission of Price Proposal

This section is amended to replace references to “Corporation” with references to “Authority.”

19:38-3.7 Special project rating and price proposal requirements

This section is amended to replace references to “Corporation” with references to “Authority.”

19:38-3.9 Multiple bids

This section is amended to replace references to “Corporation” with references to “Authority,” and to clarify that a bidder may not submit a bid that exceeds the bidder’s Aggregate Rating, as modified by the information contained in the uncompleted contract form issued by the Authority and executed by the bidder.

19:38-3.10 Withdrawal or substitution of bid prior to bid opening

This section is amended to replace references to “Corporation” with references to “Authority.”

19:38-3.11 Irregular bids

This section is amended to replace references to “Corporation” with references to “Authority,” and to replace the reference to the Project Management Firm “PMF” with a broader reference to “the Authority and its agents.”

19:38-3.12 Basis for Award

This new section is proposed to clarify that contracts procured under the procedures of this chapter shall be awarded on a low-bid basis, to the bidder with the responsive submission offering the lowest contract price. The section provides that, for procurements under this chapter, the bidder submitting the price proposal with the lowest price shall be the presumed awardee, contingent on confirmation that the bidder’s submission conforms to the requirements of the advertisement and the bid and contract documents.

19:38-4.1 Scope and purpose

This section is amended to replace references to “Corporation” with references to “Authority.”

19:38-4.2 Bid protests, hearing procedures, time limitations

This section is amended to replace references to “Corporation” with references to “Authority,” to replace references to a “Managing Director of Procurement” (a position that currently does not exist) with a more general reference to the “Authority,” and to add language, in each of the subsections dealing with protests of particular kinds of Authority actions, indicating that the Authority “may deny any protest that is not filed within the time periods specified,” or may deny “any protest that fails to provide the specific reasons for and arguments supporting the protest.”

19:38-4.3 Hearing procedures

This section is amended to replace references to “Corporation” with references to “Authority,” and to clarify that the Authority has sole discretion whether to hold an informal hearing regarding a bid protest. Furthermore, this section is modified to extend the time for issuance of a decision after an informal hearing from ten calendar days to fourteen. The section is also modified to replace the reference to the selection of a hearing officer by the Managing Director of Procurement (a position that no longer exists at the Authority) with language indicating that the hearing officer will be selected by the Authority’s “Chief Executive Officer or his/her designee.” Finally, the section is modified to replace references to decisions made by the Managing Director of Procurement to alter timeframes for hearing procedures with references to such decisions being made by the hearing officer for the matter.

19:38-5.1 Contracts

This section is amended to replace references to “Corporation” with references to “Authority.”

Social Impact

The Rules proposed for re-adoption establish the standards and procedures for the Authority's "low bid" procurement of contracts for the construction of school facilities projects. The Rules should establish public confidence that all contractors bidding on schools facilities projects are bidding in conformity with fixed, published procedures to ensure quality and integrity in the bidding process and to provide clear methods for contractors to resolve any objections or disputes regarding the bidding process, with fairness and expediency.

Upon re-adoption, the Rules will continue to affect those construction companies that would bid on contracts for the construction of new school facilities projects. There is no change in the social impact in that social conditions affected by the Rules have not changed since the original promulgation of the Rules.

Economic Impact

The economic impact of the Rules proposed for re-adoption has not changed since original promulgation of the Rules. The Authority has no current way of estimating the costs of the Rules proposed for re-adoption, though the economic impact of the Rules is expected to be limited to those firms that choose to participate in the Authority's future school facility construction procurements, as the Rules outline the bidding process for construction contracts awarded on a "responsible low bidder" basis. If the Rules were not re-adopted, the Authority would be unable to procure construction contracts on a traditional low-bid basis pursuant to valid Rules. The Rules establish a bidding process which entails certain incidental costs associated with the preparation and submission of price proposals. Such costs may include professional staff time associated with preliminary planning, as well as the costs associated with the production and reproduction of plans and specifications in preparation of price proposals. The construction

activities to be procured are to be funded with the State share of the eligible costs of a school facilities project, which may be funded with State contract bonds issued by the New Jersey Economic Development Authority pursuant to section 25 of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), as amended, the payment of which is conditioned on appropriations being made by the Legislature. Additional activity in the construction, planning, architecture and engineering professions may directly result from these Rules, providing State-wide economic benefits in the short term. This economic information should be beneficial to all private firms wishing to provide services to the Authority in the construction of new school facilities.

The Authority will incur direct and indirect costs for advertisement of procurements, and will incur staff and administrative expense arising from the preparation of bid documents for such procurements, the evaluation of the submittals received, and the award of contracts and agreements.

Federal Standards Statement

The proposed Rules implement a State statute, specifically P.L. 2007, c.137 (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to these Rules. A Federal standards analysis, therefore, is not required.

Jobs Impact

The Rules proposed for readoption establish the Authority's process for "low bid" procurement of construction services. Thus to the extent the Rules have an effect on jobs, it will be to create

jobs in New Jersey, primarily in the construction, consulting and service sectors, rather than eliminate positions.

Agriculture Industry Impact

The Rules will have no direct impact on the agriculture industry. However, implementation of the Rules with respect to the Authority's activities in selection and acquisition of proposed school facility sites will be coordinated with the Farmland Preservation Program.

Regulatory Flexibility Analysis

The new Rules impose some compliance requirements on small businesses as the term is defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., but only for those small businesses that choose to seek to do business with the Authority. The new Rules outline the criteria and procedures the Authority will apply to the bidding process for construction contracts. The Rules proposed for re-adoption specify that bidders of construction services be prequalified by the Authority, a requirement that is imposed by public contracting provisions set forth in N.J.S.A. 52:18A-235 et seq.. As implemented by the Authority, all firms seeking prequalification will be required to submit audited financial statements, a cost which these firms might not otherwise need to incur. In the interests of financial probity, however, no exemption for small businesses would be warranted.

Housing Affordability Impact

The Rules address the requirements and the process for the procurement of construction contracts for school facilities projects and, therefore, will not have an impact on affordable housing or evoke a change in the average costs of housing in the State of New Jersey.

Smart Growth Development Impact

The Rules govern the process by which the Authority procures construction contracts, and thus the proposed adoption will have no impact on Smart Growth Development because the scope of the regulation is minimal, and because it is extremely unlikely that the adoption of the rules would evoke a change in the average price or availability of housing in the State of New Jersey, and unlikely that the proposed adoption would in any way affect new construction in Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:38.

Full text of the proposed amendments, new rule, and recodification follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

19:38-1.1 Applicability

This chapter applies to all construction contracts with the New Jersey Schools [Construction Corporation] **Development Authority**, [except for] **excluding** design-build contracts **and construction contracts procured pursuant to “price and other factors” procurement procedures**. [“Design-build contract” means a written contract, entered into between a contractor and the Corporation, which provides both for construction services and for the performance of architectural services by an architect retained by the contractor pursuant to a separate written contract.]

19:38-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meaning unless the context clearly indicates otherwise:

“Act” or “EFCFA” means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), as amended, and P.L. 2007, c. 137, which authorizes the school construction program.

“Agency of government” means any Federal, state, regional, county, or local government agency, in this or any other state, including any department, division, commission, authority, office, branch, section, political subdivision or other governmental or quasi-governmental entity.

“Aggregate Rating” means the limit of the outstanding dollar value of all contracts, public and private, which a [firm] **contractor** may perform at a given time as assigned by the [New Jersey Schools Construction Corporation's] **Authority’s** Notice of Prequalification in effect at the time of the [contractors] **contractor’s** bid. **The Aggregate Rating assigned by SDA** [which] shall be identical to that which is assigned by the New Jersey Department of Treasury, Division of Property Management and Construction. Should the Division of Property Management and Construction modify a [firm's] **contractor’s** aggregate rating after the [Corporation] **Authority** has issued a Notice of Prequalification, the Aggregate Rating issued by the [Corporation is] **Authority shall be** considered **similarly** modified to be identical to that of the Division of Property Management and Construction.

“Authority” or “SDA” means the New Jersey Schools Development Authority, an entity formed pursuant to P.L. 2007, c.137 (N.J.S.A. 52:18A-235 et seq.), as successor to the New

Jersey Schools Construction Corporation. The Authority is statutorily charged with undertaking and funding school facilities projects, pursuant to the Act.

“Bid” means the Project Rating Proposal and the Price Proposal **submitted by a contractor.**

“Bid advertisement” means the advertisement by the New Jersey Schools Construction Corporation setting forth the information as required by N.J.S.A. [34:1B-5.7] **52:7G-243h.** [and] **The bid advertisement** shall be part of the contract documents.

“Bid documents” means the bid advertisement, the project manual, general conditions, supplemental conditions, plans, specifications, scopes of work, Instructions to Bidders, addenda, form of Project Rating Proposal, form of Price Proposal, and any other documents provided to the bidder by the [Corporation] **Authority** prior to the submission of the Price Proposal.

“Contract” means the entire and integrated agreement between the [firm] **contractor** and the New Jersey Schools [Construction Corporation] **Development Authority** encompassing all of the contract documents.

“Contractor” means any association, company, corporation, joint stock company, limited liability company, partnership, sole proprietorship, or other business entity, including their assignees, lessees, receivers or trustees, which is in the business of performing construction work.

“Contract documents” means the bid advertisement, the executed form of contract, project manual, general conditions, supplemental conditions, plans, specifications, scopes of work, Instruction to Bidders, addenda, Project Rating Proposal, Price Proposal, executed change orders, other amendments, and all exhibits, appendices and documents attached to or referenced in any of the foregoing materials.

["Corporation" means the New Jersey Schools Construction Corporation.]

"Design-build contract" means a written contract, entered into between a contractor and the Corporation, which provides both for construction services and for the performance of architectural services by an architect retained by the contractor pursuant to a separate written contract.

"DPMC" means the Division of Property Management and Construction in the New Jersey Department of the Treasury.

["DPMC 27" means the request for classification form to be submitted to the DPMC by a [firm] **contractor** seeking classification with the DPMC in accordance with the DPMC rules at N.J.A.C. 17:19.]

"DPMC Classification" means the process and product of assigning specific construction categories or trades and the maximum Aggregate Rating which define the eligibility of [firms] **contractors** to engage in public work as determined by the DPMC in accordance with the DPMC rules at N.J.A.C. 17:19-1.

["EFCFA" means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72.]

"Firm" means any association, company, contractor, corporation, joint stock company, limited liability company, partnership, sole proprietorship, or other business entity, including their assignees, lessees, receivers or trustees.

"Grant funded district" means a district which receives funding for a school facilities project from the [Corporation] **Authority** pursuant to section **13 or 15** of EFCFA, N.J.S.A. 18A:7[6]**G-13; N.J.S.A. 18A:7G-15.**

“Instructions to Bidders” means that portion of the bid and contract documents setting forth the requirements and procedures for bidding on [a Corporation] **an Authority** project.

“Irregular bid” means a Project Rating Proposal or a Price Proposal that does not conform to the bid and contract documents for the schools facilities package.

“Notice of DPMC Classification” means the document(s) from the DPMC notifying [the Firm] a **contractor** of the specific construction categories or trades and of the maximum Aggregate Rating for which the [firm] **contractor** may perform work, in accordance with the DPMC rules at N.J.A.C. 17:19.

“Notice of Prequalification” means the letter from the [Corporation] **Authority** [issuing the firm its prequalification] **notifying a firm that it has secured Authority prequalification for the applicable period.**

“**Other facilities**” means those facilities that are excluded from the definition of “school facility” under N.J.S.A. 18A:7G-3, namely athletic stadiums, swimming pools, and any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building or facility used solely for school administration.

“Prequalification” means the process and product of being approved by the [Corporation] **Authority** to perform work in a given trade and within a given aggregate limit on school facilities packages and grant funded projects.

“Price Proposal” means that part of the bid to be submitted by the [firm] **contractor** setting forth the [firm's] **contractor's** bid price, including any and all information and documents required by the Instructions to Bidders, the bid advertisement or addenda.

[“Project management firm” or “PMF” means the firm engaged by the Corporation to provide overall construction management services, oversight, direction, coordination, and reporting in connection with school facilities projects.]

“Project Rating” means the maximum amount a [firm] **contractor** may bid on any school facilities package based upon the information contained in a [firm's] **contractor's** Project Rating Proposal.

“Project Rating Proposal” means that [part] **component** of the bid to be submitted by the [firm] **contractor** for **application to the Authority for** [issuance by the Corporation of the] **a** Project Rating.

“Protest” means a challenge to a decision, statement, action or omission of the Authority.

“Schools Construction Program” or “School Program” means the over-all program mandated by the [EFCFA] **Act** for the design, renovation, repair and new construction of primary and secondary public schools throughout the State, through the implementation of school facilities projects.

“School facilities package” or “package” means [any and all of] the school facilities **project or** projects that **is or** are identified in the Bid Documents.

“School facilities project” or “project” means the **planning**, demolition, construction, improvement, [repair,] alteration, modernization, renovation, reconstruction or capital maintenance, [in accordance with the Department of Education's rules at N.J.A.C. 6A:26,] of all

or any part of a school facility or of any personal property necessary for, or ancillary to, any school facility, and shall include fixtures, furnishings and equipment. [Each school facilities project that is part of the [firm's] **contractor's** work is identified in the contract documents.]

“School facility” means and includes any structure, building or facility used wholly or in part by a school district for [academic] **educational purposes, and facilities that support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, but shall exclude “other facilities”, as defined by the Act.**

“State” means the State of New Jersey, or any of the departments or agencies in the Executive Branch of government.

“Work” means the furnishing of all labor, services, materials, equipment, tools, transportation, supplies and other incidentals to be furnished, provided or performed by the [firm] **contractor**, as required by the contract documents, including all efforts necessary or appropriate to achieve final acceptance and completion.

SUBCHAPTER 2. NECESSITY FOR PREQUALIFICATION

19:38-2.1 Necessity for Prequalification

a) Only those [firms] **contractors** holding a valid Notice of Prequalification issued by the [Corporation] **Authority** in accordance with the procedures in N.J.A.C. 19:38A shall be eligible to bid for work on a school facilities package. A [firm's] **contractor's** prequalification must be valid on the due date for the submission of the Project Rating Proposal and on the due date for the submission of the Price Proposal.

b) The [Corporation] **Authority** may establish appropriate and special prequalification requirements as may be necessary in order to ensure competitive bidding on any and all school facilities projects or as may be dictated by the unique or specialized nature of the work to be performed.

SUBCHAPTER 3. REQUIREMENTS FOR BIDDING

19:38-3.1 Contents of the bid

a) A bid **pursuant to this Chapter** consists of two separate [proposals] **components**:

1. The first [proposal] **component** is the Project Rating Proposal, which consists of information regarding the “other factors” as defined in the [EFCFA] **Act** which will be evaluated by the [Corporation] **Authority**. The [Corporation] **Authority** will determine a [firm's] **contractor's** Project Rating based on this Proposal. A [firm] **contractor** may not submit a Project Rating Proposal prior to the effective date of the [firm's] **contractor's** prequalification. If, in the prior 24-month period, a [firm] **contractor** has been assigned a Project Rating, the [firm] **contractor** may so indicate on the signed Project Rating Proposal submitted for each project and may request that the [Corporation] **Authority** apply the prior Project Rating to the current bid, provided that the [firm] **contractor** certifies that there has been no change regarding safety, prevailing wage record, or its [Corporation] **Authority** Project Evaluation Record, since the prior Project Rating was assigned.

2. The second proposal is the Price Proposal which shall contain the price the [firm] **contractor** bids for the work as well as other information and documents, as required by the

contract documents. A [firm] **contractor** may not submit a Price Proposal if it has not been assigned a Project Rating.

19:38-3.2 Fraudulent statements

Any [firm] **contractor** or individual who makes, or causes to be made, a false, deceptive or fraudulent statement in its bid or in the course of any hearing under this chapter may be disqualified from bidding, suspended and/or debarred and may be subject to prosecution pursuant to applicable law.

19:38-3.3 Submission of Project Rating Proposal

a) The Project Rating Proposal shall be delivered by the [firm] **contractor** to the [Corporation] **Authority** at the hour, date and place specified in the bid advertisement as may be modified by addendum. Project Rating Proposals will be accepted only from [firms] **contractors** currently prequalified with the [Corporation] **Authority** in accordance with N.J.A.C. 19:38A.

b) **Pursuant to N.J.A.C. 19:38-3.11**, [An] **an** irregular bid may be rejected for failure to comply with the bid and contract documents.

c) The [Corporation] **Authority** shall examine the Project Rating Proposal and all documents required to be submitted with the Project Rating Proposal for completeness and conformity with bidding requirements. If the [Corporation] **Authority** determines that a Project Rating Proposal received for a school facility package must be rejected as being nonresponsive, it shall notify the [firm] **contractor** in writing of the rejection of its Project Rating Proposal and the reason for the

rejection within 10 business days of the receipt of the Project Rating Proposal unless there are circumstances that require additional time.

19:38-3.4 Calculation of the Project Rating

a) [Firms] **Contractors** shall supply the information required for the calculation of a Project Rating in the trade for which the [firm] **contractor** is seeking a Project Rating. The Project Rating shall be based on the following factors:

1. A check of references supplied by the [firm] **contractor** on projects completed by the [firm] **contractor** in the past seven years. This includes information regarding the [firm's] **contractor's** performance on other school facilities projects;
2. Information regarding the [firm's] **contractor's** safety record;
3. Information regarding the [firm's] **contractor's** prevailing wage record;
4. The [firm's] **contractor's** corporation project evaluation record; and
5. Other information deemed relevant by the [Corporation] **Authority**.

19:38-3.5 Determination of Project Rating

a) A [firm's] **contractor's** Project Rating for [the] **a particular** trade shall be determined [by] **in accordance with** the following **formula**:

$$A \times (100\% + B + C + D) \times E$$

where:

A = the [firm's] **contractor's** largest completed project in a specific trade listed in the Project Rating Proposal

B = the sum of the Reference Adjustment calculated pursuant to this chapter

C = the Safety Adjustment calculated pursuant this chapter

D = the Prevailing Wage Adjustment calculated pursuant to this chapter

E = the average of the [firm's] **contractor's** Project Evaluations

A [firm's] **contractor's** Project Rating for a trade cannot exceed the [firm's] **contractor's** Aggregate Rating and cannot exceed 170 percent of the [firm's] **contractor's** largest listed completed project.

b) Reference Adjustment Calculation: A [firm] **contractor** will be required to list in its Project Rating Proposal a minimum of two projects completed within the past seven years. The [firm] **contractor** shall also provide project contacts for those projects. The [Corporation] **Authority** shall select, at its discretion, two projects to be confirmed and shall contact the owner's contact identified by the [firm] **contractor**. If the [Corporation] **Authority** cannot contact an owner's contact, the [Corporation] **Authority** will contact the [firm] **contractor** for another owner's contact for that project. If the [firm] **contractor** is unable to provide an additional owner's contact, or if the [Corporation] **Authority** is unable to contact the additional owner's contact provided by the [firm] **contractor**, the [Corporation] **Authority** will not use that project in the determination of the [firm's] **contractor's** Project Rating. The [Corporation] **Authority** will confirm the [firm's] **contractor's** performance on the job and assign a percentage value to the responses received. Project contacts will be asked if the performance in each of the following

seven categories “exceeded expectations,” “met expectations” or fell “below expectations” and the [Corporation] **Authority** will assign to the response the percentage adjustment listed below:

EXPECTATIONS	Exceeded Expectations	Met Expectations	Below Expectations
Safety	+5 percent	+3 percent	-5 percent
Quality of the construction.	+5 percent	+2 percent	-5 percent
Timeliness of the work performed.	+2 percent	+1 percent	-2 percent
Efficiency of the [firm’s] contractor’s contract administration.	+2 percent	+1 percent	-2 percent
Supervision of subcontractors.	+2 percent	+1 percent	-2 percent
[Firm’s] contractor’s level of cooperation during construction.	+2 percent	+1 percent	-2 percent
Timeliness and efficiency of punch list work corrections.	+2 percent	+1 percent	-2 percent

1. If an owner's contact rates a [firm] **contractor** “below expectations” in either safety or quality of construction, or if the project reference adjustment is -5 or lower, the [Corporation] **Authority** will not use that project in the determination of the [firm’s] **contractor’s** Project Rating.

2. The [Corporation] **Authority** will total the project reference adjustments together and the sum shall be the Reference Adjustment. This Reference Adjustment shall be used as “B” in the calculation of the [firm’s] **contractor’s** Project Rating in (a) above.

c) Bidders shall provide mandatory safety information as follows:

1. The [firm] **contractor** will be required to list its most recent New Jersey Workers Compensation Insurance Experience Modification Rate (NJEMR) on its Project Rating

Proposal. For any [firm] **contractor** that has not performed work in New Jersey prior to the submission of this Project Rating Proposal, or for which the NJEMR has not been calculated, the [firm] **contractor** will be required to submit its most recent Experience Modification Rate (EMR) for all other States for which it has performed work. The [Corporation] **Authority** will then calculate the average of the other states' EMRs. Where appropriate, the [firm's] **contractor's** NJEMR or its average EMR as calculated by the [Corporation] **Authority** will be assigned a percentage value as listed below:

EMR is less than or equal to .80	+30 percent
EMR is greater than .80 but less than or equal to .90	+20 percent
EMR is greater than .90 but less than or equal to 1.00	+10 percent
EMR is greater than 1.00 but less than or equal to 1.10	-10 percent
EMR is greater than 1.10 but less than or equal to 1.20	-20 percent
EMR is greater than 1.20	-40 percent

2. The [firm] **contractor** shall be required to list safety information in its Project Rating Proposal. The safety information supplied will be assigned a percentage value as listed below:

	Yes	No
Employee of the [firm] contractor completed an OSHA 500 or OSHA 502 course in last 4 years.	+2 percent	0 percent
Employee of the [firm] contractor completed Council on Certification of Health, Environmental and Safety Technologists (CCHEST) "Safety Trained Supervisor in Construction" course.	+2 percent	0 percent

Employee of the [firm] contractor completed Associated General Contractors of America (AGCA) "Safety Management Training Course." +2 percent 0 percent

The percentage value for the EMR and the percentage value for the Safety Information shall be added together and this total shall be the Safety Adjustment. The Safety Adjustment shall be used as "C" in the calculation of the [firm's] **contractor's** Project Rating in (a) above.

(d) Prevailing Wage: The [firm] **contractor** will be required to list its prevailing wage record with the New Jersey Department of Labor and Workforce Development on its Project Rating Proposal. The [Corporation] **Authority** will assign a prevailing wage percentage value as listed below:

The [firm] **contractor** has been adjudicated as having committed the following prevailing wage rate violations during the past five years:

None	0 percent
One	-10 percent
More than one	-20 percent

This percentage value shall be the Prevailing Wage Adjustment. The Prevailing Wage Adjustment shall be used as "D" in the calculation of the [firm's] **contractor's** Project Rating in (a) above.

(e) Project Evaluations: Every construction project managed by the [Corporation] **Authority** will be evaluated [by two evaluators] for the following: quality of work; scheduling; management; cost control and change orders; safety and industrial hygiene; subcontractors; small business goals; and close-out.

1. Evaluation rating values are:

i. Outstanding (O) or 100 percent--far exceeds the contract requirements by consistently exhibiting excellent performance. Typically meets and regularly exceeds the contract requirements;

ii. Very Good (VG) or 90 percent--often exceeds the contract requirements and frequently provides a high level of performance. Typically meets and often exceeds the contract requirements;

iii. Satisfactory (S) or 80 percent--provides an acceptable level of performance consistently meeting the contract requirements;

iv. Marginal (M) or 70 percent for scheduling, management, cost control and change orders, subcontractors, close out and 40 percent for quality of work, safety and industrial hygiene, and small business goals--performs slightly below the requirements of the contract, meeting the contract requirements on an intermittent basis; and

v. Unsatisfactory (U) or 60 percent for scheduling, management, cost control and change orders, subcontractors, close out and 20 percent for quality of work, safety and industrial hygiene, and small business goals--fails to meet important contract requirements, resulting in a negative impact on the entire project.

2. [The contractor's Performance Evaluation Summary Rating shall be the mathematical average of the two evaluators' ratings.] In the event that there are multiple Performance Evaluation Summary Ratings for a contractor, the contractor's Performance Evaluation Summary Rating shall be the mathematical average of all Performance Evaluation Summary Ratings.

3. The [Corporation] **Authority** will assign a Project Evaluation Performance Multiplier as listed below:

Performance Evaluation Summary Rating	Performance multiplier
80 points or higher	1.00
70 points to 79.9 points	.50
69.9 points or lower	.25

This Performance Multiplier shall be used as “E” in the calculation of the [firm’s] **contractor’s** Project Rating. In the event that a contractor does not have a Performance Evaluation Summary Rating, the [Corporation] **Authority** will disregard the Performance Multiplier in the calculation of the [firm’s] **contractor’s** Project Rating in (a) above.

19:38-3.6 Submission of Price Proposal

(a) Price Proposals will be received at the time, date and place specified in the bid advertisement as may be modified by addendum. Price Proposals will be accepted only from [firms] **contractors** firms currently prequalified with the [Corporation] **Authority** and which have submitted a Project Rating Proposal in accordance with the Instructions to Bidders and this chapter.

(b) An officer or employee of the [Corporation] **Authority** will open each bid session as near to the time specified in the advertisement as is practical. The [Corporation] **Authority** representative will announce the school facilities packages on which bids are being received during that bid session. The [Corporation] **Authority** representative will then declare the bidding closed. No bids will be accepted after the bidding has been closed.

(c) The Price Proposals will be opened and total lump sum base bid prices as well as prices for any and all alternates, if applicable, will be read.

(d) Unless otherwise directed by the [Corporation] **Authority**, each Price Proposal shall be accompanied by a bid proposal bond in an amount equal to or greater than 10 percent of the bid price. Each bid bond shall reference the package to which it applies.

1. Bid bonds shall comply with the requirements of this chapter and relevant State statutes. Bid bonds covering corporation packages shall be issued only in accordance with N.J.S.A. 2A:44-143 through 147 to the contractor and shall indicate aggregate bonding limits; by companies listed in the current United States Treasury Department Circular 570, which Circular will establish the underwriting limitation for any one risk.

2. Bid bonds shall be issued only by companies authorized to transact business in the State of New Jersey.

3. Two or more companies may underwrite the bid bond on a package if the aggregate of their underwriting limitations, as established by United States Treasury Department Circular 570, is not exceeded by the penal sum of the bid bond. Each company may limit its liability, upon the face of the bond or power of attorney form, to a definite specified amount within its underwriting limitation. Such obligation shall be executed by the principal and sureties jointly and severally.

(e) The [Corporation] **Authority** shall examine all the Price Proposals and all documents required to be submitted with the Price Proposals for completeness, conformity with requirements and mathematical accuracy. Adjustments will be made by the [Corporation] **Authority** where necessary to establish the correct total bid amount. If the [Corporation] **Authority** determines that a Price Proposal received for a school facility package **or packages** must be rejected as being non-responsive, it shall notify the [firm] **contractor** in writing of the rejection of its Price Proposal as being non-responsive and the reason for the rejection within 10 business days of the receipt of Price Proposals, unless there are circumstances that require additional time.

(f) The submission of a Price Proposal is conclusive evidence that the [firm] **contractor** has completely reviewed the bid and contract documents and fully understands and agrees to all of the requirements, terms and conditions set forth therein.

19:38-3.7 Special project rating and price proposal requirements

With respect to N.J.A.C. 19:38-3.5 and 3.6, the [Corporation] **Authority** may establish appropriate and special requirements and/or waive requirements as may be necessary in order to

ensure competitive bidding on any and all school facilities projects or as may be dictated by the unique and specialized nature of the work to be performed.

19:38-3.8 Requirements to bid within a [firm's] **contractor's** Aggregate Rating and Project Rating

- (a) A [firm] **contractor** shall not submit a Price Proposal that exceeds its Project Rating in the trade classification required to bid the package.
- (b) A [firm] **contractor** shall not submit a Price Proposal which causes the total outstanding amount of all of its existing contracts, as defined in the [Corporation] **Authority** backlog form, both public and private, to exceed its Aggregate Rating.
- (c) A [firm] **contractor** shall include with its Price Proposal a completed [Corporation] **Authority** backlog form, which is a statement of the current value and status of its backlog of uncompleted construction work as of the Price Proposal due date and certification that the award of the subject schools facilities package will not cause the [firm] **contractor** to exceed its Aggregate Rating.
- (d) If a question arises as to whether an amount bid for a schools facilities package is within a [firm's] **contractor's** existing Project Rating or the [firm's] **contractor's** Aggregate Rating, the Price Proposal shall be opened and if the Price Proposal exceeds the [firm's] **contractor's** Project Rating or Aggregate Rating, the bid shall be rejected.
- (e) A [firm] **contractor** shall not be awarded a school facilities project that exceeds its Project Rating.
- (f) A [firm] **contractor** shall not be awarded a school facilities package which, when added to the backlog of uncompleted construction work as defined in and shown on the completed [Corporation] **Authority** backlog form, would exceed the [firm's] **contractor's** Aggregate Rating. The backlog of uncompleted construction work shall be the total contract value of unbilled work, as evidenced by the most recent approved invoice (or other similar documentation) received by the [firm] **contractor** before the date of the Price Proposal.

(g) If a [firm] **contractor** successfully bids for two or more school facilities packages, which, either in combination with each other or in combination with the backlog of uncompleted construction work on other currently held contracts would exceed the [firm's] **contractor's** Aggregate Rating, the [firm] **contractor** shall be awarded only those school facilities packages which in combination fall within the [firm's] **contractor's** Aggregate Rating as set forth in N.J.A.C. 19:38-3.9.

19:38-3.9 Multiple bids

(a) A [firm] **contractor** may submit [multiple] bids **on multiple projects** when the sum of the bids exceeds the [firm's] **contractor's** aggregate rating; however, a [firm] **contractor** may not enter into any contracts in excess of its Aggregate Rating as set forth on the [Corporation] **Authority** backlog form submitted with the Price Proposal. Upon receipt of multiple bids, the [Corporation] **Authority**, at its sole discretion, shall determine which contract or contracts are to be awarded to such [firm] **contractor** within the [firm's] **contractor's** aggregate rating.

(b) If a bidder submits bids on two or more packages at the same bid session, that bidder must have a current Aggregate Rating greater than or equal to the combined amount of its bids, unless a reservation has been placed in each bid limiting the maximum gross amount of awards acceptable to the bidder at that particular bid letting. If such reservations are placed in the bids, the [Corporation] **Authority** will select which contract or contracts are to be awarded to such bidder within the maximum gross amount reserved.

19:38-3.10 Withdrawal or substitution of bid prior to bid opening

A [firm] **contractor** may withdraw a bid or substitute a bid with another by submitting a letter to the [Corporation] **Authority** prior to the bid opening. The withdrawal or substitution shall include the name of the [firm] **contractor**, the date and time of the original Project Rating Proposal and Price Proposal, the name of a principal of the [firm] **contractor** responsible for the action, and the action to be taken.

19:38-3.11 Irregular bids

(a) Bids will be considered irregular and may be rejected for failure to comply with the bid and contract documents for reasons that may include, but are not limited to, the following:

1. If the bid is on a form other than that furnished by the [Corporation] **Authority** or if the form is altered or any part thereof is detached or incomplete;
2. If the bid is not properly signed or sealed;
3. If the bid is not typed or completed in ink;
4. If there are unauthorized additions, conditions or alternate bids, or irregularities of any kind that may tend to make the bid incomplete, indefinite, or ambiguous as to its meaning;
5. If the bid contains any provisions reserving the right to accept or reject an award, or in any way submits a contingent bid to enter into a contract pursuant to any award. The prohibition does not include a reservation limiting the maximum gross amount of awards acceptable to any one bidder at any one bid letting. However, the [Corporation] **Authority** will make the selection of which contract or contracts are to be awarded to such bidder within the maximum gross amount reserved;
6. If the bid contains any alterations to any prices or amounts that have been established by the [Corporation] **Authority** in the bid and contract documents;
7. If the Price Proposal fails to contain a price for an alternate or allowance required by the bid and contract documents;
8. If the Price Proposal is not accompanied by a bid bond as required by the bid and contract documents;
9. If the [firm] **contractor** fails to acknowledge addenda, letters and other notices required to be acknowledged that have been sent by the [Corporation or the PMF] **Authority or its agents**;
10. If the [firm] **contractor** fails to name in the bid proposal [identify] subcontractors required to be named by the bid and contract documents;

11. If the [firm] **contractor** submits a bid that exceeds the [firm's] **contractor's** Project Rating or its Aggregate Rating;
12. If the bidder submits a bid which exceeds its Project Rating in the trade classification to bid the package or its aggregate limit; or
13. If the [Corporation] **Authority** deems it advisable to do so in the interest of the State or the public interest.

19:38-3.12 Basis for Award

For procurements under this chapter, the Authority will award the contract to the lowest bidder whose bid conforms in all respects to the requirements set forth in the bid documents.

SUBCHAPTER 4. HEARING PROCEDURES PROTEST

19:38-4.1 Scope and purpose

- (a) This subchapter sets forth the procedures that govern challenges to an action of the [Corporation] **Authority** in the issuance of a Project Rating, in the issuance of a bid advertisement or an issuance of proposed contract documents, or to the acceptance of a Price Proposal for school facilities packages.
- (b) For purposes of this subchapter, protests of the type described are not contested cases subject to the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.

19:38-4.2 Bid protests, hearing procedures, time limitations

- (a) A challenge to the following actions of the [Corporation] **Authority** shall be made as follows:
 1. Project Rating: If a [firm] **contractor** is dissatisfied with its Project Rating, the [firm] **contractor** must submit a written protest to the [Managing Director of Procurement]

Authority, setting forth all arguments, materials or other documents that may support the protestor's position and a statement as to whether the protestor requests the opportunity for an informal hearing.

- i. If the Project Rating Proposal is received by the [Corporation] **Authority** more than 10 days prior to the date for submission of the Price Proposal, the written request must be received by the [Corporation] **Authority** within five calendar days after the date of the notification of the [firm's] **contractor's** Project Rating.
- ii. If the Project Rating Proposal is received by the [Corporation] **Authority** less than 10 days prior to the date for the submission of the Price Proposal, but not on the same day as the submission of the Price Proposal, the written request must be received by the [Corporation] **Authority** at least three business days prior to the date for submission of the Price Proposal.
- iii. If the Project Rating Proposal is received by the [Corporation] **Authority** on the same day as the Price Proposal, the written request must be received by the [Corporation] **Authority** within five days of the receipt of both the Project Rating Proposal and the Price Proposal.
- iv. The Authority may deny any protest that is not filed within the time periods specified above, or any protest that fails to provide the specific reasons for and arguments supporting the protest.**

2. Bid and Contract Documents: A [firm] **contractor** intending to submit a Price Proposal for a school facilities project and objecting to a requirement of the bid and/or contract documents must submit a written protest to the [Managing Director of Procurement] **Authority** at least three business days prior to the opening of the Price Proposals, setting forth in detail the grounds for such protest. The protest must contain all arguments, materials or other documents that may support the protestor's position. The [Corporation] **Authority** may [disregard] **deny** any protest of bid and contract documents, which is filed less than three business days prior to the scheduled Price Proposal opening or which fails to provide the specific reasons for and arguments supporting the protest.

3. Price Proposal: A [firm] **contractor** protesting the rejection of its Price Proposal or the submission of a Price Proposal by another [firm] **contractor** must submit a written protest to the [Managing Director of Procurement] **Authority** setting forth the specific grounds for challenging

the acceptance or rejection of the Price Proposal. The protest must contain all arguments, materials or other documents that may support the protestor's position and a statement as to whether the protestor requests the opportunity for an informal hearing. A [firm] **contractor** protesting the rejection of its own Price Proposal must submit a written protest within five days of receipt of its rejection. A [firm] **contractor** protesting the rejection of the submission of a Price Proposal by another [firm] **contractor** must submit a written protest within five calendar days after the opening of the Price Proposals. **The Authority may deny any protest that is not filed within the time periods specified above, or any protest that fails to provide the specific reasons for and arguments supporting the protest.**

19:38-4.3 Hearing procedures

(a) Hearing procedures shall be as follows:

1. The [Corporation] **Authority**, in its sole discretion, shall determine whether to grant the opportunity for an informal hearing regarding a bid protest. Informal hearings are for fact-finding purposes for the benefit of the [Corporation] **Authority** and the [Corporation] **Authority** shall [have the sole discretion as to requesting or requiring] **decide, in its sole discretion, whether to grant** a hearing **request**. Alternatively, the [Corporation] **Authority** may determine that sufficient information already exists in the record so that a decision may be made without a hearing and the [Corporation] **Authority** may waive the hearing and issue a final agency decision accordingly. In the event that the [Corporation] **Authority** determines that a hearing is not necessary, a written decision will be issued by the [Corporation] **Authority** within 48 hours of receipt of all documents related to said protest **unless, due to the circumstances, a greater time is required.**

2. Informal hearings will be held, where feasible, within five calendar days of the receipt of the request. Hearings will be heard, where practicable, by [an impartial] **a** hearing officer designated by the [Managing Director of Procurement] **Chief Executive Officer or his/her designee**. The hearing officer shall issue a final written decision within **fourteen (14)** 10 calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time is required. For all protests of a Project Rating, the written decision will issue

prior to the opening of Price Proposals for the school facilities package, which is the subject of the protest. If the decision, which is based upon a protest of the bid and contract documents, results in a modification of the bid and contract documents, such decision shall be conveyed to all potential [firms] **contractors** by addendum.

3. In an informal hearing, the [Managing Director of Procurement] **hearing officer** may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify or amend the time frames or any other requirements provided in this section. In these instances, the [Managing Director of Procurement] **hearing officer** shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

SUBCHAPTER 5. AWARD OF CONTRACTS

19:38-5.1 Contracts

(a) The [Corporation] **Authority** will send the successful [firm] **contractor** a Notice of Award letter. The Notice of Award letter shall contain a list of the additional documents required to be submitted by the contractor with the executed contract. The [Corporation] **Authority** will specify the time within which the executed contract and required documents must be returned.

(b) Each payment and each performance bond must be in an amount at least equal to the total contract price.

1. All bonds shall comply with the requirements of this chapter and relevant State statutes. All bonds submitted by the contractor shall be issued only in accordance with N.J.S.A. 2A:44-143 through 147 to the contractor and shall indicate aggregate bonding limits.

2. Bonds shall be issued only by companies authorized to transact business in the State of New Jersey.

3. Two or more companies may underwrite the payment and performance bonds on a project if the aggregate of their underwriting limitations, as established by United States Treasury Department Circular 570, is not exceeded by the penal sum of the bonds. Each company may limit its liability, upon the face of the bond or power or attorney form, to a definite specified

amount within its underwriting limitation. Such obligations must be executed by the principal and sureties jointly and severally.

(c) If the contractor fails to return the executed contract and bonds and other required documents within the time specified by the [Corporation] **Authority**, the [Corporation] **Authority** may take whatever action is appropriate and authorized by law and by the contract documents, including, but not limited to, proceeding to recover under the bid bond.

(d) After execution by the [Corporation] **Authority**, a copy of the signed contract will be sent to the contractor.

Resolution—6di.

Proposed Re-adoption With Amendments and New Rule:
 Procedures for Bidding for the New Jersey Schools Construction Corporation's
 School Facilities Projects for the Schools Construction Program, N.J.A.C. 19:38

Resolution

WHEREAS, NJSA 52:18A-238 (4)(k) requires that the New Jersey Schools Development Authority (SDA) shall adopt, amend and repeal regulations to carry out the provisions of P.L.2000, c.72 (C.18A:7G-1 et al.) and P.L. 2007, c. 137 (C. 52:18A-235 et al.); and

WHEREAS, N.J.A.C. 19:38, establishes requirements, standards and procedures for the SDA's procurement of certain smaller scale construction contracts on a "low-bid" basis for the Authority's capital program ("Chapter 38" or "the Rules"); and

WHEREAS, the Rules are scheduled to expire on May 15, 2013 and are being proposed for re-adoption with amendments and a new rule; and

WHEREAS, the proposed amendments to the Rules are largely technical in nature and are fully described in the materials presented to the Board on this date and incorporated herein; and

WHEREAS, the Rules are intended to complement, not supplant, the Authority's other procurement paradigms of "price and other factors" construction procurement, under N.J.A.C. 19:38B; and design-build procurement processes pursuant to design-build procurement rules under N.J.A.C. 19:36; and

WHEREAS, after internal review, executive management and associated program staff have determined that the Rules, as amended, are adequate, efficient and responsive for the purposes for which they were originally adopted; and

WHEREAS, SDA management recommends that the Members of the Authority approve the proposed re-adoption of the Authority's "low-bid" procurement Rules, N.J.A.C. 19:38, consistent with the memorandum presented to the Board on this date, as well as the issuance of the attached Notice of Re-adoption and the filing of same with the Office of Administrative Law; and

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the proposed re-adoption with amendment and new rule of the Rules for Procedures for Bidding for The New Jersey Schools Construction Corporation's School Facilities Projects for The Schools Construction Program, N.J.A.C. 19:38 with amendments consistent with the memorandum and materials presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize the issuance of the attached Notice of Re-adoption of the Rules, and the filing of the Notice with the New Jersey State Office of Administrative Law.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Proposed Readoption with Amendments and New Rule: Procedures for Bidding for The New Jersey Schools Construction Corporation's School Facilities Projects for The Schools Construction Program, N.J.A.C. 19:38, dated May 1, 2013

Dated: May 1, 2013

RULE READOPTION: N.J.A.C. --19:38A PROCEDURES FOR PREQUALIFICATION OF CONTRACTORS AND PROFESSIONAL SERVICES CONSULTANTS FOR THE NEW JERSEY SCHOOLS CONSTRUCTION PROGRAM



MEMORANDUM

6

TO: Members of the Authority

FROM: Jane Kelly, Vice President
 Division of Corporate Governance and Operations

DATE: May 1, 2013

RE: Proposed Readoption With Amendments and New Rule:
 Procedures for Prequalification of Contractors and Professional Services Consultants for
 the New Jersey Schools Construction Program, N.J.A.C. 19:38A

Management of the New Jersey Schools Development Authority (“Authority” or “SDA”) is seeking the approval of the Board for the Readoption of the Authority’s Rules for Procedures for Prequalification of Contractors and Professional Services Consultants for the New Jersey Schools Construction Program, N.J.A.C. 19:38A.

Prior Regulatory History

Chapter 38A was originally adopted by the NJSCC on May 15, 2006, and is scheduled to expire on May 15, 2013.

The Rules proposed for readoption with amendments address the procedures for prequalification of contractors, subcontractors, professional services consultants and subconsultants seeking to participate in school facilities projects, and further set forth the requirements and standards for prequalification, grounds for denial or revocation of prequalification, and protest and appeal procedures for the prequalification process. The Rules are intended to insure that only qualified contractors and professional services consultants possessing the requisite moral integrity are permitted to engage in providing construction, professional services, and other goods and services for school facilities projects.

Basis for Readoption with Amendments

The proposed changes to the current regulation are intended to recognize the transition from the SCC to SDA, to clarify the processes for prequalification of contractors and consultants, and to incorporate applicable statutory and regulatory updates.

Most of the amendments are technical in nature, including changes throughout the Rules to reflect the abolition of the New Jersey Schools Construction Corporation (“Corporation” or “NJSCC”) and the creation of the New Jersey Schools Development Authority (“Authority” or “SDA”) by P.L. 2007, c. 137, § 13 (N.J.S.A. 52:18A-247), which transferred all functions, powers and duties of the former NJSCC to the Authority, and decreed that statutory and regulatory references to the NJSCC shall mean and refer to the Authority.

Other notable amendments include:

- Clarification of references to the statutory authority for contractor and consultant prequalification, N.J.S.A. 18A:7G-26, 18A:7G -33 through -35, (regarding contractor prequalification), and N.J.S.A. 52:34-9.3 (regarding consultant prequalification).
- Replacement of references to “pre-development activities” with “preconstruction activities,” a term in conformity with the reference to “preconstruction activities” in N.J.S.A. 18A:7G-5 and N.J.A.C. 19:34.
- Addition of a definition of “Moral integrity review,” which means the investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on behalf of the Authority, in connection with a prequalification application, and includes, but is not limited to, an investigation into the veracity of any statement made to the Authority and/or DPMC, and investigation of any violations of administrative regulations, criminal background checks, and judgment and lien searches, with respect to the firm in question and all key persons thereof, including owners, partners, principals or supervisory employees of such firm.
- Changes to clarify the process for first securing a Notice of DPMC classification or Notice of DPMC Prequalification prior to applying for Authority prequalification.
- Changes to indicate that a failure to disclose pertinent information is a grounds for denial or revocation of prequalification, as well as debarment or suspension, and to specify that the reference to laws of “any other jurisdiction” includes Federal law.
- Amendments to clarify that if a firm whose prequalification has been denied or revoked is currently performing as a contractor or subcontractor or consultant or subconsultant on a school facilities project for the Authority or a school district, the Authority, in its sole discretion, may permit the firm to continue its performance to complete some or all of its existing contract work when doing so is in the public interest. This section has been modified to delete reference to a school district’s exercise of discretion in permitting a firm to continue to perform contract work despite a denial or revocation of prequalification.
- The addition of a new section regarding protest and appeal of denial of an initial prequalification application.
- Changes to modify the appeal deadlines for adverse actions from seven calendar days to seven business days, to add reference to the hearing procedures statutes of the Administrative Procedures Act (52:14F-1 et seq.), and to clarify that hearings under this section will be conducted by an Administrative Law Judge.

Requested Board Action

The Members of the Authority are requested to approve the proposed readoption of the Authority's "low-bid" procurement Rules, as well as the issuance of the attached Notice of Readoption, and the filing of the Notice with the Office of Administrative Law.

/s/ Jane F. Kelly

Jane F. Kelly, Vice President
Corporate Governance & Operations

Prepared by Cecelia Haney, Senior Counsel

JFK/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Procedures for Prequalification of Contractors and Professional Services Consultants for the New Jersey Schools Construction Program

Proposed Readoption with Amendments: N.J.A.C. 19:38A 1.1 through 4.9

Proposed New Rule N.J.A.C. 19:38A-4.8

Proposed Recodification with Amendment: N.J.A.C. 19:38A-4.8 as -4.9; N.J.A.C. 19:38A-4.9 as -4.10

Authorized By: New Jersey Schools Development Authority, Marc Larkins, Chief Executive Officer.

Authority: P.L. 2007, c.137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); P.L. 2007, c.137, (N.J.S.A. 52:18A-235 et seq.); N.J.S.A. 52:34-9.3 (enabling statutes)

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2013-

Submit written comments by _____ 2013 to:

Cecelia Haney, Administrative Practice Officer

New Jersey Schools Development Authority

PO Box 991

Trenton, NJ 08625-0991

The agency proposal follows:

Summary

The New Jersey Schools Development Authority proposes to readopt N.J.A.C. 19:38A (the “Rules”) with amendments and a new rule. Significant among the amendments to the Rules are changes to reflect the abolition of the New Jersey Schools Construction Corporation (“Corporation” or “NJSCC”) and the creation of the New Jersey Schools Development Authority (“Authority” or “SDA”) by P.L. 2007, c. 137, §§ 3, 13 (N.J.S.A. 52:18A-237, 52:18A -247), which transferred all functions, powers and duties of the former NJSCC to the Authority, and decreed that statutory and regulatory references to the NJSCC shall mean and refer to the Authority.

Chapter 38A was originally adopted by the NJSCC on May 15, 2006, and is scheduled to expire on May 15, 2013. The Rules proposed for readoption with amendments address the procedures for prequalification of contractors, subcontractors, professional services consultants and subconsultants seeking to participate in school facilities projects, and further set forth the requirements and standards for prequalification, grounds for denial or revocation of prequalification, and protest and appeal procedures for the prequalification process. The Rules proposed for readoption with amendments and a new rule are intended to insure that only qualified contractors and professional services consultants possessing the requisite moral integrity are permitted to engage in providing construction, professional services, and other goods and services for school facilities projects.

The Authority has reviewed Chapter 38 and has determined that it remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, with the addition of the proposed amendments and new rule.

As the Authority has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

A section-by-section description of the proposed modifications to the chapter follows.

CHAPTER 38A

PROCEDURES FOR PREQUALIFICATION OF CONTRACTORS AND PROFESSIONAL SERVICES CONSULTANTS FOR THE NEW JERSEY SCHOOLS CONSTRUCTION PROGRAM

19:38A-1.1 Purpose, scope and applicability

This section is proposed for readoption with amendments. Chief among the amendments are changes to describe the creation of the of the New Jersey Schools Development Authority, and to delete references to the New Jersey Schools Construction Corporation, in favor of references to the SDA. This section is further amended to clarify references to the statutory authority for contractor and consultant prequalification, N.J.S.A. 18A:7G-26, 18A:7G -33 through -35, (regarding contractor prequalification), and N.J.S.A. 52:34-9.3 (regarding consultant prequalification). Finally, this section is amended to replace references to “pre-development activities” with “preconstruction activities,” a term in conformity with the reference to “preconstruction activities” in N.J.S.A. 18A:7G-5 and N.J.A.C. 19:34.

19:38A-1.2 Construction of rules

This section is amended to replace the reference to “Corporation” with a reference to the “Authority.”

19:38A-1.3 Definitions

This section sets forth the meaning of the words and terms used throughout this chapter. Amendments to the section include changes to previously defined terms, the addition of new terms, and the deletion of terms and definitions rendered obsolete by the proposed amendments, as set forth below.

New definitions include:

“Aggregate Rating,” which means the limit of the outstanding dollar value of all contracts, public and private, which a contractor may perform at a given time as assigned by the SDA's Notice of Prequalification in effect at the time of the contractor's bid. This section provides that the aggregate rating assigned to a contractor by SDA shall be identical to that assigned by the New Jersey Department of Treasury, Division of Property Management and Construction, and shall be considered by SDA to be modified automatically to conform to any changes in the DPMC Aggregate Rating;

“Board,” which refers to the governing body of the Authority, consisting of the members of the Authority as outlined in N.J.S.A. 52:18A-237;

“Moral integrity review,” which means, for purposes of this chapter, an investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on behalf of the Authority, in connection with a prequalification application, and includes, but is not limited to, an investigation into the veracity of any statement made to the Authority and/or DPMC, and investigation of any violations of administrative regulations, criminal background checks, and judgment and lien searches, with respect to the firm in question and all key persons thereof, including owners, partners, principals or supervisory employees of such firm;

“Other facilities,” which means those facilities that are excluded from the definition of “school facility” under N.J.S.A. 18A:7G-3, namely, athletic stadiums, swimming pools, and any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building or facility used solely for school administration;

“Project Rating” or “Project Rating Limit,” which means the maximum amount a contractor may bid on any individual school facilities project or preconstruction procurement package, based upon the information contained within a firm’s Project Rating Proposal; and

“Protest,” which means a challenge to a decision, statement, action or omission of the Authority.

The following definitions have been amended:

“Act,” is amended to include reference to the codified statutes for the Educational Facilities Construction and Financing Act, (N.J.S.A. 18A:7G-1 et seq.), and to indicate that the Act authorizes the school construction program.

“Affiliates,” which identifies circumstances when firms or persons are considered affiliates of each other, is amended to clarify that it is an indication of affiliation or control if a firm is organized, activated or applies for prequalification following the debarment, suspension, or proposed debarment of another firm with the same or similar management, ownership, or key persons.

“Application” which means the forms, certifications and accompanying documents filed in connection with a firm's request for prequalification, is amended to clarify that the forms, certifications and accompanying documents that are submitted to DPMC for classification or

prequalification, are considered part of the SDA application. This section is also amended to replace references to the “Corporation,” or to the “Corporation and OGI,” with “Authority.” This section is further amended to make substantive clarifications to the list of documents and required disclosures that are considered part of the application, including the specific addition of disclosures of personal bankruptcies of the beneficial owners and key persons for the applicant firm.

“Authority,” which is amended to refer to the SDA as successor to the New Jersey Schools Construction Corporation, and not the New Jersey Economic Development Authority, as previously indicated;

“Bid,” which is amended to replace the reference to “Corporation-managed projects” with “projects procured by the Authority,” and which is further amended to include any applicable Technical Proposal, along with the previously included Project Rating Proposal and Price Proposal, as parts of the bid;

“CEO,” which is amended to refer to the Chief Executive Officer of SDA, not the NJEDA;

“Contractor,” which is amended to replace a reference to “Corporation” with a reference to the “Authority”;

“Debarment,” which means an exclusion from bidding or contracting, is amended to replace references to “Corporation” with “Authority” and to replace references to “predevelopment” with “preconstruction”;

“DPMC Classification,” which means the assignment of specific construction or trade categories and a maximum contracting limit to a contracting entity, is amended to replace the more general “firm” with the more specific “contractor”;

“DPMC Prequalification,” which means the assignment of a specific professional discipline and maximum contracting limit to a consultant entity, is amended to replace the more general “firm” with the more specific “consultant”;

“Discipline,” which means a category of technical or professional expertise, is amended to clarify that a discipline is recognized by DPMC as a category for DPMC prequalification, for which a consultant may seek SDA prequalification;

“Firm,” which means any natural person, association, company, contractor, corporation, joint stock company, limited liability company, partnership, sole proprietorship, or other business entity, is amended to delete “person” as an alternate reference, and is further amended to indicate that a “firm” as defined under these regulations may apply for SDA prequalification;

“Key person,” which means any individual who has beneficial ownership of ten percent or more of a firm, or who is otherwise employed in a supervisory, management or controlling capacity by a firm, is amended to clarify the types of controlling interest or activity that qualify an individual as a key person with respect to an applicant for prequalification;

“Material testing laboratory,” which means a laboratory engaged in the testing of samples and other materials, is amended to replace references to “Corporation” with “Authority” and to replace references to “predevelopment” with “preconstruction”;

“Notice of DPMC Classification,” which refers to the document memorializing a construction firm’s trade classification and maximum contracting limit, is amended to reflect its issuance by DPMC and to clarify that a DPMC “classification” is issued only to contractors, not consultants;

“Notice of DPMC Prequalification,” which refers to the document memorializing a consultant’s specific professional discipline and maximum contracting limit, is amended to reflect its issuance

by DPMC and to clarify that a DPMC “prequalification” is issued only to consultants, not contractors. The definition is further amended to delete an erroneous reference to a DPMC regulatory subsection in favor of a reference to that regulatory chapter as a whole.

“Notice of Prequalification,” which refers to the SDA-issued prequalification notice letter, is amended to replace references to “Corporation” with “Authority” and to clarify that such notice issues from the Authority and grants prequalification for a specific period;

“Pre-development activities,” which means the activities that must be undertaken prior to submitting a school facilities project application to the Department of Education for approval and calculation of preliminary eligible costs, is amended to replace “pre-development” with “preconstruction” in order to conform the definition to the statutory language of N.J.S.A. 18A:7G-5, and is amended to reference the activities described in that statute.

“Prequalification,” which means the approval of a firm by the Authority, which establishes a firm’s eligibility to contract with the Authority or school districts for school facilities project work, is amended to replace “pre-development” with “preconstruction” and to distinguish between the effects of prequalification on contractors versus consultants;

“Price Proposal,” which means the fee or price portion of a bid, has been amended to include the request for proposals, as incorporated by reference;

“Professional services consultants” or “consultants,” which means a firm providing professional or technical services, is amended to conform the definition overall to the definition of “professional services consultants” as defined in the Authority’s rules for procurement of professional services consultants at N.J.A.C. 19:38C; but is further refined to indicate, for purposes of this chapter, that the definition refers to a particular subset of professional services consultants that are required to be prequalified by the Authority, namely those consultants

providing services in the disciplines of architecture, engineering, construction management, land surveying, materials testing or asbestos safety control monitoring;

“Project Rating Proposal,” which refers to the application to the Authority for a project rating limit, is amended to indicate that the Project Rating Proposal may be part of a bid or a response to a request for proposals. The definition is further amended to replace a reference to

“Corporation” with “Authority”;

“Request for proposals” or “RFP” is amended to clarify that it means the document issued by the Authority that describes the procurement process and requests the submission of technical proposals and/or price proposals. The definition is further amended to replace “pre-development” with “preconstruction”;

“School contract,” is amended to replace references to “Corporation” with “Authority”;

“School facilities project” which is amended in conformity with N.J.S.A. 52:18A-236 to include planning activities associated with a school facilities project, to clarify that maintenance activities that come within the definition are confined to capital maintenance projects, and to delete from the definition the “repair” of a school facility;

“School facility,” which is amended to bring the term into conformity with its statutory definition pursuant to P.L. 2007, c. 137 (N.J.S.A. 18A:7G-3) by adding references to facilities that “support educational buildings and structures,” such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, and to include the statutory distinction of “other facilities,” which are defined by the “Act” as structures or improvements that do not constitute school facilities and which are elsewhere defined to include athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for

non-instructional or non-educational purposes, and any structure, building, or facility used solely for school administration;

“Subconsultant,” which is amended for clarification to indicate that it means a firm that is contractually engaged by a consultant to perform part of the work for which the consultant is responsible;

“Subcontractor,” which is amended for clarification to indicate that it means a firm that is contractually engaged by a contractor to perform part of the work for which the contractor is responsible; and

“Suspension,” which means a temporary exclusion from bidding, proposing or contracting with the Authority, is amended to replace references to “Corporation” with “Authority” and to replace references to “predevelopment” with “preconstruction.”

Deleted definitions include:

“Burden of proof,” which has been deleted as a legal term that is defined elsewhere by case law;

“Clear and convincing evidence” which has been deleted as a legal term that is defined elsewhere by case law; “Corporation,” which referred to the now-defunct New Jersey Schools Construction Corporation;

“Corporation-managed project,” which referred to a school facilities project or pre-development activity undertaken by the Corporation, and described various types of such projects;

“Office” or “OGI,” which referred to the now-defunct Office of Government Integrity in the Department of Law and Public Safety;

“Preponderance of the evidence,” which has been deleted as a legal term that is defined elsewhere by case law; and

“SCC,” which referred to the New Jersey Schools Construction Corporation.

19:38A-2.1 Requirement to be prequalified

This section defines when prequalification is required for contractors or consultants who wish to perform work or services on a school facilities project, either through an engagement by the Authority, through a subcontractor or subconsultant relationship with an entity engaged by the Authority, or through an engagement by a school district with a school facilities project funded by SDA. This section is amended to replace references to “Corporation” or “SCC” with “Authority” and “SDA,” and “pre-development” with “preconstruction.” The section is also amended to reflect that a professional services consultant that wishes to provide services in the disciplines of architecture, engineering, land surveying, construction management, materials testing or asbestos safety control monitoring must be SDA prequalified by the due date for the submission of responses to a request for qualifications or request for proposals, as indicated in N.J.A.C. 19:38C, and is further amended to delete a reference to a “category of contract” under N.J.A.C. 19:38C, which chapter has recently been amended and reorganized to eliminate procurement process distinctions based on defined categories of contracts. The section is further amended to update statutory references to the bidding process and subcontractor identification requirement for Authority procurements. Finally, this section is amended to delete two types of former school facility projects, “Community early childhood educational projects undertaken by the community provider pursuant to an agreement under N.J.S.A. 18A:7G-5s” and “Demonstration projects undertaken pursuant to N.J.S.A. 18A:7G-6” from the description of types of projects for which the prequalification requirements shall be the same as for Authority-

managed projects. Those two categories of projects have been eliminated, either because of repeal of statutory authority for such types of projects, as with early childhood centers under N.J.S.A. 18A:7G-5s, or because the Authority does not anticipate designation of demonstration projects in the future, pursuant to N.J.S.A. 18A:7G-6.

19:38A-3.1 Prequalification application

This section, which describes the process for applying for prequalification to the Authority, is amended throughout to replace references to “Corporation” or “SCC” with “Authority” and “SDA,” and to delete references to “OGI.” The section is also amended to correct a statutory reference to N.J.S.A. 18A:7G-34, governing prequalification; and is amended to clarify the process for first securing a Notice of DPMC classification or Notice of DPMC Prequalification prior to applying for Authority prequalification. The section is further amended to refer to the responsibility evaluation of the applicant firm as a “moral integrity review” that will examine the firm and its key persons, which shall be performed by the Authority or the New Jersey State Police or other investigative body designated for the purpose of performing such moral integrity reviews, deleting a reference to the now-obsolete OGI.

19:38A-3.2 Notice of Prequalification determination

The caption for this section is amended to include reference to the effect of a denial of an initial application for prequalification. This section, which describes the notification process for prequalification by the Authority, including the notice of a denial of an initial application for prequalification and the effect of such a denial, has been amended to delete language regarding the protest procedures for a denial of initial application for prequalification, which language has

been moved to a new section 4.8 dealing specifically with protests and appeal procedures for denials of initial applications for prequalification. This section is further amended throughout to replace references to “Corporation” or “SCC” with “Authority” and “SDA,” and to delete references to “OGI.” In the context of the section’s obligation to require a prequalified firm to notify the Authority in writing of any material change in the information submitted by the firm in the application for prequalification, the section is further amended to clarify that this obligation extends to any change in the information submitted to DPMC in support of DPMC Classification or DPMC Prequalification. Finally, this section is amended to delete reference to prequalifications approved pursuant to interim procedures in place prior to May 15, 2006, as such interim procedures have been superseded by these Rules, and all such prequalifications would have expired by this time.

**SUBCHAPTER 4. DENIAL OF INITIAL OR RENEWAL APPLICATION,
REVOCATION, SUSPENSION AND DEBARMENT**

The title of this Subchapter is proposed for amendment to include reference to denial of an initial or renewal prequalification application, as the section addresses grounds for such denials.

19:38A-4.1 Grounds for **denial of an initial or renewal application or** revocation of prequalification or denial of a renewal application.

The section heading is proposed for amendment to reflect that the content of the section includes the grounds for denial of an initial or renewal prequalification application. The section itself is amended throughout to clarify existing language, correct subsection numbering and internal references to other sections of these Rules, to replace references to “Corporation” or “SCC” with

“Authority” and “SDA,” and to clarify that the grounds for debarment or denial of a renewal application apply equally as grounds for denial of an initial application. Furthermore, the section is amended to specify that, unlike the standard in an adverse action context, the Authority does not bear the burden of proof in a denial of initial application; rather, an applicant firm has the burden of proving responsibility and entitlement to prequalification upon an initial application. The section is further amended to specify that a failure to disclose pertinent information is a grounds for denial or revocation of prequalification, as well as debarment or suspension, and to specify that the reference to laws of “any other jurisdiction” includes Federal law.

19:38A-4.2 Effect of revocation of prequalification or denial of a renewal application.

This section is amended to replace references to “Corporation” with “Authority,” and to clarify that if a firm whose prequalification has been denied or revoked is currently performing as a contractor or subcontractor or consultant or subconsultant on a school facilities project for the Authority or a school district, the Authority, in its sole discretion, may permit the firm to continue its performance to complete some or all of its existing contract work when doing so is in the public interest. This section has been modified to delete reference to a school district’s exercise of discretion in permitting a firm to continue to perform contract work despite a denial or revocation of prequalification. The language of this section indicates that the Authority has sole discretion to determine whether a contractor, consultant or other entity may continue work on an ongoing school facilities project, despite a denial or revocation of such entity’s prequalification.

19:38A-4.3 Grounds for suspension

This section, indicating that the grounds for suspension are identical to those for debarment or revocation of prequalification, is amended to replace a reference to “Corporation” with “Authority.”

19:38A-4.4 Conditions for suspension

This section, regarding the conditions for suspension, is amended to replace references to “Corporation” with “Authority,” and to correct internal references to other sections of these rules.

19:38A-4.5 Procedures, period of suspension and scope of suspension

This section, regarding the procedures for suspension is amended to replace references to “Corporation” with “Authority,” and to clarify cited time periods.

19:38A-4.6 Grounds for debarment

This section, regarding the grounds for debarment, is amended to replace references to “Corporation” with “Authority,” and to correct internal references to other sections of these rules.

19:38A-4.7 Effect of debarment or suspension

This section, regarding the effect of debarment, is amended to replace references to “Corporation” with “Authority,” and “pre-development” with “preconstruction.” This section has

been modified to delete reference to a school district's exercise of discretion in permitting a firm to continue to perform contract work despite a debarment or suspension of the firm. The language has been revised to reflect that the Authority has the sole discretion to determine whether a contractor, consultant or other entity may continue work on an ongoing school facilities project, despite debarment or suspension, if such continuation is in the public interest.

19:38A-4.8 Notice of denial of initial prequalification application; appeals of denial of initial application [NEW SECTION]

This new section of the Rules is proposed for adoption, and addresses the procedures for appeal of a denial of an initial prequalification application, defines the Authority's obligation to provide notice of the denial, and defines the denied applicant's obligation to timely file an appeal or protest of the denial. Furthermore, this section sets out the procedures for the conduct of an informal hearing regarding a denial of an initial prequalification application. This section contains language that originally appeared in section 3.2, regarding the issuance of a final agency decision on a protest but which has been consolidated into this section on appeal procedures for denials of initial prequalification applications.

19:38A-[4.8] **4.9** Notice of adverse action

This former section 4.8 has been renumbered as 4.9 due to the addition of proposed new rule 4.8, described above. Additionally, the text of this section is amended to replace "Corporation" with "Authority."

19:38A-[4.9] **4.10** Appeal process for adverse actions

This former section 4.9 has been renumbered 4.10 due to the addition of proposed new rule 4.8, described above. Additionally, the text of this section is amended to replace “Corporation” with “Authority,” to change the appeal deadlines for adverse actions from seven calendar days to seven business days, to add reference to the hearing procedures statutes of the Administrative Procedures Act (**52:14F-1 et seq.**), and to clarify that hearings under this section will be conducted by an Administrative Law Judge.

Social Impact

The Rules proposed for readoption with amendments and a new rule establish the standards and procedures for prequalification of contractors, subcontractors, professional services consultants and subconsultants seeking to participate in school facilities projects, and further set forth the requirements and standards for prequalification, grounds for denial or revocation of prequalification, and protest and appeal procedures for the prequalification process. The Rules proposed for readoption with amendments and a new rule are intended to insure that only qualified contractors and professional services consultants possessing the requisite moral integrity are permitted to engage in providing construction, professional services, and other goods and services for school facilities projects. The Rules should establish public confidence in the Authority's ability to ensure that the public's interest in the Authority's selection of contractors and consultants for school facilities projects is adequately protected and that the Authority fairly obtains the services of contractors, subcontractors or consultants of the requisite quality, honesty and integrity to qualify for public contracts. Upon readoption, the Rules will continue to affect those construction contractors, consultant firms and subcontractors that would bid on or participate in contracts with the Authority. There is no change in the social impact in

that social conditions affected by the Rules have not changed since the initial promulgation of the Rules.

Economic Impact

The economic impact of the Rules proposed for readoption with amendments has not changed since original promulgation of the Rules. The Authority has no current way of estimating the costs of the Rules proposed for readoption, though the economic impact of the Rules is expected to be limited to those firms that choose to participate in the Authority's future procurements, as the Rules outline the process that is used to prequalify firms to do business with the Authority. The Rules establish a prequalification process which entails certain incidental costs associated with the preparation and submission of applications for prequalification, as well as costs associated with responding to any follow up inquiries raised by the application submission. Additionally, as implemented by the Authority, all firms seeking prequalification will be required to submit audited financial statements, a cost which these firms might not otherwise need to incur. In the interests of financial probity, however, no exemption for small businesses would be warranted. This economic information should be beneficial to all private firms wishing to perform work for, or provide services to, the Authority.

The Authority will incur direct and indirect costs for staff time spent reviewing and responding to applications for prequalification, and will incur direct costs for the New Jersey State Police's performance of the "moral integrity" review component of the prequalification process. These costs have not been passed down to the applicants, in efforts to prevent burdening small business entities' participation in the Authority's procurements.

Federal Standards Statement

The Rules proposed for readoption implement State statutes, specifically, N.J.S.A. 18A:7G-33 to -35; N.J.S.A. 52:34-9.3 and and P.L. 2007, c.137, (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to these Rules. A Federal standards analysis, therefore, is not required.

Jobs Impact

The Rules proposed for readoption establish the Authority's process for prequalification of contractors, subcontractors and professional services consultants, consistent with the Authority's enabling statutes and state procurement law. Thus to the extent the Rules have an effect on jobs, it will be to create jobs in New Jersey, primarily in the construction, consulting and service sectors, rather than eliminate positions.

Agriculture Industry Impact

The Rules will have no direct impact on the agriculture industry.

Regulatory Flexibility Analysis

The new Rules impose some compliance requirements on small businesses as the term is defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., but only for those small businesses that choose to seek to do business with the Authority, The new Rules outline the standards and procedures for prequalification of contractors, subcontractors and consultants, a requirement that is imposed by public contracting provisions set forth in N.J.S.A. 52:18A-235 et seq., As

implemented by the Authority, all firms seeking prequalification will be required to submit audited financial statements, a cost which these firms might not otherwise need to incur, In the interests of financial probity, however, no exemption for small businesses would be warranted.

Housing Affordability Impact

The Rules address the requirements and the process for the procurement of construction contracts for school facilities projects and, therefore, will not have an impact on affordable housing or evoke a change in the average costs of housing in the State of New Jersey.

Smart Growth Development Impact

The Rules govern the process by which the Authority procures construction contracts, and thus the proposed adoption will have no impact on Smart Growth Development because the scope of the regulation is minimal, and because it is extremely unlikely that the adoption of the rules would evoke a change in the average price or availability of housing in the State of New Jersey, and unlikely that the proposed adoption would in any way affect new construction in Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan.

Full text of the rules proposed for re-adoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:38A.

Full text of the proposed amendments, new rule, and recodification follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

CHAPTER 38A

PROCEDURES FOR PREQUALIFICATION OF CONTRACTORS AND PROFESSIONAL SERVICES CONSULTANTS FOR THE NEW JERSEY SCHOOLS CONSTRUCTION PROGRAM

SUBCHAPTER 1. GENERAL PROVISIONS

19:38A-1.1 Purpose, scope and applicability

These rules are promulgated by the New Jersey Schools [Construction Corporation, (the Corporation)] **Development Authority (the Authority)**, [a subsidiary of the New Jersey Economic Development Authority] **an entity formed pursuant to P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.)**, as successor to the New Jersey Schools Construction Corporation, which is statutorily charged with undertaking and funding school facilities projects, pursuant to the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (the Act). **The rules are promulgated** to implement Sections 26, 59, 60 and 61 of the [Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (the Act)] **Act (N.J.S.A. 18A:7G-26, 18A:7G -33 through -35, regarding contractor prequalification)**, and N.J.S.A. 52:34-9.3 (regarding consultant prequalification). These rules shall apply to the procurement of contractors, consultants and their use of subcontractors and subconsultants on all school facilities projects and [pre-development] **preconstruction** activities undertaken by the [Corporation] **Authority** and to certain categories of such firms who are engaged to provide goods and/or services to school districts which undertake their own school facilities projects and receive funding from the [Corporation] **Authority**. These rules are adopted in order to provide the mechanism whereby firms wishing to work on school facilities projects and [pre-development] **preconstruction** activities may be prequalified by the [Corporation] **Authority**. Any firm which,

pursuant to these rules, is required to be prequalified by the [Corporation] **Authority** in order to provide goods and/or services for school facilities projects and [pre-development] preconstruction activities, shall, at a minimum, comply with the requirements of this chapter, as applicable.

19:38A-1.2 Construction of rules

This chapter shall be liberally construed to permit the [Corporation] **Authority** to discharge its statutory functions under the Act.

19:38A-1.3 Definitions

The following words and terms, when used in this chapter shall have the following meanings unless the context clearly states otherwise:

“Act” means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, [enacted on July 18, 2000] (**N.J.S.A. 18A:7G-1 et seq.**), **as amended, and P.L. 2007, c. 137, which authorizes the school construction program.**

“Adverse action” means a debarment, a revocation of a current, valid prequalification, or the denial of a timely and complete application to renew a current, valid prequalification.

“Affiliates”: Firms or persons are affiliates of each other if, directly or indirectly, either one controls or has the power to control the other, or a third party controls or has the power to control both. Indicia of control include, but are not limited to, interlocking management or ownership,

identity of interests among family members, shared facilities and equipment, a common license holder, or common use of employees. It is also an indication of **affiliation or control** if a firm is organized, activated or applies for prequalification following the debarment, suspension, or proposed debarment of another firm with the same or similar management, ownership, or key persons.

“Agency of government” means any Federal, state, regional, county, or local government agency, in this or any other state, including any department, division, commission, authority, office, branch, section, political subdivision or other governmental or quasi-governmental entity.

“Aggregate Rating” means the limit of the outstanding dollar value of all contracts, public and private, which a contractor may perform at a given time as assigned by the SDA's Notice of Prequalification in effect at the time of the contractor’s bid. The aggregate rating assigned to a contractor by SDA shall be identical to that assigned by the New Jersey Department of Treasury, Division of Property Management and Construction (“DPMC”). Should the Division of Property Management and Construction modify a contractor's aggregate rating after the Authority has issued a Notice of Prequalification, the Aggregate Rating issued by the Authority shall be considered similarly modified to remain identical to that of the Division of Property Management and Construction.

“Application” means the forms, certifications and accompanying documents filed in connection with a firm's request for prequalification, including such **forms, certifications and accompanying documents as are submitted to or required by DPMC for classification or prequalification, and such** documents as are required by or are expressly relied upon by the [Corporation] **Authority**, which are mandatory and which must be made under oath or by

certification on forms designated by the [Corporation] **Authority**. The submission shall include[;]:

1. A list of the names and titles of [all individuals] **any individual or corporate entity** who [own] **owns** 10 percent or more of any class of stock in the corporation, or [are] **who is** a [10 percent or more] partner or participant in the firm **with a financial or ownership interest in the firm of 10 percent or more;**
2. Disclosure of any judgments, convictions or criminal indictments for any conduct constituting a crime under local, state or Federal law;
3. Disclosure of any judgments, injunctions or liens obtained by an agency of government including, but not limited to, judgments based on taxes owed and fines and penalties assessed by an agency of government;
4. Disclosure of any civil or administrative **determinations or** proceedings alleging violations of federal, state or local laws, rules or regulations, including health laws, unemployment insurance or workers' compensation coverage or claim requirements, wage and hour laws, labor laws, the Employee Retirement Income Security Act of 1974 (Pub.L. 93-406, 29 U.S.C. §§1001 et. seq.), securities laws, environmental laws, safety laws, licensing laws, tax laws and antitrust laws;
5. Disclosure of any Federal, state or local debarment, disqualification, revocation, suspension, non-responsibility finding or denial of prequalification;
6. **Disclosure of any corporate bankruptcy of the applicant firm, or any personal bankruptcy of any owner or key person in the firm, or other individual who owns a ten percent or more interest in the firm; and**

7. Any other information or documents that the [Corporation or OGI] **Authority** deems necessary from a specific applicant.

“Authority” or [“NJEDA”] “**SDA**” means the New Jersey [Economic] **Schools** Development Authority, [created] **an entity formed** pursuant to P.L. [1974] **2007**, c. [80] **137** (N.J.S.A. [34:1B-1] **52:18A-235** et seq.), **as successor to the New Jersey Schools Construction Corporation, which is statutorily charged with undertaking and funding school facilities pursuant to the Act.**

“Bid,” [for Corporation-managed projects] means, **for all projects procured by the Authority,** the Project Rating Proposal, the Price Proposal, **and, if applicable, any Technical Proposal.**

“**Board**” means the governing body of the Authority, consisting of the members of the Authority as outlined in N.J.S.A. **52:18A-237.**

[“Burden of proof” means the obligation to meet the requirements of this chapter that a fact be proved either by a preponderance of the evidence or by clear and convincing evidence, as the case may be.]

“**CEO**” means the Chief Executive Officer of the [Corporation] **Authority, also known as the Executive Director.**

["Clear and convincing evidence" means evidence or information sufficient to produce a firm belief as to the truth of the matter sought to be established.]

"Contractor" means those persons or firms engaged by the school district or the [Corporation] **Authority** to undertake the construction or the acquisition and installation of the school facilities project. There may be either a single "general" contractor who has overall contractual responsibility for delivering all of the services needed to complete the school facilities project or there may be multiple contractors who have responsibility for delivering particular aspects of the school facilities project.

["Corporation" means the New Jersey Schools Construction Corporation.]

["Corporation-managed project" means a school facilities project or pre-development activity undertaken by the Corporation. It includes projects in the Abbott districts, districts with a district aid percentage of 55 percent or more, level II districts and those districts with a district aid percentage less than of 55 percent which elect to have the Corporation undertake their school facilities projects. As used in this definition, "Abbott district" means as defined in N.J.S.A. 18A:7F-3 and "level II district" means a school district which is directed by the commissioner of education to enter Level II monitoring pursuant to the provisions of N.J.S.A. 18A:7A-14.]

"Debarment" means an exclusion by the [Corporation] **Authority** from bidding, proposing or contracting with the [Corporation] **Authority**, or with any school district for a school facilities project or [predevelopment] **preconstruction** activity, or from providing goods or services on

any school facilities project or [predevelopment] **preconstruction** activity, for a definite period of time.

“DPMC” means the Division of Property Management and Construction in the Department of Treasury.

“DPMC Classification” means the process and product of assigning **to a contractor** specific construction categories or trades and the maximum aggregate rating which define the eligibility of [firms] **contractors** to engage in public work as determined by the DPMC in accordance with the DPMC rules at N.J.A.C. 17:19.

“DPMC Prequalification” means the process and product of assigning **to a consultant** specific professional disciplines and the maximum prequalification level which define the eligibility of [firms] **consultants** to provide professional consultant services as determined by the DPMC in accordance with the DPMC rules at N.J.A.C. 17:19[-5].

“Discipline” means [the] **a category of technical or professional** expertise [of professionals in the firm applying], **recognized by DPMC as a category for DPMC prequalification, for which a consultant may seek SDA prequalification.**

“Firm” [or "person"] means any natural person, association, company, contractor, corporation, joint stock company, limited liability company, partnership, sole proprietorship, or other business entity, **which may apply for SDA prequalification**, including their assignees, lessees,

receivers or trustees.

“Initial application” means any application for prequalification other than a timely application to renew a current, valid prequalification.

“Key person” means any individual employed by [the] **a firm** in a supervisory **or management** capacity, or **who is** empowered to make discretionary decisions with respect to **a firm’s activities in connection with the charging of fees and/or the execution of or engagement in** contracts within the State. “Key [person] **persons**” [also means any person who owns a beneficial interest of 10 percent or more in the firm,] **include the officers and directors of a firm, if such firm is a corporation; the managing members of a firm, if such firm is a limited liability [companies] company; [and corporate officers and directors,] all persons who own a beneficial interest of 10 percent or more in a firm; and individuals who are able to bind [the] a firm to New Jersey bids and/or contracts of \$ 50,000 or more [and/or], or who are authorized to sign checks on behalf of a firm to make payments of \$ 50,000 or more in connection with New Jersey contracts.**

“Material testing laboratory” means a laboratory engaged in the testing of samples and other materials that is engaged by the [Corporation] **Authority** or its contractor or professional services consultant for a school facilities project or [pre-development] **preconstruction** activity.

“Moral integrity review” means, for purposes of this Chapter, an investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on

behalf of the Authority, in connection with a prequalification application. The moral integrity review includes, but is not limited to, an investigation into the veracity of any statement made to the Authority and/or DPMC, and an investigation of any violations of administrative regulations, criminal background checks, and judgment and lien searches, with respect to the firm in question and all key persons thereof, including owners, partners, principals or supervisory employees of such firm.

“Notice of DPMC Classification” means the document(s) [from the] **issued by** DPMC notifying [the Firm] **a construction firm** of the specific construction categories or trades and of the maximum aggregate rating for which the firm may perform work, in accordance with the DPMC rules at N.J.A.C. 17:19.

“Notice of DPMC Prequalification” means the document(s) [from the] **issued by** DPMC notifying [the Firm] **a consultant firm** of the specific professional disciplines and of the maximum prequalification level for which the firm may provide professional consultant services, in accordance with the DPMC rules at N.J.A.C.17:19[-5].

“Notice of Prequalification” means the letter from the [Corporation issuing] **Authority notifying a firm that it has obtained the Authority’s prequalification for the [firm its Prequalification] applicable period.**

[“Office” or “OGI” means the Office of Government Integrity in the Department of Law and Public Safety.]

“Other facilities” means those facilities that are excluded from the definition of “school facility” pursuant to N.J.S.A. 18A:7G-3, namely athletic stadiums, swimming pools, and any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building or facility used solely for school administration.

“[Pre-development] **Preconstruction** activities” means the activities that must be undertaken prior to submitting a school facilities project application to the Department of Education for approval and calculation of preliminary eligible costs, as defined at N.J.S.A. 18A:7G-3. Such activities may also include:

1. Site analysis;
2. Acquisition of land;
3. Environmental remediation;
4. Site development;
5. Feasibility studies, including studies to determine the viability of new Construction versus rehabilitation;
6. Design work;
7. Acquisition of, and design work for, temporary facilities; and
8. Such other activities as may be specified in **N.J.S.A. 18A: 7G-5**, N.J.A.C. 19:34-1.2 [and] **or** 6A:26-1.2.

["Preponderance of the evidence" means evidence or information sufficient to establish that the matter sought to be proved is more probable than not. If the evidence or information is in equipoise, the burden has not been met.]

"Prequalification" means the approval of a firm by the [Corporation enabling] **Authority, which, in the case of a contractor, enables** the firm to submit a bid for, and be [awarded] **eligible to receive** a contract [or] **award for specified construction work, or permits the firm** to work as a subcontractor on any school facilities project or [pre-development] **preconstruction** activity [, or to enable] **and which, in the case of a professional services consultant firm, enables such firm** to submit a proposal for, and **be eligible** to [be awarded] **receive**, a professional consultant services contract [or] **award, or permits the firm** to serve as a subconsultant on any school facilities project or [pre-development] **preconstruction** activity.

"Price Proposal" means that part of the bid to be submitted by the firm setting forth the firm's bid price, including any and all information and documents required by the instructions to bidders, the **request for proposals, the** bid advertisement or addenda.

"Professional services consultants" or "consultants" means [consultants], **for purposes of this Chapter, a firm or individual providing services in the disciplines of architecture, engineering, construction management, land surveying, materials testing or asbestos safety control monitoring. The** [professional services associated with research, development, design and construction administration, alteration, or renovation in connection with school facilities projects or predevelopment activities or the school construction program, as well as incidental

services that members of these professions and those in their employ may logically or justifiably perform. These consultants] **consultant** may provide services including **but not limited to:** studies (**including feasibility studies**), investigations, surveys, evaluations, consultations, **appraisals**, planning, programming, conceptual designs, plans and specifications, cost estimates, construction management, inspections, [shop drawing] **submittal** reviews, **testing, commissioning, provision of title insurance**, preparation of operating and maintenance manuals, and other related services[. Notwithstanding anything to the contrary, "professional services consultants" for the purposes of this chapter shall mean] **and shall include** those consultants who provide "professional architectural, engineering or land surveying services" within the meaning of N.J.S.A. 52:34-9.2[, and shall also include project management firms, which are firms engaged by the Corporation to provide overall construction management services, oversight, direction, coordination, and reporting in connection with school facilities projects].

"Project Rating Proposal" means that part of [the bid] **a bid or response to a request for proposals** to be submitted by the firm for issuance by the [Corporation] **Authority** of the project rating.

"Project Rating" or "Project Rating Limit" means the maximum amount a contractor may bid on any individual school facilities project or preconstruction procurement package, based upon the information contained within a firm's Project Rating Proposal.

“Proposal” means the technical proposal, [or fee] **price** proposal, or both, [as the case may be] **depending on the specific requirements of the prebid documents**, submitted by a consultant in response to a [request] **Request** for [proposals] **Proposals**.

“**Protest**” means a challenge to a decision, statement, action or omission of the Authority.

“Request for [Proposals] **proposals**” or “RFP” means the [request for] **document issued by the Authority that describes the procurement process and requests the submission of** technical proposals and/or [fee] **price** proposals [issued by the Corporation] in connection with the selection of a professional services consultant or contractor for a school facilities project, [pre-development] **preconstruction** activity or other type of engagement for the school construction program, as the case may be.

[“SCC” means the Corporation.]

“School contract” means, with respect to the [Corporation] **Authority**, a contract entered into between the [Corporation] **Authority** and a contractor or professional services consultant; and with respect to a school district, a contract entered into between the school district and a contractor or professional services consultant.

“School facilities project” means the **planning**, acquisition, demolition, construction, improvement, [repair,] alteration, modernization, renovation, reconstruction or **capital** maintenance of all or any part of a school facility or of any other personal property necessary for, or ancillary to, any school facility and shall include fixtures, furnishings and equipment, and

shall also include, but is not limited to, site acquisition, site development, the services of design professionals, such as engineers and architects, construction management, legal services, financing costs and administrative costs and expenses incurred in connection with the project.

“School facility” means and includes any structure, building or facility used wholly or in part for [academic] **educational** purposes by a [school] district, **and facilities that support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, and steam generating facilities**, but shall exclude [athletic stadiums, grandstands, and any structure, building or facility used solely for school administration] **“other facilities,” as defined by the Act.**

“Subconsultant” means a [consultant to whom the] firm that is contractually engaged by a consultant [subcontracts] **to perform** part of the work for which the consultant is responsible.

“Subcontractor” means [the contractor to whom a] **a firm that is contractually engaged by a contractor [subcontracts] to perform** part of the work for which the contractor is responsible.

“Suspension” means an exclusion by the [Corporation] **Authority** from bidding, proposing or contracting with the [Corporation] **Authority**, or with any school district for a school facilities project or [predevelopment] **preconstruction** activity, or from providing goods or services on any school facilities project or [predevelopment] **preconstruction** activity, for a period of time, pending the completion of an investigation, legal proceedings or administrative proceedings.

SUBCHAPTER 2. GENERAL REQUIREMENTS

19:38A-2.1 Requirement to be prequalified

(a) For [Corporation] **Authority**-managed projects, a contractor or professional services consultant that desires to submit bids or proposals for school contracts is required to be prequalified by the [Corporation] **Authority** pursuant to this chapter. A contractor must be [SCC] **SDA** prequalified, including having complied with N.J.A.C. 19:38A-3.1 regarding obtaining a DPMC Classification as of the due date for the submission of the Project Rating Proposal. A professional services consultant [must be SCC] **that wishes to provide services in the disciplines of architecture, engineering, land surveying, construction management, materials testing or asbestos safety control monitoring must be SDA** prequalified, including having complied with N.J.A.C. 19:38A-3.1 regarding obtaining a DPMC Prequalification, by the [time specified] **due date for the submission of responses to a request for qualifications or request for proposals, as indicated** in N.J.A.C. 19:38C [for the appropriate category of contract].

(b) For [Corporation] **Authority**-managed projects, all subcontractors required to be named in the bid, whether pursuant to N.J.S.A. [34:1B-5.7,] **52:18A-243, or as required by** the advertisement for the specific contract [or the contract documents], are required to be [SCC] **SDA** prequalified pursuant to these regulations, including having complied with N.J.A.C. 19:38A-3.1 regarding obtaining a DPMC classification, prior to the submission of the Price Proposal. All subconsultants required to be named in the proposal are required to be [SCC] **SDA**

prequalified, including having complied with N.J.A.C. 19:38A-3.1 regarding obtaining a DPMC prequalification, by the time specified in the request for proposals.

(c) For [Corporation] **Authority**-managed projects, in addition to the requirements of (a) and (b) above:

1. All subcontractors of any tier in the trades listed in this paragraph, engaged in subcontracts valued at \$ 500,000 or more, whether required to be named in the bid or not, are required to be prequalified by the [Corporation] **Authority** pursuant to this chapter. Such subcontractors must be [SCC] **SDA** prequalified, including having complied with N.J.A.C. 19:38A-3.1 regarding obtaining a DPMC Classification, prior to performing the work.

These subcontractor trades are:

- i. Construction Manager as Constructor;
- ii. Design Build;
- iii. General Construction;
- iv. General Construction/Alterations and Additions;
- v. Concrete/Foundation/Footings/Masonry work;
- vi. Demolition;
- vii. Structural Steel and Ornamental Iron;
- viii. Plumbing;
- ix. Heating, Ventilation and Air Conditioning;
- x. Sprinkler Systems;
- xi. Electrical;
- xii. Roofing-Membrane EPDM;

- xiii. Roofing-Membrane PVC/CPE/CSPE;
- xiv. Roofing-Membrane Modified Bitumen;
- xv. Roofing-Urethane;
- xvi. Roofing-Built Up;
- xvii. Roofing-Metal;
- xviii. Roofing-Tile/Slate/Shingles;
- xix. Asbestos Removal/Treatment;
- xx. Asbestos Removal/Mechanical; and
- xxi. Lead Paint Abatement.

2. All subconsultants of any tier in the disciplines listed in this paragraph, engaged in subcontracts valued at \$ 500,000 or more, whether required to be named in the proposal or not, are required to be prequalified by the [Corporation] **Authority** pursuant to this chapter. Such subconsultants must be [SCC] **SDA** prequalified, including having complied with N.J.A.C. 19:38A-3.1 regarding obtaining a DPMC Prequalification, prior to performing the work. These subconsultant disciplines are:

- i. Architecture;
- ii. Engineering (electrical, HVAC, plumbing, civil, structural and environmental);
- iii. Land Surveying;
- iv. Asbestos Safety Control Monitoring;
- v. Materials Testing Laboratories; and
- vi. Construction Management.

(d) For school facilities projects undertaken by a school district and funded under N.J.S.A. 18A:7G-15, a contractor or construction management firm that wishes to be able to submit bids or proposals for school contracts above the bid threshold specified in N.J.S.A. 18A:18A-3 is required to be prequalified by the [Corporation] **Authority** pursuant to this chapter. A contractor or construction management firm must be prequalified prior to the submission of its bid or proposal. Subcontractors in the trades specified in N.J.S.A. 18A:18A-18 must be prequalified prior to entering into the subcontract.

(e) For the following types of projects, the prequalification requirements shall be the same as for [Corporation] **Authority**-managed projects:

[1. Community early childhood educational projects undertaken by the community provider pursuant to an agreement under N.J.S.A. 18A:7G-5s;]

[2. Demonstration projects undertaken pursuant to N.J.S.A. 18A:7G-6;]

[3.] **1.** School facilities projects undertaken by a school district pursuant to an agreement under N.J.S.A. 18A:7G-13a and **under N.J.S.A. 7G-13e; and**

[4] **2.** Projects to acquire, construct or renovate temporary facilities undertaken pursuant to a funding agreement with the [Corporation] **Authority**.

(f) Neither the [Corporation] **Authority** nor any school district receiving funds pursuant to the Act shall contract for school facilities projects or [pre-development] **preconstruction** activities with any contractor, professional services consultant or construction management firm required

to be prequalified by this chapter, unless that firm has been prequalified by the [Corporation] **Authority**. No contractor, professional services consultant or construction management firm contracted for a schools facilities project or [pre-development] **preconstruction** activity shall use on the project any subcontractor or subconsultant required to be prequalified by this chapter, unless that firm has been prequalified by the [Corporation] **Authority** at the time specified in this chapter. Any failure to comply with this chapter shall entitle the [Corporation] **Authority** to terminate or suspend its contract with the contractor, professional services consultant or construction management firm or to terminate its payment of contract-related funds to the school district.

(g) If two or more firms which are individually DPMC classified or prequalified propose to form a joint venture for a school contract, each firm comprising the joint venture must be individually [SCC] **SDA** prequalified in accordance with this chapter.

SUBCHAPTER 3. APPLICATION AND NOTICE OF PREQUALIFICATION DETERMINATION

19:38A-3.1 Prequalification application

- (a) A firm seeking initial prequalification with the [Corporation] **Authority** must apply to DPMC and obtain a contractor DPMC Classification or consultant DPMC Prequalification. Upon securing a DPMC Classification or Prequalification, the firm shall submit an application to the [Corporation. See] **Authority in accordance with N.J.S.A. 18A:7G-[3.4] 34.**
- (b) A firm seeking to renew an existing [SCC] **SDA** prequalification must file a timely and complete renewal application. A renewal application will be considered timely if it is

received by [SCC] **SDA** no later than **ten (10)** business days after the expiration date of the existing [SCC] **SDA** prequalification.

(c) A renewal applicant must [apply to DPMC and obtain] **submit a valid Notice of [contractor] DPMC Classification (if a contractor) or a Notice of [consultant] DPMC Prequalification (if a consultant) as part of the SDA prequalification renewal application.** Because the [DPMC and SCC] expiration dates **for SDA prequalification and DPMC Classification/ Prequalification** [generally] coincide, a renewal applicant may submit its [SCC] **SDA** renewal application including either:

1. A copy of its renewed Notice of DPMC Classification or Prequalification, if available; or if not available,
2. A certification [on] **in a form [developed by SCC] acceptable to the Authority,** that the **renewal** applicant [firm] has filed with DPMC to renew its DPMC Classification or Prequalification. A firm [which] **that** files [a] **an SDA** renewal application before receiving its Notice of DPMC Classification or Prequalification must [provide a copy] **thereafter, upon receipt** of the DPMC Notice [to SCC], **provide SDA with a copy** within five **(5)** business days of [receiving it] **receipt.** [If the firm's DPMC application is denied or otherwise closed without being granted, the firm must notify SCC within five business days of its being advised of DPMC's action.] A renewal applicant will have a maximum of **sixty (60) calendar** days from the date its renewal application is received by [SCC] **SDA** to provide [SCC] **SDA** with a copy of its renewed Notice of DPMC Classification or Prequalification. If the renewal applicant does not file a copy of its renewed Notice of DPMC Classification or Prequalification within that time, the renewal application may be administratively closed.

3. If the firm's DPMC application is denied or otherwise closed without being granted, the firm must notify SDA of the denial or closure of the DPMC application within five (5) business days of the firm's receipt of notice of DPMC's action.

[(c)] (d) An application will be reviewed initially to determine if the application is complete.

[Incomplete applications may be administratively closed with no further action by the Corporation]. **A firm that submits an incomplete application, as determined by the Authority, will be denied prequalification.**

[(d)] (e) The [OGI] **Authority and/or the New Jersey State Police or other investigative body designated for the purpose** shall review each complete application for the purpose of determining the responsibility of the firm[, including the character, honesty and integrity]. **The review process shall include a "moral integrity review" that will evaluate the firm, [of] any key person listed in the application, and any person required to be listed in the application or otherwise shown to have a beneficial interest in the firm.**

[(e)] (f) The [OGI as part of its review] **Authority and/or the New Jersey State Police or other investigative body designated for the purpose,** may request additional information from the firm **as part of the moral integrity review.** A failure [by the firm] to provide the **requested** information within the time specified by the [OGI] **Authority or the New Jersey State Police or other investigative body** may result in the application being deemed incomplete and administratively closed with no further action.

[(f)] (g) Upon an initial application, the firm has the burden of demonstrating a satisfactory record of responsibility by a preponderance of the evidence. The determination shall be

made based on the firm's completed application and any other information requested or obtained by the [Corporation or the OGI] **Authority or the New Jersey State Police or other investigative body designated for the purpose.** [The OGI shall submit its recommendation regarding prequalification of the firm to the Corporation.]

19:38A-3.2 Notice of Prequalification determination **and effect of denial of initial application for prequalification**

- (a) Upon a determination by the [Corporation] **Authority** that the firm should be prequalified, the [Corporation] **Authority** shall send to the firm a Notice of Prequalification. The [Corporation] **Authority** will post a listing of prequalified firms on the [Corporation's] **Authority's** website.
- (b) A firm will be notified in writing if its application is administratively closed.
- (c) If prequalification is denied, the firm will be notified in writing of the reasons for the denial. [Any firm protesting the denial of an initial application for prequalification shall provide information in writing to the Corporation, to explain why it should be granted prequalification. The firm shall submit written information to the Corporation within (30) calendar days of receiving the notice of denial, unless a longer time is agreed to by the Corporation. The Corporation's decision on the protest shall be embodied in a written decision provided to the firm, which shall constitute final agency action by the Corporation.]
- (d) A firm whose initial prequalification application has been denied may not participate in a school facilities project or [pre-development] **preconstruction** activity in any capacity as to which prequalification is required. The firm may reapply for prequalification upon curing the deficiency which led to the denial of prequalification.

- (e) Prequalification approval for any firm is non-transferable and shall be valid only for a fixed length of time, which shall coincide with the firm's DPMC Classification or Prequalification, but may not exceed two (2) years.
- (f) Throughout the term of [is] **its** prequalification, a firm shall notify the [Corporation and the OGI] **Authority** in writing of any material change in the information on its application **(including any material change in the information submitted as part of the DPMC classification/prequalification process)**, within **ten** (10) business days of when such change occurs.

[(g) Any prequalification approved by the Corporation under interim procedures in place prior to May 15, 2006 shall remain valid until the expiration date assigned at the time that prequalification was approved.]

SUBCHAPTER 4. DENIAL OF INITIAL OR RENEWAL APPLICATION, REVOCATION, SUSPENSION AND DEBARMENT

19:38A-4.1 Grounds for **denial of an initial or renewal application or** revocation of prequalification [or denial of a renewal application].

- (a) **An applicant firm has the burden of proving responsibility and entitlement to prequalification upon an initial application.**
- (b) The [Corporation] **Authority** has the burden of proof in revoking a current, valid prequalification, and in denying a timely, complete application to renew a current, valid prequalification.

- (c) Any prequalification may be revoked or [a] **an initial or renewal application** may be denied by the [Corporation] **Authority** for any of the following causes:
1. Fraud, deceit or misrepresentation in securing prequalification, **including the** failure to **disclose or** supply information, or the supplying of information which is untrue or misleading, as to a material fact pertaining to the responsibility of the firm, any key person or any person required to be listed in the application;
 2. Lack of responsibility, integrity, reliability, expertise, competency, or lack of any required license or permit, to engage in contracting or professional consultant services by the firm or any key person[;] or any person required to be listed in the application;
 3. Conviction of the firm, [any key person] **any of its key persons**, or **conviction of** any person required to be listed in the application, [of] **with respect to** any of the following crimes under the laws of New Jersey or the equivalent thereof under **Federal law or** the laws of any other jurisdiction;
 - i. Murder, kidnapping, robbery, criminal usury, arson, burglary, any crime of the third degree or above specified in Chapters 14, 20 or 21 of Title 2C of the New Jersey Statutes, any offense specified in Chapters 27, 28 or 30 of Title 2C of the New Jersey Statutes, racketeering, violation of the criminal provisions of the New Jersey Antitrust Act, P.L. 1970, c. 73 (N.J.S.A. 56:9-1 et seq.), any purposeful or knowing violation of the criminal provisions of any environmental protection law, any criminal violation or disorderly persons offense under the Act, any offense showing lack of business integrity or honesty, or an attempt or conspiracy to commit any of the violations listed above; or

- ii. Any other offense, attempt or conspiracy to commit any offense under any state or Federal law which indicates that prequalification of the firm would be inimical to the policy of the Act, the integrity of school facilities projects, or the public interest.
 - iii. The provisions of this paragraph shall not apply with regard to any [Conviction] **conviction** which occurred more than **ten** (10) years before the application, or to any conviction which has been addressed by a judicial order of expungement or a pardon; however, the [Corporation] **Authority** may consider the conduct underlying the criminal conviction[;].
4. The commission by the firm, **any of its** key persons or any person who is required to be listed in the application of any act or acts which would constitute any offense enumerated in [(b)] (c)3 above, even if such conduct has not been or may not be prosecuted under the criminal laws of this State or any other jurisdiction or has been prosecuted under the criminal laws of this State or any other jurisdiction and such prosecution has been terminated in a manner other than with a conviction;
 5. Identification of the firm, **any of its** key persons, any person required to be listed in the application, or any other person shown to have a beneficial interest in the business of the firm, as a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel, where such identification, membership or association creates a reasonable belief that the participation of that person in any activity financed under the Act would be inimical to the policies of the Act or the public interest. For the purposes of this paragraph, “career offender” means any person whose behavior is pursued in an occupational manner or context for the

purpose of economic gain, utilizing such methods as are deemed criminal violations of the public policy of this State; and a “career offender cartel” means any group of persons who operate together as career offenders;

6. Failure of the firm, **any of its** key persons or any person who is required to be listed on the application to cooperate or comply with orders issued by any legislative investigatory body or other official investigatory body of any state or its subdivisions or of the United States when such body is engaged in the investigation of crimes or misconduct relating to public works contracting, official corruption, corrupt practices or organized crime activity;
7. Violations of any of the laws governing the conduct of elections of the State of New Jersey or of its political subdivisions;
8. Violations of the Law Against Discrimination (N.J.S.A. 10:5-1 et seq.,) or of the act banning discrimination in public works employment (N.J.S.A. 10:2-1 et seq.) or of the [“Act] **act** prohibiting discrimination **in employment** by industries engaged in defense work [in the employment of persons therein”] (N.J.S.A. 10:1-10 et seq.);
9. Violations of any laws governing hours of labor, minimum wage standards, prevailing wage standards, discrimination in wages, or child labor;
10. Violations of any laws governing the licensing or conduct of occupations or professions or regulated industries, or violation of contractual or statutory provisions regulating contingent fees;
11. Willful failure to perform in accordance with contract specifications or within contractual time limits;

12. Failure to perform or less than satisfactory performance in accordance with the terms of one or more contracts, provided that such failure or less than satisfactory performance has occurred within a reasonable time preceding the application;
13. Debarment, disqualification, revocation or suspension of the firm's right to bid or contract by an agency of government, if based on a cause equivalent to one set forth in this subchapter;
14. Offering, conferring or agreeing to confer any benefit to induce the [Corporation] **Authority**, a school district, or any person either to perform or violate an official duty, or to violate the provisions of these regulations or of any law related to or implicating integrity or any rule or regulation adopted pursuant thereto; or
15. Any other cause of such serious and compelling nature that the granting of prequalification would be inconsistent with the policies of the Act or the public interest.

[(c)] **(d)** The rendering of a final judgment, including by a guilty plea or plea of *nolo contendere*, by a court of competent jurisdiction or by an administrative agency empowered to render such judgment, shall be sufficient but not required to establish the existence of the criteria set forth in [(b)] **(c)** 7, 8, 9, and 10 above.

[(d)] **(e)** If a firm, **any of its** key persons or **any** person required to be listed in the application has been convicted of a crime which may be grounds for denial of [a] **an initial or** renewal application or revocation of prequalification, the [Corporation] **Authority** may consider any of the following actions taken or proposed by the firm in determining whether to deny **an initial or** renewal [of, or revoke,] **application for** prequalification, **or to revoke prequalification:**

1. Changes in the firm's organizational structure to reduce the opportunity and motivation of individual employees to engage in illegal activity, including procedures for informing employees of the requirements of relevant state and Federal law;
2. Changes in the [firms] **firm's** long and short term planning to ensure that the firm implements procedures and policies to prevent future violations of the law;
3. Changes in the firm's legal, accounting, or other internal or external control and monitoring procedures to discourage or prevent future violations of state or Federal law;
4. Changes in the firm's ownership, control, personnel, and personnel selection practices and the implementation of a reward or disincentive system in order to encourage employees to comply with relevant state and Federal law;
5. Agreement by the firm to permit monitoring by or on behalf of the [Corporation] **Authority** for a specific length of time of any changes in the firm's policy, procedure, or structure to insure the continued responsibility and integrity of the firm, the cost of such monitoring to be borne by the firm; or
6. Any other actions taken by the firm which demonstrate the firm's current responsibility and integrity.

19:38A-4.2 Effect of revocation of prequalification or denial of a renewal application

A firm whose renewal prequalification application has been denied, or whose prequalification has been revoked, may not participate in a school facilities project or [predevelopment] **preconstruction** activity in any capacity as to which prequalification is required; provided, however, that [in its sole discretion, the Corporation], **if the firm is currently performing as a**

contractor or subcontractor or consultant or subconsultant on a school facilities project for the Authority or a school district, the Authority [or school district, as appropriate], **in its sole discretion**, may permit the firm to **continue its performance to** complete some or all of its existing [school contracts] **contract work** when doing so is in the public interest. The firm may reapply for prequalification upon curing the deficiency which led to the denial or revocation of prequalification.

19:38A-4.3 Grounds for suspension

In the public interest, the [Corporation] **Authority** may suspend a firm for any cause specified in N.J.A.C. 19:38A-4.1, or upon reasonable suspicion that such cause exists.

19:38A-4.4 Conditions for suspension

(a) The conditions for the suspension of a firm shall include the following:

1. Suspension shall be imposed only upon approval of the CEO and the Attorney General, except as otherwise provided by law.
2. The existence of any cause for suspension shall not require that a suspension be imposed, and a decision to suspend shall be made at the discretion of the CEO and the Attorney General and shall be rendered in the best interest of the State.
3. Suspension shall not be based upon unsupported accusation, but upon reasonable suspicion that cause exists.
4. In assessing whether reasonable suspicion exists, consideration shall be given to: the credible information provided to or obtained by the [Office, to] **Authority**; the existence or absence of corroboration as to important allegations[.]; and [to] **the**

inferences that may properly be drawn from the existence or absence of affirmative facts.

5. Reasonable suspicion of the existence of a cause described in N.J.A.C. 19:38A-4.1 [(b)] (c) may be established by the rendering of a final judgment or judgment of conviction by a court or administrative agency of competent jurisdiction, by grand jury indictment or by other information that such causes did in fact occur.
6. A suspension invoked by another agency of government for a cause equivalent to one described in N.J.A.C. 19:38A-4.1[(b)] (c) may be the basis for the imposition of a concurrent suspension by the [Corporation] **Authority**, which may impose such suspension when found to be in the best interest of the State.
7. Suspension may include all known affiliates of a firm, provided that each decision to include an affiliate is made on a case by case basis after giving due regard to all relevant facts and circumstances.

19:38A-4.5 Procedures, period of suspension and scope of suspension

(a) The [Corporation] **Authority** may suspend a firm, provided that at least **ten (10) calendar** days before the effective date of the suspension, the [Corporation] **Authority** provides such firm with a written notice:

1. Stating that a suspension has been imposed and stating its effective date;
2. Setting forth the reasons for the suspension to the extent that the Attorney General determines that such reasons may be properly disclosed;
3. Stating that the suspension is for a temporary period pending the completion of an investigation and any legal proceedings that may ensue; and

4. Indicating that, if such legal proceedings are not commenced, or the suspension removed within **sixty (60) calendar** days of the date of such notice, the firm or the individual will be given either a statement of the reasons for the suspension and an opportunity for a hearing, or a statement declining to give such reasons which sets forth the [Corporation's] **Authority's** position regarding the continuation of the suspension. Where the [Corporation] **Authority** suspends a firm based on a suspension by any other agency of government, the [Corporation] **Authority** shall identify same as a reason for the suspension.

(b) A suspension shall not continue beyond **eighteen (18)** months from its effective date, unless civil or criminal action regarding the alleged violation has been initiated within that period, or unless debarment action has been commenced. When prosecution or debarment action has been initiated, the suspension may continue until the legal proceedings are completed.

19:38A-4.6 Grounds for debarment

- (a) A firm or person may be debarred for any of the causes listed in N.J.A.C. 19:38A-4.1.
- (b) The [Corporation] **Authority** shall have the burden of proof by clear and convincing evidence in any debarment action. The rendering of a final judgment, including by a guilty plea or plea of *nolo contendere*, by a court of competent jurisdiction or by an administrative agency empowered to render such judgment, shall be sufficient but not required to establish the existence of the causes set forth in N.J.A.C. 19:38A-4.1[(b)] (c) 7, 8, 9, and 10.
- (c) The existence of any of the causes listed in N.J.A.C. 19:38A-4.1 shall not necessarily require that a firm or person be debarred. In each instance, the decision to debar shall be

made within the discretion of the [Corporation] **Authority** unless otherwise required by law and shall be rendered in the best interests of the State.

- (d) All mitigating factors shall be considered in determining the seriousness of the offense, failure or inadequacy of performance, and in deciding whether to debar.
- (e) If a firm, key person or person required to be listed in the application has been convicted of a crime which may be grounds for debarment, the [Corporation] **Authority** may consider any of the actions listed in N.J.A.C. 19:38A-4.1[(d)] (e), which are taken or proposed by the firm, in determining whether to debar.

19:38A-4.7 Effect of debarment or suspension

(a) Any firm which has been debarred or suspended is precluded during the period of debarment or suspension from bidding on, proposing on or entering any contract or subcontract for a school facilities project or [pre-development] **preconstruction** activity managed or funded by the [Corporation] **Authority**, and from providing any goods or services on any school facilities project or [pre-development] **preconstruction** activity managed or funded by the [Corporation] **Authority**; provided, however, that in its sole discretion, the [Corporation] **Authority** [or school district, as appropriate,] may permit the firm to complete some or all of its existing school contracts when doing so is in the public interest.

(b) Debarment shall be for a reasonable, definitely stated period of time, which as a general rule shall not exceed five (5) years. Debarment for an additional period shall be permitted provided that notice thereof is furnished and the firm is afforded an opportunity to present information in its behalf to explain why the additional period of debarment should not be imposed.

(c) Debarment may include all known affiliates of a firm, provided that each decision to include an affiliate is made on a case by case basis after giving due regard to all relevant facts and circumstances.

(d) Except as otherwise provided by law, a debarment may be removed or the period thereof may be reduced at the discretion of the [Corporation] **Authority** upon the submission of a good faith application under oath, supported by documentary evidence, setting forth substantial and appropriate grounds for the granting of relief, such as newly discovered material evidence; reversal of a conviction or judgment; actual change of ownership, management, or control; or the elimination of the causes for which the debarment was imposed.

19:38A-4.8 Appeals of denial of initial application for prequalification [NEW SECTION]

- (a) **Any firm that is denied prequalification based upon the submission of an initial prequalification application may appeal the denial of prequalification by submitting a written protest of the denial to the Authority, and in such protest may request an informal hearing before the Authority to present further evidence to justify reconsideration of the denial.**
- (b) **A protest of a denial of an initial prequalification application must be submitted to the Authority within thirty (30) calendar days of the firm's receipt of the Authority's notice of the denial of the initial application. The applicant firm has the burden of proving entitlement to prequalification. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and must indicate whether the protester requests an informal hearing. The Authority may deny any protest that is filed more than thirty (30)**

calendar days after notification of denial of the initial application for prequalification, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

(c) **Hearing procedures for denial of initial application for prequalification.**

1. **The Authority, in its sole discretion, shall determine whether to grant the opportunity for an informal hearing regarding a protest of a denial of initial application for prequalification. Informal hearings are for fact-finding purposes for the benefit of the Authority.**
2. **Informal hearings will be held, where feasible, within fourteen (14) business days of the receipt of the request for an informal hearing. Hearings will be heard, where practicable, by a hearing officer designated by the Chief Executive Officer. The hearing officer shall issue a final written decision within thirty (30) calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time period is required.**
3. **The Authority may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify or amend the time frames or any other requirements provided in this section. In these instances, the Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.**
4. **Alternatively, the Authority may determine that sufficient information already exists in the record so that a final decision may be made without a hearing, and the Authority may deny the request for the hearing and issue a final agency decision accordingly. In the event that the Authority determines that a hearing is**

not necessary, a written decision will be issued by the Authority within fifteen (15) business days of receipt of all documents related to the protest.

5. If the denial of prequalification is based upon a criminal, civil or administrative judgment, the criminal, civil or administrative judgment shall be proof of any fact essential to sustain it. The validity of the judgment may not be challenged on appeal of the denial of prequalification.
6. The Authority's decision on the protest of a denial of an initial application for prequalification shall be embodied in a written decision provided to the firm, which shall constitute final agency action by the Authority.

19:38A-[4.8] **4.9** Notice of adverse action

When the [Corporation] **Authority** determines to deny a timely and complete renewal application, revoke prequalification or debar, it shall serve written notice upon the subjects of the adverse action, clearly stating the causes for the adverse action.

19:38A-[4.9] **4.10** Appeal process for adverse actions

- (a) Any firm or person which is the subject of an adverse action, and which desires to appeal the [Corporation's] **Authority's** determination, must transmit a written request to the [Corporation] **Authority** within seven [calendar] **business** days of receipt of the notice of adverse action.
- (b) If the adverse action is based upon an agency of government's prior similar action, the [Corporation] **Authority** may also impose a similar adverse action without affording an opportunity for a hearing, provided the [Corporation] **Authority** furnishes notice of the

proposed similar adverse action to that party, and affords that party an opportunity to present information in its behalf to explain why the proposed similar adverse action should not be imposed in whole or in part.

- (c) If the adverse action determination is based upon a criminal, civil or administrative judgment, the criminal, civil, or administrative judgment shall be proof of any fact essential to sustain it. The validity of the judgment may not be challenged on appeal.
- (d) Upon timely appeal, a hearing shall be afforded in the following circumstances:
 - 1. When a firm or person is proposed for debarment;
 - 2. When a current, valid prequalification is revoked; or
 - 3. When a timely and complete application to renew a current, valid prequalification is denied.
- (e) Hearings under (d) above shall be conducted **by an Administrative Law Judge within** the Office of Administrative Law in accordance with the provisions of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., **52:14F-1 et seq.**, and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1, **as applicable**. A final decision in such matters shall be made by the Board of Directors of the [Corporation] **Authority**.
- (f) Nothing contained in this chapter shall be construed to limit the [authority] **power** of the [Corporation] **Authority** to refrain from contracting within the discretion allowed by law.

Resolution—6dii.

Proposed Re-adoption With Amendments and New Rule:
 Procedures for Prequalification of Contractors and Professional Services Consultants for the
 New Jersey Schools Construction Program, N.J.A.C. 19:38A

Resolution

WHEREAS, NJSA 52:18A-238 (4)(k) requires that the New Jersey Schools Development Authority (SDA) shall adopt, amend and repeal regulations to carry out the provisions of P.L.2000, c.72 (C.18A:7G-1 et al.) and P.L. 2007, c. 137 (C. 52:18A-235 et seq.); and

WHEREAS, N.J.A.C. 19:38A governs the procedures for pre-qualification of contractors, sub-contractors, professional services consultants and sub-consultants seeking to participate in school facilities projects, and the requirements and standards for pre-qualification, grounds for denial or revocation of pre-qualification, and protest and appeal procedures for the pre-qualification process (“Chapter 38A” or “the Rules”); and

WHEREAS, the Rules are intended to insure that only those qualified contractors and professional services consultants who possess the requisite moral integrity are permitted to provide construction services, professional services, and other goods and services for school facilities projects; and

WHEREAS, the Rules are scheduled to expire on May 15, 2013 and are thus proposed for re-adoption with amendments and a new rule; and

WHEREAS, SDA executive management and associated program staff have determined that the Rules, with certain proposed amendments, are adequate, efficient and responsive for the purposes for which they were originally adopted; and

WHEREAS, the details of the amendments to the Rules, largely technical in nature, are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, SDA executive management recommends that the Members of the Authority approve the proposed re-adoption of the Authority’s pre-qualification procedure Rules, N.J.A.C. 19:38A, as presented in the memorandum presented to the Board on this date and incorporated herein as well as the issuance of the attached Notice of Re-adoption and authorize the filing of this Notice with the Office of Administrative Law.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the proposed re-adoption with amendments and new rule, the Rules for Procedures for Prequalification of Contractors and Professional Services Consultants for the New Jersey Schools Construction Program, N.J.A.C. 19:38A with amendments consistent with the memorandum and materials presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize the issuance of the attached Notice of Re-adoption of the Rules, and the filing of such Notice with the New Jersey State Office of Administrative Law.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Proposed Re-adoption With Amendments and New Rule: Procedures for Pre-qualification of Contractors and Professional Services Consultants for the New Jersey Schools Construction Program, N.J.A.C. 19:38A, dated May 1, 2013

Dated: May 1, 2013

MONTHLY REPORTS
(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: May 1, 2013

SUBJECT: Active Project Status Report
(For Informational Purposes Only)

The 1st section of the report includes an Activities Summary of projects identified for advancement in the 2011 & 2012 Capital Plans.

The 2nd part of the report displays project completion milestones for all other major capital projects and emergent projects.



2011 & 2012 Portfolio Projects Activities Summary

as of 4/18/13

2011 Portfolio Projects - sorted by District		1					
District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Bridgeton	Buckshutem ES	K-8	581	\$11.9	Kit of Parts Candidate/ Design-Build	Preliminary Charter approved Aug. 2012 Board. Design Development.	Jun-13
Bridgeton	Quarter Mile Lane ES	PK-8	731	\$34.9	Kit of Parts Candidate/ Design-Build	Preliminary Charter approved Aug. 2012 Board. Design Development.	Jun-13
Elizabeth	Academic HS	9-12	1,091	\$64.1	Existing Design	Phase 1 Construction completed Jul. 2012. Phase 2 Award approved Nov. 2012 Board (Patoch Construction)	12/8/11 7/11/12
Jersey City	ES 3	PK-5	778	\$67.3	Kit of Parts/ Design-Build	Phase 1 Construction completed Feb. 2013. Design-Build Currently Advertised.	6/25/12 2/25/13
Jersey City	PS 20	K-5	628	\$54.6	Existing Design	Award for Phase 1 Construction approved at Jun. 2012 Board (Silverlands Services). Construction currently Advertised.	4/17/12 3/6/13
Long Branch	Catrambone ES	PK-5	794	\$40.0	Existing Design	Construction Contract Approved Apr. 2012 Board (Terminal Construction). Groundbreaking 9/24.	12/20/11
New Brunswick	Redshaw ES	PK-5	906	\$51.2	Kit of Parts/ Design-Build	Award for D-B approved at Sep. 2012 Board (Hall Construction).	5/29/12
Newark	Oliver St. ES	PK-8	848	\$73.3	Kit of Parts/ Design-Build	Phase 1 Construction award sent 8/20/12. (Silverlands Services). Design-Build award approved Mar. 2013 Board (Epic Management).	6/27/12 11/29/12
Paterson	Marshall St. ES	K-8	650	\$42.5	Existing Design	Phase 1 Construction complete. Award memo advancing to May 2013 Board.	6/13/12 2/12/13
Paterson	PS 16	PK-8	641	\$61.7	Kit of Parts Candidate/ Design-Build	Award for Phase 1 Construction approved at May 2012 Board (Tricon). Design Development.	3/27/12
West New York	Harry L. Bain PS 6	PK-6	736	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District). Award for Demolition of existing structure on SDA owned site approved at Jun. 2012 Board. NTP 7/20/12 (Tricon).	2/27/12

***PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.

NOTE # 1 - Total Estimated Costs, Grade Alignment and Capacity are based upon cost and programmatic assumptions utilized in the 2010 reassessment, which do not include benefits of standardization. Application of principles of standardization and recommendations of DOE/SDA/District Working Groups may impact this information in the future.

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2011 & 2012 Portfolio Projects Activities Summary

as of 4/18/13

2012 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Gloucester City	Elementary/Middle School	4-8	779	\$75.7	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Keansburg	Caruso ES	K-4	736	\$47.3	Kit of Parts Candidate/ Design-Build	Phase 1 Construction complete. Design Development.	10/20/11 Jun-13
Keansburg	Port Monmouth Road School	PK	318	\$15.1	New Design Procurement	Planning Charter approved Oct. 2012 Board. Site Investigation at Port Monmouth Road School ongoing.	3 QTR 15
New Brunswick	Robeson ES	1-5	599	\$29.9	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Newark	Elliot Street ES	PK-8	848	\$46.7	Kit of Parts/ Design-Build	Award for D-B approved at Apr. 2013 Board (Hall Construction).	12/27/12
Newark	South Street ES	PK-8	640	\$57.1*	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	Jun-13
Passaic	Dayton Ave. Campus	PK-8	2,134	\$181.6	Kit of Parts Candidate/ Design-Build	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Phillipsburg	High School	9-12	1,846	\$127.5	Existing Design	Construction Contract Approved at Apr. 2013 Board (Epic Management).	9/27/2012
West New York	Memorial HS	9-12	1,859	\$61.1	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Scoping Conversations with Working Group regarding renovation scope. (DOE/SDA/District).	TBD

*PLEASE NOTE - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.

NOTE #1 - Total Estimated Costs, Grade Alignment and Capacity are based upon cost and programmatic assumptions utilized in the 2010 reassessment, which do not include benefits of standardization. Application of principles of standardization and recommendations of DOE/SDA/District Working Groups will impact this information in the future.

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2011 & 2012 Portfolio Projects Activities Summary

as of 4/18/13

2012 Portfolio Projects (Educational Priority that require further conversations with District) - sorted by District

District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Elizabeth	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Garfield	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Harrison	MS Grade Level	MS	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Millville	HS Grade level	HS	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Paterson	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Perth Amboy	All Grade levels	All	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Union City	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.

2012 Portfolio Projects (Facilities Deficiencies) - sorted by District

District	Project	Grade Alignment	Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Camden	High School	9-12	1,244	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Hoboken	Connors ES	PK-4	351	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Orange	Cleveland St. ES	PK-8	492	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Orange	High School	9-12	1,048	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Trenton	Central HS	9-12	1,843	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.

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Active Project Status Report
Report Date: 4/5/13

Major Capital Projects

#	District	Project Name	Project Scope	Project Status	Substantial Completion	Status Substantial Completion	Occupancy Date	Status of Occupancy Date	Total Estimated Project Cost
1	Elizabeth	Victor Mravlag ES	New Construction	Construction	Aug-13	On-target	Sep-13	On-target	\$ 45,464,204
2	Elizabeth	New Academic HS	New Construction	Constructability Review	Mar-16	On-target	Sep-16	On-target	\$ 64,061,687
3	Long Branch	Catrambone ES	New Construction	Construction	Jun-14	On-target	Aug-13	On-target	\$ 40,026,889
4	New Brunswick	New Redshaw ES	New Construction	Construction	May-15	On-target	Aug-15	On-target	\$ 51,204,641
5	Passaic City	New Henry Street ES	New Construction	Construction	Dec-14	On-target	Jan-15	On-target	\$ 40,250,458
6	Union City	New Columbus ES	New Construction	Complete	Aug-12	Achieved	Sep-12	Achieved	\$ 46,203,896
7	West New York	Public School #3	New Construction	Complete	Apr-12	Achieved	May-12	Achieved	\$ 66,303,105

Emergent Projects

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	Camden City	East Camden M.S.	HVAC	Construction	Apr-13	On-Target	May-13	On-Target	\$ 3,379,097
2	Camden City	Sharp ES	Roof	Construction	Apr-13	On-Target	Apr-13	On-Target	\$ 180,782
3	Newark	Alma Flagg ES	HVAC	GC TO w/ Design Procurement	Mar-14	On-Target	Apr-14	On-Target	\$ 683,409
4	Newark	Hawkins ES	Boiler Replacement	Construction	Nov-13	On-Target	Dec-13	On-Target	\$ 998,100
5	Newark	Ridge Street ES	Boiler Replacement	Construction	Oct-13	On-Target	Nov-13	On-Target	\$ 1,102,593
6	Newark	Sussex Ave ES	Boiler Replacement	Construction Procurement	Nov-13	On-Target	Dec-13	On-Target	\$ 652,960
7	Newark	West Side HS	Electrical Switch Gear	Construction	Apr-13	On-Target	May-13	On-Target	\$ 69,008
8	Newark	Wilson Avenue School	Building Envelope	Construction	Apr-13	On-Target	Apr-13	On-Target	\$ 2,308,600
9	Paterson	PS #6	Windows	Construction	Apr-13	On-Target	Apr-13	On-Target	\$ 1,992,309
10	West New York	PS #1	Structural Repairs	GC TO w/ Design Procurement	Sep-13	On-Target	Nov-13	On-Target	\$ 1,409,740
11	West New York	PS #5	Structural Repairs	GC TO w/ Design Procurement	Oct-13	On-Target	Dec-13	On-Target	\$ 1,617,433

PROJECT CLOSEOUT STATUS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

To: Members of the Authority

From: /s/ Jason E. Ballard, Chief of Staff

Date: May 1, 2013

Subject: Project Close Out Status Report

The attached report provides a listing of projects managed by the SDA, all of which have achieved school occupancy. The listing is further defined by District and year of occupancy, and details those projects that are fully closed out and those which achieved building and/or land transfer to the district.

We continue to advance projects and contracts through the close out process. The following projects have been transferred and/or closed since the last Board Meeting:

Year of Occupancy	Project #	Project Type	District	School	Status
2007	0850-030-04-000T	Capital	Clark	Frank Hehnlly Elementary School	Closed
2007	0850-035-04-000U	Capital	Clark	Carl Kumpf Middle School	Closed
2007	0850-005-04-000V	Capital	Clark	Arthur Johnson High School	Closed
2007	0850-040-04-000W	Capital	Clark	Valley Road Elementary School	Closed
2008	1210-100-02-0613	Capital	East Orange	Mildred Barry Garvin Elementary School	Transferred
2008	2390-280-04-00QE	Capital	Jersey City	Elementary School # 34	Transferred
N//A	1210-090-08-0EAR	Emergent	East Orange	Houston Elementary School	Closed
N//A	1210-110-08-0EAP	Emergent	East Orange	Warwick Elementary School	Closed
N//A	1210-190-08-0EAQ	Emergent	East Orange	Cochran Academy	Closed
N//A	2390-110-04-00DD	Emergent	Jersey City	Public School #5	Closed
N//A	2390-080-04-00DG	Emergent	Jersey City	William L. Dickinson High School	Closed
N/A	4010-X10-08-0HAC	Emergent	Paterson	Early Learning Center at 14th (aka Rutland Center)	Closed

Prepared by: Ayisha Cooper
Reviewed by: Carol Petrosino
Bridget Capasso

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Asbury Park					
Legacy	Bradley Primary	Closed		04/29/09	
2008	T. Marshall Primary	Closed		04/29/09	
Barnegat					
2008	Collins ES	Land and/or School Transferred	07/12/10		All contracts at \$0; gathering info for final close out
2009	Dunfee ES	Land and/or School Transferred	07/12/10		All contracts at \$0; gathering info for final close out
2009	Horbelt ES	Land and/or School Transferred	07/12/10		All contracts at \$0; gathering info for final close out
Legacy	Barnegat HS	Land and/or School Transferred	10/13/09		Open contract(s)
2007	Brackman MS	Land and/or School Transferred	09/23/09		Open contract(s)
2008	HS Addition	Land and/or School Transferred	10/13/09		Open contract(s)
2008	New Donahue, ES (aka Ronald Reagan)	Land and/or School Transferred	10/13/09		Open contract(s)
Bridgeton					
Legacy	Buckshutem Road ES	Closed		05/12/09	
2009	Bridgeton HS Media Center	Closed		02/23/12	
Buena					
Legacy	Cleary MS	Closed		06/02/09	
2010	Buena MS	Closed		02/23/12	
Burlington City					
Legacy	Burlington City - Samuel Smith ES	Closed		11/24/09	
2007	Wilbur Watt Intermediate School & Stadium Maintenance Bldg. (MB)	Land and/or School Transferred	07/01/11		Contracts at \$0 Open retainage

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2007	New HS	Land and/or School Transferred	12/29/11		Open contract(s)
Camden					
2009	Camden ECDC	Land and/or School Transferred	11/04/09		Open contract(s)
2009	HB Wilson ES	Land and/or School Transferred	04/14/10		Open contract(s)
2009	Dudley ES	Land and/or School Transferred	02/06/12		Open contract(s)
2011	Morgan Village	Land and/or School Transferred	02/25/13		
Clark					
2007	Frank Hehny ES	Closed		03/13/13	
2007	Carl Kumpf MS	Closed		03/13/13	
2007	Arthur Johnson HS	Closed		03/13/13	
2007	Valley Road ES	Closed		03/13/13	
Cumberland					
2009	Cumberland Regional HS	Land and/or School Transferred	06/25/10		Open contract(s)
East Orange					
Legacy	Wahlstrom ECC	Closed		06/30/12	
Legacy	New - Langston Hughes Replacement	Closed		01/18/13	
Legacy	East Orange HS	Closed		12/07/12	
2008	Campus #9 CJ Scott HS	Closed		11/23/12	
2008	Mildred Barry Garvin	Land and/or School Transferred	03/29/13		Open contract(s)
2010	Benjamin Banneker (New ES #5)	Land and/or School Transferred	07/23/12		Open contract(s)
Egg Harbor City					
2009	Spragg ES	Closed		02/10/12	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Egg Harbor Township					
2007	Slaybaugh ES	Land and/or School Transferred	10/23/12		Open contract(s)
2007	Davenport ES	Land and/or School Transferred	10/23/12		Open contract(s)
2010	New MS	Land and/or School Transferred	01/01/12		Open contract(s)
2011	Egg Harbor Twp HS - Phase 1 (add/reno)				
2011	Egg Harbor Twp HS - Phase 2 (add/reno)				
Elizabeth					
Legacy	Albert Einstein #29	Closed		09/16/09	
Legacy	#44 aka #51	Closed		09/16/09	
Legacy	Dr. MLK Jr. # 52 aka ECC # 45*	Closed		6/13/2012*	
Legacy	#31 Monsignor Joao Antao School	Closed		01/18/13	
2008	Pre K-8 #27 Dr. Antonia Pontoja School	Closed		10/29/09	
Legacy	#30 Ronald Reagan Academy	Land and/or School Transferred	07/09/12		Open contract(s)
Legacy	New ES	Land and/or School Transferred	09/23/09		Open contract(s)
2009	Elizabeth New PreK-8 #28	Land and/or School Transferred	08/26/10		Open contract(s)
Garfield					
Legacy	Garfield ECC	Land and/or School Transferred	04/23/09		Open Contract(s) DEP Action Required
2007	Garfield MS	Land and/or School Transferred	06/25/09		Open contract(s)
Gloucester City					
Legacy	JR SR HS	Land and/or School Transferred	11/28/12		Open Retainage
Legacy	Cold Springs ES	Land and/or School Transferred	06/05/09		Open contract(s)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Greater Egg Harbor Township					
2008	Oakcrest Regional, HS (Auditorium upgrade)	Land and/or School Transferred	06/02/09		All contracts at \$0, documentation in final review
2010	Greater Egg Harbor HS (Cedar Creek HS)	Land and/or School Transferred	01/01/12		Open contract(s)
Harrison					
2007	New Harrison HS	Land and/or School Transferred	10/23/12		Open contracts(s)
Hoboken					
2007	Calabro ES # 4	Closed		07/09/12	
Irvington					
2007	Augusta ES	Closed		03/13/09	
2007	Irvington - New Mt. Vernon, ES	Closed		03/13/09	
2007	University Six School	Closed		03/13/09	
Jersey City					
Legacy	ECC #9 - School Site only	Closed		05/24/10	
Legacy	ECC #9 - Parking lot only	Closed		05/24/10	
2008	ES # 34	Land and/or School Transferred	03/22/13		Open Contract(s)
Legacy	Freshman Academy - Lincoln HS				
Legacy	New ES #3 (Frank R. Conwell ES #3)				
Legacy	Jersey City MS # 4 (Frank R. Conwell MS # 4)				
2007	Heights MS # 7				
Long Branch					
Legacy	New MS - Building	Closed		07/25/09	
Legacy	New Anastasia ES	Closed		10/23/09	
2007	Gregory ES	Land and/or School Transferred	05/25/12		Open Contract(s)
2008	Long Branch - Athletic Fields & High School	Land and/or School Transferred	12/07/12		Open Contract(s)
Manchester					

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Legacy	Manchester - Manchester Township MS	Land and/or School Transferred	07/16/09		Open contract(s)
Legacy	Whiting ES	Land and/or School Transferred	07/16/09		Open contract(s)
Legacy	Manchester Township HS				
Millville					
Legacy	Millville ECC	Closed		06/19/09	
Legacy	Lakeside MS	Closed		07/08/09	
Neptune					
Legacy	Neptune ECC	Closed		10/31/06	
Legacy	Gables ES	Closed		04/30/09	
Legacy	Neptune MS	Closed		04/30/09	
Legacy	Summerfield ES	Closed		04/30/09	
Legacy	Shark River Hills ES	Closed		07/13/09	
Legacy	Neptune Township - Green Grove ES	Closed		11/27/09	
Legacy	HS Swing Space	Closed		10/21/11	
2008	Midtown Community ES & Parking	Closed		11/16/11	
2010	Neptune HS Aux. Gym	Closed		10/21/11	
New Brunswick					
2007	McKinley K Center #3	Land and/or School Transferred	07/09/12		Open contract(s)
Newark					
Legacy	Science Park	Deed transferred to District 02/03/12			
2007	1st Avenue ES	Land and/or School Transferred	09/28/11		Open contract(s)
2008	Central HS	Land and/or School Transferred	03/28/12		Open contract(s)
2009	Park ES (aka North Ward Park ES)	Land and/or School Transferred	02/24/10		Open contract(s)
2010	Speedway ES				
Orange					
Legacy	New Main St. ES	Closed		06/22/09	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2009	Park Ave ES	Land and/or School Transferred	07/19/12		
2010	Lincoln Ave ES	Land and/or School Transferred	09/07/12		Open contracts(s)
Passaic					
2010	Daniel F Ryan #19 ES aka New ES Main Ave	Land and/or School Transferred	03/01/13		Open Contracts(s)
Legacy	# 7, Grant, ES	Letter sent to District - Documents needed			
Paterson					
Legacy	Panther Academy	Closed		08/15/11	
2010	Roberto Clemente ES K-1 Center (Madison Avenue K Center) parking Lot	Land and/or School Transferred	11/09/11		Open contract(s)
Legacy	Roberto Clemente, ES	Letter sent to District - No Response			
2008	International HS				
2008	#24 ES				
Pemberton					
2011	ECC	Land and/or School Transferred	02/01/13		Open contract(s)
Perth Amboy					
Legacy	ECC I - Ignacio Cruz	Land and/or School Transferred	06/17/10		Open contract(s)
Legacy	#10 ES - Dr. N. H. Ritchardson School	Letter sent to District - No Response			
2009	ECC #2 - Edmund Hmielseki ECC				
Phillipsburg					
Legacy	ECC	Closed		04/27/12	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Plainfield					
Legacy	Clinton ES - Site only	Land and/or School Transferred	05/06/10		Open contract(s)
Legacy	Hubbard MS				
2008	Emerson ES School Site only				
2009	Clinton ES - Parking/Playground only				
2009	Emerson ES - Parking/Playground only				
Trenton					
Legacy	Mott ES	Closed		05/07/09	
Legacy	P. J. Hill ES	Closed		05/07/09	
Legacy	Gregory ES	Closed		06/30/09	
Legacy	Joyce Kilmer	Closed		12/29/11	
Legacy	Columbus ES	Closed		02/02/12	
2007	Parker ES	Closed		03/13/09	
2010	MLK-Jefferson	Land and/or School Transferred	12/01/11		Open contract(s)
Union City					
Legacy	Jose Marti MS Jose Marti MS Athletic Field	Closed		08/25/11	
2007	ECC @ JFK - Phase I (School only)	Letter sent to District - Documents needed; Deed transferred to District 03/20/12			
2007	ECC @ JFK - Phase II (Schlemm) Parking/Playgrounds	Letter sent to District - Documents needed; Deed transferred to District 03/20/12			
2012	Columbus Elementary School				
Vineland					
Legacy	Petway - ES #1	Closed		03/12/09	
Legacy	MS #1 Thomas Wallace	Closed		03/12/09	
Legacy	Johnstone ES	Closed		05/20/09	
2007	Vets Memorial	Closed		03/13/09	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
West New York					
2007	#4	Closed		03/01/13	
Legacy	West New York MS	Letter sent to District - Documents needed			
2009	ES #2				
2012	West New York #3	Deed transferred to District 09/11/12			
Woodlynne					
Legacy	Woodlynne ES	Closed		06/10/09	
Capital Projects Totals					
Total Capital Projects		127			
Closed Capital Projects		56			
Capital Projects Not Closed		71			
Capital Projects Not Closed, Land & School Transferred		46			
<p>*Dr. MLK Jr. Center for ECC School # 52 aka ECC # 45 (Legacy) has been closed although an NFA is still needed. The District fulfilled its obligations with the DEP 06/08/2011. The SDA has fulfilled all of its obligations regarding this project.</p>					
Emergent Projects					
Camden					
	Broadway Elementary School	Closed		08/12/11	
	Lanning Square at Fetters Elementary School	Closed		11/02/11	
	Sharp Elementary School	Closed		01/30/13	
	Washington Elementary School	Project Transferred	03/20/12		Open contract(s)
	Molina Elementary School	Project Transferred	10/18/12		Open contract(s)
	East Camden Middle School				
	Camden High School				
East Orange					
	Hart Middle School	Closed		12/02/11	
	Jackson Academy	Closed		12/14/11	
	Houston Elementary School	Closed		03/12/13	

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
	Warwick Elementary School	Closed		03/12/13	
	Cochran Academy	Closed		03/12/13	
	Louverture				
Irvington					
	Union Avenue Middle School	Closed		02/01/13	
	Irvington High School - Roof, HVAC, Bathroom				
	Irvington High School - Physical Ed. Field				
Jersey City					
	Public School #5	Closed		03/22/13	
	William L. Dickinson High School	Closed		03/22/13	
Newark					
	Branch Brook ES	Closed		11/09/11	
	Franklin ES	Closed		11/09/11	
	Sussex Avenue ES	Closed		11/09/11	
	Barringer High School	Closed		12/01/11	
	McKinley	Closed		12/02/11	
	Weequahic High School	Closed		04/02/12	
	South Street	Closed		04/30/12	
	East Side High School	Closed		10/31/12	
	Avon Avenue - Playground	Project Transferred	10/20/11		Open contract(s)
	Maple Avenue	Project Transferred	10/20/11		Open contract(s)
	13th Avenue - Boiler	Project Transferred	11/09/11		Open contract(s)
	Lafayette Street School	Project Transferred	11/09/11		Open contract(s)
	Avon Avenue - Roof				
	Bragaw				
	Horton				
	R. Clemente				
	Speedway				
	American History High School				
	Shabazz				
Passaic					
	School #1 T. Jefferson ES	Closed		10/07/11	
	School #6 MLK Jr.				
	School #11 Memorial				

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of April 1, 2013**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Paterson					
	Sage Adult School & Alternative MS/HS	Closed		05/23/12	
	Public School #3	Closed		04/30/12	
	Public School #10	Closed		05/23/12	
	Public School #16	Closed		04/30/12	
	Early Learning Center at 14th (aka Rutland Center)	Closed		03/18/13	
	Public School #6				
Trenton					
	Trenton Central HS	Closed		05/21/12	
	TCHS (Main Campus) - Original portion of building				
Emergent Project Totals					
Total Emergent Projects		48			
Emergent Closed Out		26			
Emergent Not Closed		22			
	Emergent Projects Not Closed but Transferred	6			
Health and Safety Contract Totals					
# of Contracts Closed		385			
# of Contracts Open		14			
Total Contracts		399			



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

To: Members of the Authority
From: /s/ Jason E. Ballard, Chief of Staff
Date: May 1, 2013
Subject: Demonstration Projects - Close Out Status

We continue to work to advance the close out of the Demonstration Projects.

The first projects scheduled for complete close out are the Vineland and Trenton projects. All required documentation has been finalized and is proceeding through the approval process.

Special Projects and Program Operations continue to work with the various redevelopment entities to finalize various invoices for the Camden, New Brunswick and Union City projects. Once we reach agreement on these final invoices and allocations, we anticipate the closure of the Demonstration Project Grants.

Prepared by: Bruce Lieblich
Reviewed by: Carol Petrosino
Bridget Capasso

PROJECT STATUS REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: May 1, 2013

SUBJECT: Executive Summary – Monthly Project Status Reports

MONTHLY PROJECT STATUS REPORT

Projects that have Expended 75% or More of Board Approved Contingency:

No new data to report

Projects Greater than 90 Days Behind Schedule:

No new data to report.

Revisions to Project Charters:

No new data to report.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to March 22, 2013

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
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In Construction

Elizabeth	Number 21, Victor Mravlag E.S.	\$8,240,000	\$7,271,827	\$968,173	88.3%	78%	1. Unforeseen asbestos abatement 2. Unforeseen structural integrity issues. 3. Project changed from addition/renovation to new construction.	Revised Charters were approved by the Board in accordance with the Operating Authority adding a total of \$8.4M against a total project budget of \$31.9M. Close monitoring of the projected costs will continue. The project is scheduled for completion to allow for occupancy in September 2013.
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Substantially Complete & Building Occupied

Please refer to the Project Close-Out Activity Report for status of close-out activities

Burlington City	Burlington City H.S.	\$17,830,990	\$17,800,094	\$30,896	99.8%	99%	1. Unforeseen soil remediation 2. Unforeseen asbestos abatement.	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Camden	Dudley E.S.	\$3,215,000	\$3,189,804	\$25,196	99.2%	99%	1. Installation of IT/AV systems	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Camden	Camden ECDC	\$11,314,645	\$9,916,987	\$1,397,658	87.6%	99%	1. Unforeseen soil remediation	Project complete and building occupied. Open contract with GC being addressed to advance project to final close-out.
Camden	HB Wilson E.S.	\$3,097,150	\$3,097,150	\$0	100.0%	99%	1. Installation of centralized water filtration system 2. Installation of IT/AV systems	New school project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out. Demolition of existing school adjacent to school building being advanced. Additional funding for demolition will require a charter revision.
East Orange	Mildred B. Garvin E.S.	\$1,429,632	\$1,305,993	\$123,639	91.4%	99%	1. Unforeseen soil remediation 2. Modifications to security system	Project complete and building occupied. Working towards project close-out.
Newark	Speedway Avenue E.S.	\$1,826,000	\$1,826,000	\$0	100.0%	99%	1. Removal of unforeseen impacted materials	Project substantially complete and building occupied. Open issues with GC regarding change orders and punchlist items being addressed prior to advancement of project to final close-out.
Orange	Lincoln Ave E.S.	\$5,615,000	\$4,926,196	\$688,804	87.7%	99%	1. Unforeseen asbestos abatement 2. Structural repairs to interior walls 3. Extended general conditions	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Orange	Park Avenue E.S.	\$3,360,000	\$3,275,103	\$84,897	97.5%	99%	1. Unforeseen asbestos abatement	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Passaic	E.S. at Main Avenue	\$9,548,320	\$8,259,178	\$1,289,142	86.5%	99%	1. Atrium design changes required by code 2. Unforeseen subsurface sewage line work 3. Adding back Security/IT System (removed and anticipated to be bid as a separate engagement for E. Rate reimbursement)	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.



Projects that have Expended 75% or More of Board Approved Contingency
 Reporting Period: Jan. 1, 2008 to March 22, 2013

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
Paterson	E.S. #24	\$4,616,120	\$4,535,861	\$80,259	98.3%	99%	1. Unforeseen soil remediation and clean fill.	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
Perth Amboy	ECC II	\$2,604,619	\$2,033,074	\$571,545	78.1%	99%	1. Removal of unsuitable soils 2. Adding back Security/IT System (removed and anticipated to be bid as a separate engagement for E-Rate reimbursement)	Project complete and building occupied. Open contract issues with GC being addressed to advance project to final close-out.
West New York	West New York P.S. #2	\$2,708,883	\$2,708,883	\$0	100.0%	99%	1. Unforeseen site foundation issues	Project complete and building occupied. Open contract with GC being addressed to advance project to final close-out.

¹ * Indicates Final Project Charter Revision

² Does not include expended contingency or contingency funds allocated for change orders, amendment



Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy

Reporting Period: March 2013

#	Event Date	District	Project	Board Approved Project Charter SubComp Date	Current Contract SubComp Date	Forecasted Contract SubComp Date	# of Days Behind Schedule	Cause(s)	Current Status
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No New Data to Report



Revisions to Project Charters

Reporting Period: March 2013

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
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No New Data to Report

CONTRACTS EXECUTED REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: May 1, 2013

SUBJECT: Contracts Executed Report and Amendments & Change Orders Report
(For Informational Purposes Only)

Contracts Executed Report

This report contains the activity of contracts executed during the period March 1 through March 31, 2013.

Noteworthy Items during the reporting period:

- Execution of 1 contracts for professional services:
 - Commissioning Services for the Burlington City High School project to Air Systems Company of PA for \$13,200.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period March 1 through March 31, 2013.

Noteworthy Items during the reporting period:

- Execution of 3 Design Consultant Amendments totaling \$78k. Of the 3 executed amendments none required board approval.
- Execution of 12 Construction Services Change Order totaling \$2.0M. Of the 12 executed change orders three required board approval totaling \$2.3M.

Report of change orders less than \$10,000 yet requiring Board Approval

In accordance with the Operating Authority adopted by the Members on December 1, 2010 as amended on March 7, 2012, the Members are to be provided a report of any change order which received delegated approval by the CEO due to the fact that they are valued at less than \$10,000 yet require Board approval due the total change orders exceeding 10% of the contract value.

- No activity during the reporting period



**New Jersey Schools Development Authority
Contracts Executed Report**

Report Period 3/1/13 through 3/31/13

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE	
Part 1. Professional Services											
	Others										
Burlington City	Burlington City H.S.	RenoAdd	Commissioning	WT-0013-Y01	Air Systems Company of PA		\$13,200	3/19/13	-		
	Others										
Part 1. Professional Services							\$13,200				

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Report Period 3/1/13 through 3/31/13

	Total Contract Award	Total Contracts Awarded
Grand Totals - Professional and Construction Services Combined	\$13,200	1

** Contracts less than \$10,000 are not displayed

Project Types Legend

HS	Health & Safety
New	New Construction
Add	Addition
RenoAdd	Addition & Renovation
Reno	Renovation

Contract Types Legend

Acquisition	Property Acquisition Related Costs
Appraisal	Appraisal, Appraisal Review, NRE
Construction	Construction
Design	Design or Site Investigation
DB	Design-Build
E-Rate	E-Rate
FFE	Furniture, Fixtures, and Equipment
General	General Program Cost
Legal	Legal
Material	Material Supply
ProjectMgmt	Project Management Firm
PreDevelopment	Predevelopment or Demolition
Relocation	Relocation Services
SiteInvstgtn	Site Investigation
Testing	Testing
Title	Title Services
Utilities	Utilities Services

MWSBE Certifications

M = Minority Business Enterprise
 W = Women Business Enterprise
 S = Small Business Enterprise

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



New Jersey Schools Development Authority
Amendments & Change Orders Report

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Design Consultant																
Elizabeth	New Academic HS	EL-0006-A01	9/24/04	7	Skidmore, Owings & Merrill, Architects, P.A.	3/22/13	\$3,239,480	\$1,225,799	6/28/12	\$13,533			\$4,478,812	38.25%	\$3,239,480	0.41%
Jersey City	Number 20 E.S.	JE-0010-A01	10/3/03	12	SSP Architects	3/21/13	\$1,665,000	\$1,743,546	7/5/12	\$20,274			\$3,428,820	105.93%	\$1,665,000	2.61%
Long Branch	George L. Catrambone E.S. (formerly Elberon)	ET-0068-A01	7/8/04	20	Becica Associates LLC	3/25/13	\$1,341,025	\$2,045,271	3/4/08	\$43,912			\$3,430,208	155.79%	\$1,341,025	3.27%
Design Consultant																
Site Investigation																
Elizabeth	Number 21, Victor Mravlag E.S.	GP-0084-L03	2/14/08	81	Whitman	3/4/13	\$0	\$3,642,418		\$-2,402			\$3,640,016	0.00%	\$0	NA
Elizabeth	New Academic HS	GP-0084-L04	2/14/08	59	Hatch Mott MacDonald, I&E, LLC	3/4/13	\$0	\$1,566,886		\$-16,605			\$1,550,281	0.00%	\$0	NA
Newark	South Street E.S.	GP-0171-L03	12/1/11	10	Whitman	3/13/13	\$0	\$616,760		\$117,709			\$734,469	0.00%	\$0	NA
Jersey City	Number 20 E.S.		12/1/11	11	Whitman	3/18/13	\$0	\$734,469		\$26,300			\$760,769	0.00%	\$0	NA
Elizabeth	Number 21, Victor Mravlag E.S.	NT-0015-L02	9/8/03	4	CMX, Inc.	3/4/13	\$1,005,278	\$-43,747		\$-50,370			\$911,161	-9.36%	\$1,005,278	-9.36%
Passaic City	New ES at Henry St. (-x01)	EC-0001-L08	12/18/01	1	Pennoni Associates Inc.	3/4/13	\$16,470	\$0		\$-1,020			\$15,450	-6.19%	\$16,470	-6.19%
Site Investigation																
Relocation																

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval	
Professional Services & Grants																	
Relocation																	
Multi-District, Project, or Statewide	New PS# 16 A. Chester Redshaw E.S. Cooper's Poynt E.S. Creative and Performing Arts H.S. Dayton Avenue Middle School Don Bosco Academy ECC 13 ECC Leonard Place & Madison St Elementary School 02 Elliott Street E.S. Gladys Hillman-Jones M.S. Harriet Tubman E.S. James Madison School #10 (Most Holy Name) Lanning Square Magnet K-8 Marshall Street Elementary School New Academic HS New Early Childhood Center New Early Childhood Center (-x02) New ECC PK-2 (Caruso) New ES at Henry St. (-x01) New Franklin Elementary School Replacement New Middle School New North East ES (-x06) Number 1, Thomas Jefferson E.S. Number 10, Roosevelt E.S. Number 20 E.S. Number 21, Victor Mravlag E.S. Roebing School South Street E.S. University H.S. West Side H.S.	GP-0175-R03	2/11/12	23	Bluegrass Hydroseeding, LLC	3/14/13	\$27,996	\$453,267			\$22,758			\$504,022	1,700.32%	\$27,996	1700.32%

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval	
Professional Services & Grants																	
Relocation																	
Multi-District, Project, or Statewide	New PS# 16 A. Chester Redshaw E.S. Cooper's Poynt E.S. Creative and Performing Arts H.S. Dayton Avenue Middle School ECC 13 ECC Leonard Place & Madison St Elementary School 02 Harriet Tubman E.S. James Madison School #10 (Most Holy Name) Lanning Square Magnet K-8 Marshall Street Elementary School New Academic HS New Early Childhood Center New Early Childhood Center (-x02) New ECC PK-2 (Caruso) New Middle School Number 1, Thomas Jefferson E.S. Number 10, Roosevelt E.S. Number 20 E.S. Number 21, Victor Mravlag E.S. Roebing School South Street E.S. University H.S. West Side H.S.	GP-0175-R03	2/11/12	24	Bluegrass Hydroseeding, LLC	3/25/13	\$27,996	\$476,026			\$18,323			\$522,344	1,765.77%	\$27,996	1765.77%
Paterson	New PS# 16	PA-0024-L98	12/1/12	2	Liberty Transportation & Storage Co., Inc.	3/11/13	\$28,836	\$5,227		\$16,220			\$50,283	74.37%	\$28,836	74.37%	
Relocation																	
Others																	
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L06	4/15/05	76	JCP&L	3/18/13	\$8,060	\$11,638		\$136			\$19,834	146.07%	\$8,060	146.07%	
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L16	8/2/11	19	New Jersey American Water	3/18/13	\$410	\$2,936		\$171			\$3,517	758.45%	\$410	758.45%	
Camden City	Morgan Village M.S.	CA-0010-N01	5/21/12	7	USA Environmental Management, Inc.	3/26/13	\$1,870,887	\$-32,004		\$42,464			\$1,881,347	0.55%	\$1,870,887	0.55%	
Flemington-Raritan Regional	Reading-Fleming M.S.	GP-0197-G01	3/22/13	1	District - Flemington-Raritan Regional	3/27/13	\$0	\$0		\$-282			\$-282	0.00%	\$0	NA	
Hawthorne	Lincoln M.S.	G5-4256-D01	9/30/11	1	District - Hawthorne	3/19/13	\$191,274	\$0		\$-21,958			\$169,316	-11.47%	\$191,274	-11.47%	
Hazlet Township	Sycamore Drive	G5-3810-D01	8/20/10	1	District - Hazlet Township	3/7/13	\$79,883	\$0		\$-10,409			\$69,474	-13.03%	\$79,883	-13.03%	
Highland Park	Irving Primary	G5-2028-D01	6/8/05	1	District - Highland Park	3/26/13	\$3,656	\$0		\$6,959			\$10,616	190.33%	\$3,656	190.33%	
Highland Park	Highland Park H.S.	G5-2029-D01	6/8/05	1	District - Highland Park	3/26/13	\$32,667	\$0		\$-568			\$32,098	-1.74%	\$32,667	-1.74%	



NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Jersey City	Number 20 E.S.	JE-0010-N01	7/20/12	1	Silverlands Services, Inc.	3/8/13	\$874,444	\$0		\$-11,247			\$863,197	-1.28%	\$874,444	-1.28%
Lambertville	Lambertville E.S.	G5-4303-D01	3/29/12	1	District - Lambertville	3/11/13	\$30,866	\$0		\$-4,556			\$26,310	-14.75%	\$30,866	-14.75%
Lenape Regional	Sequoia Alternative High	G5-2371-D01	6/20/05	1	District - Lenape Regional	3/13/13	\$248,713	\$0		\$-38,615			\$210,098	-15.52%	\$248,713	-15.52%
Millville	Silver Run E.S.	GB-0145-D01	11/17/08	1	District - Millville	3/12/13	\$1,947,487	\$0		\$-216,923			\$1,730,564	-11.13%	\$1,947,487	-11.13%
Mount Olive Township	Mount Olive H.S.	G5-3845-D01	9/9/11	1	District - Mount Olive Township	3/15/13	\$368,381	\$0		\$-120,603			\$247,778	-32.73%	\$368,381	-32.73%
Mount Olive Township	Mount Olive H.S.	G5-4375-D01	9/9/11	2	District - Mount Olive Township	3/15/13	\$293,090	\$-7,469		\$-5,024			\$280,598	-4.26%	\$293,090	-4.26%
Mountain Lakes	Mountain Lakes H.S.	G5-1212-D01	6/27/03	1	District - Mountain Lakes	3/11/13	\$28,792	\$0		\$-28,792			\$0	-100.00%	\$28,792	-100.00%
Mountain Lakes	Briarcliff E.S.	G5-2608-D01	8/11/05	1	District - Mountain Lakes	3/13/13	\$67,280	\$0		\$-2,076			\$65,205	-3.08%	\$67,280	-3.08%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R01	4/12/01	39	Star Ledger Newspaper	3/13/13	\$130,907	\$14,632		\$213			\$145,753	11.34%	\$130,907	11.34%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R02	4/12/01	39	Times Newspaper (The)---(Adverts)	3/13/13	\$62,132	\$773		\$98			\$63,003	1.40%	\$62,132	1.40%
Newark	Elliott Street E.S.	GP-0005-R01	5/1/01	7	National Reprographics Inc.	3/14/13	\$799,128	\$22,605		\$441			\$822,174	2.88%	\$799,128	2.88%
Newark	New Science Park HS	GP-0005-R06	6/14/02	10	American Reprographics Company, LLC dba ARC	3/14/13	\$570,325	\$26,088		\$128			\$596,541	4.59%	\$570,325	4.59%
Jersey City	Number 20 E.S.	GP-0005-R07	6/14/02	3	Ace Reprographic Service, Inc.	3/18/13	\$378,841	\$1,807		\$3,715			\$384,362	1.45%	\$378,841	1.45%
Multi-District, Project, or Statewide	Frank R. Conwell ES #3 (aka New PS3 ES) ECC 03 Elliott Street E.S. Frank R. Conwell MS #4 (New Middle School #4) New ECC PK-2 (Caruso) New ES at Henry St. (-x01) New International High School Academy Number 6, Martin Luther King, Jr. Oliver Street E.S.	GP-0005-R10	7/3/02	21	Napco Copy Graphics Center Corp.	3/18/13	\$251,397	\$80,383		\$3,097			\$334,877	33.20%	\$251,397	33.20%
Bridgeton	Buckshutem Road E.S. - G. Foster ECC Quarter Mile Lane E.S. Quarter Mile Lane E.S.	GP-0034-R01	10/1/03	2	Acu-Print Reprographic Services	3/14/13	\$215,281	\$152		\$167			\$215,599	0.14%	\$215,281	0.14%
Multi-District, Project, or Statewide	Multi-District, Project, or Statewide	GP-0063-R03	7/13/06	3	_MultiVendor	3/18/13	\$1,379,846	\$114,000		\$2,800			\$1,496,646	8.46%	\$1,379,846	8.46%

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Multi-District, Project, or Statewide	Multi-District, Project, or Statewide	GP-0063-R03	7/13/06	4	_MultiVendor	3/28/13	\$1,379,846	\$116,800		\$2,800			\$1,499,446	8.66%	\$1,379,846	8.66%
Camden	Lanning Square	GP-0089-R08	8/19/08	35	Hill Wallack, LLP	3/5/13	\$2,000	\$154,252		\$1,160			\$157,412	7,770.59%	\$2,000	7770.59%
Paterson	New PS# 16		8/19/08	36	Hill Wallack, LLP	3/22/13	\$2,000	\$155,412		\$9,743			\$167,154	8,257.71%	\$2,000	8257.71%
East Orange	Performing Arts School	GP-0089-R11	8/26/08	60	Sterns & Weinroth	3/5/13	\$148,910	\$546,864		\$23,407			\$719,181	382.96%	\$148,910	382.96%
Barneгат	New Barneгат High School		8/26/08	61	Sterns & Weinroth	3/5/13	\$148,910	\$570,271		\$12,991			\$732,172	391.68%	\$148,910	391.68%
Barneгат	New Barneгат High School		8/26/08	62	Sterns & Weinroth	3/7/13	\$148,910	\$583,262		\$1,663			\$733,836	392.80%	\$148,910	392.80%
Barneгат	New Barneгат High School		8/26/08	63	Sterns & Weinroth	3/28/13	\$148,910	\$584,926		\$4,987			\$738,823	396.15%	\$148,910	396.15%
Paterson	New PS# 16	GP-0089-R12	9/2/08	22	Wolff & Samson, P.C.	3/5/13	\$2,895	\$63,677		\$4,463			\$71,035	2,353.48%	\$2,895	2353.48%
Paterson	New PS# 16		9/2/08	23	Wolff & Samson, P.C.	3/5/13	\$2,895	\$68,140		\$16,503			\$87,539	2,923.48%	\$2,895	2923.48%
Paterson	New PS# 16		9/2/08	24	Wolff & Samson, P.C.	3/15/13	\$2,895	\$84,643		\$714			\$88,253	2,948.14%	\$2,895	2948.14%
Clark Township	Arthur L. Johnson H.S. Carl H. Kumpf M.S. Frank K. Hehny E.S. Valley Road E.S.	GP-0113-R03	2/4/09	4	Secretariat International, Inc.	3/13/13	\$97,284	\$370,000		\$-2,199			\$465,085	378.06%	\$97,284	378.06%
West New York	Memorial HS/Freshman & Soph Academy	GP-0162-R10	10/20/11	6	Brown & Connery, LLP	3/15/13	\$0	\$18,587		\$21,762			\$40,349	0.00%	\$0	NA
West New York	Memorial HS/Freshman & Soph Academy		10/20/11	7	Brown & Connery, LLP	3/15/13	\$0	\$40,349		\$574			\$40,923	0.00%	\$0	NA
Camden City	Dudley E.S.	GP-0162-R12	10/20/11	4	Greenbaum, Rowe, Smith & Davis LLP	3/5/13	\$0	\$3,397		\$585			\$3,982	0.00%	\$0	NA

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Camden City	Dudley E.S.	GP-0162-R12	10/20/11	5	Greenbaum, Rowe, Smith & Davis LLP	3/15/13	\$0	\$3,982		\$2,080			\$6,062	0.00%	\$0	NA
Jersey City	Frank R. Conwell ES #3 (aka New PS3 ES) Frank R. Conwell MS #4 (New Middle School #4)	GP-0162-R15	10/20/11	2	Sterns & Weinroth	3/7/13	\$0	\$3,600		\$37,548			\$41,148	0.00%	\$0	NA
Camden	Early Childhood Development Center #25	GP-0162-R18	10/20/11	5	Dilworth Paxson LLP	3/12/13	\$0	\$49,681		\$2,380			\$52,061	0.00%	\$0	NA
Camden	Early Childhood Development Center #25 New HS (-x01)		10/20/11	6	Dilworth Paxson LLP	3/13/13	\$0	\$26,923		\$22,758			\$49,681	0.00%	\$0	NA
Newark	Martin Luther King, Jr. E.S.	GB-0156-D01	11/3/08	1	District - Newark	3/6/13	\$1,349,639	\$0		\$-60,819			\$1,288,820	-4.50%	\$1,349,639	-4.50%
Passaic City	ECC Leonard Place & Madison St	GP-0047-L07	9/1/04	58	Carella, Byrne, Cecchi, Olstein, Brody & Agnello	3/5/13	\$1,443,843	\$649,358		\$3,060			\$2,096,261	45.18%	\$1,443,843	45.18%
Newark	West Side H.S.	NE-0070-L22	4/8/10	104	Public Service Electric and Gas Company	3/18/13	\$22	\$8,195		\$166			\$8,383	38,780.10	\$22	38780.10%
Paramus	Paramus H.S.	G5-1350-D01	11/7/03	1	District - Paramus	3/1/13	\$346,067	\$0		\$-79,111			\$266,956	-22.85%	\$346,067	-22.85%
Paramus	Paramus H.S.	G5-3745-D01	10/21/11	1	District - Paramus	3/19/13	\$311,060	\$0		\$-24,660			\$286,400	-7.92%	\$311,060	-7.92%
Passaic County Manchester Regional	Manchester Regional H.S.	G5-3094-D01	6/15/10	1	District - Passaic County Manchester Regional	3/1/13	\$235,342	\$0		\$-120,957			\$114,385	-51.39%	\$235,342	-51.39%
Passaic County Manchester Regional	Manchester Regional H.S.	G5-4062-D01	6/15/10	2	District - Passaic County Manchester Regional	3/1/13	\$269,917	\$-50,659		\$286			\$219,545	-18.66%	\$269,917	-18.66%
Passaic County Manchester Regional	Manchester Regional H.S.	G5-4063-D01	6/15/10	2	District - Passaic County Manchester Regional	3/1/13	\$115,679	\$-21,711		\$-798			\$93,170	-19.45%	\$115,679	-19.45%

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Paterson	Marshall Street Elementary School	GP-0003-R07	10/29/07	1	Treasurer, State of NJ	3/12/13	\$13,000	\$0		\$2,500			\$15,500	19.23%	\$13,000	19.23%
Paterson	Marshall Street Elementary School	PA-0006-R01	4/24/09	1	Hudson Essex & Passaic Soil Conservation District	3/21/13	\$1,800	\$0		\$1,825			\$3,625	101.38%	\$1,800	101.38%
Paterson	New International High School Academy	PA-0008-R04	3/1/09	25	Paterson Public Schools	3/12/13	\$177,221	\$210,505		\$12,991			\$400,717	126.11%	\$177,221	126.11%
Pittsgrove Township	Pittsgrove Twp. M.S.	G5-2407-D01	2/8/05	1	District - Pittsgrove Township	3/26/13	\$374,712	\$0		\$-18,367			\$356,345	-4.90%	\$374,712	-4.90%
Salem City	Pemberton ECC #1	GP-0084-G01	8/10/10	7	TCU Sales	3/7/13	\$0	\$-20,500		\$-1,000			\$-21,500	0.00%	\$0	NA
Trenton	Martin Luther King/Jefferson School	GP-0105-R01	5/20/08	5	First Environment, Inc.	3/13/13	\$113,566	\$28,623		\$345			\$142,533	25.50%	\$113,566	25.50%
Trenton	Martin Luther King/Jefferson School		5/20/08	6	First Environment, Inc.	3/13/13	\$113,566	\$28,968		\$1,080			\$143,613	26.45%	\$113,566	26.45%
Trenton	Martin Luther King/Jefferson School		5/20/08	7	First Environment, Inc.	3/28/13	\$113,566	\$30,048		\$903			\$144,516	27.25%	\$113,566	27.25%
Trenton	Roebbling School	WT-0008-L06	2/3/04	134	Public Service Electric and Gas Company	3/25/13	\$30,574	\$17,118		\$99			\$47,790	56.31%	\$30,574	56.31%
Trenton	Martin Luther King/Jefferson School	WT-0011-R05	12/1/06	6	Gibbons P.C.	3/5/13	\$359,274	\$63,285		\$10,016			\$432,575	20.40%	\$359,274	20.40%
Trenton	Martin Luther King/Jefferson School		12/1/06	7	Gibbons P.C.	3/18/13	\$359,274	\$73,301		\$10,433			\$443,007	23.30%	\$359,274	23.30%
Trenton	Martin Luther King/Jefferson School		12/1/06	8	Gibbons P.C.	3/18/13	\$359,274	\$83,734		\$10,019			\$453,026	26.09%	\$359,274	26.09%
Winslow Township	Winslow Township School No. 5 E.S.	GO-0034-D01	3/12/03	1	District - Winslow Township	3/1/13	\$232,267	\$0		\$-12,992			\$219,275	-5.59%	\$232,267	-5.59%
Others																
Professional Services										-\$293,093						

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Construction Services																
Contractor																
Elizabeth	Number 21, Victor Mravlag E.S.	EL-0016-C03	11/16/06	124	Ernest Bock & Sons, Inc.	3/21/13	\$20,587,000	\$7,726,408	12/17/12	\$19,338	Yes	2/6/13	\$28,332,746	37.62%	\$20,587,000	0.09%
Elizabeth	Number 21, Victor Mravlag E.S.		11/16/06	122	Ernest Bock & Sons, Inc.	3/27/13	\$20,587,000	\$7,721,831	12/17/12	\$3,311			\$28,312,142	37.52%	\$20,587,000	0.01%
Elizabeth	Number 21, Victor Mravlag E.S.		11/16/06	123	Ernest Bock & Sons, Inc.	3/27/13	\$20,587,000	\$7,725,142	12/17/12	\$1,266			\$28,313,408	37.53%	\$20,587,000	0.02%
Harrison	Harrison H.S. Lincoln No. 3 E.S. Washington No. 1 M.S.	HS-0003-C03	3/28/02	3	J. Murphy Roofing & Sheet Metal, Inc.	3/25/13	\$1,182,200	\$-39,055		\$-1,143			\$1,142,002	-3.40%	\$1,143,145	-0.09%
Long Branch	George L. Catrambone E.S. (formerly Elberon)	ET-0068-C01	8/22/12	8	Terminal Construction Corp.	3/25/13	\$27,500,000	\$30,288		\$-43,912			\$27,486,376	-0.04%	\$27,500,000	-0.04%
Plainfield	Emerson E.S.	ET-0049-C02	5/10/06	75	TAK Construction, Inc.	3/15/13	\$15,074,000	\$1,942,389	5/5/08	\$90,553	Yes	2/6/13	\$17,106,942	13.48%	\$15,074,000	1.95%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)	HU-0012-C01	9/25/09	87	Chanree Construction Co Inc	3/11/13	\$25,276,828	\$1,375,490		\$-224,000			\$26,428,318	4.55%	\$25,276,828	4.58%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	88	Chanree Construction Co Inc	3/11/13	\$25,276,828	\$1,151,490		\$-25,961			\$26,402,357	4.45%	\$25,276,828	4.47%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	97	Chanree Construction Co Inc	3/11/13	\$25,276,828	\$1,381,700		\$6,335			\$26,664,863	5.49%	\$25,276,828	4.50%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	98	Chanree Construction Co Inc	3/11/13	\$25,276,828	\$1,388,035		\$-12,545			\$26,652,318	5.44%	\$25,276,828	4.45%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	99	Chanree Construction Co Inc	3/22/13	\$25,276,828	\$1,125,529		\$2,200,000	Yes	1/3/13	\$28,602,357	13.15%	\$25,276,828	13.15%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)		9/25/09	55	Chanree Construction Co Inc	3/28/13	\$25,276,828	\$3,325,529		\$6,199			\$28,608,557	13.18%	\$25,276,828	0.02%
Contractor																
										\$2,019,441						
Construction Services																

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 3/1/13 through 3/31/13

Total Change Order Summary

Total Change Orders

Grand Totals

\$1,726,348

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Column Description Legend

CO Execution Date	Date the Change Order was entered into the SIMS system
Revised Contract Amount	Current value of the contract (excluding additional assignments) including current change order
Cumulative CO %	Cumulative percentage change in contract value (excluding additional assignments) over the original contract award amount
RBC Value	Revised Basis Contract Value – This value is the Original Award amount for contracts executed after July 27, 2005 or contracts for which board approval has been required after July 27, 2005. Otherwise, this value is the contract value as of July 27, 2005.
Cumulative % since last Board Approval	Cumulative percentage change in contract value since either the later of July 27, 2005 or last board action date over the RBC Value. If the current change order received approval prior to July 27, 2005 this value is not applicable.

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CONTRACT TERMINATIONS REPORT

(no activity)

SETTLEMENT CLAIMS

Settled Claims Log

Contract #	School Name	Claimant	Type of Claim	Settlement Date	Claim Amount (Per SDA Form 505)	Settlement
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #56 Snow Melt Sys at ADA Ramp	1/2/2013	\$4,321.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #67 Alumunim Window Storage Costs	1/2/2013	\$22,058.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #30 - Hollow Metal Door Damage	1/2/2013	\$5,447.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #28 Diaper Changing Station	1/2/2013	\$10,375.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #33 Playground Sidewalk	1/2/2013	\$22,934.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #79 Temporary Heat 12/10/10-2/4/11	1/2/2013	\$23,275.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	Non-potable Water	1/2/2013	\$786,579.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR#21 Access Road Costs/Weather Delay	1/2/2013	\$53,702.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	15 Day Time Extension Request/Fire Safing	1/2/2013	\$50,441.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	2 Day Time Delay/3rd Party Inspection Delay	1/2/2013	\$7,156.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #89 and #95 Temp Heat 2/5/11-4/1/11	1/2/2013	\$8,966.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #58 Masonry Changes	1/2/2013	\$5,981.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #68 Stud and HM Frames	1/2/2013	\$3,635.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #94R2 Canopy Flat roof Framing	1/2/2013	\$4,161.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #114 Concrete Pad	1/2/2013	\$7,614.00	\$0.00
WT-0001-C01	Pemberton ECC #1	Tamburro Bros.	COR #60 Elec & Plumbing at Pump House	1/2/2013	\$28,035.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #36 Addl Tube Steel at Block A	1/2/2013	\$6,043.94	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR 45R1 Fire sys Backflow Preventer	1/2/2013	\$5,375.67	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #47R Addl Elec Work	1/2/2013	\$2,936.60	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #75 Conflict of Floor Truss/Location	1/2/2013	\$4,509.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #40 Circuit Breaker Changes	1/2/2013	\$1,410.15	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #82R3 1 Day Security/Pwr Outage	1/2/2013	\$4,707.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #83 HVAC Modifications	1/2/2013	\$7,925.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #90 & #103 Truss X-Bracing	1/2/2013	\$34,121.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #91 Review of Addenda	1/2/2013	\$3,274.82	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #97 Wireless Microphone	1/2/2013	\$482.54	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #105 Acit Waste Tank Cover	1/2/2013	\$2,119.82	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #109 Soffit/Chase Wall at Ductwall	1/2/2013	\$2,674.25	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #110 Steel Angle/Gypsum Wallboard	1/2/2013	\$1,329.15	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR 111R1 Reconstruct Elevator Shaft	1/2/2013	\$4,133.52	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #129 Angle Add at Outrigging Block	1/2/2013	\$1,773.90	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #125, #139, #140 Roof/Refrg Comp.	1/2/2013	\$14,376.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #145 Changed Porcelain Tile	1/2/2013	\$1,113.69	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #142 Generator Start-up	1/2/2013	\$4,147.88	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #100 Dehumidification Caf/Gym	1/2/2013	\$12,681.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #144 Ext Const Delay Costs	1/2/2013	\$38,808.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #132 Relocate Gym Lights	1/2/2013	\$1,736.52	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	COR #136 Fireproofing at Ceiling of Elevator	1/2/2013	\$3,637.67	\$0.00

Settled Claims Log

Contract #	School Name	Claimant	Type of Claim	Settlement Date	Claim Amount (Per SDA Form 505)	Settlement
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	Extended General Conditions	1/2/2013	\$250,936.00	\$0.00
ET-0097-C01	Egg Harbor City MS	Tamburro Bros.	Relocate Card Readers	1/2/2013	\$3,966.00	\$0.00
NT-0032-C01	4 Clark Public	D&K Construction	Delay Claim	1/2/2013	\$1,908,972.00	\$192,826.27
ES-0024-C01	Central ES	Occidental Const	Extended General Conditions	1/2/2013	\$444,808.00	\$54,626.14
PA-0019-N01	Paterson PS #24	D&K Construction	Added Excavation/Backfill	1/2/2013	\$24,644.00	\$20,201.00
PA-0019-N01	Paterson PS #24	D&K Construction	Utility Pole Relocation	1/2/2013	\$7,308.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Existing Soil Piles Obstruction	1/2/2013	\$396,235.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - open Excavations	1/2/2013	\$177,419.00	\$35,736.82
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Basement Shoring	1/2/2013	\$610,243.00	\$106,111.75
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Underground Storage Tanks	1/2/2013	\$13,869.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Out of Sequence Work	1/2/2013	\$514,515.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - NJDCA Stop Work Order	1/2/2013	\$141,935.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Revised Structural Dwgs/ACC Block	1/2/2013	\$171,505.00	\$241,222.86
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Concrete Bonding	1/2/2013	\$247,727.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - PSE&G Request for 3 Phase Power	1/2/2013	\$419,891.00	\$153,406.86
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - NJDCA Req. to Protect Beams	1/2/2013	\$473,117.00	\$156,348.60
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - A/E Rejection of Bellows	1/2/2013	\$319,354.00	\$165,282.80
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - PSE&G's Gas Start-up	1/2/2013	\$70,968.00	\$53,605.23
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Issuance of ATC Panels Pwr CO	1/2/2013	\$301,612.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - Install of 3 Story Metal Stud Wall	1/2/2013	\$230,644.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Delay/Addl Costs - Revised Backstop Dwgs	1/2/2013	\$632,438.00	\$69,409.90
ES-0018-C02	East Orange ES #5	D&K Construction	Delay - NJSDA Building Approval	1/2/2013	\$88,709.00	\$0.00
ES-0018-C02	East Orange ES #5	D&K Construction	Added Structural Steel	1/2/2013	\$88,120.00	\$66,000.00
HU-0012-C01	Columbus ES #3	Chanree Construction	Add'l Rock Removal Costs	3/20/2013	\$3,713,633.00	\$2,200,000.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Added Full Time Safety Officer	3/27/2013	\$245,001.00	\$105,000.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Added Base Cabinets Cost	3/27/2013	\$1,058.00	\$0.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Ceiling Rework per DCA Inspection	3/27/2013	\$1,418.00	\$0.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Add Scope Material Handling	3/27/2013	\$2,938.00	\$0.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	PSE&G Extended Costs	3/27/2013	\$154,413.00	\$73,329.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Added Hardware	3/27/2013	\$766.00	\$383.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	DCA Document Changes	3/27/2013	\$1,976.00	\$971.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Unload Redistribute/Add Material	3/27/2013	\$7,073.00	\$5,604.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Added Soffit Installation Costs	3/27/2013	\$660.00	\$0.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	Underground Storm Pipe Work	3/27/2013	\$4,456.00	\$0.00
NT-0019-C01	Main Avenue ES	Ernest Bock & Sons	T&M per DCA Inspection	3/27/2013	\$1,955.00	\$0.00
			TOTAL FOR MARCH, 2013		\$12,878,279.12	\$3,700,065.23

CONTRACTOR AND WORKFORCE COMPLIANCE REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds /s/ Karon Simmonds
Director Risk Management and Vendor Services
Office of the Chief Financial Officer

DATE: May 1, 2013

SUBJECT: Contractor and Workforce Compliance Monthly Update for February, 2013

SMALL BUSINESS ENTERPRISE (SBE) COMPLIANCE REVIEW

Project Approvals:

Two emergent construction projects were verified to be compliant with SBE requirements by the Contractor Compliance Coordinator.

Vendor Services staff continues to participate at mandatory pre-bid and pre-construction meetings to instruct and inform bidders regarding SDA's SBE goals, policies and procedures, including:

- Small Business Enterprise subcontracting goal of 25% of all contracts
- County workforce goals for minorities and females
- Detailed process procedures to monitor and track the progress made toward these goals throughout the life cycle of each project

At these meetings, general contractors are strongly encouraged to identify and hire minority-owned and women-owned firms, as well as locally-based enterprises, for diverse business participation on all school building projects. Additional outreach strategies are discussed and utilized.

SMALL BUSINESS ENTERPRISE (SBE) COMPLIANCE MONITORING

The SDA regularly exceeds the State-mandated 25% SBE goal. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total SDA contract dollars awarded from January 1 through February 28, 2013 was \$901,626.00.

- The total contract dollars awarded to all SBE contractors (January 1 through February 28, 2013), was \$705,000.00 (including minorities and women). This represents 78.19% of all SDA contracts.

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 May 1, 2013
 Page 2 of 3

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$705,000.00	78.19%
Small/ Minority Business Enterprises	\$-0-	0.00%
Small/Women Business Enterprises	\$-0-	0.00%
Small/Minority/Women Business Enterprises	\$-0-	0.00%
TOTAL SBE CONTRACTS	\$705,000.00	78.19%

WORKFORCE COMPLIANCE MONITORING

For the month of February, 2013 there was a contractor workforce of 171 on SDA projects. This represents a total of 11,838 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	16	1,360	11.49%
Hispanic	35	1,602	13.53%
American Indian	0	0	0.00%
Asian	0	0	0.00%
Total Minority Participation	51	2,962	25.02%
Total Non-Minority Participation	120	8,876	74.98%

There was a contractor workforce of 24,237 total workforce hours and 311 total female workforce hours on SDA projects for the period of January 1, 2013 through February 28, 2013. The following table highlights the Local County contractor workforce participation for that period:

Local County Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	24,548	100.00%
*Total Local County Workforce Hours	3,771	15.36%
Total Local County Non-Minority Workforce Hours	3,256	13.26%
Total Local County Female Workforce Hours	0	0.00%
Total Local County Minority Workforce Hours	611	2.49%
**Local County Workforce Hours by Ethnicity:		
Black	397	1.62%
Hispanic	214	0.87%
America Indian	0	0.00%
Asian	0	0.00%

*Total workforce and total local county workforce represent all laborers including females

**Minority breakdown represents Black, Hispanic, American Indian, and Asian laborers. Minority female laborers are captured as female laborers only and are not included in the minority breakdown.

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 May 1, 2013
 Page 3 of 3

The following table represents contractor and female workforce for all SDA active capital projects and all active and completed emergent projects for the period of January 1, 2012 through February 28, 2013.

SDA Managed Project	Total Workforce Hours	Local County Workforce Hours & Percentage	
		Hours	Percentage
Elizabeth, Victor Mravlag E.S.	5727	14	0.24%
Elizabeth, New Academic H.S.	0	0	0.00%
Union City, Columbus E.S.	0	0	0.00%
Passaic, New Henry Street E.S.	0	0	0.00%
West New York, Number 3 E.S.	1,201	0	0.00%
New Brunswick, New Redshaw ES	300	0	0.00%
Long Branch, Catrambone ES	9,208	3,074	33.38%
All Emergent Projects (YTD)	5564	56	1.01%
Totals	22,000	3,144	14.29%

Prepared by: Lorena Young, Contractor Compliance Analyst
 Nicholas Torrens, Vendor Analyst

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: May 1, 2013

SUBJECT: Regular Operating District Grant Activity Report
(For Informational Purposes Only)

This report summarizes the Regular Operating District Grant activity from inception to date and for the month of March 2013. Also included is a detailed list of grants executed and grants offered during the reporting period.

Monthly Update:

- No grants were offered during the reporting period.
- 7 grants impacting 3 districts were executed during the reporting period representing \$2.9M in total project costs and state share of \$1.1M.
- 20 grants impacting 16 districts were closed out during the reporting period representing \$41.2M in total project costs and state share of \$12.7M.
- Since inception, over \$2.3B has been disbursed to over 500 regular operating districts through the grant program.
- Since inception \$2.8B in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.



Monthly Regular Operating District Grant Report - Summary

March 2013

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	147	506	477	222
Number of Grant Projects	500	3,956	3,051	905
Total Project Cost Estimate	\$ 679,379,009	\$ 8,060,642,059	\$ 6,380,762,059	\$ 1,679,879,999
Grant Amount	\$ 233,342,214	\$ 2,613,307,069	\$ 2,023,277,015	\$ 590,030,054
Amount Disbursed	N/A	\$ 2,319,259,091	\$ 2,023,277,015	\$ 295,982,076

Total Funding Offered to School Districts via Grant Program	\$ 2,846,649,282
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Total ROD Grant Funding remaining for new Grant Projects	\$ 348,816,528
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1. Includes grants that have been offered to District's but have not yet been executed.

ROD Grant Summary - March 2013		
	Executed	Closed-Out
Districts Impacted	3	16
Number of Grant Projects	7	20
Total Project Cost Estimate	\$ 2,859,927	\$ 41,197,250
Grant Amount	\$ 1,143,970	\$ 12,704,385
Amount Disbursed	NA	\$ 12,704,385

* Report is inclusive of all Regular Operating Districts grants (including vocational school districts)

** Total Project Cost Estimate and Grant Amount may be adjusted as the projects advance. Grant Amount is capped at the value approved in the DOE Final Eligible Cost Approval.

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Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

March 2013

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Essex	Fairfield Township	Adlai E. Stevenson E.S.	\$ 188,300	\$ 75,320	Renovate existing toilet rooms off of corridors
Essex	Fairfield Township	Winston Churchill E.S.	\$ 183,863	\$ 73,545	Remove and replace existing windows and glass block above the windows and replace with a full window
Essex	Fairfield Township	Winston Churchill E.S.	\$ 176,750	\$ 70,700	Renovate existing toilet rooms off of corridor
Middlesex	Cranbury Township	Cranbury E.S.	\$ 617,769	\$ 247,108	Repair parking lot and install new curbs
Middlesex	Cranbury Township	Cranbury E.S.	\$ 163,651	\$ 65,460	Casework and electrical upgrades
Morris	Montville Township	Hilldale Elementary School	\$ 742,381	\$ 296,952	Roof replacement.
Morris	Montville Township	Robert R. Lazar Middle School	\$ 787,213	\$ 314,885	Roof replacement.
Grand Total		Grants Executed - 7	\$ 2,859,927	\$ 1,143,970	

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NOTIFICATION OF AMENDMENTS TO GOODS AND SERVICES CONTRACTS NOT EXCEEDING \$250,000

(no activity)

COMMUNICATIONS MONTHLY REPORT



MEMORANDUM

TO: Members of the Authority

FROM: /s/ Kristen MacLean, Director of Communications

DATE: May 1, 2013

SUBJECT: Monthly Communications Report

17 Firms Graduate From SDA's In-House SMWBE Contractor Training Program



The SMWBE Contractor Training Program culminated with a Graduation Ceremony and Networking Event held at the SDA's headquarters April 16. Seventeen small, minority and women-owned business enterprises headquartered throughout the State of New Jersey successfully completed this session of the SDA sponsored program.

The SMWBE Contractor Training Program is designed to provide small, minority and women-owned business enterprises in New Jersey with valuable knowledge on how to do business with the SDA and provide these firms with the tools necessary to successfully compete for SDA construction projects. The program is comprised of eight weeks of seminars taught by SDA personnel and industry professionals. To date, 45 firms have successfully completed the SDA's SMWBE Contractor Training Program.

The 17 graduating firms were:

- Advanced Engineering Group, LLC of Princeton, Mercer
- Alimi Builders, Inc. of Wyckoff, Bergen
- Asphalt Restoration Enterprises, LLC of Tinton Falls, Monmouth
- BABS Engineering, PC of Union, Union
- CMI Architecture & Interior Design of Colonia, Middlesex
- Garden State Commercial Services, LLC of Rahway, Union
- Integrated Asset Management Services, LLC of Lumberton, Burlington
- JEM Contracting, LLC of Lakewood, Ocean
- Kapris, Inc. of Edison, Middlesex

Members of the Authority
Communications Report
May 1, 2013
Page 2 of 2

- Lusotech, LLC of Newark, Essex
- Mardel Electrical Contractor, LLC of Montvale, Bergen
- MFS Consulting Engineers, LLC of South Plainfield, Middlesex
- North Star Construction of Newark, Essex
- Rahbari Geotechnical Engineering of Camden, Camden
- Rock Solid Construction of Newark, Essex
- Tripoint Construction & Mechanical, LLC of Cherry Hill, Camden
- Wolfe Painting, Inc. of Millville, Cumberland

SDA Releases 2012 Annual Report

In compliance with Executive Order 37 (Corzine), the SDA submitted its Annual Report to the Governor's Authorities Unit and placed it on the SDA website on April 22, 2013, following the expiration of the gubernatorial veto period. The report discusses significant actions taken by the Authority in 2012 and includes the Board-approved SDA Financial Statements.

SDA Presents at Association of Government Accountants

On April 26, SDA staff presented at the Association of Government Accountants – Trenton Chapter Annual Symposium to provide an overview of the SDA's program and its auditing practices.

SDA Highlights Recent Project Activity

The SDA issued press releases throughout the month of April to highlight recent project advancement. A press release announced issuance of the Notice to Proceed (NTP) for the Newark (Essex County) Oliver Street Elementary School Design-Build project. The SDA also issued a press release highlighting the delegation to their local district of two emergent projects in Plainfield (Union County).

The SDA has also continued executing state grants across New Jersey through its Regular Operating District (ROD) grant program, furthering the Governor's commitment to providing the state's children with modern and efficient schools. In April, the SDA distributed press releases for grants executed in Fairfield Township (Cumberland County) and Montville Township (Morris County).

Report Prepared by: Edye Maier

MONTHLY FINANCIAL REPORT



1 WEST STATE STREET
P.O. BOX 991
MANTON, NJ 08625-0991
609-943-5955

MEMORANDUM

TO: The Members of the Authority

FROM: Sherman E. Cole, CPA /s/ Sherman E. Cole
Controller

DATE: May 1, 2013

SUBJECT: Monthly Financial Report – March 2013

The Office of the Chief Financial Officer is providing the attached monthly financial report to the Members of the Authority for their information. Included on pages 1 and 2 of this report is a “Financial Summary” of the Authority’s activities for the year. On pages 3 and 4 of the report is a summary of the Authority’s operating expenditures and headcount information. Page 3A contains an itemized breakdown of personnel costs that have been allocated to school facilities project costs from program general and administrative (“Operating”) expense. The basic financial statements and cash flow report follow.

Authority Operating Expenses “before” Allocation of Employee Costs to Project Costs (Actual vs. Budget)

For March 2013 year to date, Authority operating expenses, **\$9.7 million**, are **down \$1.3M** as compared to the budget for the corresponding period. The deviation of actual expenses versus budget is mainly due to:

- Personnel expenses (i.e., full-time and temporary employee salaries and benefits, business travel, automobile, parking and training and professional development expenses) are under budget (**\$901K**) due mainly to the Authority having 15 less FTEs.
- MIS spending is under budget (**\$240K**) due to timing differences for the Long Range Facility Plan Database project and hardware purchases.

Members of the Authority
May 1, 2013
Page 2

Authority Operating Expenses “before” Allocation of Employee Costs to Project Costs (Actual vs. Prior Year)

For March 2013 year to date, Authority operating expenses, **\$9.7 million**, are **down \$866K** as compared to the corresponding prior year. The decrease in expenses year-over-year is due to:

- Personnel expenses are lower **\$825K** than the prior year due mainly to the Authority having 8 less FTEs.

School Facilities Project Expenditures “after” Allocation of Employee Costs to Project Costs

For March 2013 year to date, project expenditures, **\$35 million**, are **down \$3.8M** as compared to corresponding prior year; and **down \$26.1M** in comparison to the 2013 capital spending forecast. The year-over-year variance is attributable to a decrease in grant activity **\$13.1M**, offset by increases in construction (**\$5.7M**), and personnel expenses allocated to school facilities project costs (this is the first year) from Operating expense (**\$3.6M**).

Other

Since program inception, 66.5% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception 96% of all SDA disbursements relate to school facilities projects and 4% relate to Operating expense.

The *estimated value* of active school facilities projects is approximately \$2.2B.

Attachment



**New Jersey Schools Development Authority
Monthly Financial Report**

March 2013

(Unaudited)



New Jersey Schools Development Authority
 Financial Summary
 March 31, 2013

To: The Audit Committee

From: Sherman E. Cole, Controller

The following unaudited financial statements (pages 5 & 6) and supplementary information is presented as of, and for the year-to-date ending, March 31, 2013.

Selected Financial Information:

► Overall **Cash and Cash Equivalents** has decreased by \$41 million to \$474 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ -
■ Investment earnings	84,442
■ Miscellaneous revenue	41,573
■ Project costs	(35,299,278)
■ SDA operating expenses	(5,209,937)
■ SDA capital expenditures	-
■ Deposits (primarily district local shares)	(377,235)
Net Change in Cash	<u>\$ (40,760,435)</u>

► **Prepaid Expenses** total \$632,351 as follows:

- Prepaid insurance of \$398,772.
- Prepaid rents of \$159,284 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$45,244.
- Prepaid security deposits of \$10,937 for the Authority's leased swing space.
- Other prepaids of \$18,114.

► **Capital Assets** total \$.5 million (net of accumulated depreciation of \$13.4 million), consisting of leasehold improvements (SDA offices), capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$0 and **Depreciation Expense** is \$181,619.

► **Accrued Liabilities** total \$119.2 million, as follows:

- Accrued project costs of \$22.3 million consisting of unpaid invoices (\$14.7 million); retainage (\$7.6 million).
- Pollution remediation obligations (PRO) under GASB 49 net to \$34.8 million (PRO liability \$36.6 million, offset by expected cost recoveries of \$1.8 million).
- Estimated liability for loss contingencies totaling \$48.4 million (contractor claims \$48.4 million).
- Payroll related liabilities of \$1.4 million.
- Post-employment benefits obligation of \$12.2 million.
- Other accrued liabilities of \$.1 million.

► **Deposits** total \$9.5 million, as follows:

- \$9.5 million is held for local share agreements (pass-through item).

(Continued on Next Page)



New Jersey Schools Development Authority
Financial Summary
March 31, 2013

Financial Summary (Continued)

School Construction Highlights:

► **Bond Proceeds & School Facilities Project Disbursements**

- During the current year to date, the SDA has received \$0 bond and note proceeds. The total amount of proceeds received from program inception is \$9.020 billion.
- Project disbursements for the month and year-to-date periods total \$9.4 million and \$35.3 million, respectively, as follows:

<u>Category</u>	<u>Month</u>	<u>Year-To-Date</u>	<u>From Inception</u>
■ Construction	\$ 4,099,888	\$ 13,529,970	\$ 3,773,822,389
■ Design Services	385,338	976,882	398,396,958
■ PMF/CM Services	88,345	354,785	425,075,933
■ SDA Project Management	1,386,063	3,603,767	3,603,767
■ Property Acquisition, Relocation & Environmental	204,039	892,819	528,263,140
■ School Furniture, Fixtures & Equipment	2,482	97,376	98,227,923
■ Project Insurance	-	174,925	95,917,062
■ NJ State Inter-Agency Transfers	84,713	84,713	45,153,337
■ SDA District Grant & Funding Agreements	925,862	1,175,814	785,010,060
■ Regular Operating District Grant Agreements	1,625,812	13,758,253	2,328,191,360
■ Property Management, Maintenance & Utilities	75,187	216,502	11,935,959
■ Legal & Claims Resolution Services	175,262	189,264	2,923,964
■ Other Project Costs	34,046	159,388	52,928,784
■ Project Credits	334,000	334,000	(39,825,852)
Total Project Expenditures	9,421,037	35,548,458	8,509,624,784
■ Less: Local Share Disbursements	-	(249,180)	(173,841,773)
Project Expenditures (State Share)	<u>\$ 9,421,037</u>	<u>\$ 35,299,278</u>	<u>\$ 8,335,783,011</u>
■ Invoice Accruals at Month End (not included above)	\$ 14,692,791	\$ 14,692,791	

► **Program Funding & Disbursements Allocation** (From Inception)

	<u>Bonding Cap</u> ¹	<u>Available Funding</u> ²	<u>Paid to Date</u> ³	<u>% Paid to Date</u>
■ SDA Districts	\$ 8,900,000,000	\$ 9,006,830,758	\$ 5,987,161,348	66.5%
■ Regular Operating Districts	3,450,000,000	3,492,758,168	2,621,900,884	75.1%
■ Vocational Schools	150,000,000	151,708,465	98,136,526	64.7%
Totals - State Share	<u>\$ 12,500,000,000</u>	<u>\$ 12,651,297,391</u>	<u>\$ 8,707,198,758</u>	68.8%

► **Procurement Activity** (Current Year)

- 2 construction contracts have been awarded with an aggregate contract value of \$901,626.
- 19 task order design contracts were awarded on a year-to-date basis.
- 9 Section 15 Grant Agreements have been executed with an aggregate contract value of \$2,410,790 (State Share - Non-SDA Districts).
- 1 purchase order has been issued for school furniture & technology (i.e., computers & related equipment) purchases with an aggregate contract value of \$0.

1 Of the \$12.5 billion authorized for the school construction program, \$9,020,129,000 principal amount of bond and note proceeds have been received to date.

2 Includes bonding cap amounts as well as other income and miscellaneous revenue earned to date, consisting primarily of interest income on invested funds and State appropriations.

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$371,415,747.



New Jersey Schools Development Authority
Flash Operating Report
March 31, 2013

	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Prior Yr	Variance - Favorable/(Unfavorable)		Annual Budget
				Actual vs. YTD Budget	Actual vs. Prior Yr	
Authority Operating Expenses:						
Employee Salaries	\$ 4,340,905	\$ 4,843,929	\$ 4,686,930	\$ 503,024	\$ 346,025	\$ 19,375,713
Fringe Benefits	4,061,675	4,341,974	4,642,183	280,299	580,508	10,462,853
Direct Hire Temporary Employee Costs	100,664	181,659	-	80,995	(100,664)	780,463
Total Employee Salaries & Fringe Benefits	8,503,244	9,367,562	9,329,113	864,318	825,869	30,619,029
Less: Employee Salaries & Fringe Benefits Charged to Projects	<u>(3,603,767)</u>	<u>(4,158,189)</u>	<u>-</u>	<u>(554,422)</u>	<u>3,603,767</u>	<u>\$ (16,632,748)</u>
Operating Employee Salaries & Benefit Costs	4,899,477	5,209,373	9,329,113	309,896	4,429,636	13,986,281
Temporary Employees	2,061	24,999	-	22,938	(2,061)	100,000
Interagency Agreements	10,990	57,876	20,627	46,886	9,637	231,500
Other Contract & Professional Outside Services	77,617	133,075	54,535	55,458	(23,082)	440,520
Employee Expense Reimbursements	2,561	6,666	2,952	4,105	391	26,700
Training & Professional Development	10,953	16,138	5,749	5,185	(5,204)	65,492
Parking	11,880	13,125	12,240	1,245	360	52,500
Automobiles	16,203	19,500	15,761	3,297	(442)	78,000
Communications & Outreach	-	126	-	126	-	500
Management Information Systems	292,202	532,180	309,071	239,978	16,869	1,555,900
General Office & Facilities	819,088	845,412	860,415	26,324	41,327	3,361,492
Other General	2,340	6,777	4,524	4,437	2,184	27,100
Sub-Total	6,145,372	6,865,247	10,614,987	719,875	4,469,615	19,925,985
Reserve for Unforeseen Events & New Initiatives	-	18,750	-	18,750	-	75,000
SDA Capital Expenditures (Internal)	-	-	-	-	-	54,000
Total Authority Operating Expenses After Allocation of Employee Costs to Projects	\$ 6,145,372	\$ 6,883,997	\$ 10,614,987	\$ 738,625	\$ 4,469,615	\$ 20,054,985
Total Authority Operating Expenses Before Allocation of Employee Costs to Projects	\$ 9,749,139	\$ 11,042,186	\$ 10,614,987	\$ 1,293,047	\$ 865,848	\$ 36,687,733

(Continued on Next Page)



New Jersey Schools Development Authority
Flash Operating Report
March 31, 2013

7

Authority Project Management Expenses:	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Prior Yr	Variance - Favorable/(Unfavorable)		Annual Budget
				Actual vs. YTD Budget	Actual vs. Prior Yr	
Direct - Project Management Salaries & Benefits						
Design Studio - Employee Salaries	\$ 151,934	\$ 175,308	\$ -	\$ 23,374	\$ (151,934)	\$ 701,229
Design Studio - Employee Benefits	64,357	74,259	-	9,902	(64,357)	297,041
Design Studio - Direct Hire Temps	83,844	96,744	-	12,900	(83,844)	386,978
Field Staff - Employee Salaries	719,218	829,866	-	110,648	(719,218)	3,319,462
Field Staff - Employee Benefits	304,661	351,531	-	46,870	(304,661)	1,406,124
Field Staff - Direct Hire Temps	47,911	55,281	-	7,370	(47,911)	221,129
Support Staff - Employee Salaries	432,822	499,410	-	66,588	(432,822)	1,997,630
Support Staff - Employee Benefits	183,342	211,548	-	28,206	(183,342)	846,196
Total Direct Project Management Salaries & Benefits	1,988,089	2,293,947	-	305,858	(1,988,089)	9,175,789
Indirect - Project Management Salaries & Benefits						
Unallocated - Employee Salaries	1,133,034	1,307,346	-	174,312	(1,133,034)	5,229,363
Unallocated - Employee Benefits	482,644	556,896	-	74,252	(482,644)	2,227,596
Total Indirect Project Management Salaries & Benefits	1,615,678	1,864,242	-	248,564	(1,615,678)	7,456,959
Total Authority Project Management Expenses	\$ 3,603,767	\$ 4,158,189	\$ -	\$ 554,422	\$ (3,603,767)	\$ 16,632,748



New Jersey Schools Development Authority
Flash Operating Report
March 31, 2013

Flash Operating Report (Continued)

SDA Headcount by Division/Unit	<u>Current Month</u>	<u>EOY Budget</u>	<u>Variance</u>
Office of Chief Executive Officer (CEO)	3	3	-
COS, Program Assessment & Development	6	8	2
COS, Special Projects	9	11	2
Program Operations, Program Operations Management	5	6	1
Program Operations, Capital Planning & Grants Admin.	23	25	2
Program Operations, Safety	9	10	1
Program Operations, Project Teams	74	80	6
Corp Governance & Operations, Management	3	3	-
Corporate Governance & Operations, Human Resources	8	8	-
Corporate Governance & Operations, Chief Counsel	13	14	1
Corporate Governance & Operations, MIS/Project Services	15	15	-
Corporate Governance & Operations, Facilities	6	6	-
Corporate Governance & Operations, Communications	10	10	-
Financial Operations, CFO Management	4	4	-
Financial Operations, Controller	14	12	(2)
Financial Operations, Contract Management	12	14	2
Financial Operations, Real Estate Services	6	6	-
Financial Operations, Procurement & Contract Services	9	9	-
Financial Operations, Risk Management & Vendor Services	12	12	-
Total Full-Time Employees	<u>241</u>	<u>256</u>	<u>15</u>
EOM Budget	<u>256</u>		



NJ SCHOOLS DEVELOPMENT AUTHORITY

New Jersey Schools Development Authority
 Statement of Net Position and General Fund Balance Sheet
 March 31, 2013

	General Fund		Statement of Net Position	
	<u>Total</u>	<u>Adjustments</u>	<u>Current Yr</u>	<u>Prior Yr End</u>
ASSETS				
Cash and Cash Equivalents	\$ 473,771,235		\$ 473,771,235	\$ 514,531,670
Receivables	165,004	\$ 558,297	723,301	1,109,650
Prepaid Expenses	632,351		632,351	749,536
Capital Assets (Net of Accumulated Depreciation of \$13,406,683)		463,599	463,599	645,218
Total Assets	\$ 474,568,590	\$ 1,021,896	\$ 475,590,486	\$ 517,036,074
LIABILITIES				
Accrued Project Costs	\$ 22,338,842	\$ 83,138,303	\$ 105,477,145	\$ 120,369,259
Accrued Other Post-Employment Benefits Obligation		12,157,128	12,157,128	11,635,026
Other Accrued Liabilities	546,367	1,061,136	1,607,503	1,646,194
Deposits	9,543,602		9,543,602	9,920,837
Total Liabilities	32,428,811	96,356,567	128,785,378	143,571,316
FUND BALANCE/NET POSITION				
Invested in Capital Assets		463,599	463,599	645,218
Nonspendable:				
Prepaid Expenses	632,351	(632,351)		
Restricted:				
Schools Construction Build America Bond Program	87,242,135		87,242,135	98,297,315
Schools Construction Special Revenue Fund	354,265,293	(95,165,919)	259,099,374	274,522,225
Total Fund Balance/Net Position (Deficit)	442,139,779	(95,334,671)	346,805,108	373,464,758
Total Liabilities and Fund Balance/Net Position	\$ 474,568,590	\$ 1,021,896	\$ 475,590,486	\$ 517,036,074



New Jersey Schools Development Authority
Statement of Activities and General Fund Revenues, Expenditures and Changes in Fund Balances
March 31, 2013 Year-To-Date

	General Fund <u>Total</u>	<u>Adjustments</u>	Statement of Activities	
			<u>Current Yr</u>	<u>Prior Yr</u>
Revenues				
Program Revenues:				
Bond and Note Proceeds (Issued by EDA)	\$ -		\$ -	\$ -
Bidding Fees-Plans & Specs	-		-	10,900
General Revenues:				
Investment Earnings	84,442		84,442	35,150
Rental Income	40,956		40,956	59,704
Other Revenue-OPRA	617		617	14,361
Total Revenues	<u>126,015</u>	<u>-</u>	<u>126,015</u>	<u>120,115</u>
Expenditures/Expenses				
Employee Salaries & Benefits	4,377,375	\$ 522,102	4,899,477	9,329,113
Administrative & General Expenses	1,245,895		1,245,895	1,285,874
Capital Expenditures	-		-	-
Capital Depreciation		181,619	181,619	228,291
School Facilities Project Costs	20,458,674		20,458,674	16,964,995
Total Expenditures/Expenses	<u>26,081,944</u>	<u>703,721</u>	<u>26,785,665</u>	<u>27,808,273</u>
Excess of Revenues Over Expenditures	(25,955,929)	(703,721)		
Change in Net Position			(26,659,650)	(27,688,158)
Fund Balance/Net Position (Deficit)				
Beginning of Year	468,095,708	(94,630,950)	373,464,758	178,906,698
End of Period	\$ <u>442,139,779</u>	\$ <u>(95,334,671)</u>	\$ <u>346,805,108</u>	\$ <u>151,218,540</u>



New Jersey Schools Development Authority
Summary of Cash Receipts & Disbursements
March 31, 2013

Cash Receipts - State Share

Cash Disbursements - State Share

Year	Principal Amount ¹ Bond Proceeds	Appropriations ² from State	Investment Earnings	Miscellaneous ³ Revenue	Project Costs	Operating Expenses	Gross Capital ⁴ Expenditures	Deposits ⁵	Totals
2000	-	\$1,510,975	\$5,013	-	-	\$639,406	\$1,150	-	\$875,432
2001	\$508,600,000	47,125,988	18,862,686	\$10	\$18,967,828	6,705,756	1,735,148	-	547,179,952
2002	629,400,000	(43,500,000)	9,991,010	221,897	460,970,915	11,318,973	1,440,184	\$11,453,239	133,836,074
2003	607,929,000	-	5,488,373	305,596	1,096,480,983	19,983,448	7,609,761	13,612,751	(496,738,472)
2004	1,700,000,000	-	8,098,130	356,167	1,289,801,167	28,882,347	844,489	6,299,119	395,225,413
2005	2,075,000,000	-	17,472,686	638,597	1,332,923,106	27,460,855	194,394	53,393,712	785,926,640
2006	600,000,000	-	39,701,591	446,994	1,069,330,378	30,483,062	349,158	(9,559,780)	(469,573,793)
2007	800,000,000	-	28,304,347	541,065	890,787,821	35,055,800	572,252	(24,223,201)	(121,793,662)
2008	450,000,000	-	13,584,070	837,796	880,936,507	39,760,922	940,178	12,538,723	(444,677,018)
2009	775,000,000	-	2,197,675	260,902	613,756,613	43,258,213	243,801	(40,375,956)	79,823,994
2010	499,200,000	-	(2,749,864)	171,035	282,888,651	41,612,847	82,769	(10,494,369)	161,542,535
2011	-	-	546,039	316,761	173,991,754	34,509,603	26,142	(1,490,714)	(209,155,413)
2012	375,000,000	-	204,840	230,997	189,648,010	32,441,010	54,142	(1,232,687)	152,059,988
2013	-	-	84,442	41,573	35,299,278	5,209,937	-	(377,235)	(40,760,435)
Totals	9,020,129,000	5,136,963	141,791,038	4,369,390	8,335,783,011	357,322,179	14,093,568	9,543,602	\$473,771,235
Cash & Cash Equivalents									\$473,771,235

1 Pursuant to the provisions of the Educational Facilities Construction and Financing Act (C.18A:7G-14a), as amended, the aggregate principal amount of bonds, notes or other obligations the EDA may issue to finance school facilities projects, and the costs related thereto, shall not exceed \$12.5 billion. This limitation excludes indebtedness incurred for refunding purposes.

2 Represents funds received prior to the first bond issuance by the EDA in 2001.

3 Consists of rental income and cash receipts for bidding fees and OPRA requests.

4 Consists of leasehold improvements (SDA offices), capitalized software, furniture, fixtures & equipment for SDA operations.

5 Consists of deposits held for Section 13(B) Local Share Agreements (\$9,543,602).

6 2010 Investment Earnings includes: 2009 New Brunswick legal settlement, \$144,736, and interest income \$1,299,176, offset by the Rebate Arbitrage payment of \$4,193,776



New Jersey Schools Development Authority
Interagency Agreements
March 31, 2013

<u>State of New Jersey Department / Agency</u>	<u>Service(s) Provided to SDA</u>	<u>Current Yr Payments</u>	<u>Payments from Inception through December 31, 2012</u>	<u>Total Payments</u>
<u>Included in Project Costs:</u>				
Department of Community Affairs	Provide code inspections, plan reviews and permits for schools.	\$ -	\$ 19,093,688	\$ 19,093,688
Department of Labor and Workforce Development	Provide training in construction trades to women and minorities pursuant to the Educational Facilities Construction & Financing Act (EFCFA). Also, provide enforcement of prevailing wage requirements on SDA projects.	-	10,541,812	10,541,812
Office of the Attorney General - Division of NJ State Police (services formerly provided by the Bureau of Fiscal Oversight and, prior to that, the Office of Government Integrity)	Perform prequalifying review and investigative services related to vendor integrity as required by the EFCFA.	82,213	5,344,888	5,427,101
Department of Education	Perform educational adequacy reviews for Abbott district schools.	-	3,276,059	3,276,059
New Jersey Institute of Technology	High Performance Schools guideline development and program implementation costs.	-	4,164,319	4,164,319
Rutgers University	Perform studies on the potential cost savings that could be realized through the use of standardized design elements, components, and construction materials. Also, includes fees paid to NJ Small Business Development Centers.	-	477,326	477,326
Department of Environmental Protection	Provide expedited environmental remediation review and support services.	2,500	1,635,105	1,637,605
Department of Transportation (terminated)	Provide relocation assistance services.	-	355,875	355,875
Other	Miscellaneous	-	179,552	179,552
Payments Included in Project Costs		<u>84,713</u>	<u>45,068,624</u>	<u>45,153,337</u>

(Continued on Next Page)



New Jersey Schools Development Authority
 Interagency Agreements
 March 31, 2013

Interagency Agreements (Continued)

<u>State of New Jersey Department / Agency</u>	<u>Service(s) Provided to SDA</u>	<u>Current Yr Payments</u>	<u>Payments from Inception through December 31, 2012</u>	<u>Total Payments</u>
<u>Included in Administrative & General:</u>				
Office of the Attorney General - Division of Law (TRE009)	Provide legal services and contract reviews. Also, provide legal support for environmental cost recoveries.	19,152	9,648,985	9,668,137
Governor's Authorities Unit	Annual assessment (not all years)	-	109,388	109,388
Office of the Inspector General (TRE030) (terminated in 2010)	Salaries & benefits for Assistant Inspector Generals assigned to SDA.	-	858,872	858,872
Rutgers University, Center for Organizational Development and Leadership (RUT009) (terminated)	Assist SDA in the development of a mission statement, vision statement and statement of values.	-	8,300	8,300
Department of Community Affairs (terminated)	Salaries & benefits for DCA employee assigned to SDA.	-	349,471	349,471
Payments Included in Administrative & General		<u>19,152</u>	<u>10,975,016</u>	<u>10,994,168</u>
Total Interagency Payments		<u>\$ 103,865</u>	<u>\$ 56,043,640</u>	<u>\$ 56,147,505</u>

PUBLIC COMMENT STATEMENT

We will now begin the Public Comment Portion of the Meeting consistent with the New Jersey Open Public Meetings Act.

We would ask that any member of the public who wishes to address the Board limit their comments to 3 minutes. If there are multiple individuals from the same organization or district who wish to address the Board on the same matter, we would ask that you come up together to offer your remarks.

Please keep in mind that public comment is to afford citizens the opportunity to comment on matters pertinent to the Authority's business. Should you seek answers to questions on any topic, please contact the Authority at 609-943-4585 at your convenience.