

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, DECEMBER 3, 2014 AT 9:00 A.M.
32 EAST FRONT STREET, TRENTON, N.J.
FRONT STREET BOARD ROOM**

AGENDA

- 1. NOTICE OF PUBLIC MEETING**
- 2. ROLL CALL**
- 3. APPROVAL OF MEETING MINUTES**
 - a. Board Open Session Meeting Minutes of November 5, 2014
 - b. Board Executive Session Meeting Minutes of November 5, 2014
- 4. AUTHORITY MATTERS**
 - a. CEO Report
 - b. Chairman's Report
- 5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
 - a. 2015 Operating Budget
 - b. Owner Controlled Insurance Program (OCIP III)
 - c. Owners Protective Professional Indemnity (OPPI)
- 6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)**
 - a. Irvington School District – New Madison Avenue Elementary School – Preliminary Project Charter
 - b. Newark – West Side HS – Site Improvements - Approval of Award
 - c. Furniture, Fixtures and Equipment Contract Extension (GP-0169)
- 7. REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE (CHAIRMAN'S REPORT) TO BE PROVIDED IN EXECUTIVE SESSION**

8. 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 (*no activity*)
 - 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
 - xii. Design Contract De-Obligations Report

9. PUBLIC COMMENTS

10. ADJOURNMENT

APPROVAL OF MEETING MINUTES

NOVEMBER 5, 2014 OPEN SESSION

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

WEDNESDAY, NOVEMBER 5, 2014

A meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA” or “the Authority”) was held on Wednesday, November 5, 2014 at 9:00 AM at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Maureen Hassett (NJEDA)
Matthew Murray (Treasury)
Bernard Piaia (NJDOE)
Kevin Egan
Loren Lemelle
Lester Lewis-Powder
Michael Maloney
Joseph McNamara
Robert Nixon
Mario Vargas

being a quorum of the Board. Mr. Egan, Ms. Hassett, Ms. Lemelle, Mr. Lewis-Powder, Mr. McNamara, Mr. Nixon, and Mr. Piaia participated in the meeting by telephone conference.

At the Chairman’s request, Charles McKenna, chief executive officer; Jason Ballard, chief of staff; Andrew Yosha, executive vice president; Jane Kelly, vice president & assistant secretary; Donald Guarriello, vice president and chief financial officer; Raymond Arcario, vice president; Albert Barnes, chief counsel; Terry Pollin, associate vice president; Ritchard Sherman, managing director; Gregory Voronov, managing director; Ritchard Sherman, managing director;

Corrado Minervini, program director; Aidita Milsted, program director; Jacob Moneta, director; Karon Simmonds, director; Cecelia Haney, senior counsel; and David Kutch, senior procurement analyst of the SDA, participated in the meeting. Michael Collins of the Governor's Authorities Unit also participated in the meeting.

The meeting was called to order by the Chairman of the Board, Mr. Walsh, who 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 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 presented for consideration and approval the Minutes of the October 1, 2014 Open and Executive Session meetings. A copy of the minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Ms. Hassett, the Open and Executive Session minutes of the October 1, 2014 meeting were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Exhibit 3a./3b*.

Authority Matters

CEO Report

Mr. Walsh asked Mr. McKenna for the report of the Chief Executive Officer. Mr. McKenna reported that the Authority received \$525 million of new bond money on Friday, October 17 which is the largest such sale since Governor Christie took office in 2010. He said this issuance is larger than the \$503 million sale in May 2010. Mr. McKenna reported that, to date, the state has nearly \$1.5 billion in bonds and notes to fund the school construction program

since Governor Christie took office. He also informed the Members that the state spent an average of \$17,266.00 per public elementary school student in 2012, which is the third largest amount among the states, according to the Census Bureau.

Next, Mr. McKenna provided the Members with an update regarding the Trenton Central High School (TCHS) project. He reported that district facilities staff is occupying the TCHS building at Chambers Street and will continue to do so until the end of October while final “move-out activities” are ongoing. He said that the SDA issued a Notice to Proceed (NTP) to Accent Fence, Inc. on September 23 and temporary construction fence installation work is ongoing to secure the existing school site. He advised the Members that the SDA issued a NTP to Wu Associates on September 17 to prepare storage space to warehouse materials and equipment that will be reutilized in the new high school, adding that the equipment is scheduled for delivery mid-November 2014. He noted that the site investigation and environmental review of the existing TCHS has been completed and that SDA has issued comments on the draft preliminary report. Next, Mr. McKenna reported that he and staff attended the October 14 district Board meeting at which time the Trenton Board of Education (TBOE) voted in favor of complete demolition of the existing building and construction of a new school. He advised the Members that, as part of the construction, TCHS will be provided with a new pool. He noted that structural engineers CB&I submitted draft abatement and demolition design documents on October 17 and advised that the next steps will consist of the final completion of demolition design, and submission to State Historic Preservation Office, Office of the State Comptroller and DCA. He said that a draft program for the new TCHS has been prepared and is under review by DOE. He added that the SDA has revised the concept plan for the project to incorporate the replacement swimming pool and this is being reviewed with the District toward finalization. Mr.

McKenna said that the SDA has proceeded with detailed programming interviews to support development of educational specifications.

Mr. McKenna then provided updates regarding other SDA projects currently underway. He provided the Members with current details regarding the Bridgeton Buckshutem Elementary School project. He said that footings, foundations and slabs are complete, masonry work is ongoing, and other portions of the building design are under review by the DCA. He reported that footings and foundations and underground utilities work (with the exception of electrical) is complete on the Bridgeton Quarter Mile Lane Elementary School which is nearing completion. He said that the underground storm water detention system is complete and remaining site drainage work continues.

In continuing, Mr. McKenna reported that all work by the major construction trades associated with the Elizabeth Academic High School project in the Elizabeth School District is on schedule and that the project is moving along well.

With regard to the Elizabeth New Elementary School project, Mr. McKenna reported that bids were received by the SDA on October 3 for design-build services. He noted that Torcon, Inc. is the apparent awardee. Mr. McKenna said that Patock Construction Company, Inc. (Patock) submitted a bid protest on October 14 and that SDA Counsel has reviewed the matter and a formal denial has been issued in response. He also noted that a problem had arisen with the Authority getting clear title in connection with this project, however, he reported that this issue has been resolved.

Mr. McKenna then reported that, with regard to the Garfield James Madison Elementary School No. 10 (demolition) project, asbestos abatement work continues and demolition of the existing structure is anticipated to begin early this month. He said that this will follow

completion of the demolition and removal of additional unforeseen asbestos material and a concrete sub-slab encountered during the abatement operations. He reported that the construction documents for the New James Madison School have been released by the DCA and advertisements for a general contractor (GC) and a construction manager (CM) are expected to be made early this month.

With regard to the Gloucester Elementary/Middle School project, Mr. McKenna reported that a limited construction NTP was issued to the design-builder for pre-construction activities and that the design phase has begun.

On the Jersey City PS No. 20 project, Mr. McKenna reported that building enclosure masonry work has begun and all other construction trades associated with the project are proceeding on schedule.

Next, Mr. McKenna provided the Committee with an update regarding the Jersey City Elementary School No. 3 project. He reported that a limited construction NTP was issued to the design-builder for pre-construction site activities. He said that the design phase is nearly complete, that footings & foundations and structural steel construction documents have been released by DCA, and construction is expected to begin early November.

With regard to the Keansburg Caruso Elementary School project, Mr. McKenna reported that the design-build project is in final design with packages for structural steel, and footings & foundations presently under review by DCA.

Next, Mr. McKenna reported that the Millville High School/Middle School project is nearing the end of the pre-design phase. He said that the bridging design consultant will issue a final pre-design report that outlines the recommendation of a preferred design scheme. He added

that the next phase is to negotiate with the bridging design consultant to provide the remainder of the bridging design services.

With regard to the Newark Elliott Street Elementary School project, Mr. McKenna reported that footings and foundations and structural steel erection work is complete. He said that concrete slab work is 90% complete and that masonry wall work, and mechanical/electrical rough-in work is ongoing. He noted that site drainage and detention work is also ongoing.

In continuing, Mr. McKenna informed the Members that foundation work is 95% complete on the Newark Oliver Street Elementary School project. He added that underground utility work is ongoing there and that steel erection continues.

Next, Mr. McKenna reported that early site package work continues on the Newark South Street Elementary School remediation project. He said that completion is targeted for December 2014. He added that, to date, more than 36,000 tons of replacement stone and backfill have been placed, and 3,600,000 gallons of contaminated water have been treated. Mr. McKenna emphasized that this is one of the largest environmental clean-ups currently ongoing in New Jersey. He noted that schematic design of the new school building is underway.

In continuing, Mr. McKenna reported that construction work is complete on the New Brunswick Redshaw Elementary School project and that the keys have been turned over to the District. He noted that "move in" is expected to proceed on November 12. He added that work in progress includes commissioning, final cleaning, furniture deliveries, site work, and playground equipment installation. Mr. McKenna said that program staff anticipates that DCA will be in a position to issue a CO by end of November. He advised the Board that a formal ribbon cutting event will be scheduled toward the end of November. Mr. McKenna added that the District is very pleased with their new school.

With regard to the Passaic Henry Street Elementary School project, Mr. McKenna reported that construction work continues to progress well. He said that masonry work associated with the building enclosure is progressing. However, he advised the Board that some of the design-build contractor's work in-place is unacceptable. He said that on October 27, the SDA held an on-site meeting that included the design-build team, the International Masonry Institute, the brick manufacturer and brick supplier to review and discuss the supplied materials and the masonry sub-contractor's workmanship. He said that several areas of installed brick will be removed and replaced to meet accepted standards. Mr. McKenna noted that the design-builder and masonry sub-contractor will revise the quality control/quality assurance program to ensure that all new work is acceptable. Mr. Pollin provided an additional explanation regarding the basis for staff's concerns with the work and emphasized that the problems were caught early and will be addressed.

Next, Mr. McKenna reported that, with regard to the Paterson Marshall Street Elementary School project, a steel topping-out ceremony took place on Monday, November 3. He said that Phase II structural steel erection and underground plumbing and electrical in all areas is nearing completion. Mr. McKenna noted that slabs on grade are being completed in coordination with steel erection and the pedestrian bridge abutment work has commenced on both sides of the bridge that will span the adjacent railroad.

With regard to the Paterson PS 16 project, Mr. McKenna informed the Members that final design and building enclosure packages are being reviewed by the SDA design studio. He said that the design should be completed this month. He explained that footings and foundation work continues in areas B and C, and steel fabrication is underway. Mr. McKenna mentioned

that underground utilities work commenced with 12" water main tie-in underway and that steel erection is projected to commence in January 2015.

With regard to the Phillipsburg High School project, Mr. McKenna reported that excavation, footing, foundation, waterproofing and concrete slab work is ongoing in all areas. He said that steel erection commenced on October 22.

With regard to SDA procurement activity, Mr. McKenna said that Management is recommending an award for construction management services to GREYHAWK for the Gloucester City New ES/MS project. He said that this matter is on today's agenda and will be discussed later in the meeting.

With regard to the Elizabeth New Elementary School (Elizabeth New ES) project, Mr. McKenna reported that Management is recommending an award to Torcon for design-build services for the Elizabeth New ES project. He said that this matter is also on today's agenda and will be discussed by staff later in the meeting.

Mr. McKenna then reported that a memorandum regarding a recommended award to O.R. Colan for relocation services is on today's agenda. He said that SDA staff will be discussing this matter as well later in the meeting.

Mr. McKenna then reported that Management is recommending an award to The Safeguard Group for Insurance Broker Services. He said that this is also on today's agenda and will be discussed later in the meeting.

With regard to outreach, events and other activities, Mr. McKenna again referenced his October 14 appearance before the TBOE, where he made a presentation regarding the advancement of the TCHS project (full demolition vs. retaining certain elements of the school). Mr. McKenna then reported that the SDA participated in a groundbreaking ceremony with the

Lieutenant Governor for PS 16 in Paterson on October 21. He said that the SDA also participated in a beam signing event at the Paterson Marshall Street School project with students and district representatives on November 3.

In continuing, Mr. McKenna reported that SDA's communications staff is also working to schedule additional beam signing ceremonies and a demolition event for later this month.

Mr. McKenna informed the Members that, on October 9, Karon Simmonds, director of risk management and vendor services, presented at the Northeast Regional Interstate Labor Standards Association Prevailing Wage and Misclassification Conference in Atlantic City. He noted that the conference was hosted in partnership with the New Jersey Department of Labor.

Mr. McKenna also reported that, on October 16, Ritchard Sherman, managing director of SDA's design team, participated in a panel discussion on Safe, Secure & Supportive Schools- Balancing and Nurturing K-12 Environments & Security Design. He said that the conference was sponsored by TRESPA Design in New York City. He also informed that Members that, on October 29, Mr. Sherman presented before the New Jersey School Boards Association at their annual conference on green building practices.

In closing, Mr. McKenna reported that the SDA is finalizing its fall newsletter for distribution within the next few weeks.

Following Mr. McKenna's report, Mr. Walsh noted that he would like to review lessons learned from the design-build projects undertaken to date. Also, Mr. Maloney discussed, and the Members acknowledged, the importance of recognizing the significant contributions of the labor sector, in addition to that of the contractors, to the successful completion of projects.

Finally, in response to an inquiry by Mr. Vargas, Mr. McKenna provided an update regarding the status of efforts to address overcrowding in Perth Amboy.

Audit Committee Report

The Chairman then requested that Mr. Nixon provide the report of the Audit Committee. Mr. Nixon reported that the Audit Committee met on October 20, 2014. He said that Management had provided the Committee with the September 2013 New Funding Allocation and Capital Plan Update. He advised that Management had reported that there were no changes in any of the SDA district reserve balances for the reporting period. He added that the reserve balance for the Regular Operating Districts ("RODs") increased by \$4.6 million during the reporting period. He explained that the increase is due to a reduction in state share for grant projects nearing completion.

In continuing, Mr. Nixon reported that Management had presented to the Committee the results of the Matrix East Front Street Operating Company, Inc., LLC (Matrix) – Common Area Maintenance (CAM) Fees Audit (the Audit). He explained that the Audit was conducted to determine the validity of the 2013 CAM fees charged by Landlord, Matrix, to the SDA. He advised that the Audit reported two observations. He said that the first observation was that Matrix overcharged the SDA due to an error in the occupancy rate. He said that the second observation described an incorrect management fee rate in the calculations utilized in the management fees charged to the SDA. Mr. Nixon advised that a credit of \$13,810 to the SDA resulted from the Audit. He noted that the findings have been addressed and will not be a problem going forward. He explained that the occupancy rate will not be an issue as the SDA is now the sole tenant in the building and the management fee rate has been corrected in the newly negotiated lease agreement which states that any management fees included in lessor's operating expenses shall not exceed 3% of the basic rent.

Next, Mr. Nixon advised the Board that the Committee was provided with the September 2014 Monthly Financial Report. He said that Management advised that, as of September 2014, the Authority's operating expenditures totaled \$13.4 million which is \$2.6 million lower than the operating budget for the corresponding period. He said that this is a \$1.8 million decrease from actual expenses for the corresponding period in the prior year. He explained that the decrease is largely due to lower monthly rent expenses and cost savings related to MIS projects. He then reported that, as of September 2014, the year to date project expenditures are \$202.1 million, down \$38.8 million as compared to the 2014 Capital spending forecast for the corresponding period. He explained that the decrease is attributable to lower than anticipated expenditures in grant activity of \$21.1 million and construction activity totaling \$22.5 million, partially offset by an increase in other project related costs of \$4.8 million. He reported that year-to-date project expenditures have increased \$44.4 million as compared to actual expenses in the corresponding prior year. He said that this is attributable to construction costs and other project related activity, offset by a decrease in grant activity of \$22 million.

Mr. Nixon noted that, since inception, 69% of the funds authorized for the SDA Districts have been disbursed. He reported that 96% of all SDA disbursements relate to school facilities projects and 4% relate to program administrative and general expenses. He advised that the estimated value of current school facilities project activity is approximately \$2.2 billion.

Next, Mr. Nixon said that Management presented the proposed 2015 budget for brief Committee review and preliminary discussion. He noted that the Mr. Guarriello discussed in brief budgetary items and comparisons presented in the proposed budget. He advised that the draft budget continues to be revised and will be presented and discussed again at the November

Audit Committee Meeting prior to its advancement to the full Board at the December Board Meeting.

Mr. Nixon then presented the Audit Committee's recommendation for approval of an award of the Authority's Business & Real Estate Property & Casualty Insurance Program (Insurance Program). He explained the procurement process followed along with the contract allowances noting that the top ranked firm at the completion of the process was The Safegard Group. He reported that the award is for a not-to-exceed amount of \$2,235,000 (or \$745,000 annually) for the placement and servicing of the SDA's Business Real Estate Property and Casualty Insurance Program. He advised that the proposed annual premiums reflect an approximate 3% reduction in overall cost from the current program. Mr. Nixon asked if there were any questions regarding the award. Ms. Simmonds advised that the award is consistent with current costs noting that the Authority has become more pro-active in deeding properties back to the districts. In response to an inquiry by Mr. Vargas, Ms. Simmonds discussed the disparities in the levels of the pricing proposals. She noted that The Safegard Group currently serves the Authority.

After discussion, Mr. Nixon asked if there were any further questions regarding the recommended award. Hearing none, Mr. Nixon called for a vote to approve the Authority's Business & Real Estate Property & Casualty Insurance Program as presented in Resolution 5a.

A resolution pertaining to the proposed Award of the Authority's Business & Real Estate Property & Casualty Insurance Program to The Safegard Group had been provided to the Members in advance of the meeting. Upon a motion by Mr. Vargas and seconded by Mr. Piaia, the resolution attached hereto as *Exhibit 5a*. was unanimously approved by the Board.

School Review Committee Report

1) Gloucester City - Construction Management Services – Approval of Award; 2) Elizabeth - New Elementary School - Design-Build Award and Approval of Final Project Charter; 3) State-Wide Relocation Consultant Services – Approval of Award; 4) Extension of Professional Staffing Services Contracts – (PW1204); 5) Proposed Readoption with Amendments: Title 19, Chapter 39 – Affirmative Action Rules

Mr. Walsh asked Mr. Maloney to provide the report of the School Review Committee.

Mr. Maloney said that the Committee met on October 20, 2014. He advised the Board that the Committee had discussed Management's recommended construction management services award for the Gloucester City New ES/MS project.

He said that the Gloucester City New ES/MS will be a 122,000 square foot facility to educate 687 students in grades 4 through 8 in the Gloucester City Public School District. He reminded the Members that, in July 2014, the Board approved the final project charter and award to Terminal Construction Corporation (Terminal) for design-build services for this project and that a NTP was issued to Terminal on August 6, 2014. He said that, in August 2014, a "price and other factors" procurement for construction management services was advertised.

Mr. Maloney explained that, upon completion of the procurement process, Management is recommending the award of a contract in the amount of \$1,320,000 for construction management services to GREYHAWK, North America, LLC. He said that funding for this engagement is available within the project budget, in accordance with the final project charter that the Members approved in July.

At Mr. Maloney's request, Mr. Minervini provided additional comments. He indicated that GREYHAWK is working with the Authority on a couple of projects and that he can think of no reason not to move this award forward.

Mr. Maloney said that the Committee recommends that the Board approve the award of a contract in the amount of \$1,320,000 to GREYHAWK North America, LLC, for Construction Management Services for the Gloucester City New ES/MS located in the Gloucester City Public School District, with the contract and all documentation to be reviewed and approved by the SDA Division of Chief Counsel prior to execution. He indicated that a vote on Resolution 6a is in order.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Walsh, the recommended award to GREYHAWK, North America, LLC was approved with the Board's unanimous vote in favor of Resolution 6a.

Mr. Maloney then presented Management's recommendation for award of a design-build contract for the Elizabeth New Elementary School in the Elizabeth School District. He said that the Elizabeth New ES will be a 140,000 square foot facility to educate 880 students in grades 2 through 8 in the Elizabeth School District and will share a site with the existing William Halloran PS No. 22 School.

Mr. Maloney reminded the Board that, in March 2012, the Board approved the SDA's 2012 Capital Plan which identified an Elizabeth elementary school grade level project addressing high priority educational needs that required further discussion with the District. He said that, upon inclusion of the Project in the Capital Plan, review and validation activities were completed by the District, Department of Education (DOE) and SDA which served to inform the preliminary project charter for the construction of a New ES that was approved by the Board in July 2013.

Mr. Maloney said that, following approval of the preliminary project charter, SDA staff developed schematic design documents which were approved by the District and DOE and, with the assistance of the engaged site environmental consultant, developed bridging documents to support procurement of a design-builder.

He said that the package was advertised as a design-build solicitation (price 60% and other factors 40%) in June 2014. Mr. Maloney advised the Board that, upon completion of the procurement process, Management recommends award of the contract for design-build services to Torcon, Inc.

At Mr. Maloney's request, Mr. Minervini offered additional comments. He noted that the project is anticipated for completion in 2018 and groundbreaking is anticipated in approximately seven months. In response to an inquiry by Mr. Vargas, Mr. Sherman said that this project will significantly address overcrowding in the District in the lower grades.

Mr. Maloney said that the Committee recommends that the Board approve award of the contract in the amount of \$44,456,800 to Torcon, Inc. for design-build services along with the final project charter presented to the Board. He said that, prior to execution, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel. He then indicated that a vote on Resolution 6b is in order.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Walsh, the recommended award to Torcon, Inc. and final project charter were approved with the Board's unanimous vote in favor of Resolution 6b.

Mr. Maloney then introduced Management's recommendation that the Board approve an award for statewide relocation consultant services. He said that, in 2003, 2008 and 2011, the

SDA entered into contracts with several firms for state-wide relocation consultant services. He explained that the current task order contracts will expire in December 2014 so, in August, staff began the process to procure a relocation services consultant. He said that a competitive procurement process was conducted and, upon its completion, Management is recommending award of a 3 year contract to O.R. Colan Associates. Mr. Kutch then offered additional comments.

Mr. Maloney said that the Committee concurs with Management's recommendation that the Board authorize the SDA to contract with O.R. Colan Associates to provide state-wide relocation consultant services for a not-to-exceed amount of \$3,000,000 over the three year term of the contract. He noted that the contract and documentation will be reviewed by the Division of Chief Counsel prior to execution. He then indicated that a vote on Resolution 6c is in order.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Walsh, the recommended award to O.R. Colan Associates was approved with the Board's unanimous vote in favor of Resolution 6c.

Mr. Maloney advised the Board that Management is seeking Board approval to extend its contract for the provision of professional staffing services. He said that, in December 2012, the Board approved a two year contract with seven firms to provide SDA with professional staffing services. He explained that the contract provided for a one year extension option to be exercised in the discretion of the SDA. He advised the Board that the two year contract is due to expire on February 15, 2015 and that, with the one-year extension, the contract would expire February 28, 2016.

Mr. Maloney noted that the services provided under the contract are mainly utilized by the SDA Design Studio and Contracts Management Division. He explained that SDA is under no obligation to use the services of any of the companies but, to date, six of the seven companies have provided professional services to the Authority. He said that a total of \$674,000 has been expended during the first 18 months of the current contract. Mr. Maloney advised the Board that the one year extension would require additional funds in the amount of \$900,000 which would result in a total not to exceed amount of \$2,700,000 for the entire three year period. Ms. Kelly offered additional comments regarding the recommended award. She explained that when a need arises, staff obtains candidate recommendations and applicable rates from the companies and selects the candidate who is the best fit. She said that the contract has been working very well for the Authority.

Mr. Maloney said that the Committee recommends that the Board authorize Management to exercise the one year extension option to the contract for professional staffing services. He then indicated that a vote on Resolution 6d is in order.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Ms. Hassett, the recommended exercise of a one year extension to the Authority's professional services contract was approved with the Board's unanimous vote in favor of Resolution 6d.

Next, Mr. Maloney introduced Management's recommendation for Board approval of readoption of the SDA's Affirmative Action Rules. He said that these Rules, adopted in November 2007 as Chapter 39, currently govern affirmative action requirements for the statewide school construction program under the Educational Facilities Construction and Financing Act. He noted that Chapter 39 is scheduled to expire on November 14, 2014.

Mr. Maloney said that the proposed Rules are intended to insure that contractors and consultants engaged by SDA for the school construction program comply with affirmative action requirements and employment goal obligations in connection with SDA school facilities projects. He explained that the proposed substantive changes to the current regulations are intended to incorporate statutory and regulatory updates, to reflect changes in governmental entities with responsibility for setting and monitoring equal opportunity and affirmative action goals, and to clarify the current nature of SDA's workforce training and development efforts. Ms. Haney offered additional comments. A brief discussion ensued regarding SDA's compliance with minority and women employment goals. Mr. Moneta offered details in this regard.

Mr. Maloney said that the Committee, along with Management, recommends that the Board approve the proposed re-adoption of the Authority's Affirmative Action Rules, as well as the issuance of the attached Notice of Readoption, and the filing of the Notice with the Office of Administrative Law. He then indicated that a vote on Resolution 6e is in order.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Walsh, the proposed rule re-adoption was approved with the Board's unanimous vote in favor of Resolution 6e.

In concluding his report, Mr. Maloney advised the Board that, for informational purposes, the Committee was also provided with updates regarding the Camden High School project in the Camden School District; the Cleveland Elementary School and Orange High School projects in the Orange School District and the Denbo Elementary School project in the Pemberton School District. He said that staff had discussed next steps to be taken in connection with these projects which will proceed consistent with the SDA Operating Authority.

Mr. Sherman and Mr. Voronov offered additional comments and a brief discussion regarding the status of the emergent project program ensued. Ms. Milsted provided the Board with an update.

Public Comments

The Chairman then opened the Public Comments portion of the meeting. Two individuals representing the advocacy group *The Children's First Team* in the Jersey City School District offered comments to the Board. First, Mr. Walsh asked Gina Verdibello to address the Members. Ms. Verdibello inquired about the SDA's solution to overcrowding issues in the District. She referenced the Jersey City School trailers that currently house the District's Pre-K students. She acknowledged that the SDA has already designed the PS #20 Elementary School (PS #20 ES) for grades Kindergarten through 5. Ms. Verdibello said that, at the existing PS #20 ES, there is a trailer on the premises and inquired as to where the children that are currently housed there are going to be placed. Ms. Verdibello also inquired about the future of the existing PS #20 ES building when the children are no longer in the building. She described the building as a beautiful building that needs much interior work. She noted that the building has Tiffany glass and tin ceilings and added that the building is a landmark. Mr. McKenna responded that Jersey City has overcrowding in certain schools, but not necessarily across the district. He explained that it is within the District's discretion to determine where the children are assigned. Mr. McKenna said that the SDA looks at overcrowding on a district-wide basis. He used PS #27 as an example. Ms. Verdibello agreed and noted that PS #27 is the worst of the overcrowded schools. Mr. McKenna explained that there are other schools in the district that the children can be moved to, but noted that everyone wants to be PS #27. He emphasized that this is not an SDA issue, but a district issue. Mr. McKenna also explained that the SDA does not build Pre-K stand-

alone schools. He said that a Pre-K component can be built onto an existing school at the discretion of the District and the Department of Education (DOE). Mr. McKenna added that, once the SDA turns the school over to the District, it becomes the District's school to do with as they so choose.

Next, Ms. Verdibello inquired about school lavatory facilities. She reported that she had viewed photos of a lavatory at PS #23 that she described as "deplorable". She said that there is a stall without a door, broken faucets and a sink with a garbage bag over it. Ms. Verdibello noted that she also has heard that the teachers do not like using the lavatory facilities. She said that it is a quality of life issue. Mr. McKenna explained that when bathrooms have these types of issues, it is the responsibility of the district and their maintenance facilities staff. He said that the SDA is the entity to address major plumbing issues throughout the entire school. Ms. Verdibello then described problems with lead in the water. She said that the District still has potable water in the schools and that this has been going on for a few years now. Ms. Verdibello said that the children cannot use the water fountains. Mr. McKenna replied that this issue is not currently on the SDA's radar. He explained the emergent project process and steps that would have to be followed by the District with the DOE.

Next, Ms. Verdibello asked Mr. McKenna for an update regarding the James J. Ferris High School (Ferris) and the PS #15 Elementary School (PS #15) roof projects. Mr. Voronov replied that there is a Ferris roof project in the SDA's portfolio, but there is no roof project at PS 15. Mr. Voronov noted that the Ferris roof project is proceeding via a delegated grant that was awarded to the District. Mr. McKenna suggested that Ms. Verdibello schedule a meeting with SDA staff to discuss the various issues pertaining to Jersey City. Mr. Walsh inquired as to whether people mention the bathroom issues at the local school board meetings that Ms.

Verdibello attends. She replied in the negative and cited the perceived reasons for same. Mr. Walsh echoed Mr. McKenna's earlier comments, noting that the SDA is not in a position to fix the bathrooms. He said that he wished that the SDA had the ability to force someone's hand to make the fixes but that this is a district issue. Mr. McKenna then offered to provide Ms. Verdibello with his contact information following the meeting.

Mr. Walsh then asked Lorenzo Richardson to address the Members. Mr. Richardson began his comments by explaining to Mr. McKenna that the issues pertaining to the bathrooms are not addressed at board meetings because of retaliation concerns. He used PS #20 as an example, and explained that there was a recent article in the newspaper regarding a mice infestation problem there. He said that when staff speaks out about issues in their facilities, retaliation can be the response. Mr. Richardson also noted that when work orders for repairs are submitted, they sit for long periods of time or the proper materials will not be obtained for the repairs, leaving the job undone. He then advised the Board that many of the buildings in the Jersey City District are not technologically capable. Mr. Richardson also spoke to the fact that the schools downtown have air conditioning, while the schools in the inner city do not have air conditioning. He said that the power shuts off when the schools with air conditioning turn their units on. Mr. Richardson noted that the Board is working feverishly to meet technology needs, noting that this should have happened sooner. Mr. Richardson said that he would like to work with the SDA to assess the District's overall technology needs. Mr. McKenna explained that technology upgrades have to be addressed by the District through the DOE. He explained that SDA's mandate is to build new schools and do capital improvements and that the funding does not cover technological upgrades. Mr. Richardson then discussed issues pertaining to the Snyder Innovation High School, focusing on a renovation there and declining graduation rates. He said

that, with all the other issues in the school that have not been addressed, upgrades were put in place. Mr. McKenna informed Mr. Richardson that, again, these are issues for the District.

Next, Mr. Richardson discussed issues at PS #15. He cited concerns with chromium at the school site and overall neglect of the facility. He asked if there is anything that the SDA can do pertaining to the chromium. Mr. Richardson also asked if the SDA had any input on timelines. He explained that the District waited until school started to fix the roof. He said that this negatively affected students and staff due to debris and bad odors. He suggested that, unless it is an extreme emergency, this type of work should be done over the summer months when no one is in the school. Mr. Richardson then discussed the District's Innovation High School with regard to the sharing of lavatory space by children and adults. He noted that a security person has to be on duty for that reason. He then advised the Board that there are conditions that should be addressed at PS #14, PS #20, PS #6, PS #30, PS #40, Ferris High School, Dickinson High School, PS #22, PS #31, PS #25, PS #23, PS #34 and PS #38. Mr. Richardson said that work is not being done and no one knows whether it is because work orders are being held up or just due to clear neglect. He inquired as to the role the SDA plays with regard to the maintenance and upkeep of the buildings. Mr. McKenna replied that, unfortunately, the SDA does not play a role in the maintenance of school buildings. He explained that the districts have a certain amount of money budgeted for maintenance, but that the SDA cannot instruct the districts on how to spend the money. Mr. McKenna said that some districts have schools that are over 100 years old that operate fine, while other districts, after 70 years, express the need for new schools, which costs New Jersey's taxpayers millions of dollars. Mr. Piaia explained to Mr. Richardson that the responsibility lies with the school districts with regard to maintenance. He said that normally it

is not something with which the DOE is involved on a day-to-day basis. He said that it is up to the district to run the schools.

Lastly, Mr. Richardson's discussed classroom space issues. He said that the downtown area of Jersey City is being built up tremendously and that a poor job was done in projecting the need for future space. He asked what the SDA can do with regard to developers obtaining land to build condominiums as opposed to schools. He inquired as to what the SDA can do with "eminent domain" in order for the community to obtain land to allow for schools to be built. Mr. Richardson said that children cannot be bused all over and there is a major cost issue with regard to busing from neighborhood to neighborhood. He said that the state needs to pay attention when development projects are happening and inquire about schools. Mr. Richardson said that Journal Square is going to become an issue because a lot of building is going on in that area. Mr. McKenna replied that the SDA does not have the authority to tell cities what to build. He said that most of the money that the SDA has is committed to projects that are currently in the Capital Plan. Mr. McKenna further explained that Jersey City has overcrowding in certain schools, but that not all of the schools have overcrowding issues. He said that it is up to the District to plan by meeting with the DOE regarding an assessment of needs. Mr. Richardson said that he graduated from Ferris High School in 1988 and that the state has been involved in a "takeover" for over 25 years. He said that, because the district is under the state, he is taking the attitude that the state is in charge. Mr. McKenna explained that the SDA is a construction company that builds schools where instructed. Mr. Piaia noted that the DOE is currently working with Jersey City with regard to its Long Range Facilities Plan (LRFP). Mr. Piaia also explained that Jersey City is not under full state takeover and the portions of the district that are not part of the takeover are within the purview of the superintendent in terms of decision making. He said that

the DOE will never be involved in the city planning side, which is where Mr. Richardson's concerns lie. Mr. McKenna explained the LRFP process to Mr. Richardson and suggested that he attend Planning and Zoning Board meetings.

Ms. Kelly then informed the Members that the Board will be adjourning into Executive Session to discuss the proposed transfer of certain property located in Union City to the Union City School District. She noted that the Members will vote regarding this matter upon return to Open Session.

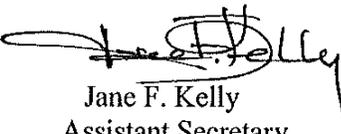
Mr. Walsh then asked for a motion to adjourn the meeting into Executive Session. Upon motion and with unanimous consent, the Open Session of the meeting adjourned into Executive Session.

Following discussion in Executive Session, the Board returned to Open Session.

A resolution for approval of a Request for Authorization of Transfer of Real Property to the Union City School District Pursuant to N.J.S.A. 18A:7G-20 had been provided to the Members in advance of the meeting. Upon motion by Mr. Vargas, and seconded by Mr. Walsh, the resolution attached hereto as *Exhibit A1*. was unanimously approved by the Board.

Mr. Walsh then asked for a motion to adjourn the meeting. Upon motion and with unanimous consent, the meeting 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 November 5, 2014 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 November 5, 2014 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on November 7, 2014.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's November 5, 2014 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: December 3, 2014

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE

CHAIRMAN'S REPORT

2015 OPERATING BUDGET



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY32 E. FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-858-5325

5

MEMORANDUM

TO: The Members of the Authority

FROM: Charles B. McKenna, Chief Executive Officer
Donald Guarriello, Chief Financial Officer

RE: Proposed 2015 Operating Budget

DATE: December 3, 2014

Justification for Budget Request

Pursuant to Article V, Section 5.1.B of the Authority's By-Laws, the Chief Executive Officer is required to prepare and submit a proposed annual budget for the Authority for adoption by the Members. Accordingly, in support of the Authority's current and projected project activities and other key initiatives, we are submitting to the Board of Directors for their consideration a calendar year 2015 Operating Budget of \$20.9M, an increase of \$396K (1.9%) as compared to the current year budget. The 2015 Operating Budget includes a proposed headcount of 257 full-time equivalents (FTE), an increase of one over the current year budget. On November 17, 2014, the Audit Committee considered the proposed 2015 Operating Budget and determined that it should be presented to the Board in December for adoption by the Members.

Budget Approach

To appropriately assign accountability, all operating expenses are budgeted on a departmental basis. In developing the operating budget, coordinators were identified by each department and/or division, and materials were distributed for data input of expenses and headcount requirements along with instructions on how to enter the data.

Departmental budget information supplied to the budget team was eventually uploaded to a master spreadsheet and rolled up to arrive at divisional and Authority totals. Once approved, the budget will be calendarized for 2015 monthly reporting.

Included in the attached materials is SDA's estimate for 2015 SDA Project Management Expenses (\$15.1M), which have been deducted from Salaries, Benefits, and Direct Hire Temporary expenses to reflect the net 2015 Total Salaries & Benefits Costs Charged to Operating Expense.

The Members of the Authority
December 3, 2014
Page 2

Significant Budgetary Items

- The proposed 2015 Operating Budget reflects a headcount of 257 FTEs, one more than the current year budget, excluding 1 permanent part-time employee.
- Employee and direct hire temporary salaries, including the \$10.4M (51%) of salaries expense allocated to School Facilities Projects, are projected to increase slightly to \$20.3M. The 2015 Operating Budget does not include any employee merit based compensation adjustment or cost of living adjustment. Direct hire temporary employees are used on an as-needed basis throughout the year, primarily by the Design Studio team. The majority of these costs will be allocated to School Facilities Projects.
- Employee benefit costs, including the \$4.4M (43%) of benefit costs allocated to School Facilities Projects, are expected to decrease by \$588K to \$10.3M. This is primarily due to lower Other Post Employment Benefit (OPEB) costs of \$500K, in addition to lower NJ Unemployment expense of \$125K. Employee benefit costs are estimated to comprise approximately 40% of gross payroll in 2015, if you exclude the budgeted \$2.3 million non-cash accrual for OPEB.
- The allocation of employee salaries, benefits and direct hire temporary costs to School Facilities Projects is estimated at \$15.1M or \$268K lower than the prior year budget. The estimated 2015 allocation utilizes actual data from 2014.
- Information Systems expenses are \$116K higher than the prior year budget due to increased system maintenance costs, system hardware and software costs, and increased technical training needs.
- General Office & Facilities expenses are \$162K higher than the prior year budget partly due to utility costs at the Front St. building.
- The 2015 Operating Budget also includes increases in training and professional development (\$41K), employee travel (\$9K) due to increased project activity, parking (\$56k) due to the reallocation of interagency fees for the Perry St. lot, and automobiles (\$16K) due to increased NJ motor pool fees which include the addition of 3 fleet vehicles. Offsetting these increases is a decrease in internal audit fees (\$131k) due to real-time audits charged to School Facilities Projects.
- Capital Expenditures are budgeted at \$385K, \$331K higher than the 2014 Operating Budget. This includes \$60K to replace SDA vehicles that are at the end of their useful life, in addition to two capital projects: the Central File Room eDoc system and the eDiscovery system for use by SDA's in-house lawyers in support of cost recovery activities.

The Members of the Authority
December 3, 2014
Page 3

- A separate line item is included for contingency in the amount of \$50K, or approximately 0.1% of the entire budget (excluding non-cash OPEB costs). Use of the contingency is at the CEO's discretion.

Accompanying Materials

The accompanying 2015 Operating Budget materials include the following: (1) Budget Summary, (2) Employee Headcount Report by department; (3) 5-Year Budget Comparison Report, and (4) Budget Detail Report.

Recommendation

The members of the Authority are recommended to approve the proposed 2015 Operating Budget as presented in the accompanying materials.

2015 Budget vs. 2014 Budget Highlights

Salaries - \$243,367

- Open positions replaced at higher level and/or salaries
- New VP of Construction hired in April 2014

Benefits - \$(587,987)

- OPEB – \$(500k) lower than 2014 budget based on actuarial calculation for 2014
- NJ Unemployment (\$125k)

Direct Hire Temporary Employee Cost - \$(96,648)

- 6 Direct Hire Temps for Design Studio

Interagency Agreements - \$(25,000)

- DAG fees \$20k higher than 2014 budget due to increased environmental cost recovery litigation
- Treasury fees for Perry St. lot parking (\$45k) reallocated to Parking Expense

Other Contract & Professional Outside Services - \$(131,000)

- Internal Audit Fees \$(125k) lower than 2014 budget due to real-time audits charged to School Facilities Project costs

Training & Professional Development - \$40,925

- Employee development - \$32k
- HR Training – Company Wide - \$5k
- Licenses - \$3k

Parking - \$55,500

- Reallocation of Perry St. lot parking \$45k
- Parking passes for 3 additional fleet vehicles

Automobile - \$16,000

- Projected increase in State of NJ Motor Pool rates
- 3 additional fleet vehicles

Information Systems – \$ 115,600

- System Maintenance - \$80k
- System Hardware and Software - \$23k
- Technical training - \$14k

General Office & Facilities - \$161,980

- Utilities - \$90k higher than 2014 budget due to higher than anticipated costs at Front St.

Capital Expenditures - \$331,000

- \$200k for CFR eDoc project
- \$125k for eDiscovery project



New Jersey Schools Development Authority
Proposed 2015 Operating Budget Summary
Presentation to the Board of Directors

	Proposed 2015 Budget	2014 Budget	2014 Reforecast	Increase/(Decrease)	
				2015 Budget vs 2014 Budget	2015 Budget vs 2014 Reforecast
Authority Operating Expenses:					
Employee Salaries	\$ 19,766,360	\$ 19,522,993	\$ 18,517,594	\$ 243,367	\$ 1,248,766
Employee Benefits	10,265,798 a	10,853,785	9,977,033	(587,987)	288,765
Direct Hire Temporary Employee Costs	486,815	583,463	406,593	(96,648)	80,222
Total Employee Salaries & Benefits Costs	30,518,973	30,960,241	28,901,220	(441,268)	1,617,753
<u>Less:</u> Employee Salaries & Benefits Costs Charged to Projects	<u>(15,080,941) b</u>	<u>(15,349,128)</u>	<u>(14,891,516)</u>	<u>268,187</u>	<u>(189,425)</u>
Operating Employee Salaries & Benefits Costs	15,438,032	15,611,113	14,009,704	(173,081)	1,428,328
Temporary Employees	130,000	130,000	80,000	-	50,000
Interagency Agreements	160,000	185,000	131,352	(25,000)	28,648
Other Contract & Professional Outside Services	199,500	330,500	304,500	(131,000)	(105,000)
Employee Travel	37,990	29,250	17,000	8,740	20,990
Training & Professional Development	113,895	72,970	54,748	40,925	59,147
Parking	108,000	52,500	52,500	55,500	55,500
Automobile	99,000	83,000	83,000	16,000	16,000
Communications & Outreach	500	500	500	-	-
Management Information Systems	1,272,700	1,157,100	1,083,420	115,600	189,280
General Office & Facilities	2,929,500	2,767,520	2,720,976	161,980	208,524
Other General Expenses	24,000	29,000	24,500	(5,000)	(500)
Reserve for Unforeseen Events & New Initiatives	50,000	50,000	50,000	-	-
Total Non-Capitalized Operating Expenses	20,563,117	20,498,453	18,612,200	64,664	1,950,917
Capitalized Operating Expenses (Internal)	385,000	54,000	130,000	331,000	255,000
Total Authority Operating Expenses	\$ 20,948,117	\$ 20,552,453	\$ 18,742,200	\$ 395,664	\$ 2,205,917
Total Authority Operating Expenses Before Allocation of Salaries & Benefits Costs to Projects	\$ 36,029,058	\$ 35,901,581	\$ 33,633,716	\$ 127,477	\$ 2,395,342
Total Full-Time Employees (FTEs)	257 c	256 c	257 c	1	-

a Includes non-cash accrual of approximately \$2.3 million for other post retirement benefits (OPEB).
 b A summary breakout of employee salaries & benefits costs charged to projects is provided on Page 3.
 c Total FTEs excludes one (1) permanent part time employee; however, the employee's salary is included above.



New Jersey Schools Development Authority
Proposed 2015 SDA Employee Costs Charged to School Facilities Projects
Presentation to the Board of Directors

Authority Project Management Expenses (Employees):				Increase/(Decrease)	
	Proposed 2015 Budget	2014 Budget	2014 Reforecast	2015 Budget vs 2014 Budget	2015 Budget vs 2014 Reforecast
Direct - Project Management Salaries & Benefits:					
Design Studio - Employee Salaries	\$ 662,866	\$ 460,864	\$ 689,434	\$ 202,002	\$ (26,568)
Design Studio - Employee Benefits	280,790	195,222	282,136	85,568	(1,346)
Design Studio - Direct Hire Temps	299,520	480,258	298,538	(180,738)	982
Field Staff - Employee Salaries	3,456,032	3,712,788	3,486,490	(256,756)	(30,458)
Field Staff - Employee Benefits	1,463,975	1,572,737	1,428,289	(108,762)	35,686
Field Staff - Direct Hire Temps	-	-	-	-	-
Support Staff - Employee Salaries	1,327,270	1,573,282	1,312,311	(246,012)	14,959
Support Staff - Employee Benefits	562,232	666,442	537,197	(104,210)	25,035
Total Direct Project Management Salaries & Benefits	8,052,685	8,661,593	8,034,395	(608,908)	18,290
Indirect - Project Management Salaries & Benefits:					
Indirect - Employee Salaries	4,928,193	4,687,267	4,860,725	240,926	67,468
Indirect - Employee Benefits	2,087,583	1,985,526	1,980,651	102,057	106,932
Indirect - Direct Hire Temps	12,480	14,742	15,745	(2,262)	(3,265)
Total Indirect Project Management Salaries & Benefits	7,028,256	6,687,535	6,857,121	340,721	171,135
Total Authority Project Management Expenses	\$ 15,080,941	\$ 15,349,128	\$ 14,891,516	\$ (268,187)	\$ 189,425



New Jersey Schools Development Authority
Proposed 2015 Operating Budget Summary Comparison
2015 - 2011

Authority Operating Expenses:	Proposed 2015 Budget	2014 Budget	2013 Budget	2012 Budget	2011 Budget
Employee Salaries	\$ 19,766,360	\$ 19,522,993	\$ 19,375,713	\$ 19,631,320	\$ 23,500,466
Employee Benefits	10,265,798 ^a	10,853,785	10,462,853	12,658,486	13,006,798
Direct Hire Temporary Employee Costs	486,815	583,463	780,463	50,000	50,000
Total Employee Salaries & Benefits Costs	30,518,973	30,960,241	30,619,029	32,339,806	36,557,264
<u>Less: Employee Salaries & Benefits Costs Charged to Projects</u>	<u>(15,080,941)</u>	<u>(15,349,128)</u>	<u>(16,632,748) ^b</u>	<u>-</u>	<u>-</u>
Operating Employee Salaries & Benefits Costs	15,438,032	15,611,113	13,986,281	32,339,806	36,557,264
Temporary Employees	130,000	130,000	100,000	100,000	150,000
Interagency Agreements	160,000	185,000	231,500	326,500	623,000
Other Contract & Professional Outside Services	199,500	330,500	440,520	410,400 ^c	3,336,000
Employee Travel	37,990	29,250	26,700	16,625	243,298
Training & Professional Development	113,895	72,970	65,492	79,730	158,109
Parking	108,000	52,500	52,500	51,000	63,000
Automobile	99,000	83,000	78,000	73,000	72,200
Communications & Outreach	500	500	500	1,000	14,704
Management Information Systems	1,272,700	1,157,100	1,555,900	2,299,000	2,410,000
General Office & Facilities	2,929,500	2,767,520	3,361,492	3,795,916	3,660,485
Other General Expenses	24,000	29,000	27,100	14,100	13,300
Reserve for Unforeseen Events & New Initiatives	50,000	50,000	75,000	75,000	125,000
Total Non-Capitalized Operating Expenses	20,563,117	20,498,453	20,000,985	39,582,077	47,426,360
Capitalized Operating Expenses (Internal)	385,000	54,000	54,000	54,000	6,000
Total Authority Operating Expenses	\$ 20,948,117	\$ 20,552,453	\$ 20,054,985	\$ 39,636,077	\$ 47,432,360
Total Authority Operating Expenses Before Allocation of Salaries & Benefits Costs to Projects	\$ 36,029,058	\$ 35,901,581	\$ 36,687,733	\$ 39,636,077	\$ 47,432,360
Total Full-Time Employees (FTEs)	257	256	256	260	310

a Includes non-cash accrual of approximately \$2.3 million for other post retirement benefits (OPEB).

b 2013 was the 1st year such allocation was made.

c Effective 1/1/2011, costs for outside legal & claims consulting services are accounted for in School Facilities Project Costs.



New Jersey Schools Development Authority
 Proposed 2015 Operating Budget Employee Headcount
 Budget Presentation to the Board of Directors

SDA Division/Unit	Employee Headcount			Proposed Headcount vs.	
	Proposed 2015 Budget	2014 Budget	Actual	2014 Budget	Actual
Office of Chief Executive Officer (CEO)	3	3	3	-	-
Program Assessment & Development	8	8	8	-	-
Special Projects	10	10	8	-	2
Program Operations–Mgmt (PO)	6	5	5	1	1
PO, Capital Plan/Grants	26	25	23	1	3
PO, Design Team	14	-	-	14	14
PO, Project Teams	66	80	74	(14)	(8)
PO, Safety	9	10	8	(1)	1
Corp Governance & Operations–Mgmt (GOV)	3	3	3	-	-
GOV, Human Resources	8	8	8	-	-
GOV, Chief Counsel	14	14	14	-	-
GOV, Information Systems	15	15	15	-	-
GOV, Facilities	6	6	6	-	-
GOV, Communications	11	11	10	-	1
Financial Operations, CFO–Mgmt (FO)	5	4	4	1	1
FO, Controller	12	13	12	(1)	-
FO, Contract Management	13	13	11	-	2
FO, RES	6	6	6	-	-
FO, Procurement	10	10	9	-	1
FO, Risk Management/Vendor Svcs	12	12	11	-	1
Total Full-Time Employees (FTEs)	257 ^a	256 ^a	238 ^a	1	19

a Excludes one (1) permanent part time employee.



**New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors**

	Proposed 2015 Budget	2014 Budget
Current Year Approved Headcount	<u>256</u>	
Active as of 9/1/2014	238	
Open/Re-Titled	18	
Requested	<u>1</u>	
2015 Proposed Headcount	<u>257</u>	
AUTHORITY OPERATING EXPENSES:		
PERSONNEL & USAGE		
Employee Salaries & Benefits		
Employee Salaries	\$19,766,360	\$19,522,993
Employee Benefits	10,265,798	10,853,785
Direct Hire Temporary Employee Costs	<u>486,815</u>	<u>583,463</u>
Total Salaries & Benefits Costs	30,518,973	30,960,241
Less: Employee Salaries & Benefits Costs Charged to Projects	<u>(15,080,941)</u>	<u>(15,349,128)</u>
Total Operating Employee Salaries & Benefits Costs	<u>15,438,032</u>	<u>15,611,113</u>
Temporary Staffing Services	<u>130,000</u>	<u>130,000</u>
Automobile	<u>99,000</u>	<u>83,000</u>
Employee Travel		
Mileage Reimbursement	9,125	11,600
Other Travel (e.g., Tolls & Non-SDA Parking)	<u>28,865</u>	<u>17,650</u>
Total Employee Expense Reimbursement	<u>37,990</u>	<u>29,250</u>
Training & Professional Development		
Publications & Subscriptions	21,610	20,685
Employee Development	66,200	34,135
HR Training - Company Wide	15,000	10,000
Memberships & Licenses	11,085	8,150



New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors

	Proposed 2015 Budget	2014 Budget
Total Training & Professional Development	<u>113,895</u>	<u>72,970</u>
Parking	<u>108,000</u>	<u>52,500</u>
TOTAL PERSONNEL & USAGE	<u>15,926,917</u>	<u>15,978,833</u>
COMMUNICATIONS & OUTREACH	<u>500</u>	<u>500</u>
OTHER CONTRACT & PROFESSIONAL OUTSIDE SERVICES		
Audit Fee		
External Audit Fee	105,500	105,000
Internal Audit Fee	<u>0</u>	<u>125,000</u>
Total Audit Fee	<u>105,500</u>	<u>230,000</u>
Interagency Agreements		
Treasury - Perry Street Lot	0	45,000
Deputy Attorney General - Legal Services	<u>160,000</u>	<u>140,000</u>
Total Interagency Agreements	<u>160,000</u>	<u>185,000</u>
Other Professional Services		
Consulting - Actuary Services	6,000	6,000
Consulting - MIS	<u>78,000</u>	<u>84,500</u>
Total Other Professional Services	<u>84,000</u>	<u>90,500</u>
Bank Service Charges	<u>10,000</u>	<u>10,000</u>
TOTAL OTHER CONTRACT & PROFESSIONAL OUTSIDE SERVICES	<u>359,500</u>	<u>515,500</u>
MANAGEMENT INFORMATION SYSTEMS		
System Maintenance	<u>670,000</u>	<u>590,000</u>



**New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors**

	Proposed 2015 Budget	2014 Budget
DocuSafe	<u>25,000</u>	<u>20,000</u>
System Supplies	<u>31,000</u>	<u>31,000</u>
System Software		
General	54,000	33,000
VMWARE S/W	0	10,000
Total System Software	<u>54,000</u>	<u>43,000</u>
System Hardware		
General	20,000	20,000
Server	40,000	39,000
Printers	15,000	12,000
Workstation Purchases/Upgrades	31,000	22,500
Total System Hardware	<u>106,000</u>	<u>93,500</u>
Technology Projects		
CFO Projects	25,000	25,000
Human Resources Projects	15,000	15,000
Disaster Recovery	85,000	108,000
Total Technology Projects	<u>125,000</u>	<u>148,000</u>
External Services		
ADP	45,000	45,000
On-Line Subscription Services	64,000	42,000
On-Line Subscription Services-Board Books	13,000	14,000
Internet Provider-SNIP	115,000	120,000
Total External Services	<u>237,000</u>	<u>221,000</u>



**New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors**

	Proposed 2015 Budget	2014 Budget
Technical Training	24,700	10,600
TOTAL MANAGEMENT INFORMATION SYSTEMS	1,272,700	1,157,100
GENERAL OFFICE & FACILITIES		
Telephone		
State of NJ	15,000	40,000
Private-VoIP	14,000	20,000
Cellular	120,000	120,000
Total Telephone	149,000	180,000
Utilities		
Trenton Front St Office	290,000	200,000
Newark Office	31,000	30,000
Total Utilities	321,000	230,000
Postage & Delivery		
Meter Usage	8,000	10,000
Lockbox Rental	1,400	1,300
State of NJ	400	400
UPS	7,000	7,000
Federal Express	200	500
Total Postage & Delivery	17,000	19,200
Rent & Real Estate Taxes		
Trenton Front St Office	1,166,000	1,000,000
Newark Office	222,000	217,000
Total Rent	1,388,000	1,217,000
Moving Expenses	0	25,000



New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors

	Proposed 2015 Budget	2014 Budget
Insurance - Liability & Property		
Business Admin Package	33,000	41,845
Auto Insurance	36,000	32,370
Umbrella Liability	41,000	49,301
Public Officials Liability	224,000	211,390
Public Officials Liability-Excess	82,000	76,734
Umbrella Liability-Excess	16,000	20,180
Total Insurance - Liability & Property	<u>432,000</u>	<u>431,820</u>
Equipment Lease/Maintenance	<u>45,000</u>	<u>50,000</u>
Furniture/Equipment/Fixtures		
Furniture Purchases	5,000	5,000
Equipment Purchases	5,000	5,000
Fixtures & Tools	2,000	2,000
Total Furniture/Equipment/Fixtures	<u>12,000</u>	<u>12,000</u>
Stationary & Supplies		
Stationary & Supplies	30,000	25,000
Printer & Copier Paper	25,000	25,000
Toner	50,000	60,000
Business Cards	2,500	3,000
Printed Stationary & Envelopes	0	1,000
Computer Checks	1,000	1,000
Storage	65,000	65,000
Total Stationary & Supplies	<u>173,500</u>	<u>180,000</u>
Building Security	<u>2,000</u>	<u>2,500</u>



**New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors**

	Proposed 2015 Budget	2014 Budget
Janitorial		
Custodial Services	10,000	5,000
Carpet Maintenance	<u>10,000</u>	<u>10,000</u>
Total Janitorial	<u>20,000</u>	<u>15,000</u>
Mechanical Maintenance		
Repairs & Maintenance	20,000	25,000
Common Area Maintenance Fees	<u>350,000</u>	<u>380,000</u>
Total Mechanical Maintenance	<u>370,000</u>	<u>405,000</u>
TOTAL GENERAL OFFICE & FACILITIES	<u>2,929,500</u>	<u>2,767,520</u>
OTHER GENERAL EXPENSES		
Refreshments & Supplies	8,000	11,000
Filtered Water	0	2,500
Employee Services	3,000	2,500
Recruitment Expense	<u>13,000</u>	<u>13,000</u>
TOTAL OTHER GENERAL EXPENSES	<u>24,000</u>	<u>29,000</u>
SUB-TOTAL	<u>\$20,513,117</u>	<u>\$20,448,453</u>
RESERVE FOR UNFORESEEN EVENTS	<u>50,000</u>	<u>50,000</u>
CAPITAL EXPENDITURES		
Automobile Purchases	60,000	54,000
CFR eDoc System	200,000	0
eDiscovery System	<u>125,000</u>	<u>0</u>
TOTAL CAPITAL EXPENDITURES	<u>385,000</u>	<u>54,000</u>



**New Jersey Schools Development Authority
Proposed 2015 Operating Budget Detail
Presentation to the Board of Directors**

	Proposed 2015 Budget	2014 Budget
AUTHORITY OPERATING EXPENSES <u>EXCLUSIVE</u> OF EMPLOYEE COSTS CHARGED TO SCHOOL FACILITIES PROJECTS	<u>\$20,948,117</u>	<u>\$20,552,453</u>
AUTHORITY OPERATING EXPENSES <u>INCLUSIVE</u> OF EMPLOYEE COSTS CHARGED TO SCHOOL FACILITIES PROJECTS	<u>\$36,029,058</u>	<u>\$35,901,581</u>

Resolution -5a.**Resolution Approving the Fiscal Year 2015 SDA Annual Operating Budget**

WHEREAS, the New Jersey Schools Development Authority (“SDA” or “the Authority”) was established by law pursuant to P.L.2007, C.137 (NJSA 52:18A-235 et. seq.) as an entity “in but not of” the New Jersey State Department of the Treasury; and

WHEREAS, pursuant to law, the Authority is authorized to “adopt bylaws for the regulation of its affairs and the conduct of its business” which bylaws were adopted by the Authority on August 15, 2007; and

WHEREAS, pursuant to Article IX of the Authority’s bylaws, there is established an Audit Committee, the duties and responsibilities of which are set forth in the Audit Committee Charter; and

WHEREAS, pursuant to Article VII, Section 7.1 of the Authority’s bylaws, “the fiscal year of the Authority shall commence on the first day of January of each calendar year and conclude on the last day of December of the same calendar year; and

WHEREAS, pursuant to Article V. Section 5.1B of the Authority’s bylaws, the Authority’s “Chief Executive Officer shall prepare and submit a proposed annual budget for the Authority for each ensuing year for adoption by the members of the Authority”; and

WHEREAS, pursuant to Article V. Section 5.1B of the bylaws of the Authority, the Chief Executive Officer has submitted to the Audit Committee for consideration a proposed operating budget for the Authority’s Fiscal Year 2015, and

WHEREAS, at its meetings on October 20, 2014 and November 17, 2014, the Audit Committee met to review and discuss the budget proposal; and

WHEREAS, pursuant to Article VII A.1 of the Audit Committee Charter and following deliberations, the Audit Committee recommends the budget proposal for approval by the Members of the Authority and it is so presented; and

WHEREAS, the SDA’s Fiscal Year (FY) 2015 Operating Budget, at \$20,948,117, represents an increase of \$395,664 as compared to the Authority’s FY 2014 Budget; and

WHEREAS, the FY 2015 Budget is presented in the attachment hereto.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves the FY 2015 Annual Operating Budget presented to the Board on this date for staffing, general and

administrative expenses in support of SDA operations and authorizes the Chief Executive Officer to expend funds on behalf of the Authority pursuant to this budget as required.

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: Proposed FY 2014 Annual Operating Budget Memorandum and Attachment, dated
December 3, 2014

Dated: December 3, 2014

OWNER CONTROLLED INSURANCE PROGRAM (OCIP III)



32 EAST FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

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MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds
Director, Risk Management and Vendor Services

DATE: December 3, 2014

SUBJECT: Owner Controlled Insurance Program (OCIP III)

Management is requesting the Board's approval to purchase various wrap-up policies to continue the Owner Controlled Insurance Program ("OCIP III" or "Program"). The new OCIP III will have an initial three (3) year term to enroll eligible projects commencing construction on or after the Program effective date of December 31, 2014. All enrolled OCIP III projects would be expected to reach construction completion within five (5) years of the Program effective date. Thereafter, all enrolled projects would have completed operations coverage for an additional ten (10) years, the statute of repose for construction projects in New Jersey, commencing with the time the project is put to its intended use. Among the wrap-up policies included in OCIP III are workers' compensation, general liability (including completed operations liability) and excess liability. Another wrap-up policy, builder's risk (i.e., property) coverage, will be purchased separately by the Authority with an effective date after the current policy expires on December 31, 2016. Pursuant to the "Operating Authority By Level" adopted by the Board on December 1, 2010, as amended March 7, 2012, approval is required by the Members of the Authority for the award of Goods and Services contracts greater than \$500,000.

DESCRIPTION

In 2003, the Authority implemented an OCIP ("OCIP I") that "wrapped up" multiple types of insurance coverage into one program. OCIP I, which became effective on December 31, 2003, provided workers' compensation, general liability, excess liability, and builder's risk coverage for eligible contractors working in the School Construction Program. The Authority had twice extended OCIP I beyond the initial three (3) year enrollment term after receiving Board approval; as a result, the program covered all construction projects with a commencement date prior to March 31, 2009. In March 2009, the Board approved the purchase of a new OCIP ("OCIP II") to cover all projects with an anticipated construction commencement during a three (3) year term between March 31, 2009 and March 31, 2012. The Board subsequently approved a two year extension to include all projects commencing construction prior to March 31, 2014. OCIP III, if approved by the Board, would effectively continue the Owner Controlled Insurance Program for the Authority's managed school facilities projects anticipated to commence construction during the period from December 31, 2014 through December 31, 2017.

*Members of the Authority
December 3, 2014
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The Authority has a rolling capital program consisting of various types of school facilities projects, including: new construction; addition and/or renovation projects; and emergent projects. Emergent projects typically involve the repair or replacement of roofs, windows and exterior masonry in order to address water infiltration issues, heating and cooling systems, as well as plumbing, electrical, mechanical and security systems. At present, there are up to twenty-five (25) currently approved school facilities projects identified in the Authority's capital program that could potentially enter construction during the contemplated 3-year enrollment period beginning December 31, 2014. However, due to the inherent uncertainty associated with early planning and/or preliminary project schedules, it is purely speculative at this time to predict the precise number of school facilities projects expected to proceed to construction phase during the three-year enrollment period.

PROCUREMENT PROCESS

Following extensive research to evaluate the feasibility of purchasing a new OCIP III, in June 2014 the Board approved the award of Insurance Broker and Administration Services to Turner Surety and Insurance Brokers (TSIB). TSIB was tasked with obtaining a minimum of three competitive quotations from insurers for the new OCIP III that would conservatively be expected to enroll a minimum of ten (10) capital and eight (8) emergent projects with an aggregate construction cost estimate (CCE) of at least \$431 million, with the potential to enroll several additional construction projects which could increase the aggregate CCE for the program to \$654 million or greater.

Accordingly, following the award of Insurance Broker and Administration Services, the Division of Risk Management ("RMU") and TSIB, developed a comprehensive submission package that TSIB disseminated to the insurance marketplace seeking quotations for a new OCIP III. The insurers and their responses are summarized as follows:

- ACE presented a complete proposal.
- Liberty Mutual presented a complete proposal.
- C.V. Starr submitted a complete proposal.
- XL declined to participate.
- Zurich declined to participate.
- AIG declined to participate.
- Hartford initially pursued but withdrew as they could not be competitive.

On October 29, 2014, TSIB presented the Authority with a formal presentation of all quotations received. The OCIP III options considered by the Authority included both a \$250,000 deductible amount and \$500,000 deductible amount per claim from Liberty Mutual Insurance ("Liberty Mutual"); and a \$500,000 deductible amount per claim from both ACE Group ("ACE") and C.V. Starr. The deductible represents the incurred cost of an actual loss claim that is retained by the Authority. Liberty Mutual has included in its proposal a clash deductible in the event that a workers compensation claim also becomes a general liability claim. In this case, for example, instead of having to pay the full \$250,000 on each claim (i.e., both the workers compensation

Members of the Authority
December 3, 2014
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claim and general liability claim), the total deductible is capped at \$350,000. At the \$250,000 deductible level, Liberty Mutual is offering a \$350,000 clash, and at the \$500,000 deductible level the clash is \$750,000. ACE did not offer a clash with its program.

C.V. Starr's proposal was deemed outside of the competitive price range as their fixed insurance costs were 50% higher than the lowest option, and their required collateral for funding claim payments was considered excessive. As a result, the focus turned to the two proposals received from Liberty Mutual and the proposal received from ACE, which were all deemed cost effective and viable.

ANALYSIS

The proposed new Program was priced by the various insurers based upon an estimated construction value of \$431 million, as provided by the Authority. The Authority believes the \$431 million is a reasonable value for the projects that are conservatively expected to enroll during the policy term in order to avoid paying unearned premiums. Among other things, pricing is also based upon proposed deductible levels, coverage limits and the Authority's actual 10-year claims experience. The following table provides a comparison of the Program features and costs proposed by the two insurers with the most cost effective programs, excluding excess liability coverage, discussed below:

	ACE \$500,000 Deductible	Liberty Mutual \$500,000 Deductible	Liberty Mutual \$250,000 Deductible
Limits: (Per Occurrence / Per Project)			
Workers Compensation	\$1M / \$1M	\$1M / \$1M	\$1M / \$1M
General Liability	\$2M / \$5M	\$2M / \$4M	\$2M / \$4M
Policy Aggregate	\$45M	N/A	N/A
Clash Deductible	Not quoted	\$750,000	\$350,000
Minimum Earned Premium	85%	70%	70%
Program Costs at Expected Losses:			
Primary Insurance Costs (WC/GL/Other)	\$4,581,718	\$4,281,889	\$5,158,661
Expected Claim Costs	\$6,252,000	\$6,252,000	\$4,863,590
Total	\$10,833,718	\$10,533,889	\$10,022,251
Program Costs at Maximum Losses:			
Primary Insurance Costs (WC/GL/Other)	\$4,581,718	\$4,281,889	\$5,158,661
Maximum Claim Costs	\$10,740,753	\$9,633,200	\$8,064,729
Total	\$15,322,471	\$13,915,089	\$13,223,390

* Costs are adjustable based upon actual construction values and losses within the applicable deductible.

Members of the Authority
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In the event the construction values of the Authority’s enrolled projects exceed \$431 million in the aggregate, lower insurance rates may be achieved depending upon if certain thresholds are met. In the case of ACE, these lower rates would apply for the entirety of the Program (i.e., all enrolled projects going back to the first project enrolled) if construction values exceed \$654 million. Liberty Mutual has also proposed lower insurance rates for higher construction values, but these lower rates do not extend to the entirety of the Program, but rather they apply only for projects enrolled going forward after construction values exceed \$654 million.

The insurers submitting a quotation all require that claim costs be collateralized to a certain extent by the Authority to cover the applicable deductibles based upon the insurers’ calculation of expected losses, which differ from carrier to carrier. In its \$250,000 deductible quotation, Liberty Mutual is requiring an escrow loss fund of just over \$4.5 million to be funded by the Authority over 30 months, or the Authority has the option of placing \$3 million in a non-depleting escrow fund up front and then funding each deductible payment upon loss incurrence. ACE has agreed to transfer funds from the Authority’s current escrowed loss fund to cover its required collateral of approximately \$6.0 million. In both cases, the escrow monies would accrue interest to the benefit of the Authority and would be available to pay for claim costs, inclusive of legal fees, during the policy term.

The required collateral for each of the insurers to be placed in escrow for the payment of future claims costs is as follows:

	ACE \$500,000 Deductible	Liberty Mutual \$500,000 Deductible	Liberty Mutual \$250,000 Deductible
\$431 Million Construction Value	\$6,003,737 *	\$5,528,000	\$4,567,000

* As discussed above, this amount would be transferred from the Authority’s current Collateral & Paid Loss Deposit Fund with ACE. In the event ACE is not awarded the new OCIP, these funds would remain in the current Collateral & Paid Loss Deposit Fund until the first re-calculation due date in October 2016.

After evaluating all of the proposals discussed above, it was determined that Liberty Mutual had the most cost effective program at the \$250,000 deductible level (clash of \$350,000) and a 70% minimum earned premium. As a result, the Excess Liability program was then structured over the Liberty Mutual primary program.

EXCESS LIABILITY

The Excess Liability limits in the current OCIP II are for a maximum of \$200 million. These limits were purchased based upon a projected construction value at that time of \$2 billion. The limits purchased under OCIP I had been \$300 million based upon a projected volume of \$3.6 billion. The proposed Excess Liability insurance program has been structured in four (4) \$25 million layers and one (1) \$100 million layer. The first, second and fifth layers are adjustable and final costs will be based upon actual construction values.

Members of the Authority
December 3, 2014
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The cost for each layer of excess liability coverage based upon an aggregate construction value of \$431 million is as follows:

Coverage Limits	Insurer	Cost
\$25,000,000 Lead Primary Excess	Allied World Assurance Company	\$627,035
\$25,000,000 Excess of \$25,000,000	Arch Insurance Company	\$186,665
\$25,000,000 Excess of \$50,000,000	Liberty Mutual Insurance	\$159,235
\$25,000,000 Excess of \$75,000,000	Starr Excess	\$106,985
\$100,000,000 Excess of \$100,000,000	Quota share between four (4) insurers	\$407,636*
Total Excess Liability = \$200,000,000		\$1,487,556

* Management has benchmarked Excess Liability limits maintained in various rolling school construction programs throughout the country. The LAUSD has maintained \$100 million over three OCIPs with an aggregate construction value of almost \$10 billion. The NYSCA has maintained \$200 million for a construction program which is consistently in excess of \$1 billion annually, and is embarking on a \$12 billion capital program for FY 2015-2019. That being said, the Authority is recommending at this time purchasing Excess Liability limits of \$200 million; however, with the Authority's projected construction value in the range of \$431 million to \$654 million, should a decision be made to purchase only \$100 million of excess coverage, the Authority would save between \$407,000 and \$618,000, or more, in insurance premiums dependent upon actual construction values.

RECOMMENDATION

Based upon the information presented in this memorandum and the detailed OCIP proposal package gathered by SDA's Broker, the Authority is recommending that the Board of Directors approve the purchase of various OCIP wrap-up policies from Liberty Mutual Insurance and other insurers for Excess Liability coverage, at a cost not to exceed \$20,272,472, as shown in the table below for the higher aggregate construction value and maximum estimated claim costs. The new OCIP III will have an initial three (3) year term to enroll eligible projects commencing construction on or after the Program effective date of December 31, 2014. All enrolled OCIP III projects would be expected to reach construction completion within five (5) years of the Program effective date. Thereafter, all enrolled projects would have completed operations coverage for an additional ten (10) years, the statute of repose for construction projects in New Jersey, commencing with the time the project is put to its intended use.

Members of the Authority
 December 3, 2014
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	Insurer	Aggregate Construction Value	
		\$431 Million	\$654 Million
OCIP III Program Highlights:			
Limits: (Per Occurrence / Per Project)			
Workers Compensation		\$1M / \$1M	\$1M / \$1M
General Liability		\$2M / \$4M	\$2M / \$4M
Policy Aggregate		N/A	N/A
Excess Liability		\$200M	\$200M
Deductible Per Claim		\$250,000	\$250,000
Clash Deductible		\$350,000	\$350,000
Minimum Earned Premium		70%	70%
Program Costs at Expected Losses:			
Primary OCIP Insurance Costs	Liberty Mutual Insurance	\$5,158,661	\$5,741,279
Excess Liability Insurance Costs:			
\$25,000,000 Lead Primary Excess	Allied World Assurance Company	\$627,035	\$951,265
\$25,000,000 Excess of \$25,000,000	Arch Insurance Company	\$186,665	\$283,190
\$25,000,000 Excess of \$50,000,000	Liberty Mutual Insurance	\$159,235	\$159,235
\$25,000,000 Excess of \$75,000,000	Starr Excess	\$106,985	\$106,985
\$100,000,000 Excess of \$100,000,000	Ironshore Inc.	\$407,636	\$618,320
Quota share between four (4) insurers (i.e., \$25 million each)	RSUI Group, Inc. Great American Insurance Group Endurance Insurance		
Total Insurance Costs		\$6,646,217	\$7,860,274
Expected Claim Costs		\$4,863,590	\$7,378,370
Total Program Costs at Expected		\$11,509,807	\$15,238,644
Program Costs at Maximum Losses:			
Primary OCIP Insurance Costs	Liberty Mutual Insurance	\$5,158,661	\$5,741,279
Excess Liability Insurance Costs:			
\$25,000,000 Lead Primary Excess	Allied World Assurance Company	\$627,035	\$951,265
\$25,000,000 Excess of \$25,000,000	Arch Insurance Company	\$186,665	\$283,190
\$25,000,000 Excess of \$50,000,000	Liberty Mutual Insurance	\$159,235	\$159,235
\$25,000,000 Excess of \$75,000,000	Starr Excess	\$106,985	\$106,985
\$100,000,000 Excess of \$100,000,000	Ironshore Inc.	\$407,636	\$618,320
Quota share between four (4) insurers (i.e., \$25 million each)	RSUI Group, Inc. Great American Insurance Group Endurance Insurance		
Total Insurance Costs		\$6,646,217	\$7,860,274
Maximum Claim Costs		\$8,064,729	\$12,412,198
Total Program Costs at Maximum		\$14,710,946	\$20,272,472

*Members of the Authority
December 3, 2014
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/s/ Karon Simmonds
Karon Simmonds, Director, Risk Management and Vendor Services

Reviewed and recommended by:
Donald Guarriello, Vice President and Chief Financial Officer

Resolution—5b.

Approval to Continue Owner Controlled Insurance Program (OCIP III)

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve the award of Goods and Services contracts greater than \$500,000; and

WHEREAS, in 2003, the Authority implemented an Owner Controlled Insurance Program (OCIP I) to wrap-up multiple types of insurance coverage into one program; and

WHEREAS, OCIP I, effective December 31, 2003, provided workers' compensation, general liability, excess liability, and builder's risk coverage for eligible contractors working in the school construction program; and

WHEREAS, the Authority twice extended the term of OCIP I, with the program covering all construction projects with a commencement date prior to March 31, 2009; and

WHEREAS, in March 2009, the Board approved the purchase of a new OCIP (OCIP II) to cover all projects with an anticipated construction commencement during a three (3) year term between March 31, 2009 and March 31, 2012 and, thereafter, approved a two year extension thereto; and

WHEREAS, OCIP III, as presented by management on this date, would, with Board approval, effectively continue the Owner Controlled Insurance Program for the Authority's managed school facilities projects anticipated to commence construction during the period from December 31, 2014 through December 31, 2017; and

WHEREAS, among the wrap-up policies included in OCIP III are workers' compensation, general liability and excess liability, with another wrap-up policy, builder's risk coverage, to be purchased separately by the Authority with an effective date after the current policy expires on December 31, 2016; and

WHEREAS, a comprehensive description of the Authority's capital program and of the proposed OCIP III program along with details of the procurement process followed in connection therewith, and an analysis of the proposals received and a discussion of the SDA's excess liability coverage needs are set forth in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the Members of the Authority have reviewed management's recommendation and concur therewith.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the purchase of various OCIP wrap-up policies from Liberty Mutual Insurance and other insurers for excess liability coverage at a cost, upon such terms and consistent with the details set forth in 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, Owner Controlled Insurance Program (OCIP III), dated December 3, 2014

Dated: December 3, 2014

OWNERS PROTECTIVE PROFESSIONAL INDEMNITY (OPPI)



32 EAST FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

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MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds
Director, Risk Management and Vendor Services

DATE: December 3, 2014

SUBJECT: Owners Protective Professional Indemnity (OPPI)

Management is requesting the Board's approval to purchase a new policy to continue the Owners Protective Professional Indemnity (OPPI) insurance program. The new 5-year term OPPI policy would provide the SDA with additional protection in excess of the professional liability maintained by our contracted design professionals. Coverage will be provided for SDA construction projects which commence construction on or after the OPPI program effective date of December 31, 2014 and prior to December 31, 2019. Coverage further provides an Extended Reporting Period (ERP) of up to 8 years, to report claims. The ERP would commence on the earlier of project substantial completion or the policy expiration date of December 31, 2019. Pursuant to the "Operating Authority By Level," adopted by the Board on December 1, 2010, as amended March 7, 2012, approval is required by the Members of the Authority for the award of Goods and Services contracts greater than \$500,000.

BACKGROUND

The Authority's discords with design professionals for their occasional negligent acts and errors and omissions (E&O) have been well documented in various memoranda to the Board going back to the beginning of the program. Additionally, the Authority had been constrained by the \$1 million minimum professional liability insurance requirement contained in the Authority's standard Agreement. While increasing the coverage requirement would provide enhanced protection for the Authority, many design professionals cannot obtain greater coverage due to their size and financial wherewithal. Therefore, increasing the required policy limits would most likely result in a reduction in the number of qualified consultants competing to perform SDA work, thus potentially leading to increased bid amounts. OPPI is a cost-effective alternative to increasing individual project insurance, which higher insurance costs would be passed on to the Authority. Additionally, OPPI would be less expensive than the cost of uninsured E&O claims.

In September 2009, the Board approved the purchase of the Authority's first OPPI to cover all projects with an anticipated construction commencement during a 5 year term between October 1, 2009 and October 1, 2014. The new OPPI, if approved by the Board, would effectively provide continuity of excess professional liability coverage for the Authority's managed school facilities projects anticipated to commence construction during the period from December 31, 2014 through December 31, 2019.

Members of the Authority
December 3, 2014
Page 2 of 4

DESCRIPTION

OPPI is an excess insurance policy that indemnifies the Authority for damages arising out of the professional negligence of its contracted design professionals. The policy also provides the Authority with coverage for third party claims and third party claim expenses that result from demands made directly against the Authority by entities who are not party to any contract or agreement to provide services on behalf of the Authority.

Design professionals would include all persons or entities who are engaged on the project performing professional services, including, but not limited to:

- Architects
- Engineers
- Construction Managers
- Landscape Architects
- Land Surveyors/Planners
- Interior Designers/Space Planners

Since OPPI is an excess insurance policy, it only protects the SDA against damages that exceed the design professional's individual policy limits. Some advantages of OPPI include:

- It supplements the available professional liability insurance provided by the design professional;
- It provides a cost-effective alternative to increasing individual project insurance (OPPI is typically 50%-60% less expensive than project insurance);
- The Self-Insured Retention (SIR) only applies in the event the underlying design professional's insurance coverage and limits are impaired or exhausted; and
- It includes "difference in conditions" (DIC) coverage extending protection to the owner in the event the underlying policy is deficient in coverage

PROCUREMENT PROCESS

In June 2014, the Board approved the award of Insurance Broker and Administration Services to Turner Surety and Insurance Brokers (TSIB). Among other things, TSIB was tasked with obtaining a minimum of three competitive quotations from insurers for the new OPPI that would conservatively be expected to insure a minimum of ten (10) capital and eight (8) emergent projects with an aggregate construction cost estimate (CCE) of at least \$431 million, with the potential to include several additional construction projects which could increase the aggregate CCE for the program to \$654 million or greater.

The Division of Risk Management ("RMU") and TSIB, developed a comprehensive submission package that TSIB disseminated to the insurance marketplace seeking quotations for a new OPPI. The insurers and their responses are summarized as follows:

- Zurich Group of Insurance Companies (Steadfast Insurance Company) – The incumbent insurer offered various limits of liability and retention options;
- Lexington Insurance Company (a member of the AIU Holdings, Inc., formerly AIG) – Offered one option based upon current limits and retention levels;
- Catlin Specialty Insurance Company (Lloyds Syndicate) – Offered two options;
- XL America – Offered two options with a maximum liability limit of \$5 million.

Members of the Authority
December 3, 2014
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On October 29, 2014, the Broker presented the Authority with a formal presentation of all quotations received. The Lexington and XL America options were deemed outside the competitive range; however, further negotiations on pricing, terms and conditions occurred with both Zurich and Catlin. The OPPI costs, as presented below, are based upon an estimated construction value of \$431 million and can grow to include all projects within the current Capital Plan depending upon the date construction commences:

	Zurich	Catlin
Limit of Liability	\$25,000,000	\$25,000,000
SIR – Protective Liability	\$500,000	\$250,000
SIR – Third Party Liability	\$500,000	\$500,000
Extended Reporting Period	8 Years	10 Years
Retroactive Date	Full Prior Acts	Date of first design for each project
Premium	\$750,651	\$895,000
Auditable Rate Per \$1,000 of Construction Value	1.74	2.08

The detailed proposals have been reviewed by Risk Management and certain program features were discussed with Executive Management. A summary of significant program features include:

- The proposed policy term is from December 31, 2014 through December 31, 2019. The premium is based on an estimated construction value of \$431 million and is subject to audited construction values. A 75% minimum earned premium will apply.
- Coverage is in excess of the Professional Liability insurance provided by all prime design professionals. The minimum limit of liability required of design professionals by the SDA is \$1,000,000;
- The definitions of Design Professional and Professional Services have been broadened to include most all professional consultants, sub-consultants and construction managers as well as employed design professionals;
- Mold/fungi and asbestos coverage is provided at full policy limits arising from design services;
- Projects using a Design Build delivery system will be included and will require that SDA enjoin the DB contractor in a claim against a Design Professional;
- Emergent projects will be covered so long as they are added prior to construction work commencing.

In addition to the above, Zurich and Catlin offered to include excess Contractors Pollution Liability (CPL) coverage as presented below:

	Zurich	Catlin
Limit of Liability	\$25,000,000	\$25,000,000
SIR	\$250,000	\$100,000
Retroactive Date	Pre-Site Work	TBD
Premium	\$62,651	\$75,000

Members of the Authority
December 3, 2014
Page 4 of 4

RECOMMENDATION

Based upon the information presented in this memorandum and the detailed OPPI proposal package gathered by SDA's Broker, the Authority is recommending that the Board of Directors approve the purchase of an OPPI policy, including excess CPL coverage, from Zurich Group of Insurance Companies (Steadfast Insurance Company), at a cost not to exceed \$1,229,520, as shown in the table below for the higher aggregate construction value of \$654 million. The OPPI policy would provide a \$25 million limit of liability, subject to a \$500,000 SIR on Professional Liability and a \$250,000 SIR on Pollution Liability, and shall have a term commencing on December 31, 2014 and expiring on December 31, 2019. Additionally, the OPPI policy would have an Extended Reporting Provision of up to 8 years commencing on the earlier of substantial completion of the project or the policy expiration date.

Zurich Group of Insurance Cos.	
OPPI Limit of Liability	\$25,000,000
CPL Limit of Liability	\$25,000,000
OPPI SIR – Protective Liability	\$500,000
OPPI SIR – Third Party Liability	\$500,000
CPL SIR	\$250,000
Extended Reporting Period	8 Years
OPPI Retroactive Date	Full Prior Acts
CPL Retroactive Date	Pre-Site Work
Combined Auditable Rate Per \$1,000 of Construction Value	\$1.88
Premium on \$654 Million Construction Value	\$1,229,520

/s/ Karon Simmonds

Karon Simmonds, Director, Risk Management and Vendor Services

Reviewed and recommended by:

Donald Guarriello, Vice President and Chief Financial Officer

Resolution—5c.

Approval to Purchase New Policy
Owners Protective Professional Indemnity (OPPI)

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority authorize and approve the award of Goods and Services contracts greater than \$500,000; and

WHEREAS, in September 2009, the Members of the Authority approved the purchase of the SDA's first Owners Protective Professional Indemnity (OPPI) to cover all projects with an anticipated construction commencement during a 5 year term between October 1, 2009 and October 1, 2014; and

WHEREAS, OPPI is an excess insurance policy that indemnifies the Authority for damages arising out of the professional negligence of its contracted design professionals; and

WHEREAS, the policy also provides the Authority with coverage for third party claims and third party claim expenses that result from demands made directly against the Authority by entities who are not party to any contract or agreement to provide services on behalf of the Authority; and

WHEREAS, SDA management is requesting that the Members of the Authority approve the purchase of a new policy to continue the Authority's OPPI insurance program; and

WHEREAS, the new OPPI insurance program, if approved by the Board, would effectively provide continuity of excess professional liability coverage for the Authority's managed school facilities projects anticipated to commence construction during the period from December 31, 2014 through December 31, 2019; and

WHEREAS, a description of the cost, program features, term and details of the recommended new OPPI and of the procurement process followed in connection therewith are comprehensively set forth in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the Members of the Authority have reviewed management's recommendation and concur therewith.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the purchase of an Owners Protective Professional Indemnity policy, including excess Contractors Pollution Liability (CPL) coverage, from Zurich Group of Insurance Companies (Steadfast Insurance Company), at a cost, upon such terms, and consistent with the details as set forth in 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, Owners Protective Professional Indemnity (OPPI), dated December 3, 2014

Dated: December 3, 2014

REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE

CHAIRMAN'S REPORT

**IRVINGTON SCHOOL DISTRICT - NEW MADISON AVENUE ELEMENTARY SCHOOL - PRELIMINARY
PROJECT CHARTER**



MEMORANDUM

6

TO: Members of the Authority

FROM: Ritchard J. Sherman
Managing Director of Design

Gregory Voronov
Managing Director, Program Operations

DATE: December 3, 2014

SUBJECT: Preliminary Project Charter

RE: Irvington School District – New Madison Avenue Elementary School

INTRODUCTION

At the January 2, 2014 NJSDA Board Meeting, the Members approved the Authority's Amendment to the Capital Plan Portfolio. That Amendment identified the Irvington Madison Avenue Elementary School project for validation and advancement into Pre-Development. We are writing to advise the Members of the results of that validation performed by SDA staff and to provide detail of recommended action for advancement of the above-identified project.

We are also writing to recommend approval by the Members of the attached Preliminary Project Charter, created by Program Operations staff, which details project advancement recommendations including estimated project costs for project completion. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Preliminary Project Charters require approval by the Members of the Authority.

BACKGROUND

Based upon the DOE's 2013 Educational Facilities Needs Assessment (EFNA), which identified Facilities Efficiency Standard (FES) Compliance needs in the Irvington Public School District, the NJSDA's Capital Plan Amendment identified the Irvington Madison Avenue Elementary School project for validation and advancement. The DOE's EFNA identified FES Compliance needs in grades Pre-K to 5 based upon localized overcrowding in District facilities, facilities with classrooms that do not meet FES requirements and facilities providing less square feet per student than prescribed by the FES. Identification of the Madison Avenue project as the solution to FES Compliance needs was based upon preliminary discussion between the District and SDA staff to prioritize and identify a potential project to address the identified needs.

Working Group Activities

Following approval of the SDA's Capital Plan Amendment, SDA staff commenced review and validation activities which included a review of the District's Long Range Facilities Plan (LRFP) and identification of existing and proposed school facilities included in that plan. The DOE's EFNA identified FES Compliance needs in grades Pre-K to 5. The District's LRFP calls for the demolition and construction of a new grade Pre-K to 5 elementary school, on the site of the old Madison Avenue School, to address FES compliance needs and localized overcrowding in the elementary school grade levels.

A Working Group comprised of District, DOE and SDA staff was convened to review and validate current District needs and discuss the proposed elementary school project. That validation process began with a review of current and projected District enrollments and current District educational capacity. This

Members of the Authority
Preliminary Project Charter
Irvington School District – Madison Avenue Elementary School
December 3, 2014
Page 2 of 3

evaluation confirmed District-wide FES compliance needs and localized overcrowding in several schools serving grade levels Pre-K to 5.

Working Group discussions revealed that demolition of the currently vacant Madison Avenue ES and construction of a new educationally appropriate facility on its site would allow students that are currently housed in the severely overcrowded Madison at Chancellor South School (formerly Old Mt. Vernon School) to be relocated to the new facility. Additionally, based upon the size and limited capacity of the facility, the District intends to utilize the Madison at Chancellor South School to provide specialized and alternative programs upon completion of the proposed Madison Avenue Elementary School project.

Through additional Working Group discussions, the District expressed its strong support to proceed with the Madison Avenue Elementary School project based upon its location and its ability to address the District's educational and capacity needs.

Based upon this review and validation, the Working Group has confirmed that advancement of the Irvington Madison Avenue Elementary School project would significantly address FES compliance needs, localized overcrowding and educational needs for all students in grades Pre-K to 5.

Prior Project Activity

In 2005 the NJSCC, predecessor to the SDA awarded a Design Consultant Agreement for design and construction administration services for a renovation and addition to the existing Madison Avenue School. This agreement was suspended in September 2005 upon the completion of schematic design and eventually terminated for convenience in June 2009. A new Madison Avenue School was recommended as part of the NJSDA's 2008 Capital Plan but the project was again suspended in 2010 prior to engagement of a Design Consultant.

Current Advancement Status

In May 2014, SDA staff undertook a preliminary environmental review of the proposed Madison Avenue Elementary School site which included review of environmental documents pertaining to the site to identify potential data gaps and identify a preliminary scope of work for closure of any identified gaps. This review identified scope appropriate for additional investigation through assignment to an engaged Site Environmental Consultant (SEC).

Upon approval of the Preliminary Project Charter, an SEC will be engaged through a task order assignment to complete site investigation activities necessary to support project advancement concurrently with other recommended design activities including development of design documents for the demolition of the existing facility and design work necessary to support the development of bridging documents.

RECOMMENDED PROJECT SCOPE:

NJSDA staff has developed a proposed project scope based on application of standard programmatic models and utilization of Kit of Parts components. Based on that analysis, the following project is being recommended for advancement to address District overcrowding and FES Compliance needs.

The recommended project scope calls for the demolition of the existing facility and construction of an approximately 70,500 SF new school facility on the District-owned Madison Avenue site. The facility will provide capacity to educate approximately 463 students in grades PK-5.

Members of the Authority
 Preliminary Project Charter
 Irvington School District – Madison Avenue Elementary School
 December 3, 2014
 Page 3 of 3

PROJECT DELIVERY RECOMMENDATIONS:

Alternatives for project delivery, including both Design-Build and Design-Bid-Build have been considered and analyzed by staff. Considerations in this regard have included the size, type, and complexity of the project as well as cost and schedule considerations and availability of SDA resources to support project advancement.

The capacity and grade alignment of the proposed New Madison Avenue Elementary School align with standard SDA programmatic models and test fits of the existing Madison Avenue site have determined that Kit of Parts components may be utilized in the design of the project which will be all new construction. Advancement of this project was anticipated as part of Design Studio 2015 workload and staffing projections and sufficient resources exist to support its advancement through in-house design.

Therefore, it is recommended that this project be advanced utilizing in-house design staff and that bridging documents be prepared to support a Design-Build delivery process. The project budget which has been developed is reflective of the recommendation for Design-Build project delivery.

PROJECT BUDGET

By providing the Madison Avenue Elementary School project, the District's capacity and FES Compliance needs in grades PK to 5 will be significantly addressed. The estimated cost of \$35.4 million for the project reflected in the Preliminary Project Charter is inclusive of all prior expenditures related to prior design work and site investigation activities, as well as estimated future costs necessary for advancement of the current project scope. The estimated costs are based upon the application of planning estimates to the current anticipated project scope.

RECOMMENDATION

The Members are requested to approve the Project Charter for the Irvington Madison Avenue Elementary School project. In so doing, the Board is providing the Authority with approval to:

1. Proceed with in-house design activities.
2. Procure necessary professional and construction services in relationship to this project.

The Operating Authority will govern the award of all professional services and construction contracts and the Board's notification of the use of contingency monies.

Recommended by:

/s/ Ritchard J. Sherman

Ritchard J. Sherman, Managing Director, Design

/s/ Gregory Voronov

Gregory Voronov, Managing Director, Program Operations

Prepared by: H. Mike Wielage, Program Officer, Program Operations
 Reviewed and Recommended by: Paul Hamilton, Senior Program Officer, Program Operations
 Reviewed and Recommended by: Andrew Yosha, EVP, Program Operations & Strategic Planning

New Jersey Schools Development Authority Project Charter - Summary

Charter Date

12/03/14

**Supersedes
Charter Dated**

N/A

Region: Northern
District: Irvington
Project Name: New Madison Avenue ES
School Type: Elementary School
DOE # / Project #: 2330-120-03-0755
Project Type (New/Add/Reno): New
Project Location: 163 Madison Avenue
Number of Students: 463

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

Funding Source

2012 Capital Plan

Funding Allocated

\$35,361,795

Project Budget: \$ 35,361,795
Anticipated Substantial Completion Date: TBD
Anticipated School Occupancy Date: TBD

Project Team Leader: TBD / Ritchard Sherman
Project Initiation Date: Dec-14
SDA Board - Project Charter Approval Date: 12/03/14

District Local Share

\$0.00

Charter Version and Date		Project Summary
<input type="checkbox"/> Planning		New Elementary School facility on the District-owned Madison Avenue site to educate 463 students in grades PK-5.
<input checked="" type="checkbox"/> Preliminary	12/03/14	
<input type="checkbox"/> Final		
Revision # and Date		Purpose for Advancement of Current/Revised Project Charter
<input type="checkbox"/> One		Project advancement, including demolition of existing facility, in-house design and procurement of necessary professional and construction services for the project.
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		District Project Goals
<input type="checkbox"/> Four		A new school to address district wide Facilities Efficiency Standards (FES) Compliance needs and localized overcrowding in grades PK-5.
<input type="checkbox"/> Five		
<input type="checkbox"/> Six		

Recommendation

Program Director - Program Operations Date TBD	Managing Directors - Capital Planning / Design Date Gregory Voronov / Ritchard Sherman
Vice President - Construction Operations Date Raymond Arcario	EVP- Prog. Ops. and Strategic Planning Date Andrew Yosha

Approval

Chief Executive Officer
 Charles McKenna

New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method						Charter Date	
District / Project Name:						Irvington / New Madison Avenue ES	
DOE # / Project #:						2330-120-03-0755	
Project Milestones						Date	
School Occupancy Date						TBD	
DELIVERY METHOD				Design/Build			
Real Estate Services		Start	Est.	Act.	Finish	Est.	Act.
Feasibility		Complete		x	Complete		x
Site Investigations		01/05/15	x		02/27/15	x	
Site Acquisition		NA			NA		
Relocation		NA			NA		
Demolition		TBD			TBD		
Early Site Package		TBD			TBD		
Deed Restriction Required?		TBD	Date				
District Notified?				<input type="checkbox"/>			<input type="checkbox"/>
Classification Exception Area?		TBD					
District Notified?				<input type="checkbox"/>			<input type="checkbox"/>
Special Considerations							
Design:		Date	Est.	Act.			
Design Start (NTP)		12/24/14	x				
Design Restart (if applicable)		NA					
		Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase		12/24/14	x		TBD	x	
Schematic Design		TBD	x		TBD	x	
Bridging Documents		TBD	x		TBD	x	
Design-Build Bid/Award		TBD	x		TBD	x	
Design-Build NTP		TBD	x		TBD	x	
Final Design		TBD	x		TBD	x	
Special Considerations							
The project is planned to be advanced through Design-Build approach and assumes that an early site package will be performed to demolish the existing facility and prepare the site for advancement of construction by the design builder.							
Construction:		Date	Est.	Act.			
Construction Start (NTP)		TBD	x				
Substantial Completion (TCO)		TBD	x				
School Occupancy Date		TBD	x				
Title Transfer		TBD	x				
Final Completion (C of O)		TBD	x				
Post Occupancy Walk Through		TBD	x				
Project Close-Out		TBD	x				
Special Considerations							

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date
		12/03/14
District / Project Name: Irvington / New Madison Avenue ES		
DOE # / Project #: 2330-120-03-0755		
2012 Capital Plan Funding Allocation		\$ 35,361,795
Special Considerations:		
<p>The project budget represented below is based upon the application of planning assumptions based upon the current project scope, as well as, prior expenditures related to site investigations and prior engaged design services.</p>		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor:
New	70,500	1.55
Addition	0	
Renovation	0	
Total Gross Building Area (GSF):		70,500
Estimated Building Cost / GSF		
New Construction Cost/GSF	\$279.43	
Renovation Cost/GSF		
Design-Builder Costs		
Design	\$1,000,000	
Building Costs	\$17,000,000	
Site Costs	\$2,000,000	
Demolition	\$0	
E-Rate (If separately bid)	\$0	
Cost Escalation 33 months at 5 % per year	\$2,700,000	
Design Contingency	\$2,300,000	
Construction Contingency	\$1,200,000	
Total Construction Costs		\$26,200,000
Pre-Development Costs:		
Consultant Services	\$990,000	
Early Site Package (Demolition/Remediation)	\$1,400,000	
Land Acquisition	\$5,600	
Relocation	\$0	
Property Maintenance/Carry Costs	\$0	
Total Pre-Development Costs		\$2,395,600
Other Costs:		
Design		%
Prior Design Services	\$410,195	
In-House Design	\$400,000	
Project Management (SDA Staff)	\$1,821,000	
PMF/CM	\$1,485,000	
FF&E	\$1,200,000	
Technology	\$1,000,000	
Commissioning	(Included in DB Scope)	
Temporary Space	\$0	
Other Costs	\$450,000	
Total Other Costs		\$6,766,195
Other Funding Sources		
Rebates & Refunds	\$0	
District Local Share Funds	\$0	
Total Other Funding Sources		\$0
Total Project Budget		\$35,361,795
Funding from Prior Allocation		\$572,250
Funding from 2012 Capital Plan		\$34,789,545

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

Charter Date
12/03/14

District / Project Name:	Irvington / New Madison Avenue ES
DOE # / Project #:	2330-120-03-0755

Project Budget:

		Capital Plan Estimate	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:			1.55	
Gross Building Area (GSF):	New	N/A	70,500	
	Addition		0	
	Renovation		0	
Total Gross Area (GSF):		N/A	70,500	
Design-Builder Costs				
Design		N/A	\$1,000,000	N/A
Building Costs		N/A	\$17,000,000	N/A
Site Costs		N/A	\$2,000,000	N/A
Demolition		N/A	\$0	N/A
E-Rate (If separately bid)		N/A	\$0	N/A
Cost Escalation		N/A	\$2,700,000	N/A
Design Contingency		N/A	\$2,300,000	N/A
Construction Contingency		N/A	\$1,200,000	N/A
Total Construction Costs		N/A	\$26,200,000	N/A
Pre-Development Costs:				
Consultant Services		N/A	\$990,000	N/A
Early Site Package (Demolition/Remediation)		N/A	\$1,400,000	N/A
Land Acquisition		N/A	\$5,600	N/A
Relocation		N/A	\$0	N/A
Property Maintenance/Carry Costs		N/A	\$0	N/A
Total Pre-Development Costs		N/A	\$2,395,600	N/A
Other Costs:				
Design				
Prior Design Services		N/A	\$410,195	N/A
In-House Design		N/A	\$400,000	N/A
Project Management (SDA Staff)		N/A	\$1,821,000	N/A
PMF/CM		N/A	\$1,485,000	N/A
FF&E		N/A	\$1,200,000	N/A
Technology		N/A	\$1,000,000	N/A
Commissioning		N/A	(Included in DB Scope)	N/A
Temporary Space		N/A	\$0	N/A
Other Costs		N/A	\$450,000	N/A
Total Other Costs		N/A	\$6,766,195	N/A
Other Funding Sources				
Rebates & Refunds		N/A	\$0	N/A
District Local Share Funds		N/A	\$0	N/A
Total Other Funding Sources		N/A	\$0	N/A
Total Project Budget		N/A	\$35,361,795	N/A
Funding from Prior Allocation		N/A	\$572,250	N/A
Funding from 2012 Capital Plan		N/A	\$34,789,545	N/A

Budget Variance Analysis:

Schedule Variance Analysis:

Resolution—6a.

Approval of Preliminary Project Charter
Irvington School District – New Madison Avenue Elementary School

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) or the Authority) requires that the Members of the Authority approve Preliminary Project Charters; and

WHEREAS, in January 2014, the Members of the Authority approved the Authority's Amendment to the SDA 2012 Capital Plan; and

WHEREAS, this Amendment identified the New Irvington Madison Avenue Elementary School project (the Project) for validation and advancement into Pre-Development; and

WHEREAS, following approval of the Amendment, SDA staff commenced review and validation activities which included a review of the District's Long Range Facilities Plan (LRFP) and the identification of existing and proposed school facilities included in that plan; and

WHEREAS, a Working Group comprised of Irvington District (District), DOE and SDA staff was convened to review and validate current District needs and to discuss the proposed Project; and

WHEREAS, the validation process conducted by the Working Group is described in detail in the memorandum presented to the Board on this date; and

WHEREAS, following this validation process, the Working Group has confirmed that advancement of the Project would significantly address Facilities Efficiency Standards (FES) compliance needs, localized overcrowding and educational needs for all District students in grades Pre-K to 5; and

WHEREAS, the memorandum presented to the Board on this date sets forth in detail the background of the Project, specifics of the Working Group's activities, prior project activity, current advancement status along with Project scope, budget and delivery recommendations; and

WHEREAS, upon completion, the Project shall be an approximately 70,500 SF new school facility to educate approximately 463 students in grades PK – 5 on the District-owned Madison Avenue site in Irvington; and

WHEREAS, for reasons set forth in the memorandum presented to the Board on this date, advancement of the Project utilizing Kit of Parts components, the design-build delivery process and in-house design staff resources is recommended; and

WHEREAS, the estimated Project cost of \$35.4 million for the Project reflected in the Preliminary Project Charter presented to the Board on this date is inclusive of all prior expenditures related to prior design work, and site investigation activities as well as estimated future costs necessary for advancement of the current project scope; and

WHEREAS, executive management and associated program staff recommend that the Members of the Authority approve the Preliminary Project Charter for the Irvington Madison Avenue Elementary School project in the Irvington School District, specifically authorizing the SDA to proceed with in-house design activities and to procure necessary professional and construction services in relation thereto, consistent with the memorandum presented to the Board on this date and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the Preliminary Project Charter for the New Irvington Madison Avenue Elementary School project in the Irvington 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, New Irvington Madison Avenue Elementary School — Preliminary Project Charter, Irvington School District, dated December 3, 2014

Dated: December 3, 2014

NEWARK - WEST SIDE HIGH SCHOOL - SITE IMPROVEMENTS - APPROVAL OF AWARD



32 EAST FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-858-5395

6

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Director, Procurement

C. Aidita Milsted
Director, Program Operations

RE: Description: Abatement, Demolition, and Site-Related Work of Eight (8) Vacant,
Deteriorated Residential Properties and Site-Related Work of One (1)
Vacant Lot

District: Newark

Package No.: NE-0008-N01

CCE: \$1,394,164

Award: \$ 800,000

CM: NJSDA Self-Managed

DATE: December 3, 2014

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a construction contract to Tricon Enterprises, Inc. (Tricon) in the amount of \$800,000, for demolition and related activities. Those activities are needed to address vacant and deteriorated structures at properties acquired for a project not currently identified for advancement.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, the award of construction contracts greater than \$500,000 requires Board approval. This contract award is greater than \$500,000.

The funding requested for the demolition and related activities is allocated from funding forecasted for property maintenance for NJSDA owned properties which are no longer attached to the Capital Plan.

BACKGROUND

In 2004, the NJSCC initiated acquisition of properties at 11th and 12th Streets for a project in the Newark Public School District that is not currently identified for advancement. Acquisition activities had reached a stage such that the NJSDA was legally required to complete the acquisition, finalizing those actions in 2009 and 2010.

Members of the Authority
Award of Contract- NE-0008-N01
Newark Public Schools District
December 3, 2014
Page 2 of 3

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The serious deterioration of the vacant residential properties on the acquired sites, as well as the ongoing property maintenance costs, mandate that the structures be demolished now to address safety concerns and for cost effectiveness.

The demolition of an additional structure on South Orange Avenue, specifically West Side Plaza, will be addressed through a separate engagement.

SCOPE OF WORK

The scope of work consists of the abatement, demolition, and site-related work of eight (8) vacant, deteriorated residential properties and site-related work of one (1) vacant lot. The work includes hazardous materials abatement, demolition and removal of all existing above ground and underground structures, and clearing and removal of all vegetation.

NJSDA staff shall provide Construction Management for the project.

PROCUREMENT PROCESS

This package was advertised beginning on October 8, 2014 on the NJSDA website, NJ State website and in selected newspapers for interested firms registered as Small Business Enterprises (SBE) and classified in General Construction (C008 or C009) or Demolition (C021) to participate in the bidding process.

A mandatory pre-bid conference was held on October 16, 2014 at the NJSDA Newark Office. Immediately following the pre-bid conference, bidders traveled to the work site to observe and visually inspect the area.

Requests for Information (RFIs) were received by October 23, 2014. The addendum containing the responses to the RFIs was issued to the bidders on October 24, 2014.

Project Rating Proposals were received by October 23, 2014. 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, eight (8) bidders received a Project Rating Limit.

Price Proposals were received on November 7, 2014. 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 five (5) bidders were responsive. The results of the review are listed below:

Members of the Authority
 Award of Contract- NE-0008-N01
 Newark Public Schools District
 December 3, 2014
 Page 3 of 3

Contractor	Bid Amount	Comments
Tricon Enterprises, Inc.	\$ 800,000.00	Qualified and responsive bidder.
D&K Construction Company, Inc.	\$1,378,812.00	Qualified and responsive bidder.
USA Environmental Management, Inc.	\$1,416,292.50	Qualified and responsive bidder.
Dobtol Construction, LLC	\$1,588,988.00	Qualified and responsive bidder.
Two Brothers Contracting, Inc.	\$1,689,884.00	Qualified and responsive bidder.

The responsive low bidder was Tricon Enterprises, Inc.

The bid submitted by Tricon was 42.6% below the construction cost estimate (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 November 10, 2014 with Procurement, Program Operations, Contract Management Division, Division of Chief Counsel, the Design Consultant, and Tricon to review the bid. It was determined that the major differentials between the CCE and the bid price were due to the contractor’s ability to self-perform the majority of the construction activities - including demolition of the existing buildings and associated structures and removal and disposal of ACM - with contractor-owned equipment, thereby affording pricing lower than the NJSDA estimate.

At the time of review, Tricon confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents. The Program Operations Director and the Contract Management Director recommend award of the project to Tricon Enterprises, Inc.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to the responsive low bidder, Tricon Enterprises, Inc., for Package No. NE-0008-N01 in the amount of \$800,000. Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

In so doing the Members are also requested to approve the allocation of available funds from those forecasted for property maintenance in order to fund the contract in the absence of a project charter.

/s/ Sean Murphy
 Sean Murphy, Director, Procurement

/s/ C. Aidita Milsted
 C. Aidita Milsted, Director, Program Operations

- Reviewed and Recommended by: Andrew Yosha, EVP, Program Operations and Strategic Planning
- Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer
- Reviewed and Recommended by: Raymond A. Acario, Vice President, Construction 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: Katherine Gallo, Sr. Program Officer, Program Operations

Resolution—6b.

Description: Abatement, Demolition, and Site-Related Work of Eight (8) Vacant, Deteriorated Residential Properties and Site-Related Work of One (1) Vacant Lot
District: Newark
Package No.: NE-0008-N01
CCE: \$1,394,164
Award: \$ 800,000
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 award of construction contracts greater than \$500,000; and

WHEREAS, in 2004, the School Construction Corporation, SDA's predecessor entity, initiated acquisition of properties at 11th and 12th Streets in Newark for a project in the Newark Public School District that is not currently identified for advancement; and

WHEREAS, acquisition activities had reached a stage such that the SDA was legally required to complete the acquisition, finalizing those actions in 2009 and 2010; and

WHEREAS, the serious deterioration of the vacant residential properties on the acquired sites, as well as ongoing property maintenance costs, mandate that the structures be demolished now to address safety concerns and for cost effectiveness; and

WHEREAS, the scope of work consists of abatement, demolition, and site-related work on eight (8) vacant, deteriorated residential properties and site-related work on one (1) vacant lot (collectively "Demolition Services"), with SDA staff providing construction management for the project; and

WHEREAS, the package for Demolition Services was publicly advertised on October 8, 2014; and

WHEREAS, upon completion of the competitive procurement process, the program operations director and the contract management director recommend award of the contract to Tricon Enterprises, Inc. in the amount of \$800,000; and

WHEREAS, at the time of review, Tricon Enterprises, Inc. confirmed that its price proposal is inclusive of all scope elements contained in the contract documents; and

WHEREAS, the funding requested for the Demolition Services is allocated from funding forecasted for property maintenance for SDA owned properties which are no longer attached to the Capital Plan; and

WHEREAS, the Project background and the details of the procurement process followed for the proposed award are comprehensively set forth in the memorandum presented to the Board on this date and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract for Demolition Services to the responsive low bidder, Tricon Enterprises, Inc., for Package No. NE-0008-N01 in the amount of \$800,000, with the contract and related documentation subject to review and approval by the SDA Division of Chief Counsel prior to execution of the contract

BE IT FURTHER RESOLVED, that the Members of the Authority hereby approve the allocation of available funds from those forecasted for property maintenance in order to fund the contract in the absence of a project charter.

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 Award, to Tricon Enterprises, Inc., Inc. (Package No. NE-0008-N01), Newark School District, dated December 3, 2014

Dated: December 3, 2014

FURNITURE, FIXTURES AND EQUIPMENT CONTRACT EXTENSION (GP-0169)



MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy, Director, Procurement

DATE: December 3, 2014

SUBJECT: Furniture, Fixtures and Equipment Contract Extension (GP-0169)

INTRODUCTION

The Members of the Authority are requested to approve a one (1) year contract extension to each of twenty-six (26) firms with no increase to the value of each contract.

At the October 5, 2011 NJSDA Board Meeting, the Members approved the Furniture, Fixtures and Equipment Contract ("FF&E Contract"), resulting in awards to twenty-six (26) firms to provide such goods and services. The total not-to-exceed value of the FF&E Contract, including all awardees, is \$12,000,000 for the term of the contract and any extension thereof. As of October 29, 2014, purchase orders have been issued to fourteen (14) of the twenty-six (26) firms with an approximate value of \$4,800,000. The contracts, scheduled to expire on February 28, 2015, provide for a one (1) year extension to the initial term, such option to be exercised at the sole discretion of the NJSDA.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, the exercising of contract options for extension to the original term of Board-approved contracts requires Board approval.

BACKGROUND

The FF&E Contract provides for the manufacture, delivery and installation of furniture, fixtures and equipment. The FF&E from the various firms forms the content of a "catalog" of available items for selection by school district officials to furnish and equip schools constructed or renovated by the NJSDA. NJSDA staff diligently guide school district officials through an arduous FF&E selection process, while at the same time being attentive to the project FF&E budget; once FF&E selections are determined by the school district, the NJSDA issues purchase orders to the applicable FF&E vendors in order to make the selected purchases.

Members of the Authority
Approval of Contract Extension
Contract No. GP-0169
Furniture, Fixtures and Equipment
December 3, 2014
Page 2 of 2

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PROCUREMENT PROCESS FOR 2011 CONTRACT

In accordance with NJSDA regulations, the NJSDA followed a competitive two-step bidding process. The first step was the issuance of a Request for Qualifications (“RFQ”) and review of submissions from fifty-two (52) firms which resulted in the short-listing of forty-three (43) qualified firms. The second step was the issuance of a Request for Proposals (“RFP”) to the forty-three (43) short-listed firms and review of submissions from thirty-two (32) firms. Ultimately, the NJSDA executed contracts with the twenty-six (26) responsive firms at negotiated discounts to each firm’s catalog prices.

RECOMMENDATION

The Members of the Authority are requested to approve a one (1) year extension to the initial term of the FF&E Contract (GP-0169) with each of the twenty-six (26) engaged firms with no increase to the value of each contract. The proposed one (1) year extension would commence on February 28, 2015 and terminate on February 28, 2016.

/s/ Sean Murphy
Sean Murphy, Director, Procurement

Resolution—6c.

Furniture, Fixtures and Equipment Contract Extension (GP-0169)

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (“SDA” or “Authority”) requires that the Members of the Authority authorize and approve the award of contracts for goods and services by the SDA; and

WHEREAS, the Operating Authority requires that the Members of the Authority approve management’s exercise of an option to extend contracts which were originally approved by the Board; and

WHEREAS, in 2011, the SDA entered into contracts with twenty-six (26) firms for the manufacture, delivery and installation of furniture, fixtures and equipment (FFE); and

WHEREAS, in accordance with SDA regulations, in 2011, the SDA employed a two-step process for this procurement as set forth in detail in the materials presented to the Board on this date; and

WHEREAS, the term of these contracts was for a three (3) year period with an option to extend for one (1) additional year at the sole discretion of the Authority for a total not-to-exceed amount of \$12,000,000 for the term of the contract and any extension thereof; and

WHEREAS, since 2011, purchase orders have been issued to fourteen (14) of the twenty-six (26) firms with an approximate value of \$4,800,000 to date; and

WHEREAS, the terms of these contracts shall expire on February 28, 2015; and

WHEREAS, executive management and associated program staff recommend that the Board authorize and approve the exercise of the one year extension option to run from February 28, 2015 through February 28, 2016.

NOW THEREFORE, BE IT RESOLVED, THAT the Members of the Authority hereby authorize and approve a one (1) year extension to the initial term of the Furniture Fixtures & Equipment Contract (GP-0169) with each of the twenty-six (26) engaged firms with no increase to the value of each contract, with such extension commencing on February 28, 2015 and terminating on February 28, 2016.

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, Furniture, Fixtures and Equipment Contract Extension (GP-0169), dated
December 3, 2014
Dated: December 3, 2014

**REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE (CHAIRMAN'S REPORT) TO
BE PROVIDED IN EXECUTIVE SESSION**

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: December 3, 2014

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 Authority's Capital Plans.

The 2nd part of the report displays project completion milestones for all other active major capital projects and emergent projects for which a contract for construction has been awarded.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



2011 & 2012 Portfolio Projects Activities Summary

as of 11/19/14

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	\$23.3	Kit of Parts/ Design-Build	Award for D-B approved at Oct. 2013 Board (Bock).	5/31/13
Bridgeton	Quarter Mile Lane ES	PK-8	731	\$39.0	Kit of Parts/ Design-Build	Award for D-B approved at Oct. 2013 Board (Bock).	5/31/13
Elizabeth	Academic HS	9-12	1,091	\$64.1	Existing Design	Phase 2 Award approved Nov. 2012 Board (Patoch Construction)	12/8/11 7/11/12
Jersey City	ES 3	PK-5	778	\$54.0	Kit of Parts/ Design-Build	Award for D-B approved May 2013 Board (Dobco, Inc.)	6/25/12 2/25/13
Jersey City	PS 20	K-5	628	\$48.2	Existing Design	Phase 2 Construction approved Aug. 2013 Board (Dobco, Inc.)	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).	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	\$73.6	Kit of Parts/ Design-Build	Award for D-B approved Mar. 2013 Board. (Epic Management)	6/27/12 11/29/12
Paterson	Marshall St. ES	K-8	650	\$55.2	Existing Design	Construction Contract approved at May 2013 Board (Bock).	6/13/12 2/12/13
Paterson	PS 16	PK-8	705	\$62.4	Kit of Parts/ Design-Build	Award for D-B approved at Dec. 2013 Board (Hall Construction).	3/27/12 8/28/13
West New York	Harry L. Bain PS 6	PK-6	736	TBD	Pre-Design Services	Award for Demolition of existing structure on SDA owned site approved at Jun. 2012 Board. NTP For Pre-Design Services sent Oct. 21, 2013.	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 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions utilized in the 2010 reassessment. 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 11/19/14

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	687	\$63.9	Kit of Parts/ Design-Build	Award for D-B approved Jul. 2014 Board (Terminal Construction).	3/4/14
Keansburg	Caruso ES	K-4	736	\$50.9	Kit of Parts/ Design-Build	Award for D-B approved Nov. 2013 Board (Hall Construction).	10/20/11 6/27/13
Keansburg	Port Monmouth Road School	PK	318	\$17.5	Kit of Parts/ Design-Build	Planning Charter approved Oct. 2012 Board.	3 QTR 15
New Brunswick	Robeson ES	K-5	599	\$36.0	Kit of Parts/ Design-Build	SDA In-House Design Underway.	1 QTR 15
Newark	Elliot Street ES	PK-8	848	\$46.7	Kit of Parts/ Design-Build	Award for D-B approved Apr. 2013 Board (Hall Construction).	12/27/12
Newark	South Street ES	PK-8	640	\$68.7	Kit of Parts/ Design-Build	Revised Preliminary Charter and ROA for Phase 1 Construction (USA Environmental) approved Nov. 2013 Board meeting.	6/28/13
Passaic	Dayton Ave. Campus	PK-8	2,741	\$209.5	Kit of Parts/ Design-Build	Project now to be sequenced with the advancement of the Leonard Place Project.	TBD
Phillipsburg	High School	9-12	1,846	\$127.5	Existing Design	Construction Contract Approved Apr. 2013 Board (Epic Management).	9/27/12
West New York	Memorial HS	9-12	1,859	\$61.1	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Renovation work will be completed via District Grant.	n/a

***PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.
NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions utilized in the 2010 reassessment. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



2011 & 2012 Portfolio Projects Activities Summary

as of 11/19/14

2012 Portfolio Projects (Educational Priority that require further conversations with District & 2013 Amended Projects) - sorted by District

District	Project	1			Design Status	Advancement Status	Projected Construction Advertisement Date*
		Grade Alignment	Capacity	Total Estimated Cost (millions)			
East Orange	George Washington Carver ES	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Elizabeth	New ES @ Halloran PS #22 ES Site	ES	860	\$54.8	Kit of Parts/ Design-Build	Award for D-B approved at Nov. 2014 Board (Torcon).	6/9/14
Garfield	James Madison ES	ES	275	\$28.0	Existing Design	Preliminary Charter Approved Aug. 2013 Board. Existing Building Demolition ongoing (Tricon).	2/11/14
Harrison	MS Grade Level	MS	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Irvington	Madison Avenue ES	PK-5	463	\$35.4	Kit of Parts/ Design-Build	Preliminary Charter Advancing to Dec. 2014 Board.	TBD
Millville	Lakeside MS Conversion to HS	HS	2,026	\$82.0	Design-Build	Planning Charter Approved Sep. 2013 Board Meeting.	TBD
Millville	Senior HS Conversion to MS	MS	1,297	\$26.5	Design-Build	Planning Charter Approved Sep. 2013 Board Meeting.	TBD
Passaic	New ES @ Leonard Place	K-5	628	\$56.2	Kit of Parts/ Design-Build	Preliminary Charter approved Sep. 2014 Board.	TBD
Paterson	ES Grade Level	ES	TBD	TBD	TBD	Scoping Conversations with Working Group (DOE/SDA/District).	TBD
Pemberton	Denbo ES	ES	TBD	TBD	TBD	Engagement of Design Consultant forecasted advertisement 4 QTR 14.	TBD
Perth Amboy	All Grade levels	All	TBD	TBD	TBD	SDA and District continue to work to identify an appropriate site to address needs at the high school and middle school grade levels.	TBD
	Seaman Avenue ES	K-5	700	\$56.8	Kit of Parts/ Design-Build	Preliminary Charter approved Aug. 2014 Board.	TBD
Plainfield	Woodland/Cook ES	ES	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
Vineland	New MS	6-8	620	\$49.4	Kit of Parts/ Design-Build	Preliminary Charter approved Aug. 2014 Board.	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.
 NOTE #1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions utilized in the 2010 reassessment. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



2011 & 2012 Portfolio Projects Activities Summary

as of 11/19/14

2012 Portfolio Projects (Facilities Deficiencies) - sorted by District

District	Project	1			Design Status	Advancement Status	Projected Construction Advertisement Date*
		Grade Alignment	Capacity	Total Estimated Cost (millions)			
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	Engagement of Design Consultant forecasted advertisement 4 QTR 14.	TBD
Orange	High School	9-12	1,048	TBD	TBD	Engagement of Design Consultant forecasted advertisement 4 QTR 14.	TBD
Trenton	Central HS	9-12	1,850	\$130.5	Design-Build	Preliminary Charter approved Feb. 2014 Board. Phase 1 Construction (Early-Site Package) advertisement forecast TBD.	TBD

*PLEASE NOTE - Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.
 NOTE #1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions utilized in the 2010 reassessment. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

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**Active Project Status Report
Status as of 11/1/2014**

Major Capital Projects - With Contract for Building Construction Awarded

#	District	Project Name	Project Scope	Project Status	Substantial Completion	Status Substantial Completion	School Opening	Status of School Opening	Total Estimated Project Cost
1	Bridgeton	Buckshutem Road ES	Addition/Renovation	Construction	2Q 2017	On-target	Sep-17	On-target	\$ 23,253,232
2	Bridgeton	Quarter Mile Lane ES	Addition/Renovation	Construction	2Q 2017	On-target	Sep-17	On-target	\$ 39,043,619
3	Elizabeth	New Academic HS	New Construction	Construction	2Q 2016	On-target	Sep-16	On-target	\$ 64,061,687
4	Gloucester City	New ES/MS	New Construction	Design-Build Design Phase	1Q 2017	On-target	Sep-17	On-target	\$ 63,829,937
5	Jersey City	New ES #3	New Construction	Design-Build Design Phase	2Q 2016	On-target	Sep-16	On-target	\$ 54,004,014
6	Jersey City	New PS #20	New Construction	Construction	1Q 2016	On-target	Sep-16	On-target	\$ 48,202,265
7	Keansburg	New Caruso ES	New Construction	Design-Build Design Phase	3Q 2016	On-target	Sep-16	On-target	\$ 47,271,503
8	New Brunswick	New Redshaw ES	New Construction	Substantial Completion	Oct-14	Achieved	Nov-14	On-target	\$ 51,204,641
9	Newark	Elliott Street ES	New Construction	Construction	1Q 2016	On-target	Sep-16	On-target	\$ 46,678,296
10	Newark	Oliver Street ES	New Construction	Construction	4Q 2015	On-target	Sep-16	On-target	\$ 73,548,257
11	Passaic City	New Henry Street ES	New Construction	Construction	1Q 2015	On-target	Sep-15	On-target	\$ 55,023,004
12	Paterson	New Marshall Street ES	New Construction	Construction	1Q 2016	On-target	Sep-16	On-target	\$ 55,150,306
13	Paterson	New PS #16	New Construction	Construction	3Q 2016	On-target	Sep-16	On-target	\$ 62,347,275
14	Phillipsburg	New HS	New Construction	Construction	2Q 2016	On-target	Sep-16	On-target	\$ 127,508,125



**Active Project Status Report
Status as of 11/1/2014**

Emergent Projects - With Contract for Construction Awarded

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	Irvington	Union Ave MS	Building Envelope	GC TO w/ Design	Nov-14	On-Target	Jan-15	On-Target	\$ 3,126,332
2	Irvington	University MS	Building Envelope	GC TO w/ Design	Nov-14	On-Target	Dec-14	On-Target	\$ 3,641,797
3	Orange	Preperatory Academy	Roof	Construction	Oct-14	Achieved	Dec-14	On-Target	\$ 1,554,349
4	Passaic City	School #11	Building Envelope	GC TO w/ Design	Oct-14	Achieved	Dec-14	On-Target	\$ 1,754,983
5	Passaic City	Passaic HS #12	Building Envelope	GC TO w/ Design	Sep-14	Achieved	Dec-14	On-Target	\$ 782,154
6	Salem City	Salem MS	Building Envelope	GC TO w/ Design	Nov-14	On-Target	Dec-14	On-Target	\$ 1,618,348
7	West New York	PS #1	Structural Repairs	GC TO w/ Design	Oct-14	Achieved	Dec-14	On-Target	\$ 1,409,740
8	West New York	PS #5	Structural Repairs	GC TO w/ Design	Sep-14	Achieved	Oct-14	Achieved	\$ 1,617,433

PROJECT CLOSEOUT STATUS REPORT



32 EAST FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-858-5395

To: Members of the Authority

From: /s/ Jason E. Ballard, Chief of Staff

Date: December 3, 2014

Subject: Project Close Out Status Report

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The attached report, provided by the Special Projects Division, shows a listing of all SDA managed Capital and Emergent projects which have achieved school occupancy but have not yet been contractually and administratively closed. The listing further details projects which have achieved building and/or land transfer to the district but also have outstanding open contracts. Finally, to emphasize the accomplishments of project close out, we have included a running total of all school facilities projects, health and safety contracts, and suspended design contracts which have already been closed.

We continue to advance projects and contracts through the close out process. The following project has been closed since the last Board Meeting:

Year of Occupancy	Project #	Project Type	District	School	Status
2007	0600-085-01-0958	Capital Plan	Burlington City	Wilbur Watts Intermediate School	Closed

Prepared by: Ayisha Cooper
Reviewed by: Bridget Capasso

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of November 1, 2014**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Outstanding Issues Remaining for Complete Close Out
Burlington City				
2007	New HS	Land and/or School Transferred	12/29/11	Open contract(s)
Camden				
2007	Octavius V. Catto Community School - Demonstration Project	Land and/or School Transferred	01/09/12	Open contract(s)
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	Open contract(s)
Cumberland				
2009	Cumberland Regional HS	Land and/or School Transferred	06/25/10	Open contract(s)
East Orange				
2008	Mildred Barry Garvin	Land and/or School Transferred	03/29/13	Open contract(s)
2009	Cicely Tyson School of Performing and Fine Arts - Demonstration Project	Land and/or School Transferred	12/01/09	Open contract(s)
2010	Benjamin Banneker (New ES #5)	Land and/or School Transferred	07/23/12	Open contract(s)
Egg Harbor City				
2010	New MS	Land and/or School Transferred	01/01/12	Open contract(s)
Egg Harbor Township				
2011	Egg Harbor Township High School			
Elizabeth				
Legacy	#30 Ronald Reagan Academy	Land and/or School Transferred	07/09/12	Open contract(s)
2009	New PreK-8 #28	Land and/or School Transferred	08/26/10	Open contract(s)
2013	Victor Mravlag ES # 21			
Garfield				
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	
Legacy	Cold Springs ES	Land and/or School Transferred	06/05/09	Open contract(s)
Greater Egg Harbor Township				
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 contract(s)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of November 1, 2014**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Outstanding Issues Remaining for Complete Close Out
Jersey City				
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				
2007	Gregory ES	Land and/or School Transferred	05/25/12	Open contract(s)
2008	Long Branch High School & Athletic Fields	Land and/or School Transferred	12/07/12	Open contract(s)
2014	George L. Catrambone ES			
Manchester				
Legacy	Manchester Township HS			
New Brunswick				
2007	McKinley K Center #3	Land and/or School Transferred	07/09/12	Open contract(s)
2010	New Brunswick High School - Demonstration Project	Land and/or School Transferred	08/19/11	Open contract(s)
Newark				
Legacy	Science Park	Land and/or School Transferred	05/03/13	Open contract(s)
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				
2009	Park Ave ES	Land and/or School Transferred	07/19/12	Open contract(s)
2010	Lincoln Ave ES	Land and/or School Transferred	09/07/12	Open contract(s)
Paterson				
2010	Roberto Clemente ES K-1 Center (Madison Ave K Center)	Land and/or School Transferred	11/09/11	Open contract(s)
Legacy	Roberto Clemente ES	Letter sent to District - No Response		Unable to close due to upcoming repairs.
2008	International HS			
2008	#24 ES			
Pemberton				
2011	Pemberton Early Childhood Education Center	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)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of November 1, 2014**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Outstanding Issues Remaining for Complete Close Out
Trenton				
2008	Daylight/Twilight Alternative School - Demonstration Project	Land and/or School Transferred	12/01/08	Open contract(s)
2010	MLK-Jefferson	Land and/or School Transferred	12/01/11	Open contract(s)
Union City				
2007	ECC @ JFK	Land and/or School Transferred	06/25/14	Open contract(s)
2009	Union City High School and Athletic Complex - Demonstration Project	Land and/or School Transferred	10/27/11	Open contract(s)
2012	Columbus Elementary School	Deed transferred to District 03/26/13		
Vineland				
2007	Gloria M. Sabeter Elementary School - Demonstration Project	Land and/or School Transferred	05/06/11	Open contract(s)
West New York				
2009	ES #2	Land and/or School Transferred	05/14/13	
2012	West New York #3	Land and/or School Transferred	01/29/14	Open contract(s)
Capital and Demonstration Projects Totals				
Total Capital and Demonstration Projects				130
Closed Capital and Demonstration Projects				80
Capital and Demonstration Projects Not Closed				50
	Capital and Demonstration Projects Not Closed, Land and/or School Transferred			38
Emergent Projects				
Camden				
	East Camden Middle School			
Irvington				
	Irvington High School - Roof, HVAC, Bathroom			

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of November 1, 2014**

Year of Occupancy	School	Disposition	Land & School Transferred Date	Outstanding Issues Remaining for Complete Close Out
Newark				
	Avon Avenue - Playground	Project Transferred	10/20/11	Open contract(s)
	13th Avenue - Boiler	Project Transferred	11/09/11	Open contract(s)
	Speedway			
	American History High School (Warren Street ES)			
Passaic				
	Passaic City High School			
Salem				
	Salem Middle School			
Trenton				
	TCHS (Main Campus) - Original portion of building			
West New York				
	Public School #1			
	Public School #5			
Emergent Project Totals				
Total Emergent Projects		63		
Emergent Projects Closed		52		
Emergent Projects Not Closed		11		
	Emergent Projects Not Closed but Transferred	2		
Health and Safety Contract Totals				
Total Contracts		399		
# of Open Contracts		14		
# of Contracts Closed		385		
Open Design Contracts				
Total Contracts		106		
# of Open Contracts		86		
# of Contracts Closed		20		

PROJECT STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: December 3, 2014

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:

Trenton School District – Trenton Central HS Revised Preliminary Project Charter approved by the Board on October 1, 2014.

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 October 31, 2014

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

NO DATA TO REPORT								
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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	\$17,814,403	\$16,587	99.9%	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	\$2,615,168	\$599,832	81.3%	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	\$2,989,906	\$107,244	96.5%	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.
Elizabeth	Number 21, Victor Mravlag E.S.	\$8,240,000	\$8,221,967	\$18,033	99.8%	98%	1. Unforeseen asbestos abatement 2. Unforeseen structural integrity issues. 3. Project changed from addition/renovation to new construction.	The project has achieved a temporary certificate of occupancy for the majority of the building in September 2013 and has been occupied by the District.
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	\$1,754,119	\$71,881	96.1%	99%	1. Removal of unforeseen impacted materials	Project complete and building occupied. Working towards project close-out.
Orange	Lincoln Ave E.S.	\$5,615,000	\$4,906,339	\$708,661	87.4%	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.



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to October 31, 2014

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	\$4,313,389	\$302,731	93.4%	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.
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, amendments



Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy
 Reporting Period: October 2014

#	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 Activity During the Reporting Period



Revisions to Project Charters
Reporting Period: October 2014

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
1	Trenton	Trenton Central HS	Budget increase to reflect inclusion of costs for the lease and fit-out of temporary facilities	\$8,312,700	6.4%	Board Approval	Revision to Preliminary Project Charter to reflect change in project scope from partial demolition and new construction to full demolition and new construction. Inclusion of costs associated with the lease and fit-out of temporary facilities necessary to support project advancement.

CONTRACTS EXECUTED REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: December 3, 2014

SUBJECT: Contracts Executed Report and Amendments & Change Orders Report
(For Informational Purposes Only)

Contracts Executed Report

No data to report for the period October 1 through October 31, 2014.

Noteworthy Items during the reporting period:

- No Data to Report

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period October 1 through October 31, 2014.

Noteworthy Items during the reporting period:

- Execution of 10 Design Contract Amendments totaling a credit of \$12.2M, all 10 of the executed amendments represent deobligations of funds for suspended design engagements.
- Execution of 11 Construction Services Change Orders totaling \$0.1M, of the 11 executed change orders none required board approval.

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 to Report

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



New Jersey Schools Development Authority
Amendments & Change Orders Report

Reporting Period 10/1/14 through 10/31/14

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																
East Orange	B.L. Edmonson Ctr. Adult H.S. Cicely Tyson School Dionne Warwick Institute Ecole T.Louverture E.S. Fourth Avenue E.S. G.W.Carver Institute Gordon Parks Academy E.S. J. Garfield Jackson, Sr. Academy ES Langston Hughes School Washington Academy E.S.	HS-0089-A01	4/5/02	2	DiGeronimo PC	10/30/14	\$139,623	\$9,419		\$-25,000			\$124,042	-11.15%	\$149,042	-16.77%
Elizabeth	Number 19, Woodrow Wilson E.S.	EL-0030-A01	5/20/04	4	Gilbert Architects	10/3/14	\$2,173,483	\$138,811		\$-800,562			\$1,511,732	-30.44%	\$2,173,483	-33.55%
Jersey City	ECC 08A	JE-0017-A01	9/15/03	1	Rivardo Schmitzer Capazzi dba RSC Architects	10/3/14	\$985,100	\$0		\$-730,000			\$255,100	-74.10%	\$985,100	-74.10%
New Brunswick	Lincoln E.S.	ET-0055-A01	12/31/03	1	URS Architects/Engineers, Inc.	10/3/14	\$1,181,400	\$0		\$-1,039,890			\$141,511	-88.02%	\$1,181,400	-88.02%
Newark	East Side High School (Replacement)	NE-0005-A01	9/30/03	5	Ehrenkrantz Eckstut & Kuhn/Mikesell Architects, LL	10/21/14	\$3,867,834	\$444,001	12/20/06	\$-2,710,141			\$1,601,694	-58.58%	\$3,867,834	-70.06%
Newark	East Side H.S.	NE-0016-A01	1/28/04	4	DF Gibson Architects, PC	10/3/14	\$1,072,950	\$65,865		\$-694,210			\$444,605	-58.56%	\$1,072,950	-64.70%
Newark	Harriet Tubman E.S.	NE-0025-A01	8/4/04	1	Vaughn Collaborative, Inc. (The)	10/21/14	\$2,064,886	\$0		\$-1,539,526			\$525,360	-74.55%	\$2,064,886	-74.55%
Newark	Harold Wilson	NE-0033-A01	7/20/04	1	Mount Vernon Group Architects, Inc.	10/21/14	\$3,505,195	\$0		\$-3,120,243			\$384,952	-89.01%	\$3,505,195	-89.01%
Paterson	New PS#16	PA-0024-A01	8/20/04	3	Michael Graves & Associates, Inc.	10/1/14	\$1,917,688	\$302,351	2/1/12	\$-1,373,884	Yes	9/3/14	\$846,155	-55.87%	\$1,917,688	-73.20%
Trenton	Trenton Central H.S.	WT-0022-A01	7/25/13	1	STV Architects, Inc.	10/1/14	\$430,980	\$0		\$-123,593			\$307,387	-28.67%	\$430,980	-28.67%
Design Consultant																
Site Acquisition																
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L08	4/15/05	69	Verizon of New Jersey, Inc.	10/28/14	\$1,399	\$4,826		\$69			\$6,293	349.99%	\$1,399	349.99%
Newark	South Street E.S.	NE-0028-L04	2/14/06	1	T & M Associates	10/20/14	\$20,000	\$0		\$-9,193			\$10,807	-45.96%	\$20,000	-45.96%
Site Acquisition																
Site Investigation																
Gloucester City	New Middle School	GP-0171-L06	12/1/11	12	Van Note-Harvey Associates, P.C.	10/1/14	\$0	\$947,780		\$90,410			\$1,038,190	0.00%	\$0	NA
Perth Amboy	Seaman Avenue School		12/1/11	13	Van Note-Harvey Associates, P.C.	10/30/14	\$0	\$1,038,190		\$332,283			\$1,370,473	0.00%	\$0	NA

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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																
Site Investigation																
Vineland City	Vineland New MS	GP-0171-L07	12/1/11	9	Brinkerhoff Environmental Services, Inc.	10/16/14	\$0	\$520,264		\$265,025			\$785,289	0.00%	\$0	NA
New Brunswick	Paul Robeson Community E.S.	GP-0171-L13	12/1/11	9	CDI-Infrastructure, LLC dba L.R. Kimball	10/28/14	\$0	\$896,362		\$18,310			\$914,672	0.00%	\$0	NA
Paterson	Alexander Hamilton School Hinchliff Sports-Business Academy	NT-0015-L04	9/8/03	12	Maser Consulting P.A.	10/29/14	\$775,189	\$361,200		\$-17,667			\$1,118,722	44.31%	\$775,189	44.31%
Multi-District, Project, or Statewide	Cooper's Poynt E.S. Creative and Performing Arts H.S. Decatur Ave Alternative High School Raphael Cordero Molina E.S. Robbins E.S.	ST-0023-L02	9/8/03	4	T & M Associates	10/20/14	\$2,168,425	\$-157,693		\$-70,670			\$1,940,062	-10.53%	\$2,168,425	-10.53%
Multi-District, Project, or Statewide	Cadwalder E.S. Lorraine Place ES (formerly New Beachway ES) Monument E.S. New Early Childhood Center (-x02)	ST-0023-L03	9/8/03	1	Brinkerhoff Environmental Services, Inc.	10/28/14	\$1,653,312	\$0		\$-160,923			\$1,492,389	-9.73%	\$1,653,312	-9.73%
Trenton	Trenton Central H.S.		9/8/03	2	Brinkerhoff Environmental Services, Inc.	10/28/14	\$1,653,312	\$-160,923		\$-11,952			\$1,480,437	-10.45%	\$1,653,312	-10.45%
Neptune Township	Neptune - TCU/Multi-facility -Memorial Drive	EC-0001-L07	8/7/01	2	T & M Associates	10/20/14	\$13,750	\$11,650		\$-1,395			\$24,005	74.58%	\$25,400	-5.49%
Paterson	New PS#16	NT-0015-L07	3/19/10	4	Birdsall Services Group	10/29/14	\$48,890	\$896,643		\$168,240			\$1,113,773			
Paterson	New PS#16		3/19/10	5	Birdsall Services Group	10/31/14	\$48,890	\$1,064,883		\$-311,730			\$802,042			
Paterson	New PS#16		3/19/10	6	Birdsall Services Group	10/31/14	\$48,890	\$753,152		\$-162,208			\$639,834			1208.72%
Paterson	New PS#16	NT-0015-L08	10/30/14	1	Partner Assessment Corp dba Partner Eng & Science	10/31/14	\$0	\$0		\$162,208			\$162,208	0.00%	\$0	

Site Investigation

Relocation

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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	Cooper's Poynt E.S. Creative and Performing Arts H.S. Dayton Ave. Ed Complex ECC 13 Elementary School 02 James Madison School #10 (Most Holy Name) Magnet K-8 New Early Childhood Center New Early Childhood Center (-x02) New ES #3 New Middle School Roebing School University H.S.	GP-0175-R03	2/11/12	63	Bluegrass Hydroseeding, LLC	10/6/14	\$27,996	\$1,049,695		\$6,404			\$1,084,095			
Multi-District, Project, or Statewide	Cooper's Poynt E.S. Creative and Performing Arts H.S. ECC 13 Elementary School 02 Gladys Hillman-Jones M.S. Harriet Tubman E.S. Magnet K-8 New Early Childhood Center New ES #3 New Franklin Elementary School Replacement New Middle School New North East ES (-x06) Ridge Street (Replacement) Roebing School University H.S. West Side H.S.		2/11/12	64	Bluegrass Hydroseeding, LLC	10/23/14	\$27,996	\$1,056,099		\$8,550			\$1,092,645			
Relocation																
Furniture, Fixtures & Equipment																
New Brunswick	A. Chester Redshaw E.S.	ET-0056-F01	5/20/14	2	Fleetwood Group, Inc.	10/24/14	\$129,705	\$2,650		\$390			\$132,745	2.34%	\$129,705	2.34%
New Brunswick	A. Chester Redshaw E.S.	ET-0056-F02	6/4/14	4	Liat, LLC	10/16/14	\$53,298	\$6,500		\$-7,177			\$52,620	-1.27%	\$53,298	-1.27%
New Brunswick	A. Chester Redshaw E.S.	ET-0056-F05	8/27/14	1	Trendway Corporation	10/24/14	\$6,717	\$0		\$-404			\$6,313	-6.01%	\$6,717	-6.01%
New Brunswick	A. Chester Redshaw E.S.	ET-0056-K06	5/21/14	1	DynTek Services, Inc.	10/2/14	\$51,016	\$0		\$-308			\$50,708	-0.60%	\$51,016	-0.60%
Furniture, Fixtures & Equipment																
Others																

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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																
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L06	4/15/05	111	JCP&L	10/7/14	\$8,060	\$15,376		\$76			\$23,512	191.69%	\$8,060	191.69%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	112	JCP&L	10/7/14	\$8,060	\$15,452		\$70			\$23,582	192.57%	\$8,060	192.57%
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L16	8/2/11	38	New Jersey American Water	10/9/14	\$410	\$6,311		\$171			\$6,892	1,582.33%	\$410	1582.33%
Buena Regional	Collings Lake E.S.	G5-4789-D01	4/16/14	1	District - Buena Regional	10/8/14	\$986,707	\$0		\$198,685			\$1,185,392	20.13%	\$986,707	20.13%
Camden City	Cramer E.S.	GB-0206-D01	4/14/10	1	District - Camden City	10/15/14	\$258,657	\$0		\$-22,222			\$236,435	-8.59%	\$258,657	-8.59%
City Of Orange Township	Lincoln Avenue E.S.	ES-0008-M01	11/30/07	6	Lend Lease (US) Construction LMB Inc.	10/24/14	\$1,240,000	\$571,616	8/2/10	\$-6,733			\$1,804,883	45.55%	\$1,240,000	1.80%
Collingswood Borough	James A. Garfield E.S.	G5-5072-D01	4/29/14	1	District - Collingswood Borough	10/6/14	\$72,000	\$0		\$-18,909			\$53,091	-26.26%	\$72,000	-26.26%
Collingswood Borough	Mark Newbie E.S.	G5-5073-D01	4/29/14	1	District - Collingswood Borough	10/6/14	\$72,000	\$0		\$-14,029			\$57,971	-19.48%	\$72,000	-19.48%
Collingswood Borough	Thomas Sharp E.S.	G5-5074-D01	4/29/14	1	District - Collingswood Borough	10/6/14	\$72,000	\$0		\$-18,909			\$53,091	-26.26%	\$72,000	-26.26%
Collingswood Borough	William P. Tatem E.S.	G5-5075-D01	4/29/14	1	District - Collingswood Borough	10/6/14	\$72,000	\$0		\$-13,849			\$58,151	-19.23%	\$72,000	-19.23%
Collingswood Borough	Zane North E.S.	G5-5076-D01	4/29/14	1	District - Collingswood Borough	10/6/14	\$72,000	\$0		\$-1,109			\$70,891	-1.54%	\$72,000	-1.54%
Denville Township	Lakeview E.S.	G5-5554-D01	4/17/14	1	District - Denville Township	10/30/14	\$127,520	\$0		\$-33,083			\$94,437	-25.94%	\$127,520	-25.94%
Denville Township	Lakeview E.S.	G5-5556-D01	4/17/14	1	District - Denville Township	10/30/14	\$181,640	\$0		\$-22,040			\$159,600	-12.13%	\$181,640	-12.13%
Garfield	Garfield H.S.	GB-0207-D01	4/22/10	3	District - Garfield	10/8/14	\$15,000	\$717,624		\$-75,908			\$656,716	4,278.10%	\$15,000	4278.10%
Garfield	James Madison School #10 (Most Holy Name)	NT-0014-L18	1/16/08	83	Public Service Electric and Gas Company	10/28/14	\$188	\$1,182		\$4			\$1,375	629.84%	\$188	629.84%
Greater Egg Harbor Regional High School District	Absegami H.S.	G5-4191-D01	5/17/12	1	District - Greater Egg Harbor Regional High S.D.	10/27/14	\$893,498	\$0		\$-488,794			\$404,704	-54.70%	\$893,498	-54.70%
Greater Egg Harbor Regional High School District	Absegami H.S.	G5-4192-D01	5/17/12	1	District - Greater Egg Harbor Regional High S.D.	10/27/14	\$728,861	\$0		\$-104,331			\$624,530	-14.31%	\$728,861	-14.31%
Greater Egg Harbor Regional High School District	Absegami H.S.	G5-4195-D01	5/17/12	1	District - Greater Egg Harbor Regional High S.D.	10/27/14	\$1,786,425	\$0		\$-765,826			\$1,020,599	-42.86%	\$1,786,425	-42.86%
Greater Egg Harbor Regional High School District	Oakcrest H.S.	G5-4197-D01	5/17/12	1	District - Greater Egg Harbor Regional High S.D.	10/28/14	\$3,899,266	\$0		\$-721,659			\$3,177,607	-18.50%	\$3,899,266	-18.50%
Greater Egg Harbor Regional High School District	Oakcrest H.S.	G5-4200-D01	5/17/12	1	District - Greater Egg Harbor Regional High S.D.	10/27/14	\$822,041	\$0		\$-494,070			\$327,971	-60.10%	\$822,041	-60.10%
Jersey City	Number 20 E.S.	JE-0010-R08	9/26/14	1	Public Service Electric and Gas Company	10/23/14	\$0	\$0		\$30,379			\$30,379	0.00%	\$0	NA
Jersey City	ECC 13	JE-0028-M01	9/15/09	2	Epic Management, Inc.	10/28/14	\$1,179,949	\$150,000	9/7/11	\$-950,887			\$379,063	-67.87%	\$1,179,949	-80.58%



NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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	ECC 13		9/15/09	3	Epic Management, Inc.	10/28/14	\$1,179,949	\$-800,887	9/7/11	\$-123,465			\$255,598	-78.33%	\$1,179,949	-91.05%
Kingwood Township	Kingwood Township E.S.	G5-5213-D01	4/15/14	1	District - Kingwood Township	10/28/14	\$239,840	\$0		\$-45,304			\$194,536	-18.88%	\$239,840	-18.88%
Mount Olive Township	Sandshore Road E.S.	G5-6317-D01	7/2/14	1	District - Mount Olive Township	10/16/14	\$140,887	\$0		\$-10,172			\$130,715	-7.21%	\$140,887	-7.21%
Mount Olive Township	Tinc Road E.S.	G5-6318-D01	7/2/14	1	District - Mount Olive Township	10/16/14	\$589,470	\$0		\$-294,815			\$294,655	-50.01%	\$589,470	-50.01%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R01	4/12/01	61	NJ Advance Media	10/16/14	\$130,907	\$16,484		\$66			\$147,457	12.64%	\$130,907	12.64%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R02	4/12/01	62	Times Newspaper (The)---(Adverts)	10/16/14	\$62,132	\$1,354		\$10			\$63,496	2.19%	\$62,132	2.19%
Multi-District, Project, or Statewide	Oliver Street E.S.	GP-0005-R01	5/1/01	17	National Reprographics Inc.	10/8/14	\$799,128	\$35,064		\$869			\$835,061	4.49%	\$799,128	4.49%
Multi-District, Project, or Statewide	Marshall Street Elementary School Monsignor Joao S. Antao School No. 31 New Academic HS Speedway Ave. ES Replacement	GP-0005-R10	7/3/02	39	Napco Copy Graphics Center Corp.	10/3/14	\$251,397	\$158,665		\$755			\$410,818	63.41%	\$251,397	60.13%
Multi-District, Project, or Statewide	Marshall Street Elementary School New ES #3 New HS (-x01) New Science Park HS		7/3/02	17	Napco Copy Graphics Center Corp.	10/8/14	\$251,397	\$59,856		\$8,251			\$319,504	27.09%	\$251,397	63.41%
Paterson	New PS#16	GP-0089-R12	9/2/08	36	Wolff & Samson, P.C.	10/14/14	\$2,895	\$100,660		\$540			\$104,096			
Paterson	New PS#16		9/2/08	37	Wolff & Samson, P.C.	10/14/14	\$2,895	\$101,200		\$19,635			\$123,731			
Paterson	New PS#16		9/2/08	38	Wolff & Samson, P.C.	10/14/14	\$2,895	\$120,835		\$4,765			\$128,496			
Multi-District, Project, or Statewide	OGI - NJ Treasury - NJ State Police	GP-0132-R01	2/20/09	9	OGI - NJ Treasury - NJ State Police	10/21/14	\$1,000,000	\$1,062,364	12/8/11	\$143,839			\$2,206,203	120.62%	\$1,000,000	-6.26%
Long Branch	New H.S. (-x03)	GP-0162-R12	10/20/11	23	Greenbaum, Rowe, Smith & Davis LLP	10/27/14	\$0	\$77,652		\$11,587			\$89,240	0.00%	\$0	NA
Long Branch	New H.S. (-x03)		10/20/11	24	Greenbaum, Rowe, Smith & Davis LLP	10/27/14	\$0	\$89,240		\$6,003			\$95,243	0.00%	\$0	NA

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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																
Long Branch	New H.S. (-x03)	GP-0162-R12	10/20/11	25	Greenbaum, Rowe, Smith & Davis LLP	10/28/14	\$0	\$95,243		\$61,653			\$156,895	0.00%	\$0	NA
Multi-District, Project, or Statewide	Procurement of Outside Counsel	GP-0162-R14	10/20/11	9	Schenck, Price, Smith & King, LLP	10/27/14	\$0	\$98,863		\$58,758			\$157,621	0.00%	\$0	NA
City of Orange	Park Avenue E.S.	GP-0162-R18	10/20/11	34	Dilworth Paxson LLP	10/24/14	\$0	\$321,272		\$3,427			\$324,699	0.00%	\$0	NA
Camden City	Early Childhood Development Center #25		10/20/11	35	Dilworth Paxson LLP	10/24/14	\$0	\$324,699		\$14,266			\$338,965	0.00%	\$0	NA
City of Orange	Park Avenue E.S.		10/20/11	36	Dilworth Paxson LLP	10/24/14	\$0	\$338,965		\$2,424			\$341,389	0.00%	\$0	NA
Camden City	Early Childhood Development Center #25		10/20/11	37	Dilworth Paxson LLP	10/24/14	\$0	\$341,389		\$15,158			\$356,547	0.00%	\$0	NA
Cumberland Regional	Cumberland Regional H.S.		10/20/11	38	Dilworth Paxson LLP	10/24/14	\$0	\$356,547		\$851			\$357,398	0.00%	\$0	NA
City of Orange	Cleveland Street E.S.	GP-0177-R01	12/20/11	1	O.R. Colan Associates	10/30/14	\$0	\$0		\$10,683			\$10,683	0.00%	\$0	NA
Multi-District, Project, or Statewide	Chancellor Avenue E.S. Number 5 E.S. Number 1 E.S. Orange M.S. University M.S.	GP-0195-R04	2/28/13	16	STV Construction, Inc.	10/24/14	\$0	\$187,267		\$10,142			\$197,409	0.00%	\$0	NA
Multi-District, Project, or Statewide	New PS#16 A. Chester Redshaw E.S. Elliott Street E.S. New Caruso E.S. New ES at Henry St. (-x01) New Middle School Oliver Street E.S. Paul Robeson Community E.S. Quarter Mile Lane E.S. Trenton Central H.S. Vineland New MS	GP-0195-R07	2/28/13	8	Unique Advantage, LLC	10/27/14	\$0	\$59,592		\$8,320			\$67,912	0.00%	\$0	NA
Multi-District, Project, or Statewide	Legal Services	GP-0200-R13	11/14/13	4	Rabinowitz, Lubetkin & Tully, LLC	10/28/14	\$0	\$3,215		\$420			\$3,635	0.00%	\$0	NA

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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	Legal Services	GP-0200-R13	11/14/13	5	Rabinowitz, Lubetkin & Tully, LLC	10/28/14	\$0	\$3,635		\$272			\$3,907	0.00%	\$0	NA
New Brunswick	Temporary School	ET-0071-G01	9/7/12	25	30 Van Dyke Avenue, Urban Renewal	10/1/14	\$0	\$-1,732,466		\$-61,683			\$-1,794,150	0.00%	\$0	NA
New Brunswick	Temporary School		9/7/12	26	30 Van Dyke Avenue, Urban Renewal	10/3/14	\$0	\$-1,794,150		\$-97,734			\$-1,891,883	0.00%	\$0	NA
Newark	New Franklin Elementary School Replacement	GP-0047-L07	9/1/04	66	Carella, Byrne, Cecchi, Olstein, Brody & Agnello	10/24/14	\$1,443,843	\$658,148		\$1,125			\$2,103,116			
Newark	West Side H.S.	NE-0008-LS6	7/1/04	54	City of Newark	10/7/14	\$2,512	\$6,024		\$23			\$8,560			
Newark	West Side H.S.	NE-0070-L22	4/8/10	161	Public Service Electric and Gas Company	10/9/14	\$22	\$16,038		\$28			\$16,088			
Newark	West Side H.S.		4/8/10	162	Public Service Electric and Gas Company	10/9/14	\$22	\$16,066		\$22			\$16,109			
Newark	West Side H.S.		4/8/10	163	Public Service Electric and Gas Company	10/9/14	\$22	\$16,088		\$163			\$16,272			
Newark	West Side H.S.		4/8/10	164	Public Service Electric and Gas Company	10/9/14	\$22	\$16,250		\$253			\$16,525			
Newark	West Side H.S.		4/8/10	165	Public Service Electric and Gas Company	10/28/14	\$22	\$16,503		\$141			\$16,666			
Newark	West Side H.S.		4/8/10	166	Public Service Electric and Gas Company	10/28/14	\$22	\$16,644		\$20			\$16,686			
Paterson	New International High School Academy	PA-0008-R04	3/1/09	38	Paterson Public Schools	10/24/14	\$177,221	\$360,810		\$13,727			\$551,758			
West New York	Harry L. Bain E.S.	HU-0005-N01	7/20/12	5	Tricon Enterprises, Inc.	10/24/14	\$1,350,000	\$104,630		\$-1,000			\$1,453,630	7.67%	\$1,350,000	7.67%
West New York	Harry L. Bain E.S.		7/20/12	6	Tricon Enterprises, Inc.	10/24/14	\$1,350,000	\$103,630		\$-8,100			\$1,445,530	7.07%	\$1,350,000	7.07%
West New York	Harry L. Bain E.S.		7/20/12	7	Tricon Enterprises, Inc.	10/24/14	\$1,350,000	\$95,530		\$-10,500			\$1,435,030	6.29%	\$1,350,000	6.29%

Others

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

Professional Services & Grants

\$-15,636,335

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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																
Long Branch	George L. Catrambone E.S. (formerly Elberon)	ET-0068-C01	5/31/12	45	Terminal Construction Corp.	10/1/14	\$27,500,000	\$-24,353	7/24/13	\$-1,559			\$27,474,088	-0.09%	\$27,500,000	-0.09%
Long Branch	George L. Catrambone E.S. (formerly Elberon)		5/31/12	48	Terminal Construction Corp.	10/24/14	\$27,500,000	\$13,130	7/24/13	\$1,169			\$27,514,299	0.05%	\$27,500,000	-0.08%
Long Branch	George L. Catrambone E.S. (formerly Elberon)		5/31/12	47	Terminal Construction Corp.	10/28/14	\$27,500,000	\$-25,912	7/24/13	\$1,514			\$27,475,602	-0.08%	\$27,500,000	-0.08%
Long Branch	George L. Catrambone E.S. (formerly Elberon)		5/31/12	49	Terminal Construction Corp.	10/28/14	\$27,500,000	\$-24,398	7/24/13	\$11,132			\$27,486,734	-0.04%	\$27,500,000	-0.04%
Long Branch	George L. Catrambone E.S. (formerly Elberon)		5/31/12	50	Terminal Construction Corp.	10/28/14	\$27,500,000	\$-13,266	7/24/13	\$7,309			\$27,494,043	-0.02%	\$27,500,000	-0.01%
Long Branch	George L. Catrambone E.S. (formerly Elberon)		5/31/12	51	Terminal Construction Corp.	10/28/14	\$27,500,000	\$-5,957	7/24/13	\$-3,895			\$27,490,148	-0.03%	\$27,500,000	-0.03%
Long Branch	George L. Catrambone E.S. (formerly Elberon)		5/31/12	53	Terminal Construction Corp.	10/28/14	\$27,500,000	\$-9,852	7/24/13	\$22,982			\$27,513,130	0.04%	\$27,500,000	0.05%
Paterson	Marshall Street Elementary School	PA-0006-C04	6/18/13	4	Ernest Bock & Sons, Inc.	10/28/14	\$29,345,000	\$376,783	2/28/14	\$748			\$29,722,531	1.28%	\$29,345,000	0.01%
Phillipsburg	New HS (-x01)	NT-0003-C02	6/6/13	9	Epic Management, Inc.	10/1/14	\$80,490,000	\$806,011	5/30/14	\$3,812			\$81,299,823	1.00%	\$80,490,000	0.04%
Phillipsburg	New HS (-x01)		6/6/13	10	Epic Management, Inc.	10/1/14	\$80,490,000	\$809,823	5/30/14	\$32,623			\$81,332,446	1.04%	\$80,490,000	0.08%
Phillipsburg	New HS (-x01)		6/6/13	11	Epic Management, Inc.	10/24/14	\$80,490,000	\$842,446	5/30/14	\$25,000			\$81,357,446	1.07%	\$80,490,000	0.11%
Contractor																
Construction Services																
										\$100,835						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

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
Other Contracts & Services																
Furniture, Fixtures & Equipment																
New Brunswick	A. Chester Redshaw E.S.	ET-0056-Q18	10/9/14	1	Krueger International, Inc.	10/22/14	\$4,649	\$0		\$4,400			\$9,049	94.65%	\$4,649	94.65%
Furniture, Fixtures & Equipment																
Other Contracts & Services																
										\$4,400						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Reporting Period 10/1/14 through 10/31/14

Grand Totals

Total Change Order Summary
\$-15,531,100

Total Change Orders
106

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 (no activity)

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: December 3, 2014

SUBJECT: Contractor and Workforce Compliance Monthly Update for September, 2014

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, vendors 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 total SDA contract dollars awarded from January 1 through September 30, 2014 was \$89,008,699. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total contract dollars awarded to all SBE contractors was \$66,218,391 (including minorities and women). This represents 74.39% of all SDA contracts.

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$59,604,562	66.96%
Small/ Minority Business Enterprises	\$ 538,180	0.60%
Small/Women Business Enterprises	\$6,075,649	6.83%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
TOTAL SBE CONTRACTS	\$66,218,391	74.39%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 December 3, 2014
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Ethnic Breakdown

The total SBE contracts awarded with minority participation were \$538,180 equaling 0.60% (includes S/MBEs and S/M/WBEs as shown below).

Ethnicity	Contract Amount	Percentage
American Indian	\$ -0-	0.00%
Asian	\$ 514,180	0.58%
Black	\$ 24,000	0.02%
Hispanic	\$ -0-	0.00%
Total	\$ 538,180	0.60%

WORKFORCE COMPLIANCE MONITORING

For the month of September, 2014 there was a contractor workforce of 836 on SDA projects. This represents a total of 54,524 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	110	6,251	23.02%
Hispanic	141	6,118	11.22%
American Indian	3	128	0.24%
Asian	3	54	0.10%
Total Minority Participation	257	12,551	34.57%
Total Non-Minority Participation	579	41,973	76.98%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 December 3, 2014
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There was a contractor workforce of 326,354 total workforce hours and 3,705 total female workforce hours on SDA projects for the period of January 1, 2014 through September 30, 2014. The following table highlights the *Local County contractor workforce* participation for that period:

Local County Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	326,354	100.00%
*Total Local County Workforce Hours	57,228	15.54%
Total Local County Non-Minority Workforce Hours	37,191	11.40%
Total Local County Female Workforce Hours	1,221	0.37%
Total Local County Minority Workforce Hours	20,037	6.14%
**Local County Workforce Hours by Ethnicity:		
Black	11,434	3.50%
Hispanic	8,010	2.45%
American Indian	48	0.02%
Asian	545	0.17%

*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
 December 3, 2014
 Page 4 of 4

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, 2014 through September 30, 2014.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Local County Workforce Hours & Percentage	
		Hours	Percentage	Hours	Percentage
Bridgeton, Buckshutem & Qtr. Mile	9,211	1,701	18.47%	4,528	49.16%
Elizabeth, New Academic HS	14,858	3,293	22.16%	1,176	7.91%
Jersey City, Jersey City PS #20	18,450	4,506	24.42%	12,383	67.12%
Keansburg, Caruso ES	197	90	45.69%	0	0.00%
New Brunswick, Redshaw ES	84,637	21,620	25.54%	2,249	2.66%
Newark, Elliott Street ES	39,962	16,665	41.70%	10,191	25.50%
Newark, Oliver Street ES	19,375	5,087	26.26%	2,820	14.55%
Passaic, New Henry Street	41,494	6,011	14.49%	7,047	16.98%
Paterson, PS #16	1,392	231	16.59%	1,248	89.66%
Paterson, Marshall Street ES	14,705	4,047	27.52%	5,615	38.18%
Phillipsburg, Phillipsburg HS	20,491	1,441	7.03%	5,223	25.49%
All Emergent Projects (YTD)	13,561	6,332	46.69%	1,912	14.10%
Totals	318,753	79,758	25.02%	49,864	15.64%

Prepared by: Catherine Smith, Vendor Analyst
 Nicholas Torrens, Vendor Analyst

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: December 3, 2014

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 October 2014. Also included is a detailed list of grants executed and grants offered during the reporting period.

Monthly Update:

- No new grants were offered during the reporting period.
- 24 grants impacting 13 districts were executed during the reporting period representing \$26.6M in total project costs and state share of \$11.0M.
- 5 grants impacting 1 district were closed out during the reporting period representing \$9.7M in total project costs and state share of \$5.6M.
- Since inception, over \$2.46B has been disbursed to over 515 regular operating districts through the grant program.
- Since inception over \$3.3B 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

October 2014

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	282	516	490	292
Number of Grant Projects	1,305	4,740	3,447	1,293
Total Project Cost Estimate	\$ 1,412,482,707	\$ 8,437,522,403	\$ 7,151,303,959	\$ 1,286,218,444
Grant Amount	\$ 566,480,604	\$ 2,786,844,085	\$ 2,289,315,259	\$ 497,528,826
Amount Disbursed	N/A	\$ 2,466,183,485	\$ 2,289,315,259	\$ 176,868,226

Total Funding Offered to School Districts via Grant Program	\$ 3,353,324,689
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Total ROD Grant Funding remaining for new Grant Projects	\$ 10,448,756
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1. Includes grants that have been offered to District's but have not yet been executed.

ROD Grant Summary - October 2014		
	Executed	Closed-Out
Districts Impacted	13	1
Number of Grant Projects	24	5
Total Project Cost Estimate	\$ 26,634,684	\$ 9,718,102
Grant Amount	\$ 11,042,902	\$ 5,555,411
Amount Disbursed	NA	\$ 5,555,411

* 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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NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

October 2014

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Atlantic	Galloway Township	Roland E. Rogers E.S.	\$ 2,062,000	\$ 979,819	Roof replacement
Atlantic	Galloway Township	Smithville E.S.	\$ 2,062,000	\$ 979,819	Roof replacement
Bergen	Bergenfield	Bergenfield H.S.	\$ 2,141,330	\$ 856,532	HVAC, Vertical Movement
Bergen	Ramapo Indian Hills Regional High School District	Indian Hills H.S.	\$ 1,657,100	\$ 662,840	HVAC upgrades
Bergen	Ramapo Indian Hills Regional High School District	Indian Hills H.S.	\$ 426,700	\$ 170,680	ADA - Upgrade student bathrooms
Bergen	Ramapo Indian Hills Regional High School District	Ramapo H.S.	\$ 2,328,400	\$ 931,360	Window replacement and soffit upgrades
Bergen	Ramapo Indian Hills Regional High School District	Ramapo H.S.	\$ 1,048,000	\$ 419,200	HVAC upgrades
Burlington	Burlington County Vocational School District	Inst of Tech-Medford Campus	\$ 2,059,377	\$ 823,751	Reroofing
Burlington	Westampton Township	Westampton M.S.	\$ 160,929	\$ 64,372	Replace phone/security system
Cape May	Cape May County Vocational School District	Cape May Co. Tech. H.S.	\$ 2,400,000	\$ 960,000	Window/door replacement, fire alarm upgrades, havoc improvements
Hunterdon	Holland Township	Holland Twp. School	\$ 333,326	\$ 133,330	PA system upgrades
Hunterdon	Holland Township	Holland Twp. School	\$ 201,933	\$ 80,773	Brick repointing
Hunterdon	Holland Township	Holland Twp. School	\$ 152,903	\$ 61,161	Phone system upgrades
Hunterdon	Holland Township	Holland Twp. School	\$ 105,156	\$ 42,062	Handicap accessible main entrance upgrades
Middlesex	Cranbury Township	Cranbury E.S.	\$ 1,103,615	\$ 441,446	Communications and security upgrades
Middlesex	East Brunswick Township	Chittick E.S.	\$ 1,989,036	\$ 795,614	HVAC & ELECTRICAL upgrades
Middlesex	East Brunswick Township	East Brunswick H.S.	\$ 761,523	\$ 304,609	A/C upgrades in gym
Middlesex	East Brunswick Township	East Brunswick H.S.	\$ 126,600	\$ 50,640	Gym Bleacher Replacement
Middlesex	East Brunswick Township	Irwin E.S.	\$ 2,118,653	\$ 847,461	HVAC & electrical upgrades
Monmouth	Hazlet Township	Lillian Drive E.S.	\$ 507,200	\$ 202,880	Roof replacement

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

October 2014

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Monmouth	Henry Hudson Regional School	Henry Hudson Regional H.S.	\$ 985,000	\$ 394,000	Partial roof replacement, Section B
Monmouth	Henry Hudson Regional School	Henry Hudson Regional H.S.	\$ 48,000	\$ 19,200	Security upgrades
Morris	Randolph Township	Fernbrook E.S.	\$ 1,044,250	\$ 417,700	Exterior Closure, Communications, Life Safety
Ocean	Plumsted Township	New Egypt H.S.	\$ 811,653	\$ 403,653	Roof replacement
Grand Total		Grants Executed - 24	\$ 26,634,684	\$ 11,042,902	

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: December 3, 2014

SUBJECT: Monthly Communications Report

Christie Administration Joins Newark Students for Beam Signing Event



On November 10, CEO Charles McKenna joined Newark students and local officials for a “beam signing” ceremony to highlight the progress of construction on the new Oliver Street Elementary School. The ceremony celebrated the ongoing construction of the school by signing a steel beam that will be hoisted into place as a permanent part of the new facility.

Located in the East Ward, the new 137,000 square foot Oliver Street Elementary School will replace the current antiquated school which was constructed in 1869. The building will educate approximately 850 students in Pre-Kindergarten through eighth grades with 30 general use classrooms, four kindergarten classrooms, six prekindergarten classrooms, specialized instruction classrooms and labs, a media center, separate cafeteria, gymnasium and a multipurpose room with stage.

SDA Presents at Alliance For Action Annual Construction Forecast Seminar

On November 12, CEO Charles McKenna presented at the Alliance For Action Annual Construction Forecast Seminar. Mr. McKenna gave an overview of the SDA program and forecasted the construction opportunities that will be available with the SDA over the next year.

SDA Distributes its Fall Newsletter

Continuing our commitment to enhanced communication with our stakeholders, the SDA distributed its Fall Newsletter in November. Items discussed include the opening of the Catrambone Elementary School in Long Branch and the swing spaces for Trenton Central High School students, the groundbreaking ceremony for two Bridgeton projects, a beam signing ceremony for Academic High School in Elizabeth, recent and upcoming project activity and an update on the ROD Grant program. The newsletter is now available on the SDA’s website: http://www.njsda.gov/RP/News_Letter.html.

Members of the Authority
Communications Report
December 3, 2014
Page 2 of 2

SDA Meets with Healthy Schools Now Coalition

On November 13, CEO Charles McKenna and SDA staff met with representatives of the Healthy Schools Now Coalition. The meeting continued an ongoing dialogue with coalition representatives regarding school facility needs across the state. SDA provided representatives with an update on projects and discussed SDA's overall processes.

SDA Highlights Recent Project Activity

Throughout the month, SDA also continued to highlight the ROD Grant program through the issuance of multiple press releases announcing the recent execution of grants for Regular Operating Districts to the following school districts across the state:

- Hopewell Valley Regional
- Little Falls Twp. Public Schools
- Livingston Public Schools
- Millstone Twp. School District
- Morris Hills Regional
- Ocean County Vocational School District
- Point Pleasant Borough Schools
- South Plainfield Public Schools
- Ventnor School District
- Washington Twp. Schools (Morris County)
- West Windsor-Plainsboro Regional

Prepared by: Edye Maier
Reviewed by: Jane F. Kelly

MONTHLY FINANCIAL REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Sherman E. Cole, CPA /s/ Sherman E. Cole
 Controller

DATE: December 3, 2014

SUBJECT: Monthly Financial Report – October 2014

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 statement and cash flow report follow.

Year-to-Date Authority Operating Expenses (Actual vs. Budget)

For October 2014 year to date, Authority operating expenses, **\$14.9 million**, are **down \$2.5 million** as compared to the operating budget for the *corresponding period*. The deviation of actual expenses versus budget is due to:

- Lower salary & benefit costs **\$2.5 million**. The Authority is currently 25 FTEs under budget. Also, the annual employer pension contribution payment was \$223K lower than anticipated.

Year-to-Date Authority Operating Expenses (Actual vs. Prior Year Actual)

For October 2014 year to date, Authority operating expenses, **\$14.9 million**, are **\$2 million** lower as compared to the *corresponding prior year*. The decrease in the year-over-year expense is due to:

- Cost savings related to the lease termination of 1 West State Street office space **\$1.4M**, offset by the expenditures incurred with the move to 32 East Front Street, **(\$426K)**;
- Personnel Expense, **\$555K** – 10 fewer FTE’s, a lower annual pension contribution payment, and a higher allocation of salary & benefit costs from operating expenses to project cost, offset by a salary increase for new hires;
- Cost savings related to MIS projects, **\$184K** (including the DOE Long Range Facility Project, \$203K) and Contract Services **\$161K**, (including Internal Audit fees, \$146K);
- 2013 expenditure for leasehold improvements, and the new telephone system, **\$148K**.

Members of the Authority
December 3, 2014
Page 2

Year-to-Date School Facilities Project Expenditures (Actual vs. Forecast)

For October 2014 year to date, project expenditures, **\$237.2 million**, are **down \$36.2 million** as compared to the capital spending forecast for the *corresponding period*. The variance is primarily due to lower than anticipated expenditures in; grant activity **\$20.9M**, construction activity **\$21.9M**, and partially offset by an increase in other project related costs **(\$6.6M)**.

Year-to-Date School Facilities Project Expenditures (Actual vs. Prior Year Actual)

For October 2014 year to date, project expenditures, **\$237.2 million**, have increased by **\$53M** as compared to the *corresponding prior year*. The year-over-year variance is attributable to increased spending for construction cost **\$54M**, and other project related activity **\$14.6M**, as well as the 2013 insurance claim cost recovery (credit in prior year) for the Elliott Street School **\$8.3M**, offset by a decrease in grant activity, **\$23.9M**.

Other

Since program inception, 70% 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**

October 2014

(Unaudited)



New Jersey Schools Development Authority
 Financial Summary
 October 31, 2014

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, October 31, 2014.

Selected Financial Information:

► Overall **Cash and Cash Equivalents** has increased by \$334 million to \$616 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ 585,000,000
■ Investment earnings	107,721
■ Miscellaneous revenue	105,064
■ Project costs	(237,176,380)
■ SDA operating expenses	(12,089,407)
■ SDA capital expenditures	(95,331)
■ Deposits (primarily district local shares)	<u>(1,862,708)</u>
Net Change in Cash	<u>\$ 333,988,959</u>

► **Prepaid Expenses** total \$232,720 as follows:

- Prepaid insurance of \$88,197.
- Prepaid rents of \$98,552 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$6,549.
- Prepaid security deposits of \$10,937 for the Authority's leased swing space.
- Other prepaids of \$28,485.

► **Capital Assets** total \$.4 million (net of accumulated depreciation of \$6.4 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 \$95,331 and **Depreciation Expense** is \$85,461.

► **Accrued Liabilities** total \$68 million, as follows:

- Accrued project costs of \$18.1 million consisting of unpaid invoices (\$8.9 million); retainage (\$9.2 million).
- Pollution remediation obligations (PRO) under GASB 49 net to \$22.7 million (PRO liability \$24.4 million, offset by expected cost recoveries of \$1.7 million).
- Estimated liability for loss contingencies totaling \$9.4 million (contractor claims \$9.4 million).
- Payroll related liabilities of \$1.9 million.
- Post-employment benefits obligation of \$15.7 million.
- Other accrued liabilities of \$.2 million.

► **Deposits** total \$4.5 million, as follows:

- \$4.5 million is held for local share agreements (pass-through item).

(Continued on Next Page)



New Jersey Schools Development Authority
Financial Summary
October 31, 2014

Financial Summary (Continued)

School Construction Highlights:

► **Bond Proceeds & School Facilities Project Disbursements**

- During the current year to date, the SDA has received \$585 million of bond proceeds. The total amount of proceeds received from program inception is \$9.605 billion.
- Project disbursements for the month and year-to-date periods total \$35 million and \$237.2 million, respectively, as follows:

Category	Month	Year-To-Date	From Inception
■ Construction	\$ 20,992,192	\$ 130,853,987	\$ 3,982,909,301
■ Design Services	419,037	3,097,351	403,129,653
■ PMF/CM Services	509,569	6,830,695	433,442,641
■ SDA Project Management	1,139,475	12,014,411	26,032,398
■ Property Acquisition, Relocation & Environmental	469,142	6,350,171	536,874,787
■ School Furniture, Fixtures & Equipment	1,691,665	4,586,593	104,817,700
■ Project Insurance	-	363,333	96,879,204
■ NJ State Inter-Agency Transfers	143,839	679,784	46,013,850
■ SDA District Grant & Funding Agreements	2,197,731	10,314,644	804,277,694
■ Regular Operating District Grant Agreements	7,154,198	60,042,202	2,475,116,036
■ Real-Time Project Audits	-	-	-
■ Property Management, Maintenance & Utilities	45,796	813,705	13,357,394
■ Legal & Claims Resolution Services	204,035	1,143,282	5,020,662
■ Other Project Costs	65,939	1,276,363	54,822,498
■ Project Credits	-	-	(54,902,944)
Total Project Expenditures	35,032,618	238,366,521	8,927,790,874
■ Less: Local Share Disbursements	-	(1,190,141)	(178,160,707)
Project Expenditures (State Share)	\$ 35,032,618	\$ 237,176,380	\$ 8,749,630,167
■ Invoice Accruals at Month End (not included above)	\$ 8,894,945	\$ 8,894,945	

► **Program Funding & Disbursements Allocation** (From Inception)

	Bonding Cap ¹	Available Funding ²	Paid to Date ³	% Paid to Date
■ SDA Districts	\$ 8,900,000,000	\$ 9,007,255,578	\$ 6,271,404,860	69.6%
■ Regular Operating Districts	3,450,000,000	3,492,843,968	2,768,112,778	79.3%
■ Vocational Schools	150,000,000	151,711,897	106,062,506	69.9%
Totals - State Share	\$ 12,500,000,000	\$ 12,651,811,443	\$ 9,145,580,144	72.3%

► **Procurement Activity** (Current Year)

- 9 construction contracts have been awarded with an aggregate contract value of \$121,785,055.
- 4 design contracts with a value of \$912,830 have been awarded on a year-to-date basis.
- 765 Section 15 Grant Agreements have been executed with an aggregate contract value of \$183,280,299 (State Share - Non-SDA Districts).
- 121 purchase orders has been issued for school furniture & technology (i.e., computers & related equipment) purchases with an aggregate contract value of \$5,059,195.

¹ Of the \$12.5 billion authorized for the school construction program, \$9,605,129,000 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 \$395,949,977

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



**New Jersey Schools Development Authority
Flash Operating Report
October 31, 2014**

	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Prior Yr	Variance - Favorable/(Unfavorable)		Annual Budget	Current Budget Reforecast
				Actual vs. YTD Budget	Actual vs. Prior Yr		
Authority Operating Expenses:							
Employee Salaries	\$ 15,317,774	\$ 16,269,204	\$ 14,990,761	\$ 951,430	\$ (327,013)	\$ 19,522,993	\$ 18,517,594
Employee Benefits	8,028,544	9,427,924	8,506,280	1,399,380	477,736	10,853,785	9,977,033
Direct Hire Temporary Employee Costs	316,527	486,230	293,176	169,703	(23,351)	583,463	406,593
Total Employee Salaries & Benefits Costs	23,662,845	26,183,358	23,790,217	2,520,513	127,372	30,960,241	28,901,220
Less: Employee Salaries & Benefits Costs Charged to Projects	(12,014,411)	(12,790,960)	(11,546,795)	(776,549)	467,616	(15,349,128)	(14,891,516)
Operating Employee Salaries & Benefits Costs	11,648,434	13,392,398	12,243,422	1,743,964	594,988	15,611,113	14,009,704
Temporary Employees	46,989	108,330	20,437	61,341	(26,552)	130,000	80,000
Interagency Agreements	83,188	154,170	85,975	70,982	2,787	185,000	131,352
Other Contract & Professional Outside Services	129,002	240,340	287,542	111,338	158,540	330,500	304,500
Employee Expense Reimbursements	16,222	24,380	9,279	8,158	(6,943)	29,250	17,000
Training & Professional Development	36,334	60,860	36,390	24,526	56	72,970	54,748
Parking	43,440	43,750	39,720	310	(3,720)	52,500	52,500
Automobiles	57,567	69,170	55,030	11,603	(2,537)	83,000	83,000
Communications & Outreach	360	420	20	60	(340)	500	500
Management Information Systems	673,075	964,250	856,967	291,175	183,892	1,157,100	1,083,420
General Office & Facilities	2,105,675	2,306,260	3,012,193	200,585	906,518	2,767,520	2,720,976
Other General	13,232	24,160	18,448	10,928	5,216	29,000	24,500
Reserve for Unforeseen Events & New Initiatives	-	41,670	-	41,670	-	50,000	50,000
Total Non-Capitalized Operating Expenses	14,853,518	17,430,158	16,665,423	2,576,640	1,811,905	20,498,453	18,612,200
Capitalized Operating Expenses (Internal)	95,331	54,000	243,172	(41,331)	147,841	54,000	130,000
Total Authority Operating Expenses	\$ 14,948,849	\$ 17,484,158	\$ 16,908,595	\$ 2,535,309	\$ 1,959,746	\$ 20,552,453	\$ 18,742,200
Total Authority Operating Expenses Before Allocation of Salaries & Benefits Costs to Projects	\$ 26,963,260	\$ 30,275,118	\$ 28,455,390	\$ 3,311,858	\$ 1,492,130	\$ 35,901,581	\$ 33,633,716

(Continued on Next Page)

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



**New Jersey Schools Development Authority
Flash Operating Report
October 31, 2014**

	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Prior Yr	Variance - Favorable/(Unfavorable)		Annual Budget	Current Budget Reforecast
				Actual vs. YTD Budget	Actual vs. Prior Yr		
Authority Project Management Expenses:							
Direct - Project Management Salaries & Benefits							
Design Studio - Employee Salaries	\$ 562,565	\$ 384,050	\$ 413,436	\$ (178,515)	\$ (149,129)	\$ 460,864	\$ 689,434
Design Studio - Employee Benefits	229,145	162,690	176,111	(66,455)	(53,034)	195,222	282,136
Design Studio - Direct Hire Temps	264,852	400,210	213,800	135,358	(51,052)	480,258	298,538
Field Staff - Employee Salaries	2,819,865	3,094,000	2,652,939	274,135	(166,926)	3,712,788	3,486,490
Field Staff - Employee Benefits	1,149,336	1,310,610	1,123,573	161,274	(25,763)	1,572,737	1,428,289
Field Staff - Direct Hire Temps	-	-	-	-	-	-	-
Support Staff - Employee Salaries	1,003,121	1,311,070	1,074,438	307,949	71,317	1,573,282	1,312,311
Support Staff - Employee Benefits	408,889	555,370	455,070	146,481	46,181	666,442	537,197
Total Direct Project Management Salaries & Benefits	6,437,773	7,218,000	6,109,367	780,227	(328,406)	8,661,593	8,034,395
Indirect - Project Management Salaries & Benefits							
Indirect - Employee Salaries	3,961,930	3,906,060	3,805,195	(55,870)	(156,735)	4,687,267	4,860,725
Indirect - Employee Benefits	1,605,301	1,654,610	1,615,700	49,309	10,399	1,985,526	1,980,651
Indirect - Direct Hire Temps	9,407	12,290	16,533	2,883	7,126	14,742	15,745
Total Indirect Project Management Salaries & Benefits	5,576,638	5,572,960	5,437,428	(3,678)	(139,210)	6,687,535	6,857,121
Total Authority Project Management Expenses	\$ 12,014,411	\$ 12,790,960	\$ 11,546,795	\$ 776,549	\$ (467,616)	\$ 15,349,128	\$ 14,891,516



New Jersey Schools Development Authority
Flash Operating Report
October 31, 2014

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	8	8	-
COS, Special Projects	8	10	2
Program Operations, Program Operations Management	5	5	-
Program Operations, Capital Planning & Grants Admin.	22	25	3
Program Operations, Safety	8	10	2
Program Operations, Project Teams	71	80	9
Corp Governance & Operations, Management	3	3	-
Corporate Governance & Operations, Human Resources	8	8	-
Corporate Governance & Operations, Chief Counsel	14	14	-
Corporate Governance & Operations, Information Systems	14	15	1
Corporate Governance & Operations, Facilities	6	6	-
Corporate Governance & Operations, Communications	9	11	2
Financial Operations, CFO Management	4	4	-
Financial Operations, Controller	12	13	1
Financial Operations, Contract Management	11	13	2
Financial Operations, Real Estate Services	6	6	-
Financial Operations, Procurement & Contract Services	8	10	2
Financial Operations, Risk Management & Vendor Services	11	12	1
Total Full-Time Employees	<u>231</u>	<u>256</u>	<u>25</u>
EOM Budget	<u>256</u>		



New Jersey Schools Development Authority
Statement of Net Position and General Fund Balance Sheet
October 31, 2014

	General Fund		Statement of Net Position	
	Total	Adjustments	Current Yr	Prior Yr End
ASSETS				
Cash and Cash Equivalents	\$ 615,898,581		\$ 615,898,581	\$ 281,909,622
Receivables	165,662	\$ 711,097	876,759	1,353,319
Prepaid Expenses	232,720		232,720	645,466
Capital Assets (Net of Accumulated Depreciation of \$6,439,074)		380,023	380,023	370,153
Total Assets	\$ 616,296,963	\$ 1,091,120	\$ 617,388,083	\$ 284,278,560
LIABILITIES				
Accrued Project Costs	\$ 18,077,477	\$ 32,120,351	\$ 50,197,828	\$ 81,038,969
Accrued Other Post-Employment Benefits Obligation		15,672,263	15,672,263	13,880,767
Other Accrued Liabilities	959,826	1,132,558	2,092,384	1,709,076
Deposits	4,538,282		4,538,282	6,400,990
Total Liabilities	23,575,585	48,925,172	72,500,757	103,029,802
FUND BALANCE/NET POSITION				
Invested in Capital Assets		380,023	380,023	370,153
Nonspendable:				
Prepaid Expenses	232,720	(232,720)		
Restricted:				
Schools Construction Build America Bond Program	-		-	-
Schools Construction Special Revenue Fund	592,488,658	(47,981,355)	544,507,303	180,878,605
Total Fund Balance/Net Position (Deficit)	592,721,378	(47,834,052)	544,887,326	181,248,758
Total Liabilities and Fund Balance/Net Position	\$ 616,296,963	\$ 1,091,120	\$ 617,388,083	\$ 284,278,560



New Jersey Schools Development Authority
Statement of Activities and General Fund Revenues, Expenditures and Changes in Fund Balances
October 31, 2014 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)	\$ 585,000,000		\$ 585,000,000	\$ -
Bidding Fees-Plans & Specs	-		-	-
General Revenues:				
Investment Earnings	107,721		107,721	240,828
Rental Income	104,922		104,922	126,544
Other Revenue-OPRA	142		142	5,189
Total Revenues	<u>585,212,785</u>	<u>-</u>	<u>585,212,785</u>	<u>372,561</u>
Expenditures/Expenses				
Administrative & General Expenses	13,062,022	\$ 1,791,496	14,853,518	16,665,423
Capital Expenditures	95,331	(95,331)	-	-
Capital Depreciation		85,461	85,461	521,542
School Facilities Project Costs	<u>210,173,187</u>	<u>(3,537,949)</u>	<u>206,635,238</u>	<u>132,672,765</u>
Total Expenditures/Expenses	<u>223,330,540</u>	<u>(1,756,323)</u>	<u>221,574,217</u>	<u>149,859,730</u>
Excess of Revenues Over Expenditures	361,882,245	1,756,323		
Change in Net Position			363,638,568	(149,487,169)
Fund Balance/Net Position (Deficit)				
Beginning of Year	<u>230,839,133</u>	<u>(49,590,375)</u>	<u>181,248,758</u>	<u>373,464,758</u>
End of Period	\$ <u>592,721,378</u>	\$ <u>(47,834,052)</u>	\$ <u>544,887,326</u>	\$ <u>223,977,589</u>

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



NJ SCHOOLS DEVELOPMENT AUTHORITY

**New Jersey Schools Development Authority
Summary of Cash Receipts & Disbursements
October 31, 2014**

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	-	-	271,871	155,411	211,970,054	17,264,215	295,214	(3,519,847)	(232,622,048)
2014	585,000,000	-	107,721	105,064	237,176,380	12,089,407	95,331	(1,862,708)	333,988,959
Totals	9,605,129,000	5,136,963	142,086,188	4,588,292	8,749,630,167	381,465,864	14,484,113	4,538,282	\$615,898,581

Cash & Cash Equivalents

\$615,898,581

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 primarily of deposits held for Section 13(B) Local Share Agreements (\$4,538,282).
 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 - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)



**New Jersey Schools Development Authority
Interagency Agreements
October 31, 2014**

<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, 2013</u>	<u>Total Payments</u>
<u>Included in Project Costs:</u>				
Department of Community Affairs	Provide code inspections, plan reviews and permits for schools.	\$ 384,207	\$ 19,093,688	\$ 19,477,895
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)	Perform prequalifying review and investigative services related to vendor integrity as required by the EFCFA.	295,577	5,607,380	5,902,957
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.	-	1,638,055	1,638,055
Department of Transportation (terminated)	Provide relocation assistance services.	-	355,875	355,875
Other	Miscellaneous	-	179,552	179,552
Payments Included in Project Costs		<u>679,784</u>	<u>45,334,066</u>	<u>46,013,850</u>

(Continued on Next Page)



New Jersey Schools Development Authority
 Interagency Agreements
 October 31, 2014

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, 2013</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.	63,910	9,711,790	9,775,700
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>63,910</u>	<u>11,037,821</u>	<u>11,101,731</u>
Total Interagency Payments		<u>\$ 743,694</u>	<u>\$ 56,371,887</u>	<u>\$ 57,115,581</u>

DESIGN CONTRACT DE-OBLIGATIONS REPORT

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - MONTHLY REPORTS (FOR INFORMATIONAL PURPOSES)

**New Jersey Schools Development Authority
Report of Design Contract De-Obligations
Pursuant to Board Delegated Approval to SDA CEO
For Informational Purposes**

District	School Name	DOE Project #	Contract ID	Vendor	Award Date	Award Amount	Previous Contract Changes	Revised Contract Value	Amount Paid	De-Obligation	Remaining Balance
Buena Regional	Collins Lake E.S.	0590-045-03-0842-00	ST-0028-A01	Crane Associates	07/06/04	\$221,212.00	\$2,000.00	\$223,212.00	\$101,709.50	\$121,502.50	\$0.00
Camden City	Creative and Performinf Arts H.S.	0680-240-01-0926-01	CA-0008-A01	Skidmore, Owings & Merrill Architects	05/28/03	\$2,395,000.00	\$373,790.60	\$2,768,790.60	\$1,869,039.21	\$899,751.39	\$0.00
Camden City	Washington E.S.	0680-330-01-0937-00	CA-0003-A01	Sykes O'Connor Salerno Hazaveh	08/08/03	\$1,226,390.60	\$244,877.50	\$1,471,268.10	\$1,000,375.60	\$470,892.50	\$0.00
City of Orange	Central E.S.	3880-060-04-0002-00	ES-0024-A01	KNTM Architects	06/07/04	\$614,485.00	\$659,450.00	\$1,273,935.00	\$878,883.98	\$395,051.02	\$0.00
East Orange	G.W. Carver Institute	1210-060-02-0296-00	ES-0021-A01	Spiezle Architects	09/15/03	\$1,651,541.00	\$8,200.00	\$1,659,741.00	\$121,855.00	\$1,537,886.00	\$0.00
Elizabeth	Woodrow Wilson E.S. #19 Marquis De Lafayette E.S. #6	1320-220-03-0170-00 1320-120-03-0166-00	EL-0018-A01	Fletcher Thompson Architecture	05/06/03	\$1,981,897.00	(\$191,008.00)	\$1,790,889.00	\$1,206,131.85	\$584,757.15	\$0.00
Elizabeth	New PK-8 (Number 32)	1320-N03-02-0140-00	EL-0034-A01	Gilbert Architects	07/22/04	\$2,174,938.00	\$0.00	\$2,174,938.00	\$936,641.68	\$1,238,296.32	\$0.00
Elizabeth	Number 17, Theodore Roosevelt E.S.	1320-200-04-001Q-00	EL-0032-A01	Skidmore, Owings & Merrill Architects	01/13/05	\$2,171,229.00	\$0.00	\$2,171,229.00	\$559,971.00	\$1,611,258.00	\$0.00
Garfield	New Woodrow Wilson E.S. #5	1700-N02-04-00KN-00	NT-0038-A01	Sowinski Sullivan Architects	11/04/04	\$1,308,975.00	\$0.00	\$1,308,975.00	\$611,051.00	\$697,924.00	\$0.00
Jersey City	Replacement PS35 E.S.	2390-N08-02-1143-00	JE-0033-A01	Kanalstein Danton Associates	08/03/04	\$2,316,978.00	\$52,818.85	\$2,369,796.85	\$524,077.64	\$1,845,719.21	\$0.00
Keansburg	Keansburg H.S.	2400-010-04-00DY-00	ET-0070-A01	Design Ideas Group	10/14/04	\$2,434,888.00	\$0.00	\$2,434,888.00	\$292,670.50	\$2,142,217.50	\$0.00
Newark	Eighteenth Avenue E.S.	3570-380-04-0Afn-00	NE-0058-A01	Architects Alliance, Blasé Weimer AIA	04/25/07	\$460,546.00	\$0.00	\$460,546.00	\$279,535.00	\$181,011.00	\$0.00
Newark	University H.S.	3570-057-01-0692-00	NE-0012-A01	Design Ideas Group	08/19/03	\$3,075,000.00	\$11,100.00	\$3,086,100.00	\$426,111.60	\$2,659,988.40	\$0.00
Newark	Avon Avenue E.S. William H. Brown Academy	3570-230-04-00MR-00 3570-230-04-00MR-00	NE-0041-A01	KNTM Architects	01/24/06	\$503,530.00	\$108,736.01	\$612,266.01	\$473,601.92	\$138,664.09	\$0.00
Newark	Gladys Hillman-Jones M.S.	3570-437-01-0696-00	NE-0018-A01	Timber Architecture Office	08/05/03	\$1,144,973.00	\$1,384,637.70	\$2,529,610.70	\$2,217,633.23	\$311,977.47	\$0.00
Paterson	Number 4 E.S.	4010-080-02-0573-00	PA-0009-A01	Thomas Associates Architects	09/25/03	\$2,432,180.00	\$247,151.00	\$2,679,331.00	\$876,369.36	\$1,802,961.64	\$0.00
Paterson	New Early Childhood Center at PS #19	4010-E01-03-0116-00	PA-0012-A01	Tonetti Associates Architects	01/22/04	\$583,500.00	\$114,270.00	\$697,770.00	\$238,586.60	\$459,183.40	\$0.00
Union City	Elementary School 02	5240-X06-01-0570-00	HU-0011-Z01	Paulus, Sokolowski and Sartor, LLC	07/30/03	\$1,810,782.00	\$282,200.00	\$2,092,982.00	\$1,475,626.50	\$617,355.50	\$0.00
Union City	Magnet K-8	5240-X04-01-0561-00	HU-0008-A01	Urbahn Archiotechs, P.C.	04/12/04	\$2,546,500.00	\$44,800.00	\$2,591,300.00	\$1,048,091.45	\$1,543,208.55	\$0.00
Vineland	Vineland Middle School #2	5390-N02-02-0245-01	ST-0017-A01	Perkins & Will Architects, P.C.	12/05/03	\$1,667,682.00	\$648,991.50	\$2,316,673.50	\$1,859,499.57	\$457,173.93	\$0.00
West New York	Memorial HS/Freshman & Soph Academy	5670-050-01-0554-01	HU-0017-A01	Arcari + Iovino Architects, P.C.	06/18/04	\$483,210.00	\$76,703.30	\$559,913.30	\$242,766.49	\$317,146.81	\$0.00
West New York	Memorial HS/Freshman & Soph Academy	5670-050-01-0554-01	HU-0016-A01	Di Cara / Rubino Architects	07/20/04	\$3,423,800.00	\$0.00	\$3,423,800.00	\$308,110.00	\$3,115,690.00	\$0.00
Totals						\$36,629,236.60	\$4,068,718.46	\$40,697,955.06	\$17,548,338.68	\$23,149,616.38	\$0.00

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.