

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, JANUARY 7, 2015 AT 9:15 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 and Executive Session Meeting Minutes of December 3, 2014
 - b. Board Open and Executive Session Meeting Minutes of December 19, 2014
- 4. AUTHORITY MATTERS**
 - a. CEO Report
 - i. Design Consultant Task Order Amendment Ratification (To Be Discussed in Executive Session)
 - b. Chairman's Report
- 5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
 - a. Extension of the Memorandum of Agreement Between the New Jersey Schools Development Authority ("SDA") and the New Jersey Department of the Treasury Transportation Services
- 6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)**
 - a. Preliminary Charter - Harrison School District – New Elementary School
 - b. Revised Project Scope and Preliminary Charter – Millville School District - High School Grade Level Project
 - c. Proposed Readoption With Amendments: School Facilities Projects: Section 15 Grant Procedures, N.J.A.C. 19:32
- 7. CORPORATE GOVERNANCE AND OPERATIONS — OFFICE OF CHIEF COUNSEL [*Informational*]**
 - a. Readoption of Affirmative Action Regulations N.J.A.C. 19:39 – Modifications In Response to Comments from Office of Administrative Law, Rules Division.

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
 - 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. EXECUTIVE SESSION

- a. Design Consultant Task Order Amendment Ratification

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

11. ADJOURNMENT

APPROVAL OF MEETING MINUTES

DECEMBER 3, 2014 OPEN SESSION

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

WEDNESDAY, DECEMBER 3, 2014

A meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA” or “the Authority”) was held on Wednesday, December 3, 2014 at 9:00 AM at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

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

being a quorum of the Board. Ms. Lemelle, Mr. Lewis-Powder, Mr. Piaia and Mr. Murray, 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; Ritchard Sherman, managing director; Gregory Voronov, managing director; Sean Murphy, program director; Aidita Milsted, program director;

Karon Simmonds, director, and Joanne Walsh, director 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 November 5, 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. Maloney, and seconded by Mr. Vargas, the Open and Executive Session minutes of the November 5, 2014 meeting were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Resolution 3a./3b.*

Authority Matters

CEO Report

The Chairman asked Mr. McKenna to provide the Members with the report of the Chief Executive Officer. Mr. McKenna provided the Members with an update regarding the Trenton Central High School (TCHS) project. He reported that district facilities staff continues to occupy the building at Chambers Street and will continue to do so until mid-December while final "move-out activities" are ongoing. Mr. McKenna noted that the temporary construction fence installation work is ongoing to secure the existing school site. He added that equipment for the storage space to warehouse materials and the HVAC equipment that will be reutilized in the new

high school is scheduled for installation early-December 2014. Mr. McKenna reported that CB&I, SDA's structural engineers, are finalizing abatement and demolition design documents in preparation for their submission to the State Historic Preservation Office and Department of Consumer Affairs (DCA). He said that the draft documents were received, comments were provided to CB&I, and the final report is due early December 2014. Mr. McKenna said that drafts of those design documents were submitted to the Office of the State Comptroller (OSC) on November 6 to initiate OSC review. Mr. McKenna said that the OSC has 30 (thirty) days to return the design documents to SDA. He also advised the Board that a draft Program for the new TCHS has been prepared and is under review by Department of Education (DOE). Mr. McKenna explained that the Program was revised on November 14 to reflect comments to date. He also advised the Board that the current program is approximately 18,000 square feet over target with the result that reductions are required. He said that the reductions are needed due to "square foot per student" standards. Mr. Sherman offered additional clarification regarding the basis for the required reductions. Mr. McKenna reported that initial programming interviews with the District have been completed and SDA is beginning preparation of educational specifications for the project. He also reported that revised site concept plans were reviewed with the TCHS Principal and staff on November 14 and the revised concept plans addressing open comments were completed November 21.

Next, Mr. McKenna reported that footing, foundation and slabs are complete on the Bridgeton Buckshutem Elementary School project and that the exterior masonry wall work is ongoing. He said that DCA has released structural steel, masonry, roof, mechanical and electrical documents.

Mr. McKenna then gave an update on the Bridgton Quarter Mile Lane Elementary School project. He noted that a Limited Notice To Proceed (LNTP) was issued to the design builder for the balance of the building. He reported that footings and foundation are complete, construction of exterior wall masonry work has started and underground electrical and site drainage work continues.

With regard to the Elizabeth Academic High School project, Mr. McKenna reported that all work by the major construction trades associated with the project is on schedule and construction is progressing well.

Mr. McKenna reported that on November 25, Torcon, Inc. was issued a Notice Of Award for the Elizabeth New Elementary School project. He said that upon receipt of fully executed contract documents, a NTP will be issued to begin the design phase. He reported that there was a bid protest filed by Patock but SDA has heard nothing further. He said that expectations are that the job will move forward with Torcon.

Next, Mr. McKenna provided the Members with an update regarding the Garfield James Madison Elementary No. 10 (demolition) project. He said asbestos abatement is complete and a demolition event is scheduled for December 5. Mr. Arcario clarified that demolition permits have been received from DCA and that building demolition is anticipated to begin on Monday, December 8.

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

Mr. McKenna reported that, with regards to the Jersey City PS No. 20 project, the building enclosure masonry work has begun and all other construction trades associated with the

project are proceeding on schedule. He noted that he, Mr. Arcario and Mr. Ballard visited the project site the previous week and that work is progressing very quickly.

Next, Mr. McKenna report that a limited construction NTP was issued to the design builder for pre-construction site activities for Jersey City Elementary School No. 3 project. He said that excavation has begun for footings and foundations and the design phase is nearly complete. Mr. McKenna noted that he, Mr. Arcario and Mr. Ballard will be heading to the site this afternoon to meet with city officials regarding an issue with the street adjacent to the project. At this time Ms. Lemelle joined the call.

Mr. McKenna then reported that the Keansburg Caruso Elementary School (Caruso ES) design build project is in final design with the package for structural steel under review by DCA. He noted that DCA released footings and foundation documents on November 17.

In continuing, Mr. McKenna reported that footings, foundation and structural steel work is complete on the Newark Elliott Street Elementary School (Elliott St) project. He said that interior masonry wall work, exterior masonry veneer, roofing, mechanical, electrical and fire sprinkler rough-in work is on-going. He also noted that site drainage and detention work is on-going.

Next, Mr. McKenna reported that the foundation work is 95% complete on the Newark Oliver Street Elementary School. He said that underground utility work and steel erection work is on-going on this project.

Mr. McKenna then provided an update regarding the Newark South Street Elementary School project. He reported that early site package work continues with completion targeted for December 2014. He advised the Board that, to date, more than 40,000 tons of replacement stone and backfill have been placed, and 7,200,000 gallons of contaminated water have been treated.

Mr. Arcario then described in detail certain issues with the wall and footings on the project that must be addressed. Mr. McKenna advised that there are also issues with the rebar. However, he assured the Board that, even if change orders (COs) should be required, SDA will come in below the reserve.

With regards to the New Brunswick Redshaw Elementary School, Mr. McKenna reported that construction work and FFT&E installations are complete. He advised the Board that the punchlist is 99% complete. Mr. McKenna also noted that a Temporary Certificate of Occupancy (TCO) has been received and Program Staff anticipates DCA being positioned to issue a Certificate of Occupancy by the end of December. He said that the students are expected to move in to the school in January.

Next, Mr. McKenna reported that, with regard to the Passaic Henry Street Elementary School project, construction continues to progress well. He noted that masonry work on the building enclosure is also progressing.

Mr. McKenna reported that the steel erection is 95% complete for the Paterson Marshall Street Elementary School project. He said that slabs on metal decks and exterior wall masonry work has commenced. Mr. McKenna then reported that retaining wall and external storm water detention construction is nearing completion. He advised the Board that pedestrian bridge abutment work has commenced and continues on both sides of the bridge that will span the adjacent railroad.

In continuing, Mr. McKenna reported that final design and building enclosure packages have been reviewed and the design-builder has responded in writing for the Paterson PS 16 project. He said that footings, foundation and masonry work continues in all areas and that steel

fabrication is underway. He also advised that underground utilities work commenced with 12" water main tie-in work underway.

Mr. McKenna then referenced the Paterson International High School. He noted that the SDA website shows the progress of the work there. Mr. Arcario discussed in detail efforts toward securing a Certificate of Occupancy. He noted that International Masonry Institute (IMI) worked with the architect and agrees that there exists the potential for water retention and therefore water infiltration into the building due to problems with the flashing. Mr. Arcario said that an approach for addressing the problem is being established. He said that the contractor who performed the atrium work at the school also will do this work which will be advanced when the building is less occupied. He said that this will be in the spring or, possibly more likely, during the summer months.

Next, Mr. McKenna reported that the Phillipsburg High School project's footings and foundation work is nearing completion and that the slab on grade and on metal decks is ongoing. He said that steel erection continues in several areas on this project highlighted by the erection of the steel truss girders spanning the gymnasium. He also noted that steel fireproofing will commence in coordination with the start of exterior masonry walls.

With regard to SDA procurement activity, Mr. McKenna reported that Management is recommending an award to Tricon Enterprises for abatement, demolition, and site-related work on eight (8) vacant, deteriorated residential properties and site-related work on one (1) vacant lot in the Newark School District. Mr. McKenna noted that there was a challenge filed by another bidder that was determined to have no merit. He said that after further discussion with this bidder, it does not appear that they will be going forward with their objection. He said that this matter is on today's agenda and staff will be discussing it later in the meeting.

Next, Mr. McKenna reported that Management is recommending approval of a one (1) year extension to the initial term of the SDA's Furniture, Fixtures and Equipment Contract (FF&E) with each of the twenty-six (26) engaged firms, with no increase to the value of each contract. He said that this is also on today's agenda and staff will be discussing it later in the meeting.

With regard to outreach, events and other activities, Mr. McKenna reported that the SDA held a beam signing ceremony for the Oliver Street School in Newark on November 10. He also reported that, on November 12, he and Mr. Arcario spoke at the Construction Forecast Seminar sponsored by NJ Alliance for Action.

Mr. McKenna then advised the Board that, on November 13, he and SDA staff met with members of the Healthy Schools Now Coalition in Trenton. He noted that it was a productive meeting.

Next, Mr. McKenna reported that the SDA's fall electronic newsletter was distributed to stakeholders a couple of weeks ago. He also noted that, yesterday, the SDA released its Biannual Report for the reporting period that ended September 30, 2014.

Mr. McKenna then reported that, on November 25, he along with SDA staff had the opportunity to volunteer at the Community FoodBank of New Jersey as part of the Governor's Season of Service initiative. He said that SDA staff worked for two hours and had the opportunity to prepare over 300 food boxes for senior citizens.

Mr. McKenna also advised the Board that, the previous day, he was with Governor Christie, Mayor Redd and Superintendent Rouhanifard to announce progress on a project to rehabilitate Camden High School. He said that plans are to improve the school to meet 21st century standards. Mr. McKenna reported that the SDA hopes to issue procurement documents

in the spring. He said that staff is finalizing scope development with the school district and anticipates hiring an architect soon.

In closing, Mr. McKenna reported that Communications staff is working on a demolition event to be held at the Garfield James Madison project site on Friday, December 5 at 11 a.m. At this time, Mr. Lewis-Powder announced that he was on call.

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 November 17, 2014. He said that Management had provided the Committee with the results of one statutorily required audit and determined that state funds were expended in accordance with applicable agreements, laws and regulations. He said that the audit's recommendations and observations pertained to issues which Management has already addressed or is addressing through changes in organizational processes.

Next, Mr. Nixon reported that Ernst & Young (E&Y) had provided the Committee with the 2014 SDA Audit Plan. He informed the Board of an upcoming E&Y partner rotation and identified the incoming Senior Manager and Quality Review Partner. He said that E&Y had outlined the areas of emphasis and thought processes utilized in the development of the audit and discussed financial reporting in accordance with the requirements of the General Accounting Standards Board (GASB) practices, along with additional reporting relating to government auditing standards. Mr. Nixon advised the Board that, at the conclusion of the regular meeting, the Committee Members met privately with E&Y in accordance with Executive Order 122 and then with the Authority's internal auditors without Management present.

Mr. Nixon then presented the 2015 Operating Budget (“Budget”) that had been provided to the Members in advance of the meeting. He advised that the Budget was discussed in detail at both the October and November meetings of the Audit Committee. He reported that the proposed 2015 Budget totals \$21 million, representing an increase of \$396,000 as compared to the current year budget. He said that the Budget includes a proposed headcount of 257 full time employees (FTEs), an increase of 1 FTE over the current Budget. He said that the Audit Committee recommends Board approval of the 2015 Budget as presented by Management. Mr. Guarriello provided additional Budget highlights as set forth in detail in the materials presented to the Board. Mr. Walsh inquired about the current number of SDA FTEs. Ms. Walsh advised that there are currently 229 FTEs. Following additional discussion regarding FTE levels and the allocation of employee salaries and benefit costs to projects, Mr. Nixon asked if there were any further questions or comments regarding the Budget. Hearing none, he called for a vote to approve the 2015 Operating Budget.

A resolution pertaining to the proposed 2015 Operating Budget had been provided to the Members in advance of the meeting. Upon a motion by Mr. Walsh and seconded by Mr. Luckie, the resolution attached hereto as *Resolution 5a*, was unanimously approved by the Board.

Mr. Nixon then discussed Management’s recommendation that the Board approve a contract for continuation of SDA’s Owner Controlled Insurance Program (OCIP), known as OCIP III. He provided the Board with a brief history of SDA’s utilization of an OCIP describing same as “wrap up” policies for workers’ compensation, general liability, excess liability and builder’s risk coverage for eligible contractors working in the school construction program. Mr. Nixon said that, with Board approval, OCIP III will effectively continue the Owner Controlled Insurance Program for the Authority’s managed school facilities projects

which commence construction during the period from December 31, 2014 through December 31, 2017. Additional comments were also provided by Ms. Simmonds. Mr. Walsh noted that he had arranged a meeting with an outside consultant to discuss SDA's insurance program and advised the Board that the consultant responded very favorably to the proposed program.

Mr. Nixon said that the Committee recommends that the Board 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.

A resolution pertaining to the proposed Owner Controlled Insurance Program III had been provided to the Members in advance of the meeting. Upon a motion by Mr. Vargas and seconded by Mr. McNamara, the resolution attached hereto as *Resolution 5b*, was unanimously approved by the Board.

Next, Mr. Nixon presented the Audit Committee's recommendation for approval of an award pertaining to the Authority's Owners Protective Professional Indemnity (OPPI) Insurance Program. Mr. Nixon explained that OPPI is an excess insurance policy that indemnifies the Authority for damages arising out of the professional negligence of its contracted design professionals beyond the coverage they maintain themselves. He said that this proposed policy would also provide coverage for SDA's employee design professionals. He said that the Audit Committee is recommending that the Board approve Management's proposal to purchase OPPI from Zurich Group of Insurance Companies to provide 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. He noted that the OPPI Policy would provide a \$25 million limit of liability, subject to a \$500,000 Self Insured Retention (SIR)

and a \$250,000 SIR on pollution liability at a cost not-to-exceed \$1,229,520. Additional details were also provided by Ms. Simmonds who explained that the \$500,000 SIR coverage is only applicable if a design professional's full limits are not available to the Authority.

After discussion, Mr. Nixon requested a vote to approve the Authority's OPPI Insurance Policy. A resolution pertaining thereto had been provided to the Members in advance of the meeting. Upon a motion by Mr. Luckie and seconded by Mr. McNamara, the resolution attached hereto as *Resolution 5c.* was unanimously approved by the Board.

School Review Committee Report

1) Irvington School District—New Madison Avenue Elementary School—Preliminary Project Charter; 2) Newark—Site Improvements—Approval of Award; 3) Furniture, Fixtures and Equipment Contract Extension (GP-0169)

The Chairman then asked Mr. Luckie to provide the report of the School Review Committee (SRC). Mr. Luckie said that the Committee met on November 17, 2014 and considered a number of items.

He discussed Management's request that the Board approve a Preliminary Project Charter for the New Madison Avenue Elementary School project in the Irvington School District. He said that, in January 2014, the Board approved an Amendment to the SDA 2012 Capital Plan which identified the New Irvington Madison Avenue Elementary School project for validation and advancement into pre-development. He explained that, 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.

Mr. Luckie reported that a Working Group comprised of District, DOE and SDA staff, which met to review and validate current District needs and discuss the proposed project,

confirmed that advancement of the project would significantly address Facilities Efficiency Standards (FES) compliance needs, localized overcrowding and educational needs for all Irvington District students in grades Pre-K to 5.

Mr. Luckie advised the Board that, once completed, the New Madison Avenue ES will be an approximately 70,500 SF new school facility to educate approximately 463 students in grades Pre-K to 5 on the District-owned Madison Avenue site in Irvington. He said that Management has advised that the project will advance utilizing Kit-of-Parts components, the design-build delivery process and in-house design staff resources. Mr. Luckie said that the estimated project cost of \$35.4 million 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. In response to a question, Mr. Sherman assured the Board that he was confident that the District is supportive of the project as proposed. Following discussion, Mr. Luckie said that the Committee recommends that the Board approve the Preliminary Project Charter for the Irvington Madison Avenue Elementary School project, specifically authorizing the SDA to proceed with in-house design activities and to procure necessary professional and construction services in relation thereto.

Thereafter, upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the Board approved the Preliminary Project Charter for the Irvington Madison Avenue Elementary School project upon its unanimous approval of the resolution attached hereto as *Resolution 6a*.

Next, Mr. Luckie discussed Management's request that the Board approve an award to Tricon Enterprises, Inc. (Tricon) for site improvements in the Newark School District. He said that, in 2004, the School Construction Corporation 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.

Mr. Luckie advised the Board that acquisition activities had reached a stage such that the SDA was legally required to complete the acquisitions which were finalized in 2009 and 2010. He said that 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.

He said that 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 (demolition services). He noted that SDA staff will perform construction management services for the project.

Mr. Luckie advised the Board that the package for demolition services was publicly advertised on October 8, 2014 and, following completion of the procurement process, Management is recommending award of the contract to Tricon in the amount of \$800,000. He said that, at the time of review, Tricon confirmed that its price proposal is inclusive of all scope elements contained in the contract documents.

Mr. Luckie then explained that the funding requested for the recommended services is allotted from funding forecasted for property maintenance for SDA owned properties which are no longer attached to the Capital Plan. Mr. Maloney then referenced the large disparity between the bids of bidders 1 and 2 as cited in the memorandum. Mr. McKenna, Mr. Murphy and Ms. Milsted responded to Mr. Maloney's inquiry noting that this matter was discussed with Tricon and Management is confident that Tricon's price recognizes all scope elements contained in the

contract documents. Mr. Luckie said that the Committee recommends that the Board approve the award of a contract in the amount of \$800,000 to the responsive low bidder Tricon Enterprises, Inc. for demolition services. He said that the Committee further recommends that the Board 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.

Thereafter, upon motion duly made by Mr. Vargas and seconded by Mr. McNamara, the Board approved the award to Tricon Enterprises, Inc. for demolition services upon its unanimous approval of the resolution attached hereto as *Resolution 6b*.

In continuing, Mr. Luckie discussed Management's recommendation in favor of Board approval of a one year extension to the initial term of its Furniture Fixtures & Equipment Contract. Mr. Luckie explained that, in 2011, the SDA entered into contracts with twenty-six (26) firms for the manufacture, delivery and installation of furniture, fixtures and equipment (FFE). He said that the term of these contracts was three years with an option for the Authority to extend for one additional year for a total not-to-exceed amount of \$12,000,000 for the term of the contract and any extension thereof.

Mr. Luckie advised the Board that, since 2011, purchase orders have been issued to 14 of the 26 firms with an approximate value of \$4,800,000 to date. Mr. Maloney inquired as to whether SDA's agreements contain a "Made in the USA" requirement. Mr. Yosha confirmed that this is required by SDA and such language is included in the Authority's contracts.

In conclusion, Mr. Luckie said that the Committee recommends that the Board approve a one year extension to the initial term of the Furniture Fixtures & Equipment Contract with each of the twenty-six engaged firms with no increase to the value of each contract. He said that the extension will commence on February 28, 2015 and terminate on February 28, 2016.

Thereafter, upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the

requested one year extension to the SDA's Furniture Fixtures & Equipment Contract was approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Resolution 6c*.

Reports

Mr. Walsh then asked Mr. Ballard to update the Members regarding the status of project closeouts. Mr. Ballard reported that the SDA was successful in closing one of the legacy projects, i.e. the Wilber Watts Intermediate School in Burlington City. He said that the Authority is trying to close out some contracts that are outstanding and complete some additional capital plan project closings. Mr. Ballard also reported on the status of ongoing and pending project audits.

Adjournment

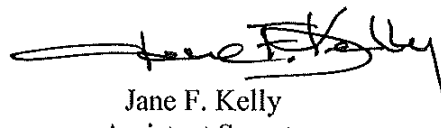
Ms. Kelly then announced that the Board will be adjourning into Executive Session to discuss the proposed acquisition of the former Paterson Catholic High School located in the Paterson School District.

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.

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

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its December 3, 2014 meeting.



Jane F. Kelly
Assistant Secretary

DECEMBER 19, 2014 OPEN SESSION

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
FRIDAY, DECEMBER 19, 2014

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority ("SDA" or "the Authority") was held on Friday, December 19, 2014 at 10:07 AM at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Maureen Hassett (NJEDA)
Kevin Luckie (DCA)
Matthew Murray (Treasury)
Bernard Piaia (DOE)
Kevin Egan, Public Member
Michael Maloney, Public Member
Joseph McNamara, Public Member
Robert Nixon, Public Member

being a quorum of the Board. Mr. Luckie participated in person.

At the Chairman's request, Charles McKenna, chief executive officer; Jason Ballard, chief of staff; Andrew Yosha, executive vice president (by teleconference); Jane F. Kelly, vice president & assistant secretary; Donald Guarriello, vice president and chief financial officer; Raymond Arcario, vice president; Albert Barnes, chief counsel; Gregory Voronov, managing director (by teleconference); and Paul Hamilton, senior program officer of the SDA, participated in the meeting. Michael Collins of the Governor's Authorities Unit also participated in the meeting by teleconference.

The meeting was called to order by the Chairman of the Board, Mr. Walsh, 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.

Public Comments

Ms. Kelly then asked if any member of the public was present and wished to address the Board. No member of the public was present and, accordingly, no public comments were received by the Board.

Adjournment

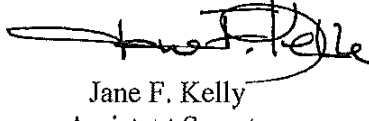
Mr. Walsh then asked for a motion to adjourn the meeting into Executive Session. Upon motion and with unanimous consent, the Open Session of the meeting adjourned into Executive Session.

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

A resolution for approval of a Request for Authorization to acquire the Paterson Catholic High School property in Paterson, New Jersey had been provided to the Members in advance of the meeting. Upon motion by Mr. Luckie, and seconded by Mr. Vargas, 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 was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its December 19, 2014 meeting.



Jane F. Kelly
Assistant Secretary

RESOLUTION—3a1., 3a2./3b1., 3b2.

Approval of Minutes

WHEREAS, the By-Laws provide that the minutes of actions taken at meeting 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 December 3, 2014 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on December 4, 2014 and the minutes of the December 19, 2014 were forwarded to the Governor on December 19, 2014 .

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's December 3, 2014 and December 19, 2014 Open and Executive Session meetings is 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: January 7, 2015

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE

CHAIRMAN'S REPORT

EXTENSION OF THE MEMORANDUM OF AGREEMENT BETWEEN THE NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY ("SDA") AND THE NEW JERSEY DEPARTMENT OF TREASURY



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY32 E. FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955**MEMORANDUM**

To: Members of the Authority

From: Karon L. Simmonds, Director /s/ Karon Simmonds
Risk Management and Vendor Services

Re: Extension of the Memorandum of Agreement Between the New Jersey Schools
Development Authority ("SDA") and the New Jersey Department of the Treasury
Transportation Services

Date: January 7, 2015

Background

By this memorandum, I am seeking the Board's approval to extend the Memorandum of Agreement ("MOA") between the Authority ("Authority") and the New Jersey Department of the Treasury Transportation Services ("Transportation Services"). The Board's approval to extend the MOA would permit the Authority to have continued access to cost effective vehicle maintenance, repairs and fuel pricing offered through Transportation Services. 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 execution and extension of Memoranda of Agreement between the SDA and other state agencies.

Although purchased by the Authority, title to the Authority's vehicles is held by the State of New Jersey pursuant to the MOA. The SDA's current fleet, comprised of eighteen (18) vehicles, provides cost effective transportation for staff that are required to travel to job sites. The cost of maintaining the fleet through the MOA with Transportation Services has shown to be less costly than reimbursing employees for using their personal vehicles.

In October 2011, the Board approved the original MOA for an initial term of one year beginning on July 1, 2011 and ending on June 30, 2012. As permitted in paragraph 10 of the MOA, on September 5, 2012, the Board approved the first extension of the MOA for a period of two-and-one-half (2½) years beginning retroactively on July 1, 2012 and ending on December 31, 2014. With the approval of a 2½ year extension, the MOA term was intentionally synchronized with the Authority's annual operating budget cycle and fiscal year end (December 31).

The costs associated with the MOA with Transportation Services have traditionally been funded in the Authority's annual operating budget. The 2015 operating budget provides up to \$99,000.00 for vehicle maintenance, repairs and fuel for 21 vehicles (assumes an increase of 3 vehicles due to greater demand for pool cars).

Members of the Authority
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Recommendation

In preference to seeking annual Board approval to mutually extend the MOA with Transportation Services, the Members of the Authority are now requested to approve an extension of the MOA for a period of up to five (5) consecutive years ending on December 31, 2019, provided that: (1) the SDA Board continues to approve the associated costs in subsequent annual operating budgets; and (2) the MOA terms and conditions shall remain the same, excluding cost adjustments, which will be reviewed by the Board as a part of the annual operating budget.

Prepared by: Jeanell Newmuis-Haley

Resolution—5a.

Extension of the Memorandum of Agreement Between the New Jersey Schools
Development Authority (“SDA”) and the New Jersey Department of the Treasury
Transportation Services

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (“SDA” or “Authority”) requires that the Members of the Authority approve the execution and extension of Memoranda of Agreement between the SDA and other state agencies; and

WHEREAS, interagency cooperation is permitted by N.J.S.A. 52:14-1 et seq.; and

WHEREAS, pursuant to Executive Order No. 24 (2002), the SDA is authorized to call upon any department, office, or agency of State government for assistance in the discharge of its responsibilities; and

WHEREAS, SDA maintains a fleet of vehicles for the use of SDA employees in traveling to and from its various project sites and otherwise in connection with SDA business; and

WHEREAS, SDA previously identified a need for vehicle management, operation and repair services and desired to utilize State fueling stations in connection with its vehicles; and

WHEREAS, Treasury is highly experienced in providing vehicle management, operation and repair services and maintains fueling stations for state vehicles; and

WHEREAS, it was determined that such services can be efficiently and economically provided by Treasury for the benefit of SDA, subject to reimbursement of the cost therefor by SDA; and

WHEREAS, SDA and Treasury outlined in detail the terms of an agreement for the provision of such services by Treasury to the SDA which agreement was approved by the Board on October 5, 2011; and

WHEREAS, the provision of such services by Treasury to SDA were authorized by the Board for the period between July 1, 2011 and June 30, 2012; with the potential for future extensions; and

WHEREAS, on September 5, 2012, the Board approved the first extension of the MOA for a period of two-and-one-half years beginning retroactively on July 1, 2012 and ending on December 31, 2014; and

WHEREAS, it has now been determined necessary and appropriate, and executive Management so recommends, that the Board extend the agreement between Treasury and SDA for such services for a period of up to five consecutive years ending on December 31, 2019, provided that the SDA Board shall continue to approve the associated costs in subsequent annual operating budgets and the MOA terms and conditions shall remain the same, excluding cost adjustments, which will be reviewed by the Board as a part of the annual operating budget.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve an extension of the SDA's Memorandum of Agreement with the New Jersey Department of the Treasury Transportation Services for SDA vehicle maintenance, repairs and fuel upon terms consistent with the Memorandum of Agreement approved by the Board on October 5, 2011 as supplemented by the memorandum presented to the Board on this date.

BE IT FURTHER RESOLVED, that such extension is specifically authorized and approved by the Board for a period of up to five consecutive years ending on December 31, 2019, provided that the Board shall continue to approve the associated costs in subsequent annual operating budgets and the MOA terms and conditions shall remain the same, excluding cost adjustments, which will be reviewed by the Board as a part of the annual operating budget.

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, Extension of Memorandum of Agreement between the New Jersey Schools Development Authority and the New Jersey Department of the Treasury Transportation Services, dated January 7, 2015

Dated: January 7, 2015

REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE

CHAIRMAN'S REPORT

PRELIMINARY CHARTER - HARRISON SCHOOL DISTRICT -NEW ELEMENTARY SCHOOL



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Ritchard J. Sherman
Managing Director of Design

Gregory Voronov
Managing Director, Program Operations

DATE: January 7, 2015

SUBJECT: Preliminary Project Charter

RE: Harrison School District – New Elementary School

INTRODUCTION

At the March 7, 2012 NJSDA Board Meeting, the Members approved the Authority's 2012 Capital Plan. Among the included projects and needs, that Plan identified a high priority educational need at the Middle School grade levels in Harrison and recognized that further discussion with the District was required for project definition. Working with representatives of the Harrison School District and the New Jersey Department of Education (DOE), SDA staff has reviewed and validated District needs. 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 SDA 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 2010 Educational Facility Needs Assessment (EFNA), which identified overcrowding in grades K to 8 of the Harrison School District, the SDA 2012 Capital Plan identified this need as one of high educational priority, requiring further discussion with the District to validate and define an appropriate scope to address the district-wide overcrowding. The plan included a project to address needs at the middle school grade levels based upon the District's Long Range Facilities Plan (LRFP) which called for expansion of the existing middle school to house the District's 5th grade population in order to alleviate overcrowding at the lower grade levels. As further discussed below, validation activities performed by SDA staff, in conjunction with the District and DOE have determined that placement of the 5th grade population in the Middle School would not result in sufficient capacity in the District's elementary schools to address District overcrowding and have served to identify a different solution to addressing District needs.

Following approval of the SDA 2012 Capital Program, a Working Group comprised of the District, DOE and 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.

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Harrison School District – New Elementary School
January 7, 2015
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Working Group Activities

Upon inclusion of the project in the 2012 Capital Plan, the Working Group proceeded to review and collaborate on options to resolve the district's needs. Concurrent with the facilities capacity review, DOE performed an assessment of district enrollments and capacity, utilizing information that had been updated after the inclusion of this project in the Capital Plan; specifically, DOE utilized the May 2013 Educational Facilities Needs Assessment. Based upon that assessment, DOE and SDA concluded that existing District facilities lack the capacity for approximately 312 students in grades K to 5. As a result, additional SDA site visits to all District K-8 schools were conducted which served to validate the existence of District-wide capacity needs.

Based on this review and validation, the Working Group proceeded to preliminarily identify potential solutions to alleviate the District-wide overcrowding. As discussed below, options considered and evaluated by the Working Group included the following:

- Expansion of existing district facilities, as identified in the District's LRFP, to provide additional needed capacity
- Acquisition and renovation of the former Holy Cross Catholic School facility
- Construction of a new school on a district-owned parking lot

Initial Working group discussions were focused on development of various options to expand the existing Washington Middle School as identified in the District's LRFP. However, after thorough review and consideration, it was determined that the configuration of the existing building and site do not lend themselves to a functional expansion. In addition, this option would not satisfactorily alleviate overcrowding in that the grades PK-4 enrollments would exceed the District's elementary school capacity even after moving the 5th grade to the Middle School. The Working Group also considered expansion of other District facilities in lieu of or in conjunction with an expansion of the middle school; however, similar site constraints exist at each of the other facilities.

In early 2014, the Holy Cross Catholic School facility in Harrison became available and the Working Group proceeded to review the potential to acquire the facility to provide additional student capacity to address District needs. Additionally, during the course of exploring the option to purchase the Holy Cross facilities, further Working Group discussions served to identify the option to construct a new elementary school on an existing district-owned parking lot directly across the street from the existing Washington MS. A comparative analysis of the options of either buying the 100-year-old Holy Cross building for renovation versus building a new school on the district parking lot determined that construction of a new facility was more efficient both in terms of schedule and budget, and would more effectively deliver an educationally appropriate facility.

Current Advancement Status

Upon identification by the Working Group of the option to construct a new elementary school on the District-owned parking lot site, SDA staff undertook a preliminary environmental review of the proposed site. Staff reviewed available environmental data pertaining to the site to identify potential data gaps and identify a preliminary scope of work for closure of these gaps. This review identified scope appropriate for additional investigation through assignment to an engaged Site Environmental Consultant (SEC).

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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 any necessary site preparation work to be performed prior to advancement of building construction and design work necessary to support the development of bridging documents.

RECOMMENDED PROJECT SCOPE

SDA staff has developed a proposed project scope based on application of standard programmatic models and has considered application of Kit of Parts in project delivery. Based on that analysis, the following project is being recommended for advancement to address District overcrowding.

The Harrison Pre-K to 1 ES project scope calls for construction of a new approximately 65,500 GSF school on the district-owned parking lot site. After considering several alternatives, the Pre-K to 1 grade alignment was selected because it will most efficiently and effectively address District-wide overcrowding and will also provide the District with educationally appropriate Pre-K and K classrooms which the District currently lacks.

Furthermore, expansion of the proposed project site will be required to provide approximately 10,000 SF of necessary outdoor physical education and play space. The District and SDA staff are currently in the process of identifying potential properties adjacent to the site to provide the necessary additional space.

PROJECT DELIVERY RECOMMENDATION

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 Elementary School align with standard SDA programmatic models, and test fits of the existing parking lot site have determined that Kit of Parts components may be utilized in the design of the project which will be all new construction. A schedule comparison indicates that a Design-Build approach could deliver the project to the District at least one school year earlier than would a Design-Bid-Build approach. Additionally, advancement of this project was anticipated as part of Design Studio 2014 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 New Elementary School project, the District's capacity needs in grades Pre-K to 8 will be fully addressed. The estimated cost of \$33.5 million for the project reflected in the Preliminary Project Charter is inclusive of estimated future costs necessary for advancement of the current project scope. It is anticipated that site preparation work will be required prior to advancement of building construction, at this time that cost has not been defined. The contract for that work will be subject to separate approval, consistent with the Operating Authority, at which time the charter will be adjusted to incorporate those costs.

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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 New 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: Roman Horoszewski, 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
01/07/15

Supersedes Charter Dated
N/A

Region: Northern
District: Harrison
Project Name: New Elementary School
School Type: Elementary School
DOE # / Project #: TBD
Project Type (New/Add/Reno): New
Project Location: 507-515 Harrison Avenue
Number of Students: 392

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

Funding Source
2012 Capital Plan

Project Budget: \$ 33,466,000
Anticipated Substantial Completion Date: TBD
Anticipated School Occupancy Date: TBD

Funding Allocated
\$33,466,000

Project Team Leader: TBD / Ritchard Sherman
Project Initiation Date: Jan-15
SDA Board - Project Charter Approval Date: 01/07/15

District Local Share
\$0.00

Charter Version and Date	Project Summary
<input type="checkbox"/> Planning	Construction of a New Elementary School facility to educate 392 students in grades Pre-K to 1 consisting of two Pre-K classrooms, nine kindergarten classrooms and nine first grade classroom, self contained special education classrooms, as well as, cafeteria, multipurpose room and necessary support spaces on a District-owned site.
<input checked="" type="checkbox"/> Preliminary 01/07/15	
<input type="checkbox"/> Final	
Purpose for Advancement of Current/Revised Project Charter	
Revision # and Date	Project advancement, including in-house design and procurement of necessary professional and construction services for the project.
<input type="checkbox"/> One	District Project Goals
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	
<input type="checkbox"/> Four	
<input type="checkbox"/> Five	
<input type="checkbox"/> Six	
A new school to address district wide overcrowding in grades PK-8.	

Recommendation

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

Chief Executive Officer _____ Date _____
 Charles McKenna

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

Charter Date
01/07/15

District / Project Name:	Harrison / New Elementary School
DOE # / Project #:	TBD

Project Milestones	Date
School Occupancy Date	TBD

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

<u>Real Estate Services</u>	Start	Est.	Act.	Finish	Est.	Act.
Feasibility	Complete		x	Complete		x
Site Investigations	01/28/15	x		04/01/15	x	
Site Acquisition	TBD			TBD		
Relocation	TBD			TBD		
Demolition	TBD			TBD		
Early Site Package	TBD			TBD		
Deed Restriction Required? No Date						
District Notified?			<input type="checkbox"/>			<input type="checkbox"/>
Classification Exception Area? No						
District Notified?			<input type="checkbox"/>			<input type="checkbox"/>

Special Considerations

Based upon staff's review of existing site environmental documentation the project is planned to be advanced with the need for an early site package prior to advancement of construction by a design-builder. A Site Environmental Consultant will be engaged to conduct additional site investigations. The schedule will be revisited and updated once the extent of an early site package is identified based upon additional investigation.

<u>Design:</u>	Date	Est.	Act.	Finish	Est.	Act.
Design Start (NTP)	01/28/15	x				
Design Restart (if applicable)	NA					
	Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase	01/28/15	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 a in-house design and engagement of a Design-Builder.

<u>Construction:</u>	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
		01/07/15
District / Project Name: Harrison / New Elementary School		
DOE # / Project #: TBD		
2012 Capital Plan Funding Allocation	\$	33,466,000
Special Considerations:		
<p>The project budget represented below is based upon the application of planning assumptions based upon the current project scope. The budget includes estimated costs for the acquisition and relocation of properties adjacent to the project site to be developed for necessary outdoor PE and playspace. It is anticipated that the project will require an early site package prior to building construction, estimated costs for an early site package are to be determined once the extent of scope has been identified. The charter will be revised to include those costs when they are finalized.</p>		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor:
New	65,500	1.55
Addition	0	
Renovation	0	
Total Gross Building Area (GSF):	65,500	
Estimated Building Cost / GSF		
New Construction Cost/GSF	\$280.92	
Renovation Cost/GSF		
Design-Builder Costs		
Design	\$1,000,000	
Building Costs	\$16,000,000	
Site Costs	\$2,000,000	
Demolition	\$0	
E-Rate (If separately bid)	\$0	
Cost Escalation 32 months at 5 % per year	\$2,400,000	
Design Contingency	\$2,200,000	
Construction Contingency	\$1,100,000	
Total Construction Costs	\$24,700,000	
Pre-Development Costs:		
Consultant Services	\$500,000	
Early Site Package (Demolition/Remediation)	TBD	
Demolition/Site Work (Acquired Properties)	\$780,000	
Land Acquisition	\$1,058,000	
Relocation	\$279,000	
Property Maintenance/Carry Costs	\$44,000	
Total Pre-Development Costs	\$2,661,000	
Other Costs:		
Design		
Prior Design Services	\$0	
In-House Design	\$400,000	
Project Management (SDA Staff)	\$1,720,000	
PMF/CM	\$1,485,000	
FF&E	\$1,100,000	
Technology	\$900,000	
Commissioning	(Included in DB Scope)	
Temporary Space	\$0	
Other Costs	\$500,000	
Total Other Costs	\$6,105,000	
Other Funding Sources		
Rebates & Refunds	\$0	
District Local Share Funds	\$0	
Total Other Funding Sources	\$0	
Total Project Budget	\$33,466,000	
Funding from Prior Allocation	\$0	
Funding from 2012 Capital Plan	\$33,466,000	

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

Charter Date

01/07/15

District / Project Name: Harrison / New Elementary School
DOE # / Project #: TBD

Project Budget:

		Capital Plan Estimate	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:			1.55	
Gross Building Area (GSF):	New	N/A	65,500	
	Addition		0	
	Renovation		0	
Total Gross Area (GSF):		N/A	65,500	
Design-Builder Costs				
Design		N/A	\$1,000,000	N/A
Building Costs		N/A	\$16,000,000	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	\$2,400,000	N/A
Design Contingency		N/A	\$2,200,000	N/A
Construction Contingency		N/A	\$1,100,000	N/A
Total Construction Costs		N/A	\$24,700,000	N/A
Pre-Development Costs:				
Consultant Services		N/A	\$500,000	N/A
Early Site Package (Demolition/Remediation)		N/A	TBD	N/A
Demolition/Site Work (Acquired Properties)		N/A	\$780,000	N/A
Land Acquisition		N/A	\$1,058,000	N/A
Relocation		N/A	\$279,000	N/A
Property Maintenance/Carry Costs		N/A	\$44,000	N/A
Total Pre-Development Costs		N/A	\$2,661,000	N/A
Other Costs:				
Design				
Prior Design Services		N/A	\$0	N/A
In-House Design		N/A	\$400,000	N/A
Project Management (SDA Staff)		N/A	\$1,720,000	N/A
PMF/CM		N/A	\$1,485,000	N/A
FF&E		N/A	\$1,100,000	N/A
Technology		N/A	\$900,000	N/A
Commissioning		N/A	(Included in DB Scope)	N/A
Temporary Space		N/A	\$0	N/A
Other Costs		N/A	\$500,000	N/A
Total Other Costs		N/A	\$6,105,000	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	\$33,466,000	N/A
Funding from Prior Allocation		N/A	\$0	N/A
Funding from 2012 Capital Plan		N/A	\$33,466,000	N/A

Budget Variance Analysis:

Schedule Variance Analysis:

Resolution—6a.

Preliminary Project Charter
Harrison School District – New Elementary School

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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, at the March 7, 2012 SDA Board Meeting, the Members approved the Authority's 2012 Capital Plan which identified a high priority educational need at the middle school grade levels in the Harrison School District (District) that required further discussion with the District for project definition; and

WHEREAS, representatives of the District, the New Jersey Department of Education (DOE) and SDA staff (the Working Group) have reviewed and validated District needs; 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, the Working Group recommends construction of an approximately 65,000 square foot Pre-K to 1 school facility on a District-owned site; and

WHEREAS, by providing the New Elementary School project, the District's capacity needs in grades Pre-K to 8 will be fully addressed; 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 and current advancement status along with Project scope, budget and delivery recommendations; and

WHEREAS, the estimated cost of \$33.5 million for the Project reflected in the Preliminary Project Charter is inclusive of estimated future costs necessary for advancement of the current project scope.

NOW, THEREFORE, BE IT RESOLVED, that consistent with the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the Preliminary Project Charter for the New Elementary School project in the Harrison School District and, in so doing, authorize SDA Management and staff to proceed with in-house design activities and procure necessary professional and construction services in relationship to this project.

BE IT FURTHER RESOLVED, that SDA Operating Authority will govern the award of all professional services and construction contracts and Board notification of the use of contingency monies.

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, Preliminary Project Charter, Harrison School District – New Elementary School, dated January 7, 2015

Dated: January 7, 2015

**REVISED PROJECT SCOPE AND PRELIMINARY CHARTER - MILLVILLE SCHOOL
DISTRICT - HIGH SCHOOL GRADE LEVEL PROJECT**

MEMORANDUM

6

TO: Members of the Authority

FROM: Corrado Minervini
Program Operations Director

Ritchard Sherman
Managing Director of Design

DATE: January 7, 2015

SUBJECT: Revised Project Scope and Preliminary Charter

RE: Millville School District - High School Grade Level Project

INTRODUCTION

We are writing to recommend approval by the Members of the attached Revised Preliminary Project Charter, created by Program Operations staff, which details a project scope and budget revised from what had been approved by the Members on April 2, 2014. SDA review of the analysis performed by the Bridging Design Consultant supports the recommended revisions, which provide for efficiently addressing the Millville School District overcrowding through a single project at one site rather than two.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a revision to a project charter requires approval by the Members of the Authority.

BACKGROUND

On September 4, 2013, the Members of the Authority approved Project Planning Charters and the initiation of a procurement for Bridging Design Consultant Services in order to advance work necessary to address the expressed District need of overcrowding in grades 9-12. At that time, it was anticipated that this work would consist of two projects as follows:

1. High School Project - Conversion of Lakeside Middle School to a High School for 2,026 students in grades 9 to 12 including approximately 156,000 square feet of new construction, approximately 17,000 square feet of selective educational program-driven renovations, and necessary site improvements to implement the high school program.
2. Middle School Project - Conversion of Millville Senior High School to a Middle School for 1,297 students in grades 6 to 8 including approximately 25,000 square feet of new construction, approximately 24,000 square feet of selective program-driven renovations, selective systems renovations and upgrades, and necessary site work related to the new construction scope of work.

The prior recommendation to advance two projects was based upon consideration regarding the following potential impacts of a single addition-renovation project at Millville Senior High School:

Members of the Authority
 Revised Preliminary Project Charter
 Millville School District - High School Grade Level Project
 January 7, 2015
 Page 2 of 3

- It was anticipated that the size of the required addition would result in the loss of an athletic field and would result in limited opportunity for expansion of the facility in the future should it be needed.
- It was anticipated that the addition would severely impact site circulation and reduce parking to an unacceptable level.
- Issues related to satisfying program requirements, most notably the assumption that a new auditorium would need to be constructed in addition to the existing auditorium.

These impacts made advancement of the single project option untenable. As discussed below, these concerns have been addressed by the Bridging Design Consultant's analysis such that we are now recommending a single project.

PREDESIGN PHASE FINDINGS AND RECOMMENDATIONS

On April 2, 2014, the Members of the Authority approved the award of a contract for Bridging Design Consultant Services to RSC Architects (RSC) along with Preliminary Project Charters for the two proposed projects. Consistent with the scope of required Pre-design Phase Services, RSC proceeded with verification of project requirements and the identification and development of alternative project scopes for review by the SDA and District.

As part of these activities, RSC proposed that the option to address District needs through a single project at Millville Senior High School be included for development and consideration. The detailed concept plan that RSC developed for that option effectively addresses all the prior concerns noted above: the proposed single project concept plan as detailed by RSC does not impact existing athletic fields, does not compromise site circulation, and repurposes the existing auditorium as a new media center.

Further evaluation of this option has revealed that it offers the following additional advantages:

- The impact on existing school operations would be significantly reduced.
- Proposed phasing of the project will reduce the need for temporary facilities during construction.
- A reduction in the risk of encountering unforeseen conditions while renovating existing facilities, as it includes approximately half the renovation square footage of the two project option,

Given the beneficial results of the RSC engagement, and with the concurrence of the Millville School District, we are now recommending advancement of the Millville High School Addition-Renovation project, as described below.

RECOMMENDED REVISED PROJECT SCOPE

The final design concept proposes 228,544 square feet of additions, 54,950 square feet of alterations, and 54,480 square feet of demolition. The final design concept also proposes phasing of the work to allow new construction to serve as swing space while existing facilities are being renovated. The entirety of the project is anticipated to be completed in Fall 2019.

The recommended design concept eliminates the need for any work at the existing Lakeside Middle School.

Members of the Authority
Revised Preliminary Project Charter
Millville School District - High School Grade Level Project
January 7, 2015
Page 3 of 3

RECOMMENDED PROJECT BUDGET

The revised Total Project Budget of approximately \$110 million reflected in the Revised Preliminary Project Charter is inclusive of all prior expenditures related to pre-design services performed by RSC. The budget is also inclusive of estimated future costs necessary for advancement of the recommended project scope. The estimated costs are based upon the application of planning estimates to the recommended project scope. The budget represents an approximately \$1.6 million increase from the prior approved Preliminary Charters for two projects. The current budget is based upon more fully developed concept plans completed by RSC which more fully detail the scope of additions and renovations necessary to accommodate the high school program. Further, those plans include a more detailed review of existing conditions and code requirements.

RECOMMENDATION

The Members are requested to approve the Revised Preliminary Project Charter which details a revised project scope and budget for the Millville High Addition-Renovation Project.

Recommended by:

/s/ Corrado Minervini
Corrado Minervini, Program Operations Director

/s/ Ritchard J. Sherman
Ritchard J. Sherman, Managing Director of Design

Review and Recommended by: Gregory Voronov, Managing Director, Program Operations
Review and Recommended by: Raymond A. Arcario, Vice President, Construction Operations
Review and Recommended by: Andrew Yosha, EVP Program Operations & Strategic Planning

New Jersey Schools Development Authority Project Charter - Summary

Charter Date

01/07/15

**Supersedes
Charter Dated**

04/02/14

6

Region: Southern
District: Millville
Project Name: Senior High School Addition Renovation
School Type: High School
DOE # / Project #: 3230-050-13-0AEF
Project Type (New/Add/Reno): Add/Reno
Project Location: 200 Wade Boulevard, Millville, NJ
Number of Students: 2,026

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

Funding Source

2012 Capital Plan

Project Budget: \$ 110,012,109

Funding Allocated

\$108,417,754

Anticipated Substantial Completion Date: 01/04/19

Anticipated School Occupancy Date: 04/01/19

Project Team Leader: Corrado Minervini

District Local Share

\$0.00

Project Initiation Date: 09/13/13

SDA Board - Project Charter Approval Date: 01/07/15

Charter Version and Date		Project Summary
<input type="checkbox"/> Planning	09/04/13	Additions and Renovations to the existing Senior HS to expand the facility to provide capacity to educate 2,026 students in grades 9 to 12. The Project is comprised of additions of 228,700 GSF and 54,950 GSF of renovations necessary to accommodate the high school educational program. The project scope also includes necessary site work to implement the project.
<input checked="" type="checkbox"/> Preliminary	04/02/14	
<input type="checkbox"/> Final		
		Purpose for Advancement of Current/Revised Project Charter
Revision # and Date		The revised charter is being advanced to reflect the change in project scope from work at both the Senior HS and Lakeside MS that was previously contemplated to address overcrowding needs at the HS grade levels to expansion only of the Senior HS to address the District's needs.
<input checked="" type="checkbox"/> One	01/07/15	
<input type="checkbox"/> Two		District Project Goals
<input type="checkbox"/> Three		
<input type="checkbox"/> Four		
<input type="checkbox"/> Five		
<input type="checkbox"/> Six		
		The project will serve to address overcrowding at the HS grade level.

Recommendation

Program Director - Program Operations _____ Date _____
 Corrado Minervini

Managing Director - Capital Planning _____ Date _____
 Gregory Voronov

Vice President - Construction Operations _____ Date _____
 Raymond Arcario

EVP - Program Ops. & Strategic Planning _____ Date _____
 Andrew Yosha

Approval

Chief Executive Officer _____ Date _____
 Charles McKenna

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

Charter Date
01/07/15

District / Project Name:	Millville / Senior High School Addition Renovation
DOE # / Project #:	3230-050-13-0AEF

Project Milestones	Date
School Occupancy Date	04/13/18

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

Real Estate Services	Start	Est.	Act.	Finish	Est.	Act.
Feasibility	05/22/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/31/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Investigations	05/22/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/31/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Acquisition	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Relocation	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Demolition	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Early Site Package	TBD	<input type="checkbox"/>	<input type="checkbox"/>	TBD	<input type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?	N/A	Date				
District Notified?	N/A		<input type="checkbox"/>	<input type="checkbox"/>		
Classification Exception Area?	N/A		<input type="checkbox"/>	<input type="checkbox"/>		
District Notified?	N/A		<input type="checkbox"/>	<input type="checkbox"/>		

Special Considerations

Design:	Date	Est.	Act.		Est.	Act.
Design Start (NTP)	05/01/14	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Design Restart (if applicable)	N/A	<input type="checkbox"/>	<input type="checkbox"/>			
	Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase	05/01/14	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/09/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Schematic Design	01/28/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	04/07/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bridging Documents	04/08/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	07/30/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build Bid/Award	08/28/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	01/28/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build NTP	02/18/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>	02/18/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Design	02/18/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>	08/19/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

Construction:	Date	Est.	Act.
Construction Start (NTP)	08/08/16	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	01/04/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	04/01/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer	N/A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	04/01/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	11/27/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	12/27/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

The project is planned to advance in two construction phases. Phase 1 is for construction of additions. Phase 2 is the renovation phase. Final Completion is reflective of the completion of Phase 2.

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date
		01/07/15
District / Project Name: Millville / Senior High School Addition Renovation		
DOE # / Project #: 3230-050-13-0AEF		
2012 Capital Plan Funding Allocation	\$	108,417,754
Special Considerations:		
The project budget is inclusive of the award amount for pre-design services provided by the engaged Bridging Architect. The budget includes estimated costs for the remainder of design services to be performed by both the Design Consultant and the Design-Builder, as well as, all other necessary project scope elements.		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor:
New	0	1.55
Addition	228,700	
Renovation	54,950	
Total Gross Building Area (GSF):	283,650	
Estimated Building Cost / GSF (Including Escalation)		
New Construction Cost/GSF	\$299.02	
Renovation Cost/GSF	\$163.06	
Design-Builder Costs		
(Inc. in Other Costs Below)		
Design	\$62,890,000	
Addition Costs	\$8,240,000	
Renovation Costs	\$3,500,000	
Site Costs	\$880,000	
Demolition	\$0	
E-Rate (If separately bid)	\$6,600,000	
Cost Escalation 21 months at 5 % per year	\$5,525,000	
Design Contingency	\$4,100,000	
Construction Contingency		
Total Construction Costs	\$91,735,000	
Pre-Development Costs:		
Consultant Services	\$89,277	
Early Site Package	\$0	
Land Acquisition	\$0	
Relocation	\$0	
Property Maintenance/Carry Costs	\$0	
Total Pre-Development Costs	\$89,277	
Other Costs: %		
Design	\$6,600,000	
Design Services	\$200,000	
SDA Design Studio Support	\$1,626,000	
Project Management (SDA Staff)	\$1,700,000	
PMF/CM	\$4,300,000	
FF&E	\$2,300,000	
Technology	(Included in DB Scope)	
Commissioning	\$0	
Temporary Space	\$1,461,832	
Other Costs		
Total Other Costs	\$18,187,832	
Other Funding Sources		
Rebates & Refunds	\$0	
District Local Share Funds	\$0	
Total Other Funding Sources	\$0	
Total Project Budget	\$110,012,109	
Funding from Prior Allocation	N/A	
Funding from 2012 Capital Plan	\$110,012,109	

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

Charter Date
01/07/15

District / Project Name: Millville / Senior High School Addition Renovation
DOE # / Project #: 3230-050-13-0AEF

Project Budget:

	Preliminary Charter 4/2/14 ¹	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:	1.55	1.55	
Gross Building Area (GSF):			
New	0	0	0
Addition	179,142	228,700	(49,558)
Renovation	41,409	54,950	(13,541)
Total Gross Area (GSF):	220,551	283,650	(63,099)
Design-Builder Costs			
Design	(Included in Other Costs)	(Inc. in Other Costs Below)	\$0
Addition Costs	\$48,454,977	\$62,890,000	(\$14,435,023)
Renovation Costs	\$10,427,620	\$8,240,000	\$2,187,620
Site Costs	\$6,329,220	\$3,500,000	\$2,829,220
Demolition	\$0	\$880,000	(\$880,000)
E-Rate (If separately bid)	\$0	\$0	\$0
Cost Escalation	\$7,879,762	\$6,600,000	\$1,279,762
Design Contingency	\$6,596,463	\$5,525,000	\$1,071,463
Construction Contingency	\$4,331,173	\$4,100,000	\$231,173
Total Construction Costs	\$84,019,215	\$91,735,000	(\$7,715,785)
Pre-Development Costs:			
Consultant Services	\$230,000	\$89,277	\$140,723
Early Site Package	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0
Relocation	\$0	\$0	\$0
Property Maintenance/Carry Costs	\$0	\$0	\$0
Total Pre-Development Costs	\$230,000	\$89,277	\$140,723
Other Costs:			
Design			
Design Services	\$7,825,418	\$6,600,000	\$1,225,418
SDA Design Studio Support	\$200,000	\$200,000	\$0
Project Management (SDA Staff)	\$3,278,000	\$1,626,000	\$1,652,000
PMF/CM	\$3,175,000	\$1,700,000	\$1,475,000
FF&E	\$3,827,302	\$4,300,000	(\$472,698)
Technology	\$1,913,650	\$2,300,000	(\$386,350)
Commissioning	\$502,337	(Included in DB Scope)	\$502,337
Temporary Space	\$1,985,000	\$0	\$1,985,000
Other Costs	\$1,461,832	\$1,461,832	\$0
Total Other Costs	\$24,168,539	\$18,187,832	\$5,980,707
Other Funding Sources			
Rebates & Refunds	\$0	\$0	\$0
District Local Share Funds	\$0	\$0	\$0
Total Other Funding Sources	\$0	\$0	\$0
Total Project Budget	\$108,417,754	\$110,012,109	(\$1,594,355)
Funding from Prior Allocation	N/A	N/A	N/A
Funding from 2012 Capital Plan	\$108,417,754	\$110,012,109	(\$1,594,355)

Budget Variance Analysis:

The current budget is based upon more fully developed concept plans completed by the engaged design consultant which more fully detail the scope of additions and renovations necessary to accommodate the HS program. Further, those plans include a more detailed review of existing conditions and code requirements.

1. The Preliminary Charter Budget 4/2/14 shown above is reflective of the combined budgets presented to the Board for the prior anticipated scope of work at both the Millville Senior HS and the Lakeside MS facilities. The current project scope eliminates the need for work at the Lakeside MS facility as the project calls for expansion of the existing HS only to address the District's overcrowding needs.

Schedule Variance Analysis:

Resolution—6b.

Revised Project Scope and Preliminary Charter
Millville School District-High School Grade Level Project

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 revisions thereto; and

WHEREAS, on September 4, 2013, the Members of the Authority approved Project Planning Charters and the initiation of a procurement for bridging design consultant services in order to advance work necessary to address overcrowding in grades 9-12 in the Millville School District (District); and

WHEREAS, at the time of the Board's approval, it was anticipated that the work would proceed and consist of two projects; and

WHEREAS, on April 2, 2014, the Members approved the award of a contract for bridging design services along with Preliminary Project Charters for the two projects; and

WHEREAS, the bridging design consultant has now proposed, with the concurrence of the District, advancement of the Millville High School Addition-Renovation project as a single project; and

WHEREAS, evaluation of this option reveals that it addresses previously identified concerns and offers additional advantages as set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the project background, pre-design phase findings and recommendations, recommended revised project scope and recommended project budget are set forth in detail in the memorandum presented to the Board on this date; and

WHEREAS, the revised total project budget reflected in the Revised Preliminary Project Charter as presented is inclusive of all prior expenditures related to pre-design services performed by the bridging design consultant and also is inclusive of estimated future costs necessary for advancement of the recommended project scope; and

WHEREAS, executive management and associated program staff recommend that the Members of the Authority approve the Revised Project Scope and Preliminary Project Charter for the Millville High School Addition-Renovation Project in the Millville School District.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the Revised Project Scope and Preliminary Project Charter for the Millville High School Addition-Renovation Project in the Millville 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, Revised Project Scope and Preliminary Project Charter, High School Grade Level Project, Millville School District, January 7, 2014

Dated: January 7, 2014

PROPOSED READOPTION WITH AMENDMENTS: SCHOOL FACILITIES PROJECTS: SECTION 15 GRANT PROCEDURES, N.J.A.C 19:32



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

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

TO: Members of the Authority

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

DATE: January 7, 2015

RE: Proposed Readoption With Amendments:
School Facilities Projects: Section 15 Grant Procedures, N.J.A.C. 19:32

Management of the New Jersey Schools Development Authority (“Authority” or “SDA”) is seeking the approval of the Board for the readoption with amendments of the Authority’s Rules captioned “School Facilities Projects: Section 15 Grant Procedures”, N.J.A.C. 19:32.

Prior Regulatory History

Chapter 32 was adopted as new rules effective January 7, 2008, but served to essentially readopt rules originally promulgated by the New Jersey Economic Development Authority to govern the issuance of grants to regular operating districts for the state share of school facilities construction projects under Section 15 of the Educational Facilities Construction and Financing Act (“EFCFA”), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.).

Chapter 32 is scheduled to expire on January 7, 2015, but the underlying rules will be extended upon filing of the notice of proposal with the Office of Administrative Law, an action that can be taken informally upon the Board’s approval, and advanced officially after expiration of the veto period on the Board’s action.

Background

The Rules proposed for readoption with amendments provide a mechanism by which eligible (“non-SDA district”) school districts can receive Section 15 grants, and provide guidelines to ensure that such grant funds are used properly by the grantee districts. The Rules implement statutory provisions at N.J.S.A. 18A:7G-15 (regarding establishment of the SDA’s Section 15 grant program).

Significant Amendments

The proposed amendments and repeals to the current Rules are intended to conform the regulations to statutory changes, and to the practices of the NJSDA with respect to the administration of the grant program and the disbursement of grant funds.

All proposed additions or deletions to the existing rules are indicated in the attached draft Notice of Proposal in boldface, underlined text, or italic strikethrough text. This memorandum will describe the most substantive proposed amendments to the rules.

- *Elimination of obsolete provisions applicable to projects approved by DOE before July 2000*
An amendment to the “Scope and Applicability” section is proposed to eliminate obsolete provisions that extended grant eligibility to school districts with a district aid percentage of 55 percent or greater that had a DOE-approved school facilities project for which the District had not issued debt prior to July 18, 2000.

- *Elimination of provisions relating to creation of a performance evaluation program*
An amendment is proposed to repeal the section regarding the creation of a performance evaluation process for contractors engaged by districts, as such performance evaluations are not required by statute, and such performance evaluations have not historically been required by NJSDA.

- *Extension of deadline to execute grant agreement and amendment to create automatic rescission of grant agreement after eighteen months*
An amendment is proposed to extend the time for a district’s execution of the grant agreement from 180 days, to eighteen months from the grant offer, in order to recognize the need for a longer timetable for a district’s securing of local share funding, as the process of securing the local share through a bonding referendum can easily exceed the 180-day period originally specified. Further amendments are proposed to delete the Authority’s obligation to actively rescind a grant agreement offer, in favor of an automatic rescission of the grant offer eighteen months after the Department’s determination of final eligible costs.

- *Amendment to change grant amount to conform to state share calculation*
An amendment is proposed to alter the calculation of the grant amount to delete a reference to a 115-percent multiplier, to conform to a similar 2007 amendment to N.J.S.A. 18A:7G-15 which changed the calculation of the state share of final eligible costs for a schools facility project.

- *Amendments to modify disbursement schedules and to clarify a district’s compliance obligations when advancing grant projects*
Finally, several amendments are proposed to the “Disbursements” section of the rules to reflect changes to the amounts of initial and progress disbursements, and to eliminate references to specific disbursement schedules for projects between \$250,000 and \$500,000, as SDA no longer supports these types of grant projects. Further proposed changes reflect inclusion of language describing compliance obligations under Executive Order 215 (1989), LEED (Leadership in Energy and Environmental Design) and the prohibition on siting childcare and education centers on locations previously used for certain industrial uses.

Requested Board Action

The Members of the Authority are requested to approve the proposed readoption of the Authority’s Section 15 Grant Procedures Rules, as well as the issuance of the attached Notice of Readoption, and the filing of the Notice with the Office of Administrative Law.

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

Prepared by Cecelia Haney, Senior Counsel
JFK/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

School Facilities Projects: Section 15 Grant Procedures

Proposed Readoption with Amendments: N.J.A.C. 19:32- 1.1 through 4.2

Repeals: N.J.A.C. 19:32-1.9; 19:32-1.16; 19:32-3.8; Subchapter 5

Authorized By: New Jersey Schools Development Authority, Charles B. McKenna, Chief Executive Officer.

Authority: P.L. 2007, c.137, § 4k (N.J.S.A. 52:18A-238k; 52:18A-240) (rulemaking authority); P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); P.L. 2007, c.137, (N.J.S.A. 52:18A-235 et seq.) (enabling statutes).

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

Proposal Number: PRN 2015-

Submit written comments via mail, e-mail or facsimile by _____ 2015 to:

Cecelia Haney, Administrative Practice Officer

New Jersey Schools Development Authority

PO Box 991

Trenton, NJ 08625-0991

Phone: 609-858-2968

Fax: 609-656-5076

chaney@njsda.gov

The agency proposal follows:

Summary

The New Jersey Schools Development Authority (SDA) proposes to readopt with amendments and repeals N.J.A.C. 19:32, School Facilities Projects: Section 15 Grant Procedures (the “Rules”).

Chapter 32 governs the SDA’s administration of a grant program for the state share of the final eligible costs of certain school facilities projects undertaken by non-SDA districts, pursuant to Section 15 of the Educational Facilities Construction and Financing Act (“EFCFA” or “the Act”), P.L. 2000 c. 72 (N.J.S.A. 18A:7G-1 et seq.). Chapter 32 was originally adopted as special new rules for the administration of the Section 15 grant program by the New Jersey Economic Development Authority (“EDA”), the entity previously responsible for funding and management of the schools construction program under EFCFA. See 33 N.J.R. 2702(a). Chapter 32 was subsequently readopted as regular rules by the EDA, and expired on May 22, 2007. The expired rules of Chapter 32 with technical amendments were then adopted as new rules by the SDA effective January 7, 2008, with the exception of former Subchapter 5, titled “Affirmative Action and Set Asides in Authority-Financed School Facilities Construction Projects Financed and Contracted For by the Authority,” which was renamed and proposed for separate readoption and recodification as N.J.A.C. 19:39 “Affirmative Action Rules.” See 40 N.J.R. 199(a); 39 N.J.R. 5369(a). Currently, Chapter 32, governing the grants program, is set to expire on January 7, 2015.

The SDA has reviewed Chapter 32 and has determined that, with the addition of the proposed amendments and repeals described herein, this chapter remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated: to provide a mechanism

by which eligible school districts can receive Section 15 grants, and to ensure that such grant funds are used properly by the grantee school districts.

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

A summary of the proposed substantive amendments follows.

19:32-1.1 Applicability and Scope

This section, regarding the purpose of this chapter, has been proposed for readoption with amendments to eliminate obsolete provisions that extended grant eligibility to school districts with a district aid percentage of 55 percent or greater and that had a school facilities project approved by the Department, but which had not issued debt for such project prior to July 18, 2000, the effective date for N.J.S.A. 18A:7G-15.

19:32-1.3 Definitions

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

The following new terms have been added:

“Division of State Police,” which refers to the Division of State Police within the New Jersey Department of Law and Public Safety, Office of the Attorney General. The Division of State Police is engaged by the SDA to investigate and validate school facilities project grants,

and replaces the now-defunct Division of Criminal Justice, Bureau of Fiscal Oversight previously referenced in the Rules;

“LWD” which refers to the New Jersey Department of Labor and Workforce Development and which replaces the deleted acronym “DOL”; and

“SDA school district,” which refers to a school district that received education opportunity aid or preschool expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260, § 39 (N.J.S.A. 18A:7G-3).

The following terms are proposed for modification:

“Act”, which refers to the Educational Facilities Construction and Financing Act, is amended to include a reference to the public law amending the original law, and to indicate that the Act “authorizes the school construction program”;

“Authority” which refers to the Schools Development Authority, is amended to include reference to the acronym “SDA” and to refer to the SDA’s origination statute as codified. The definition is further amended to include a brief description of the mission of the SDA as an entity “statutorily charged with undertaking and funding school facilities projects, pursuant to the Act”;

“Punchlist,” which refers to a list of incomplete or defective work to be performed or remedied by a contractor, has been proposed for amendment to specify that the list is created after substantial completion, “but before final completion”;

“State share,” which refers to the State’s proportionate share of the final eligible costs of a school facilities project, has been proposed for amendment to the calculation of state share, to delete a “115 percent” multiplier of the district’s aid percentage, consistent with similar legislative changes to N.J.S.A. 18A:7G-15; and

“Voucher,” which refers to form filed by a district to accompany a disbursement request, has been proposed for amendment to provide greater specificity regarding the purpose of the form as a certification of the progress of the school facilities project, and a calculation of prior grant disbursements, to be executed by the district’s authorized officer.

The following terms are proposed for deletion:

“Division of Criminal Justice, Bureau of Fiscal Oversight/SDA” or “Bureau of Fiscal Oversight/SDA” which referred to a now-defunct state entity whose investigative function with regard to these rules has been assumed by the Division of State Police; and

“DOL” which had referred to the New Jersey Department of Labor and Workforce Development, but which has been replaced with the acronym “LWD.”

19:32-1.6 Access and record retention

This section is proposed for readoption with amendments to replace reference to the Bureau of Fiscal Oversight with reference to the Division of State Police.

19:32-1.7 Fraud and other unlawful or corrupt practices

This section is proposed for readoption with amendments to replace reference to the Bureau of Fiscal Oversight with reference to the Division of State Police.

19:32-1.8 Debarment

This section is proposed for readoption with amendments to replace reference to the Bureau of Fiscal Oversight with reference to the Division of State Police, and to provide

specificity to the phrase “Federal government’s List” by modifying it to read “Federal government’s debarment or suspension List.”

19:32-1.9 Performance evaluation policy and procedure

This section is proposed for repeal, as the Authority is not required by N.J.S.A. 18A:7G-36 (the statute mandating performance evaluations of contractors on school facilities projects undertaken by the Authority) to perform performance evaluations for projects undertaken by districts pursuant to an Authority grant.

19:32-1.13 Termination of the grant agreement for cause

This section is proposed for readoption with amendments to replace reference to the Bureau of Fiscal Oversight with reference to the Division of State Police.

19:32-1.16 Waiver

This section, which provided a waiver of compliance with these Rules for districts that received Department approval for a project prior to June 29, 2001, is proposed for repeal as obsolete.

19:32-2.2 Eligibility

The section is proposed for readoption with amendments to delete statutory cross-references to waiver provisions that are now obsolete.

19:32-2.3 Eligibility determination

The section is proposed for readoption with amendments to delete an unnecessary requirement for a “brief description of the school facilities project,” as this information is gleaned through other means in the grant application process, and to correct the omission of the article “the.”

19:32-2.4 Execution of the grant agreement

This section is proposed for readoption with amendments to extend the period for execution of the grant agreement from 180 days to eighteen months, to recognize the need for a longer timetable for securing local share funding of the grant project prior to execution of the grant agreement. Further amendments are proposed to delete the Authority’s obligation to actively rescind a grant agreement offer, in favor of an automatic rescission of the grant offer eighteen months after the Department’s determination of final eligible costs.

19:32-3.1 Amount of the grant

This section is proposed for readoption with amendment to alter the calculation of the grant amount to delete a reference to a 115-percent multiplier, to conform to a similar 2007 amendment to N.J.S.A. 18A:7G-15 which changed the calculation of the state share of final eligible costs for a schools facility project.

19:32-3.4 Disbursements

This section is proposed for readoption with several amendments. The first type of amendments serve to alter the grant disbursement schedule to delete the former first disbursement of one-half of one percent of the grant after grant execution and make associated changes to the remaining schedule to reflect that deletion. Further proposed amendments

provide a brief description of the compliance obligations of Executive Order No. 215 (1989), and add requirements for compliance with Executive Order No. 24 (2002) regarding the inclusion of LEED (Leadership in Energy and Environmental Design) “green building principles” in school facility projects, and compliance with P.L. 2007, c. 1 (N.J.S.A. 52:27D-130.5) regarding requirements for construction permits for child care or education centers in certain locations.

Other amendments include changes to reflect the deletion of former subsection 19:32-3.4(c), which provided a specific disbursement schedule for school facilities project with final eligible costs of less than or equal to \$500,000 but greater than \$250,000, or time-sensitive projects with final eligible costs greater than \$250,000. This section is deleted as superfluous, because SDA is no longer supporting these types of grant projects.

19:32-3.8 (Reserved)

This section, which was listed as “Reserved” in the previous re-adoption of the Rules, is proposed for repeal as superfluous.

19:32-4.2 Contract award and compliance

This section is proposed for re-adoption with amendments to replace reference to the Bureau of Fiscal Oversight with reference to the Division of State Police.

Subchapter 5 (RESERVED)

This Subchapter had once constituted the Affirmative Action rules for the EDA, but the former Affirmative Action rules have been recodified and adopted as N.J.A.C. 19:39, and in the most recent adoption of the Rules by SDA, this Subchapter was listed as “RESERVED.” This Subchapter is now proposed for repeal as superfluous.

Social Impact

The proposed re-adoption with amendments will apply to all non-SDA school districts that seek to have the State share of the final eligible costs of a school facilities project funded by an SDA grant under section 15 of the Act, conditioned upon available State grant funding. The SDA believes that the rules proposed for re-adoption with amendments will have a positive social impact and that no negative impact will result. The provision of State share for these school facilities projects will affect school administrators, parents, students, teachers and local taxpayers in a variety of ways. The funding of State share through Section 15 grants will enable students, teachers and parents to benefit from school facilities that satisfy health and safety standards, with rooms configured for incorporating the Core Curriculum Content Standards, and with increased capacity to meet expanding enrollments.

Economic Impact

The economic impact of the Rules proposed for re-adoption with amendments and repeals has not changed since the original promulgation of the Rules. The proposed re-adoption will allow for the continued implementation of section 15 of the Act, one of the largest public infrastructure investments programs in the State's history. From its inception in 2002 through September 30, 2014, the SDA has executed 4,661 Section 15 grant agreements in all 21 counties of the state. To date, 1,706 schools in 515 districts have been impacted by the Section 15 grant program. Total project costs amount to over \$8.4 billion for which the state share totals over \$2.8 billion.

State share funding provided through section 15 grants will encourage many districts to undertake school facilities projects that they could not otherwise afford and may have previously

deferred. Significant activity in the planning, construction, architecture and engineering professions will directly result from these rules, providing obvious State-wide economic benefits in the short term. New and improved school facilities will support the achievement of the Core Curriculum Content Standards by New Jersey's students, providing longer-term economic benefits as well. Section 15 grants may be funded with State contract bonds issued by the New Jersey Economic Development Authority pursuant to section 14 of the Act. The Rules proposed for readoption with amendments and repeals further provide that the SDA may collect fees and recover expenses from school districts incurred in the collection of the repayment of the grant or in the enforcement of performance or observation of any other duties of the district upon an event of default.

Federal Standards Statement

The Rules proposed for readoption with amendments and repeals implement a State statute, specifically N.J.S.A. 18A:7G-15. There are no Federal standards or requirements applicable to these Rules. A Federal standards analysis, therefore, is not required.

Jobs Impact

The Rules proposed for readoption with amendments and repeals provide a mechanism for grants to fund the state share of schools facilities projects in eligible districts. Thus to the extent the Rules have an effect on jobs, it will be to create jobs in New Jersey, primarily in the construction, consulting and service sectors, rather than eliminate positions.

Agriculture Industry Impact

The Rules proposed for readoption with amendments and repeals will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The Rules proposed for readoption with amendments and repeals do not impose recording, recordkeeping or other compliance requirements on small businesses as defined by N.J.S.A. 52:14B-16 et seq., the Regulatory Flexibility Act. The Rules proposed for readoption with amendments and repeals primarily impact New Jersey public schools.

Housing Affordability Impact

The Rules proposed for readoption with amendments and repeals address the administration of a grant program for funding the state share of the construction of school facilities projects, and therefore will not have an impact on affordable housing or evoke a change in the average costs of housing in the State of New Jersey.

Smart Growth Development Impact

The proposed amendments, repeals and readoptions will have an insignificant impact on Smart Growth Development because it is extremely unlikely that the adoption of the rules would evoke a change in the average price or availability of housing in the State of New Jersey Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:32.

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

TITLE 19. OTHER AGENCIES
NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
CHAPTER 32. SCHOOL FACILITIES PROJECTS: SECTION 15 GRANT PROCEDURES

§ 19:32-1.1 Applicability and scope

These rules are promulgated by the New Jersey Schools Development Authority (“**SDA**” or the “Authority”) to implement Section 15 of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-15) and section 26 of P.L. 2007, c. 137 (collectively, the “Act”). Section 15 of the Act establishes a grant program to fund the State share of the final eligible costs of school facilities projects undertaken by school districts other than [Abbott] **SDA school** districts. [These rules also apply to a school district whose district aid percentage is 55 percent or greater, that had a school facilities project approved by the Department of Education, and had not issued debt prior to the effective date of P.L. 2000, c. 72.] These rules are adopted in order to provide the mechanism whereby school districts which are eligible to receive grants from the Authority can receive such grants and to ensure that these grant funds are used properly by the school districts. Any district applying for a grant or having received a grant pursuant to the Act shall at a minimum comply with the requirements of this chapter, as applicable.

§ 19:32-1.2 Construction of rules

This chapter shall be liberally construed to permit the Authority to discharge its statutory functions under the Act.

§ 19:32-1.3 Definitions

(a) The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise. Words in the singular shall include the plural and words in the plural shall include the singular where the context so requires.

“Act” means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, (N.J.S.A. 18A:7G-1 et seq.), as amended, **and P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.), which authorizes the school construction program.**

“Agreement” or “grant agreement” means the grant agreement (and all attachments thereto) between the Authority and the district. The agreement shall set forth the terms and conditions of the grant, amount of the grant, final eligible costs, State share, local share, and disbursement schedule.

“Approved costs” means costs of the school facilities project which are eligible to be paid from the proceeds of the grant and have been paid or shall be paid by the district.

“Authority” **or “SDA”** means the New Jersey Schools Development Authority established pursuant to section 3 of P.L. 2007, c. 137, **N.J.S.A. 52:18A-235 et seq.**, ~~the~~ **as successor [entity]** to the New Jersey Schools Construction Corporation. **The SDA is statutorily charged with undertaking and funding school facilities projects pursuant to the Act.**

“Authorized officer” means:

1. With respect to the district, any person or persons authorized pursuant to a resolution of the governing body of the district to perform any act or execute any document relating to the grant and the grant agreement, including the school business administrator; and
2. With respect to the Authority, any person or persons authorized to perform any act or execute any document relating to the grant and the grant agreement.

“Bond counsel” means any lawyer or firm of lawyers nationally recognized in the field of municipal finance and satisfactory to the NJEDA.

“Capital maintenance project” means a school facilities project intended to extend the useful life of a school facility, including upgrades and replacements of building systems, such as structure, enclosure, mechanical, plumbing and electrical systems.

“Capital reserve account” means the account of the district established pursuant to N.J.A.C. 6A:23-2.13.

“Change order” means a written order, directing or authorizing some change, in whatever degree to a design consultant contract or construction contract, including, but not limited to, an increase or decrease in the scope of work to be performed by the design consultant or the contractor, as the case may be, or an acceleration of time for the performance of such work, or a change in the sequence in which such work is being performed.

“Checklist” means a form to be provided by the Authority and to be completed by the district at various milestones in the design and construction of the school facilities project prior to receiving certain disbursements of the grant. There may be a design phase checklist, a construction phase checklist, a final completion checklist or a checklist or other certification to be submitted by the district for other stages in the completion of a school facilities project. The district may file a checklist electronically if such option is made available to the district by the Authority.

“Closeout” means the process by which the Authority determines that all applicable administrative actions and all required work have been completed by the district.

“Code” means the “Internal Revenue Code of 1986, as amended,” as the same may from time to time be amended and supplemented, including any regulations promulgated thereunder, any successor code thereto, and administrative and judicial interpretations thereof.

“Commencement date” means the date on which a grant agreement has been fully executed by all the parties thereto and the district has delivered, to the satisfaction of the Authority, the documentation required by the grant agreement and N.J.A.C. 19:32-2.4.

“Commissioner” means the Commissioner of the New Jersey Department of Education or his or her designee.

“Completion date” means the date specified by the district for completion of the school facilities project which may be changed by the district upon notice to the Authority.

“Construction contract” means an agreement between the district and the contractor governing the construction of all or a portion of a school facilities project and any documents attached thereto and amendments thereof. There may be one or more construction contracts for a school facilities project.

“Construction phase” means that phase of a school facilities project in which construction of the school facilities project is undertaken by a contractor or contractors.

“Consultant” means a consultant, including a design consultant, engaged by the district for a school facilities project providing professional services associated with research, development, design and construction administration, alteration, or renovation of real property, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform. A consultant may provide services including studies, investigations, surveys, evaluations, consultations, planning, programming, conceptual designs, plans and specifications, cost estimates, construction management, inspections, shop drawing reviews, preparation of operating and maintenance manuals, and other related services. There may be one or more consultants engaged by the district for a school facilities project.

“Contract” means a contract between a contracted party and the district for a school facilities project. The term “contract” includes a design consultant contract, a construction contract and any other contracts, subcontracts and agreements between:

1. The district and its consultants;
2. The district and its contractors;
3. Contractors and their subconsultants and subcontractors; and
4. Consultants and their subconsultants and subcontractors.

“Contracted party” means a consultant, contractor, and their subconsultants and subcontractors and any other party providing material or services to the district in connection with a school facilities project.

“Contractor” means that person or firm engaged by the district to undertake the construction of a school facilities project. There may be either a single “general” contractor who has overall contractual responsibility for delivering all of the construction services needed to complete a school facilities project or there may be multiple contractors who have responsibility for delivering particular aspects of a school facilities project.

“DCA” means the New Jersey Department of Community Affairs.

“Department” means the New Jersey Department of Education.

“Department regulations” means regulations issued by the Commissioner and/or the State Board of Education which govern the financing, construction and maintenance of school facilities projects.

“Design consultant” means an architect or engineer or other consultant selected by the district to provide design services and/or construction administration services in connection with a school facilities project pursuant to a design consultant contract.

“Design consultant contract” means an agreement between the district and the design consultant for design of a school facilities project and any documents attached to such agreement and any amendments to such agreement.

“Design phase” means that phase of a school facilities project in which a school facilities project is designed by the design consultant.

“Disbursement” means a release of a portion of the grant to the district to pay for approved costs.

“District aid percentage” means the number, expressed as a percentage derived from dividing the district's actual core curriculum standards aid calculated pursuant to N.J.S.A. 18A:7F-15 available as of the date of the Commissioner's determination of preliminary eligible costs by the district's actual Thorough and Efficient (T & E) budget calculated pursuant to N.J.S.A. 18A:7F-13(d) available as of the date of the Commissioner's determination of preliminary eligible costs.

“District board” means the board of education of the district.

“Division of State Police” means the Division of State Police within the New Jersey Department of Law and Public Safety, Office of the Attorney General. The Division of State Police is engaged by the SDA to investigate and validate school facilities project grants.

[“Division of Criminal Justice, Bureau of Fiscal Oversight/SDA” or “Bureau of Fiscal Oversight/SDA” means the unit which is the successor to the Unit of Fiscal Integrity within the Office of the Attorney General created by N.J.S.A. 18A:7G-43].

[“DOL” means the New Jersey Department of Labor and Workforce Development.]

“Event of default” means any event specified in N.J.A.C. 19:32-1.13.

“Excess costs” means the additional costs of a school facilities project, if any, which shall be borne by the district, which result from design factors that are not required to meet the facilities

efficiency standards and are not approved pursuant to N.J.S.A. 18A:7G-5(g) or are not authorized as community design features included in final eligible costs pursuant to N.J.S.A. 18A:7G-6(c). Excess costs are to be distinguished from the additional costs arising out of design factors that are required to meet the facilities efficiency standards and that are either approved or authorized pursuant to N.J.S.A. 18A:7G-5 or 6.

“Expiration date” means the date upon which the term of the grant agreement automatically ends, which shall be the third anniversary of the date of final payment of the grant and closeout.

“Final completion” means that point in time when all requirements of all contracts for a school facilities project have been fully performed, all items on the punchlist have been fully performed, all manuals, warranties and as-builts are delivered, all liens have been released and a final certificate of occupancy, continued use or completion has been issued.

“Final eligible costs” means the final approved costs of a school facilities project as determined pursuant to N.J.S.A. 18A:7G-5(h)(1) and N.J.A.C. 6A:26-3.6.

“Governmental authority” means the United States, the State or any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality which has jurisdiction over a school facilities project or any part thereof or over the design, construction, equipping, use or occupancy of a school facilities project.

“Grant” means the funds to be provided to the district by the Authority to pay for the approved costs of a school facilities project pursuant to this chapter.

“Local share” means the total costs less the State share as determined pursuant to N.J.S.A. 18A:7G-15.

“Long-range facilities plan” means the plan required to be submitted to the Commissioner by a district pursuant to N.J.S.A. 18A:7G-4.

“LWD” means the New Jersey Department of Labor and Workforce Development.

“Milestones” means the critical activities of the design and construction of a school facilities project which are expected to be completed and the percentage of the grant to be paid provided that all conditions precedent have been satisfied to the sole satisfaction of the Authority.

“NJEDA” means the New Jersey Economic Development Authority established pursuant to P.L. 1974, c. 80 (N.J.S.A. 34:1B-1 et seq.)

“NJEDA bonds” means bonds issued by the New Jersey Economic Development Authority pursuant to section 25 of P.L. 2007, c. 137, the proceeds of which may fund all or part of the grant.

“Other facilities” means athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities, including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building or facility used solely for school administration.

“Performance evaluation policy and procedure” means the policies and procedures developed by the Authority for the purpose of evaluating the performance of consultants and contractors who perform services in connection with school facilities projects.

“Plans and specifications” means the plans and specifications of a school facilities project prepared by a design consultant and approved by the Department pursuant to N.J.A.C. 6A:26-5.4.

“Preliminary eligible costs” means the initial approved costs of a school facilities project determined pursuant to the formulas set forth in N.J.S.A. 18A:7G-7 which shall be deemed to include the costs of construction and other allowable costs.

“PSCL” means the Public School Contracts Law, N.J.S.A. 18A:18A-1 et seq., together with all applicable regulations and guidance issued by the DCA in connection therewith.

“Punchlist” means the list, prepared before substantial completion, of incomplete or defective work to be performed or remedied by a contractor after substantial completion, **but before final completion.**

“Request for disbursement” means a written certified statement by the district, in such form and manner as specified by the Authority requesting that grant funds be disbursed to the district by the Authority for approved costs which shall provide a complete description of the approved costs that have been paid or shall be paid, as applicable, and shall be certified by the vendor and the authorized officers of the district. The request for disbursement shall include a voucher.

“Requirements” means any law, ordinance, order, rule or regulation of a governmental authority applicable to a school facilities project, a grant and the work performed thereunder.

“School bonds” means the bonds, notes or other obligations issued by a district to finance the local share.

“School business administrator” means the person appointed by the district board pursuant to N.J.A.C. 6:11-9.

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

“School facilities project” means the planning, acquisition, demolition, construction, improvement, alteration, modernization, renovation, reconstruction or capital maintenance of all or any part of a school facility or of any other personal property necessary for, or ancillary to, any school facility, and shall include fixtures, furnishings and equipment, and shall also include, but is not limited to, site acquisition, site development, the services of design professionals, such

as engineers and architects, construction management, legal services, financing costs and administrative costs and expenses incurred in connection with the school facilities project.

“State” means the State of New Jersey.

“State share” means the State's proportionate share of the final eligible costs, which equals [115 percent of] the district aid percentage or 40 percent, whichever is greater as provided in N.J.S.A. 18A:7G-15.

“SDA school district” means a school district that received education opportunity aid or preschool expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260, § 39 (N.J.S.A. 18A:7G-3).

“Subconsultant” means a consultant or contractor to whom a consultant subcontracts part of the work of a school facilities project for which the consultant is responsible.

“Subcontractor” means a contractor to whom a contractor or consultant subcontracts part of the work of a school facilities project for which such contractor or consultant is responsible.

“Substantial completion” means that point in time for a school facilities project when all of the following have occurred:

1. All essential requirements of the contracts have been fully performed so that the purpose of the contracts is accomplished;
 2. The punchlist has been created;
 3. There are no important or material omissions or technical defects or deficiencies regarding the school facilities project;
 4. A temporary certificate of occupancy, continued use or completion has been issued;
- and
5. The school facilities project is ready for occupancy in accordance with its intended purpose.

“Suspension” means a temporary cessation of disbursements to the district.

“Term” means the term of the grant agreement which shall commence on the commencement date and shall end on the expiration date, unless sooner terminated.

“Termination” means the cancellation of the grant agreement as a result of an event of default or by mutual consent of the parties pursuant to N.J.A.C. 19:32-1.14.

“Time-sensitive project” means either an emergent project, as that term is defined in N.J.A.C. 6A:26-1.2, or a school facilities project necessitating an abbreviated grant disbursement schedule because the standard disbursement schedule would not accommodate a district's need to have the school facility operational by the commencement of or during the school year.

“Total costs” means the actual total amount spent on a school facilities project.

“Unavoidable delays” means any delays due to weather, strikes, acts of God, governmental restrictions, enemy action, civil commotion, fire, unavoidable casualty or other causes similarly beyond the control of the district; provided, however, that any lack of funds beyond those funds to be provided pursuant to the grant agreement shall not be deemed a cause beyond the control of the district.

“Voucher” means **a form required by SDA in support of a district’s grant disbursement request, that certifies the progress of the school facilities project and the amount of grant disbursements to date, and which must be** [the voucher in the form provided by the Authority] **executed by the district’s authorized officer** and delivered to the Authority by the district, together with a request for disbursement.

(b) Words and terms implementing the Act but not defined in this section shall have the meanings defined in N.J.A.C. 6A:26-1.2 and 6A:26A-1.3.

§ 19:32-1.4 Administration and performance of grant agreements

The district is responsible for the administration and success of the school facilities project, and the provision of the grant by the Authority shall not in any way be deemed to imply that the Authority shall have any responsibility for the administration or success of the school facilities project. Although districts are encouraged to seek the advice and opinion of the Authority on problems that may arise regarding the school facilities project, the giving of such advice by the Authority shall not shift the responsibility for final decisions from the district to the Authority, nor render the Authority responsible for such advice. Moneys awarded pursuant to this chapter shall be used in conformance with the Act, this chapter and the provisions of the grant agreement to achieve the grant objectives and to insure that the purposes set forth in the Act are fully executed.

§ 19:32-1.5 Disclosure and publicity

(a) All applications and submissions received by the Authority shall constitute public records of the Authority. The Authority shall make them available to persons who request their release to the extent required by State law.

(b) Press releases and other public dissemination of information by the district concerning the school facilities project shall acknowledge Authority financial assistance.

§ 19:32-1.6 Access and record retention

(a) The NJEDA, the Authority, the Department, the DCA, the **Division of State Police** [Bureau of Fiscal Oversight/SDA], the DOL, and their duly authorized agents may, at their discretion and cost, investigate, audit, examine and inspect the activities, documents, work

product arising from audits, records and accounts (pertaining to the school facilities project) of the district and other parties involved with the school facilities project as further set forth below:

1. They shall have the right to enter upon and examine, inspect or audit the school facilities project at reasonable times and upon prior notice but shall not be required to do so if in their sole judgment such notice and times cannot be provided.

2. They shall have the right to make any copies or abstracts of any document, record or account relating to the school facilities project.

(b) The responsibilities of the district and/or the contracted parties with regard to access to the activities, documents, records, and accounts pertaining to school facilities projects shall be the following:

1. The district or the contracted parties, as the case may be, shall furnish facilities for such access, inspection and document reproduction.

2. The districts shall include in all contracts a provision requiring contracted parties to permit the NJEDA, the Authority, the [Bureau of Fiscal Oversight/SDA] **Division of State Police**, the Department, the DOL, the DCA, and their duly authorized agents to investigate, audit, examine and inspect in such manner and at such times as these parties deem necessary.

(c) The district shall keep those records and accounts and shall require all contracted parties to keep those records and accounts for the school facilities project as necessary in order to evidence compliance with the Act, the PSCL, the grant agreement, and all applicable regulations and requirements. Financial records, supporting documents, and all other records of the district and the contracted parties which relate in any way to the school facilities project and/or to the grant shall be retained for 10 years following closeout, provided however, if any litigation, claim or audit relating to the school facilities project and/or to the grant is commenced prior to

closeout, such records and documents shall be retained until all litigation, claims or audit findings involving the records have been fully resolved.

§ 19:32-1.7 Fraud and other unlawful or corrupt practices

(a) The district shall administer moneys pursuant to this chapter, the grant agreement and any contracts entered into in connection with the school facilities project free from bribery, graft and corrupt practices. The district has the primary responsibility for the prevention, detection and cooperation in the prosecution of any such conduct. The Authority shall have the right to pursue administrative or other legally available remedies in the event it suspects the occurrence of such conduct.

(b) The district shall diligently pursue available judicial and administrative remedies and take any other appropriate remedial action with respect to any allegations or evidence of such illegality or corrupt practices. The district shall immediately notify the Authority and the [Bureau of Fiscal Oversight/SDA] **Division of State Police** in writing when any such allegation or evidence comes to its attention and shall periodically advise the Authority and the [Bureau of Fiscal Oversight/SDA] **Division of State Police** in writing of the status and ultimate disposition of any related matter.

§ 19:32-1.8 Debarment

(a) The district and its consultants or contractors shall not enter into a contract for work on the school facilities project with any person or firm who has been debarred, suspended or disqualified from State, NJEDA, Authority or Federal government contracting.

(b) The district shall insert in all contracts with all contracted parties, and all contractors and consultants shall insert into all of their contracts with all subconsultants and subcontractors,

a clause stating that the contracted party, its subconsultants or contractors may be debarred, suspended or disqualified from contracting and/or working on the school facilities project if the contracted party commits any of the acts listed in N.J.A.C. 19:38A-4.6 or any applicable regulation issued by the NJEDA or the Authority.

(c) The district's bid specification for any work on the school facilities projects shall require all bidders to submit a sworn statement by the bidder, or an officer or partner of the bidder, indicating whether or not the bidder is, at the time of the bid, included on the State Treasurer's, the NJEDA's, the Authority's or the Federal government's List of Debarred, Suspended or Disqualified Bidders as a result of action taken by any State or Federal agency, as the case may be. Bid specifications for the school facilities project shall also state that the district shall immediately notify the State, the Authority and the [Bureau of Fiscal Oversight/SDA] **Division of State Police** in writing whenever it appears that a bidder is on the Treasurer's, the NJEDA's, the Authority's or the Federal government's List. The State and the Authority reserve the right in such circumstances to immediately suspend such bidder from contracting and/or engaging in work on the school facilities project and to take such other action as it deems appropriate pursuant to N.J.A.C. 19:38A-4 or any applicable regulation issued by the NJEDA or the Authority.

(d) The district shall have a continuing and affirmative obligation so long as the grant agreement is in effect to immediately notify the State and the Authority in writing whenever it obtains knowledge that any contracted party, subconsultant or subcontractor is on the Treasurer's, the NJEDA's, the Authority's or the Federal government's **debarment or suspension** List. The State and the Authority reserve the right in such circumstances to immediately suspend such contracted party, subconsultant or subcontractor from contracting and/or engaging in work

on the school facilities project and to take such other action as it deems appropriate pursuant to N.J.A.C. 19:38A-4 or any applicable regulation issued by the NJEDA or the Authority.

[§ 19:32-1.9 Performance evaluation policy and procedure

The Authority may establish and maintain a consultant and contractor performance evaluation policy and procedure. The performance of any consultants and contractors engaged by the district for the school facilities projects shall be evaluated by the district at the times and in the manner specified by the Authority. This evaluation shall consider, among other things, the consultants' and contractors' ability to deliver and complete the school facilities project within the specified time frame and budget established by the district and consistent with the requirements of the contracts.]

§ 19:32-1.[10]9 Noncompliance

(a) In addition to any other remedies as may be provided by law or by the grant agreement, in the event of noncompliance with any provisions of the Act, any condition of the grant agreement or any requirement of this chapter, the Authority may take any of the following actions or combinations thereof.

1. Issue a notice of noncompliance pursuant to N.J.A.C. 19:32-1.11;
2. Withhold grant moneys pursuant to N.J.A.C. 19:32-1.12;
3. Suspend the provision of grant moneys pursuant to N.J.A.C. 19:32-1.13;

and/or

4. Terminate the grant agreement or rescind the grant moneys pursuant to N.J.A.C. 19:32-1.13.

§ 19:32-1.11 Notice of noncompliance

In the event that the Authority determines that the district is not in compliance with any provision of the Act, any condition of the grant agreement, or any condition of this chapter, it will notify the district of the noncompliance in writing. The Authority may require the district, its consultants and/or contractors to take and complete corrective action. If the corrective action is not taken within the requisite time period specified or if the action taken is inadequate as determined by the Authority, the Authority may take any of the following actions or combinations contained in N.J.A.C. 19:32-1.12 and 1.13.

§ 19:32-1.12 Withholding of funds

The Authority may withhold or require the district to repay, upon written notice to the district, grant disbursements or any portion thereof where it determines that a district has failed to comply with any provision of the Act, any condition of the grant agreement or any requirement of this chapter. The Authority may also release the grant disbursement but refer the matter to the Department for further action, which may include audit and/or a request to the Treasurer to withhold funds payable by the State from the district.

§ 19:32-1.13 Termination of the grant agreement for cause

(a) The Authority may terminate the grant agreement upon an event of default, which shall include, but not be limited to:

1. Failure by the district to observe and perform any duty, covenant, condition or agreement on its part to be observed or performed under the grant agreement, which failure shall continue for a period of 30 days after receipt of written notice specifying such failure and requesting that it be remedied is given to the district by the Authority,

unless the Authority shall agree in writing to an extension of such time prior to its expiration, provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the Authority may not unreasonably withhold its consent to an extension of such time up to 120 days from delivery of the written notice referred to above or if corrective action is instituted by the district within the applicable period and diligently pursued until the event of default is corrected;

2. Any representation made by or on behalf of the district contained in the grant agreement, or in any instrument furnished in compliance with or with reference to the grant agreement or the grant, is false or misleading in any material respect;

3. A determination is made by the Authority that:

- i. The grant was obtained by fraud; or
- ii. Gross abuse or corrupt practices have occurred in the administration of the school facilities project by the district;

4. Subject to unavoidable delays, the construction of the school facilities project has not commenced within 18 months after the commencement date;

5. Subject to unavoidable delays, the construction of the school facilities project has not reached final completion on or before the completion date;

6. The district has utilized grant moneys for costs that are not approved costs;

7. Work on the school facilities project has ceased without good cause as agreed to by the Authority. The term "good cause" shall include, but not be limited to, circumstances beyond the control of the district or any of the contracted parties such as fire, flood, riot or strike.

8. The district has contracted with a contractor or a subcontractor in one of the four branches specified in N.J.S.A. 18A:18A-18 and such contractor or subcontractor has not been prequalified;

9. The district has disbursed grant monies to a firm which is debarred, suspended or disqualified from State, NJEDA or Authority contracting or to a firm which has not been prequalified; or

10. The district fails to permit the Authority or the [Bureau of Fiscal Oversight/SDA] **Division of State Police** immediate entry or inspection.

(b) The Authority shall promptly notify the district, in writing, of its determination to terminate the grant agreement and the reasons for the termination, together with the date on which the termination shall take effect.

(c) Upon termination of the grant agreement, the Authority may demand that an amount equal to the grant received by the district be immediately returned to the Authority and the district shall waive payment by the Authority of the undistributed balance, and upon notice to the district, the amount of the grant disbursed by the Authority shall be immediately due and payable by the district together with any costs to the Authority resulting from an event of default by the district.

(d) In addition to any termination action, the Authority retains the right to pursue any and all other remedies as may be available under State law as warranted.

(e) The Authority may, upon written notice to the district, suspend the grant agreement and withhold further payments there-under and prohibit the district from incurring additional obligations of grant funds pending corrective action by the district.

(f) At the option of the Authority, in its sole discretion, the Authority may, without prejudice to any other rights or remedies, take an assignment of any of the contracts in order to

complete the school facilities project, and the district shall take whatever actions are necessary in order to ensure the proper assignment to the Authority of such contracts.

(g) The district shall on demand pay to the Authority the reasonable fees and expenses of attorneys and other reasonable expenses (including without limitation the reasonably allocated costs of in-house counsel and legal staff) incurred by the Authority in the collection of the repayment of the grant or in the enforcement of performance or observation of any other duties, covenants, obligations or agreements, of the district upon an event of default.

§ 19:32-1.[14] **13** Termination by mutual agreement

The Authority and the district may terminate the grant agreement when both parties agree that the continuation of the school facilities project would not produce beneficial results commensurate with the further expenditure of funds. The Authority and the district shall agree upon the conditions for termination including the date on which the termination shall take effect. The closeout provisions specified in N.J.A.C. 19:32-3.8 shall apply.

§ 19:32-1.[15] **14** Severability

If any provision of this chapter or the application thereof to any person or circumstances is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions or applications, and to this end, the provisions of this chapter are declared to be severable.

[§ 19:32-1.16 Waiver

If the district received approval from the Department for the school facilities project prior to June 29, 2001, the district may request a waiver from compliance with certain provisions of

these regulations and the grant agreement with which it would not be possible for the district to comply. The request for a waiver must specify the specific provisions of these regulations and the grant agreement that the district is requesting should not apply together with a detailed explanation why such compliance is not possible. If such justification is found to be valid by the Authority, a waiver for such provision(s) shall be issued.]

§ 19:32-1.[17]15 Appeals

(a) Appeals arising from decisions of the Authority may be requested in writing, and an opportunity given for any informal hearing on the papers, in person or via telephone with Authority staff. Such written request for an informal hearing must be made within 30 days of the receipt of the Authority's decision.

(b) In the event of an adverse decision after an informal hearing under (a) above, or if a district determines not to seek an informal hearing, and providing further, that the dispute or controversy is a contested case, as defined in N.J.S.A. 52:14B-2(b), a district may request, within 45 days of the written decision resulting from the informal hearing or the determination of the Authority if an informal hearing is not sought, a formal hearing.

(c) Upon filing of the initial pleading in a contested case, the Board of the Authority may by resolution either retain the matter for hearing directly or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

(d) Every determination of a dispute or controversy arising from this chapter by the Authority, constituting final agency action by the Board, shall be embodied in a written decision

which shall set forth findings of fact and conclusions of law pursuant to the applicable rules of the Office of Administrative Law.

19:32-2.1 Applicability

This subchapter establishes the Authority's procedures and requirements governing the eligibility determination for a grant and the execution of every grant agreement pursuant to Section 15 of the Act. Any affected district applying for a grant or having received a grant pursuant to Section 15 of the Act shall at a minimum conform with the requirements of this subchapter, as applicable.

§ 19:32-2.2 Eligibility

(a) All of the following conditions shall apply regarding eligibility for a grant:

1. The district shall obtain [one of the following:]

[i. Approval] **approval** of the district's long-range facilities plan pursuant to N.J.A.C. 6A:26-2.3[;

ii. A waiver for approval of the school facilities project pursuant to N.J.S.A. 18A:7G-4(b); or

iii. Approval for retroactive funding pursuant to N.J.S.A. 18A:7G-9(c)--second paragraph].

2. The district shall obtain approval of the school facilities project from the Department pursuant to N.J.S.A. 18A:7G-5 and N.J.A.C. 6A:26-3.3.

3. There is a determination of the final eligible costs and the State share of the school facilities project by the Department pursuant to N.J.S.A. 18A:7G-5(h) and N.J.A.C. 6A:26-3.6.

4. The district shall obtain approval of educational specifications and schematic plans from the Department pursuant to N.J.A.C. 6A:26-5.2 and 5.3, if applicable. If land was acquired as part of the school facilities project, the district shall obtain approval of the land acquisition from the Department pursuant to N.J.A.C. 6A:26-7.1. If an existing facility was acquired, the district shall obtain the approvals of the school site and the facility from the Department pursuant to N.J.A.C. 6A:26-7.3.

5. Any appeals by the district regarding any of the above approvals required to be obtained by the district from the Department for the school facilities project shall have been taken and completed at the highest level of appeal so that a final nonappealable order shall have been issued establishing approval for the school facilities project and determination of final eligible costs and State share.

6. The district shall obtain approval for the local share in accordance with the provisions for the approval of capital projects pursuant to N.J.S.A. 18A:22-1 et seq., N.J.S.A. 18A:24-1 and P.L. 1991, c.139 (N.J.S.A. 18A:7A-46.1 et seq.), as applicable to the district pursuant to N.J.S.A. 18A:7G-11 and N.J.A.C. 6A:26-3.7.

i. If the local share is funded through the issuance of school bonds, the district shall submit a referendum to the voters pursuant to N.J.S.A. 18A:22-39 and N.J.A.C. 6A:26-3.7 and the voters shall have approved the referendum in the amount of the local share.

ii. If the local share is to be funded through the capital reserve account, the district shall comply with the requirements of N.J.A.C. 6A:26-3.7 and 6A:23-2.13 governing the use of the capital reserve account for the local share.

iii. If the local share is to be funded through sources other than bonds or capital reserve, such as a lease purchase agreement of not in excess of five years

duration, the district shall obtain approval of local share in accordance with N.J.A.C. 6A:26-3.7 and any statutory and regulatory authorities specifically governing that source of local share, such as N.J.S.A. 18A:20-4.2(f) and N.J.A.C. 6A:26-10.

7. The district shall delegate to the school business administrator or other authorized officer supervision of the school facilities project.

§ 19:32-2.3 Eligibility determination

(a) To evidence eligibility for a grant, the district shall submit [the following] to the Authority[:

1. A brief description of the school facilities project and the proposed timetable for completion of the school facilities project; and
2. Evidence] evidence of the approvals required pursuant to N.J.A.C. 19:32-2.2.

(b) Eligibility determinations shall be made in the order in which the requirements of (a) above have been met.

§ 19:32-2.4 Execution of the grant agreement

(a) The district shall execute the grant agreement pursuant to such terms and conditions as the Authority may determine in its sole discretion.

1. The grant agreement shall be executed by an authorized officer. A certified, true sealed copy of the authorizing resolution of the district shall also be submitted to the Authority at such time, together with all certifications, opinions and documents required to be submitted at the time of execution of the grant agreement including, but not limited

to, a certificate executed by the school business administrator in the form to be provided by the Authority.

2. Upon execution of the grant agreement by the district, the district shall return the grant agreement together with all applicable attachments to the Authority for execution by the Authority whereupon the Authority shall transmit a copy of the executed grant agreement to the district, as well as a sign which is to be erected by the district at the school facilities project site to the extent permitted by zoning laws indicating that financing was made available to the district through the Authority.

3. The Authority shall have no obligation to execute a grant agreement unless and until the Authority has determined that all conditions precedent to the execution of the grant agreement have been satisfied as the Authority may determine.

(b) The district shall execute the grant agreement within such period of time as the Authority may determine in its sole discretion.

1. The district shall have [180 days] **eighteen (18) months** from the date of the [Authority's offer of a grant agreement] **Department's determination of final eligible costs for a school facilities project** to [return an executed grant agreement together with all applicable attachments to the Authority for execution by the Authority] **secure funding for the local share of the project.**

2. [In the event that the Authority has not received an executed grant agreement with all applicable attachments, it will notify the district on or before 30 days prior to the end of the 180-day time period that failure to receive an executed grant agreement and all applicable attachments by day 180 will result in rescission of the grant agreement offer.

3.] In the event that the [Authority has not received an executed grant agreement with all applicable attachments by day 180] **district has not secured funding for the**

local share of the project within eighteen (18) months from the date of the [Authority's offer of a grant] **Department's determination of final eligible costs pursuant to N.J.S.A. 18A:7G-5(h) and N.J.A.C. 6A:26-3.6**, the [Authority shall rescind the offer and so notify the district in writing] **grant agreement shall be automatically rescinded. No action need be taken by the Authority to effect or confirm the rescission of the grant agreement offer.**

[4]3. After a grant agreement offer has been rescinded, a district interested in having the grant offer reinstated shall request in writing that the Authority reinstate the grant offer.

[5]4. If the Authority receives a request from the district to reinstate the grant offer and the district remains eligible for the grant, the Authority shall reinstate the grant offer and so notify the district.

§ 19:32-2.5 No assignment of grant agreement or grant by the district

The district shall not assign the grant agreement or its right to receive disbursements of the grant. The Authority may, at any time and in its sole option, assign the grant agreement to another instrumentality of the State.

§ 19:32-2.6 Effect of grant awards

(a) At the time of the execution of the grant agreement by the district and the Authority, the grant for the school facilities project shall become effective and shall constitute an obligation of moneys in the amount and for the purposes set forth in the grant agreement

(b) The award of the grant by the Authority shall not be used as a defense by the district to any action brought against the district by any governmental agency on account of the district's

failure to comply with the Act or in order to obtain any requisite permit, license or operating certificate.

§ 19:32-3.1 Amount of the grant

(a) The grant shall be in the amount of the State share and may be reduced upon final completion as set forth in the following paragraph.

(b) Prior to final completion and the final disbursement, the district shall certify to the Authority the total costs of the school facilities project. If such amount is less than the final eligible costs, the Authority shall adjust the amount of the grant accordingly pursuant to the following:

1. The total costs shall be subtracted from the final eligible costs;
2. The amount determined in (b)1 above shall be multiplied by [115 percent of]the district aid percentage or 40 percent, whichever is greater; and
3. The number determined in (b)2 above shall be subtracted from the original amount of the grant. The remaining number represents the final amount of the grant.

§ 19:32-3.2 Cost overruns

Cost overruns of the school facilities project shall be the sole responsibility of the district. The grant shall in no case exceed the amount of the State share, and the award of the grant shall not commit the Authority or the State to award any continuation or supplemental funds to cover cost overruns of the school facilities project.

§ 19:32-3.3 Legal and/or equitable interest

The district shall have no legal or equitable interest in the assets of the NJEDA or the Authority or in any amount from time to time on deposit in the funds and accounts of the NJEDA or the Authority which may provide funding of the grant.

§ 19:32-3.4 Disbursements

(a) Disbursement of grant funds shall be made at intervals as work progresses and expenses are incurred by the district and approved by the Authority for payment. Total disbursements shall not exceed the grant amount and in any case shall not exceed the State share. No disbursement of the grant shall be made until the Authority receives all documentation required for that disbursement, including all forms and information required by the Authority and completed in a manner satisfactory to the Authority.

1. A request by the district that grant monies be paid by the Authority shall be in writing, provide a complete description of the approved costs incurred, be signed by an authorized officer of the district, and include a voucher.

2. A request for disbursement shall only be for approved costs which have already been incurred by the district.

(b) Except as provided in (c) [through (f)] **or (d)** below, the disbursement schedule shall be as follows:

1. [The first disbursement of the grant in the amount of one half of one percent of the grant shall be made after execution of the grant agreement and submission of a request for disbursement as set forth in (a) above.

2.] The [second] **first** disbursement of the grant in the amount of 10 percent of the grant shall be made upon:

- i. Completion to the satisfaction of the Authority of the design phase checklist;
- ii. Satisfactory compliance with [the] Executive Order No. 215 (1989) **(regarding the preparation and submission of environmental impact statements), Executive Order No. 24 (2002) (regarding inclusion of LEED (Leadership in Energy and Environmental Design) green building principles in school facility projects), and P.L. 2007, c.1 (N.J.S.A. 52:27D-130.5) (regarding issuance of construction permits for child care or education centers in certain locations)**, if applicable, as determined by the Authority;
- iii. Approval by the Department of the final plans and specifications pursuant to N.J.A.C. 6A:26-5.4, if applicable;
- iv. Submission to the Authority of acceptable documentation of required insurance coverages; and
- v. Submission of a request for disbursement as set forth in (a) above.

[3.] **2.** Following the [second] **first** disbursement and up to the disbursement upon final completion, the Authority shall make disbursements to the district upon submission to the satisfaction of the Authority of a request for disbursement based upon construction completion as follows:

- i. When the school facilities project is 35 percent complete, the district will receive 30 percent of the grant;
- ii. When the school facilities project is 65 percent complete, the district will receive 40 percent of the grant; and
- iii. When the school facilities project is substantially complete, the district will receive 15 percent of the grant.

[4.] 3. The Authority shall not make scheduled disbursements for construction percentages completed as identified in (b)3 above unless and until:

i. A construction phase checklist has been completed to the satisfaction of the Authority for each contract/bid advertisement of the work constituting the relevant percentage completed; and

ii. Acceptable documentation of required insurance coverages has been submitted to the Authority; and

iii. Submission of a request for the applicable disbursement as set forth in (a) above.

[5.]4. Upon final completion, the district shall prepare and submit to the Authority, for review and approval, a request for disbursement together with the final completion checklist. Upon approval, the Authority shall disburse the amounts remaining under the grant, the district shall thereupon make final payment to its contracted parties and thereupon, the Authority shall be released from any further responsibility to make any payments in connection with the school facilities project.

[(c) In the case of a school facilities project with final eligible costs of less than or equal to \$ 500,000 but greater than \$ 250,000, or in the case of a time-sensitive project with final eligible costs greater than \$ 250,000, and in either case, the school facilities project includes a design phase, the disbursement schedule shall be as follows:

1. The first disbursement of the grant in the amount of one half of one percent of the grant shall be after execution of the grant agreement and submission of a request for disbursement as set forth in (a) above.

2. The second disbursement of the grant in the amount of 10 percent of the grant shall be made upon:

- i. Completion to the satisfaction of the Authority of the design phase checklist;
- ii. Satisfactory compliance with Executive Order No. 215 (1989), if applicable, as determined by the Authority;
- iii. Approval by the Department of the final plans and specifications pursuant to N.J.A.C. 6A:26-5.4, if applicable;
- iv. Submission to the Authority of acceptable documentation of required insurance coverages; and
- v. Submission of a request for disbursement as set forth in (a) above.

3. The third disbursement of the grant in the amount of 45 percent of the grant shall be made upon a showing to the satisfaction of the Authority of 50 percent construction completion, submission of acceptable documentation of required insurance coverages, completion to the satisfaction of the Authority of the construction phase checklist for each contract/bid advertisement of the work constituting the relevant percentage completed, and submission of a request for disbursement as set forth in (a) above.

4. The fourth disbursement of the grant in the amount of 40 percent of the grant shall be made upon a showing to the satisfaction of the Authority of substantial completion, submission of acceptable documentation of required insurance coverages, completion to the satisfaction of the Authority of the construction phase checklist for each contract/bid advertisement of the work constituting the relevant percentage completed and submission of a request for disbursement as set forth in (a) above.

5. Upon final completion, the district shall prepare and submit to the Authority, for review and approval, a request for disbursement together with the final completion

checklist. Upon approval, the Authority shall disburse the amounts remaining under the grant, the district shall thereupon make final payment to its contracted parties and thereupon, the Authority shall be released from any further responsibility to make any payments in connection with the school facilities project.

(d) In the case of a school facilities project that does not include a design phase but is otherwise described in (c) above, the amounts and requirements relating to the first and final disbursements of (c) above apply, but instead of five disbursements there are only four, and requirements of the second and third disbursements are as follows:

1. The second disbursement of the grant in the amount of 50 percent of the grant shall be made upon a showing to the satisfaction of the Authority of 50 percent construction completion, there is satisfactory compliance with Executive Order No. 215 (1989), if applicable, as determined by the Authority, submission of acceptable documentation of required insurance coverages, completion to the satisfaction of the Authority of the construction phase checklist for each contract/bid advertisement of the work constituting the relevant percentage completed and submission of a request for disbursement as set forth in (a) above.

2. The third disbursement of the grant in the amount of 45 percent of the grant shall be made upon a showing to the satisfaction of the Authority of substantial completion, acceptable documentation of required insurance coverage has been submitted to the Authority, completion to the satisfaction of the Authority of the construction phase checklist for each contract/bid advertisement of the work constituting the relevant percentage completed and submission of a request for disbursement as set forth in (a) above.

(e)] (c) In the case of a school facilities project with final eligible costs less than or equal to \$ 250,000, there shall be only three disbursements as follows:

1. The first disbursement of the grant in the amount of 50.5 percent of the grant shall be made after execution of the grant agreement upon a showing to the satisfaction of the Authority of 50 percent construction completion, after submission of acceptable documentation of required insurance coverages, and after submission of a request for disbursement as set forth in (a) above.

2. The second disbursement of the grant in the amount of 45 percent of the grant shall be made upon a showing to the satisfaction of the Authority of substantial completion, acceptable documentation of required insurance coverage has been submitted to the Authority and submission of a request for disbursement as set forth in (a) above.

3. Upon final completion, the district shall prepare and submit to the Authority, for review and approval, a request for disbursement together with the final completion checklist. Upon approval, the Authority shall disburse the amounts remaining under the grant, the district shall thereupon make final payment to its contracted parties and thereupon, the Authority shall be released from any further responsibility to make any payments in connection with the school facilities project.

[(f)](d) In the case of special circumstances and/or extraordinary need, the district may request a waiver from the above applicable schedule of disbursements upon application to the Authority indicating the reasons for such request and a proposed schedule of disbursements. Upon review by the Authority, the Authority may approve the waiver and shall notify the district accordingly.

§ 19:32-3.5 Conditions precedent to payment of a disbursement

(a) When all of the following conditions precedent to the payment of a disbursement have been met, the Authority will provide the district with the disbursement.

1. The grant agreement has been executed and delivered;
2. No event of default has occurred and is continuing;
3. Costs listed in the request and voucher contain only approved costs;
4. The costs, including the costs paid by the Authority previously, do not exceed the grant;
5. The applicable checklist, if any, has been reviewed and approved by the Authority;
6. None of the items for which payment is requested has formed the basis for any previous request for disbursement; and
7. The district is in compliance with all requirements of governmental authorities with respect to the school facilities project.

§ 19:32-3.6 Checklists

(a) The district shall be required to report to the Authority on the progress of the school facilities project by completing various checklists at various time points during the design and construction of the school facilities project as outlined in this section unless a district is not required to submit one or more checklists prior to disbursement, pursuant to N.J.A.C. 19:32-3.5. Such checklists may, at the option of the district, be filed electronically.

1. Design phase: Upon completion of the design of the school facilities project as evidenced by the approval by the Department of the final plans and specifications, the district must complete the design phase checklist in the form provided by the Authority

which shall evidence, to the satisfaction of the Authority, that the district has complied with the PSCL and all other applicable laws and regulations regarding the engagement of consultants by the district for the design of the school facilities project.

2. Construction phase: The district shall be required to provide the Authority a construction checklist for each separate bid advertisement and ensuing contract prior to the Authority's disbursement for construction percentage completed that includes each such contract's work. The district shall be required to complete the construction phase checklist in the form provided by the Authority which shall provide evidence, to the satisfaction of the Authority, that the district has complied with the PSCL and all other applicable laws and regulations in the engagement of contractors for the school facilities project.

3. Final completion: Upon final completion, the district shall complete the final completion checklist in the form provided by the Authority to evidence, to the satisfaction of the Authority, that the school facilities project has been completed and that all applicable laws and regulations have been complied with.

§ 19:32-3.7 Closeout procedures

(a) Closeout shall occur when all applicable administrative actions and all required work have been completed by the district. This process shall include the steps enumerated below:

1. In the event there are any grant proceeds which have not been expended on approved costs, such unexpended grant proceeds shall be released to the Authority and the amount of the grant shall be reduced by the amount of the unexpended proceeds.

2. Any proceeds of school bonds issued by the district for the purpose of funding the local share of the school facilities project which remain unspent upon completion of

the school facilities project shall be used by the district to reduce the outstanding principal amount of the school bonds either through redeeming bonds at the earliest call date or applying such proceeds to payment of principal as principal becomes due, as further set forth in N.J.A.C. 6A:26-4.6. In no event shall such proceeds be utilized to pay the interest expense on the school bonds issued for any school facilities project.

3. The district shall refund to the Authority any grant funds spent on any costs which were disallowed by the Authority as not being approved costs. Such refund shall be made within 30 days of the request by the Authority.

4. If a final audit has not been performed on behalf of the district prior to closeout of the school facilities project, the Authority retains the right to recover any appropriate amount after full consideration of any recommendation on disallowed costs resulting from the final audit.

5. The Authority may require additional information from the district or its consultants and contractors and/or retain any grant amount not disbursed until closeout is completed.

§ 19:32-3.8 (Reserved)

§ 19:32-4.1 General provisions

(a) The district shall design and construct the school facilities project pursuant to the plans and specifications and as approved by the Department pursuant to N.J.S.A. 18A:7G-5. Any changes in the school facilities project which may impact educational adequacy (the number, size, configuration, location or use of educational spaces) shall be reviewed and approved by the Department as required under N.J.A.C. 6A:23-7.1 and 6A:26-4.9 prior to such changes being

made. Notwithstanding anything to the contrary, any changes whether reviewed by the Department or not, shall not be eligible for funding under the grant agreement.

(b) The district shall, with all due diligence, proceed to construct the school facilities project in accordance with the plans and specifications. If during the construction of the school facilities project, the district determines that a change in a construction contract is required, it shall comply with any and all requirements for approval of a request for a change order pursuant to N.J.A.C. 6A:26-4.9 and any other applicable Department regulations.

(c) The district shall promptly notify the Authority in writing of events or proposed changes in the scope of the school facilities projects, the schedule for completion and/or any other significant changed conditions concerning the school facilities project.

§ 19:32-4.2 Contract award and compliance

(a) The district shall be responsible for the letting of contracts for the design, acquisition, construction and installation of the school facilities project, supervision of design and construction, acceptance of the completed school facilities project or parts thereof, and all other matters incidental to performance of the duties and powers expressly granted herein to be undertaken in connection with the acquisition, construction and completion of the school facilities project. The district shall continually monitor its performance to assure that time schedules are being met and that the completion of the school facilities project will occur in a timely, efficient and effective manner. In the event of default of any contracted party under any contract, or in the event of a breach of warranty with respect to any contract, the district shall reasonably exhaust the remedies against the defaulting contracted party and against each such surety for the performance of such contracts. The district shall diligently prosecute or defend any

action or proceeding, or take any other action involving the contracted party, that the district deems reasonably necessary.

(b) The district shall obtain and maintain all licenses, certifications, authorizations, or any documents required by all governmental authorities wherever necessary. The district shall promptly notify the Authority and [the Bureau of Fiscal Oversight/SDA] **Division of State Police**, in writing of any disciplinary action against itself or, if it has knowledge of, any contracted party or any change in the status of any license, permit, or other authorization required for the school facilities project.

(c) The district shall award all contracts for the school facilities project in accordance with the PSCL and the rules and regulations adopted pursuant thereto.

(d) All contractors engaged by the district and subcontractors named in the four branches specified in N.J.S.A. 18A:18A-18 who perform any work on the school facilities project shall be prequalified pursuant to the Authority prequalification process. Any contractor whose contract amount is less than the bid threshold pursuant to N.J.S.A. 18A:18A-3 shall not be subject to the prequalification process for bidders on school facilities projects pursuant to Section 59 of the Educational Facilities Construction Financing Act, P.L. 2000, c.72 (N.J.S.A. 18A:7G-33).

(e) All construction contracts shall contain provisions that the contractor and subcontractor, as applicable, shall comply with the New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25 et seq. The district shall not hire any contractor or subcontractor to perform any work for the district who is listed or is on record in the Office of the Commissioner, Department of Labor, as having failed to pay prevailing wages in accordance with the provision of the New Jersey Prevailing Wage Act.

(f) All contracts shall contain provisions that the contracted party shall comply with the anti-discrimination provisions of N.J.S.A. 10:2-1 et seq., the New Jersey Law Against

Discrimination, N.J.S.A. 10:5-1 et seq., N.J.A.C. 17:27 and N.J.A.C. 6A:7-1.8. The district and its contracted parties shall in addition agree by contract and guarantee to afford equal opportunity in performance of the contracts in accordance with an affirmative action program approved by the State Treasurer. During the design and construction of the school facilities project, the district and the contracted parties shall abide by the following provisions and shall provide in any contracts provisions as follows:

1. The district and its contracted parties shall not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex. The district and its contracted parties shall take affirmative action to ensure that such applicants are recruited and employed, that employees are treated during employment without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The district and its contracted parties agree to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. The district and its contracted parties shall, in all solicitations or advertisements for employees placed by or on behalf of the district and its contracted parties state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation or sex.

3. The district and its contracted parties shall send to each labor union or representative of workers with whom they have a collective bargaining agreement or other contract or understanding, a notice, to be provided by the district, advising the labor union or workers representative of the district's and its contracted parties' commitments under the grant agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(g) No official or employee of the district who is authorized in his or her official capacity to negotiate, make, accept or approve or to take part in such decision regarding a contract in connection with the school facilities project shall have any financial or other personal interest in any such contract. The School Ethics Law, N.J.S.A. 18A:12-21 et seq., and N.J.A.C. 6A:28 shall by reference be incorporated as part of the grant agreement.

1. The district shall report in writing to the Attorney General, the [Bureau of Fiscal Oversight/SDA] **Division of State Police** and the State Ethics Commission the solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor.

2. The district shall not influence, or attempt or influence or cause to be influenced, any State officer or employee or special State officer or employee in his or her official capacity in any manner that might tend to impair the objectivity or independence of judgment of said officer or employee.

(h) All contractors and subcontractors bidding on the school facilities project shall be registered pursuant to N.J.S.A. 34:11-56.48 et seq.

(i) Upon final completion and thereafter, the district shall ensure that the school facilities project is properly maintained so that its useful life can be achieved and shall ensure that all

warranties remain in full force and effect. The district shall submit a plan for the maintenance of the school facility project to the Department and the Authority prior to closeout, which plan shall, in addition to other requirements, provide for the establishment and funding of a maintenance reserve fund in accordance with N.J.A.C. 6A:26A. In addition, prior to closeout, the district shall establish dates for equipment testing, acceptance periods, warranties and instructional requirements and shall thereafter maintain the school facilities project in accordance therewith.

(j) The district shall submit proof to the Authority that it and any contracted party shall comply with all insurance requirements of the grant agreement and, when appropriate, shall certify that the insurance is in full force and effect and that the premiums have been paid.

(k) The district shall not take any action or omit to take any action that would result in the loss of the exclusion of the interest on any NJEDA bonds from Federal gross income for purposes of Federal income taxation as that status is governed by Section 103(a) of the Code. The district shall submit information at the times and in the manner as may be required by bond counsel, from time to time.

(l) The district shall require all contracted parties to enter into certifications at the times and in the manner specified by the Authority in the grant agreement. Such certifications shall include a certification by the design consultant, upon award of its contract, at construction completion stages identified in the schedule of disbursements and again at final completion; certifications by any other consultants upon award of their contracts; certification by the contractors upon award of their contracts; and certification by the school business administrator, upon award of the design consultant contract and again at final completion. The district shall also complete tax certifications as may be required by the NJEDA to ensure the tax-exempt status of the NJEDA bonds.

(m) The district shall require all bidders to submit with their bids an unconditional certified check, cashier's check, or bid bond in an amount of 10 percent of the bidder's base bid but not in excess of \$ 20,000. Such bid guarantee serves as a guarantee that, should a bidder's bid be accepted, the bidder will execute and comply with the contract.

(n) The district shall require the provision of performance bonds or other security pursuant to N.J.S.A. 18A:18A-25.

(o) The following concern contracts:

1. The district shall include the following statements in each contract awarded by the district in connection with the school facilities project: "This contract or subcontract is or may be funded in part with funds from the New Jersey Schools Development Authority. Neither the State, the New Jersey Economic Development Authority, the New Jersey Schools Development Authority, nor any of its departments, agencies, board members or employees is, or will be, a party to this contract or subcontract or any lower tier contract or subcontract. This contract or subcontract is subject to the requirements contained in N.J.A.C. 19:32. In accordance with the provisions of N.J.S.A. 18A:7G-15, the contractor (subcontractor) (consultant) (subconsultant) agrees to comply with all of the provisions of N.J.A.C. 19:32."

2. The district shall include a provision in each contract awarded by the district in connection with the school facilities project which states that the contracts are assignable to the Authority.

(p) The Authority may impose such other conditions as may be necessary and appropriate to implement the laws of the State and effectuate the purpose and intent of the Act.

[Title 19, Chapter 32, Subchapter 5. (RESERVED)]

Resolution—6c.

Proposed Re-adoption with Amendments:
 School Facilities Projects: Section 15 Grant Procedures, N.J.A.C. 19:32

Resolution

WHEREAS Chapter 32, adopted as new rules on January 7, 2008, governs the issuance of grants to regular operating districts for the state share of school facilities construction projects under Section 15 of the Educational Facilities Construction and Financing Act (“EFCFA”), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); and

WHEREAS, Chapter 32 is scheduled to expire on January 7, 2015; and

WHEREAS, these Rules proposed for re-adoption with amendments provide a mechanism by which eligible “non-SDA” school districts can receive Section 15 grants, and provide guidelines to ensure that such grant funds are used properly by the grantee districts; and

WHEREAS, the Rules implement statutory provisions at N.J.S.A. 18A:7G-15 regarding establishment of the SDA’s Section 15 grant program; and

WHEREAS, the proposed amendments to and repeal of provisions of the current Rules are intended to conform the regulations to statutory changes and to the practices of the SDA with respect to the administration of the grant program and the disbursement of grant funds; and

WHEREAS, the memorandum and/or rule proposal presented to the Board on this date set forth all proposed additions or deletions to the existing rules and the memorandum describes the most substantive amendments to the existing rules; and

WHEREAS, SDA management recommends that the Members of the Authority approve the proposed re-adoption of the Authority’s Section 15 Grant Procedures Rules and authorize the issuance of the Notice of Re-adoption as presented and the filing of the Notice with the Office of Administrative Law.

NOW, THEREFORE, BE IT RESOLVED, that, consistent with the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the proposed re-adoption with amendments of the Authority’s Section 15 Grant Procedures Rules (N.J.A.C. 19:32) and authorize the issuance of the Notice of Re-adoption as presented to the Board, and the filing of the Notice with the Office of Administrative Law.

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

Attached: Memorandum, Proposed Re-adoption with Amendments: School Facilities Projects: Section 15 Grant Procedures, N.J.A.C. 19:32, dated January 7, 2015

Dated: January 7, 2015

CORPORATE GOVERNANCE AND OPERATIONS — OFFICE OF CHIEF COUNSEL [*Informational*]

READOPTION OF AFFIRMATIVE ACTION REGULATIONS N.J.A.C. 19:39 - MODIFICATIONS IN RESPONSE TO
COMMENTS FROM OFFICE OF ADMINISTRATIVE LAW, RULES DIVISION



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

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

TO: Members of the Authority

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

DATE: January 7, 2015

RE: Revisions to Rule Proposal for N.J.A.C. 19:39 Affirmative Action Rules
Prompted by Comments from Office of Administrative Law, Rules Division

Management of the New Jersey Schools Development Authority (“Authority” or “SDA”) submits this Memorandum to the Board for informational purposes, to inform the Board of changes that Management intends to make to the previously approved Notice of Proposal for the Readoption of the Authority’s Affirmative Action Rules, N.J.A.C. 19:39. Management makes these changes in response to comments received from the Office of Administrative Law, Rules Division (“OAL”).

Background

At its November 5, 2014 meeting, the SDA Board approved the advancement and filing of the Notice of Proposal for Readoption with Amendments of N.J.A.C. 19:39 “Affirmative Action Rules.” The Notice of Proposal described proposed amendments to the existing rules, and was duly filed with OAL, triggering a 180-day extension of the underlying rules which were scheduled to expire on November 14, 2014.

Comments from OAL

As part of the pre-publication processing of the Rule Proposal, OAL has provided comments on the Notice of Proposal and the proposed rules, most of which require only minor, technical revisions to the summary language describing the existing rules and rule amendments, or changes to the rule impact statements that do not form part of the rules themselves. Such changes are minor and do not affect the rule text.

However, OAL has also suggested changes to the existing and proposed language of one section of the Rules, i.e. the description of the SDA’s training program outlined in N.J.A.C. 19:39-5.1 (“Training Programs.”) At the Board’s November 5, 2014 meeting, amendments were proposed and approved to conform that section to the provisions of P.L. 2009, ch. 313 (N.J.S.A. 52:38-7), which provides a funding allocation mechanism to support “outreach and training programs for minority group members and women in connection with certain construction contracts.” That section, including the previously approved amendments, enumerates various potential training program options and indicates that SDA “may utilize such funds” or “may authorize the use of training funds” for one or more such programs. OAL suggested that this “optional” language was insufficiently specific in describing SDA’s planned

use of statutorily designated funding under P.L. 2009, ch. 313 (N.J.S.A. 52:38-7) OAL recommended that SDA amend this section to limit the language to describing only those actual types of training and outreach programs SDA currently supports.

Response to OAL Comments

While SDA Management originally included such “optional” language in the regulation in an effort to provide the Authority with maximum flexibility and practicality as it determines the types of training programs it will support over the seven-year life of the governing regulations. SDA Management does recognize that this goal of flexibility in planning may be in tension with the goals of ensuring clarity, specificity and finality in regulatory language. Accordingly, we will make the changes requested by OAL.

In response to the OAL comments, SDA Management has proposed to revise and condense the language of the proposed regulations to include only the descriptions of training programs that the SDA is currently funding and actively pursuing, which training programs were described by proposed amendments previously approved by the Board on November 5, 2014. The changes described in this Memorandum do not create any change in the manner or the method utilized by the SDA currently in allocating or directing its training funds; rather they involve only a deletion of existing rule text that is not reflective of current SDA practices, and do not require the addition of any further language to the rules beyond the amendments previously approved.

To illustrate the extent of the proposed alterations, SDA Management has prepared a revised version of N.J.A.C.19:39-5.1 (“Training Programs”) (attached hereto) showing the changes from the rule amendments previously approved by the Board on November 5, 2014. In addition, a “clean” version of the rule text (incorporating all proposed amendments) is reproduced below:

§ 19:39-5.1 Training programs

(a) Pursuant to P.L. 2009, ch. 313 (N.J.S.A. 52:38-7), the SDA shall allocate one half of one percent of capital funds for approved school facilities projects to fund training and scholarship programs for minority group members and women in preparation for construction trade occupations or other occupations, including engineering and construction management professions, that are pertinent to construction, design and management of school facilities projects.

(b) The SDA shall utilize such funds to work with the State Higher Education Student Assistance Authority to develop a targeted scholarship program for New Jersey women and minority group members, directed toward fields of study relevant to occupations pertinent to school facilities project construction, management and design, to increase the numbers of women and minorities in the State's construction trades and related professions.

(c) The SDA shall further utilize such funds to create an SBE/WBE/MBE training program to assist existing New Jersey SBE/WBE/MBE entities in trades or professions related to school facilities project design, management and construction to further develop their business practices, become familiar with SDA contracting and procurement requirements, and to secure SDA prequalification to participate in SDA procurements.

(d) To the extent practicable, the services provided pursuant to this section shall be coordinated with apprenticeship training provided under *N.J.S.A. 18A:7G-38*.

Board Notification of Management Action

No formal Board action is requested or required in connection with these revisions. SDA Management nevertheless is bringing these revisions to the attention of the Board to advise of its intention to comply with the recommendations of the State Office of Administrative Law. Specifically, SDA Management shall revise the previously-approved Notice of Proposal for Readoption with Amendments of N.J.A.C. 19:39 (“Affirmative Action Rules”) in accordance with this Memorandum and the attached revised Notice of Proposal.

/s/ Jane F. Kelly

Jane F. Kelly, Vice President
Corporate Governance & Operations

Prepared by Cecelia Haney, Senior Counsel

JFK/ceh

Rule text showing changes:

§ 19:39-5.1 Training programs

(a) Pursuant to P.L. 2009, ch. 313 (N.J.S.A. 52:38-7), [The] **the** SDA shall allocate one half of one percent of capital funds for approved school facilities projects to fund [training for women and minority workers in life skills, pre-apprenticeship, and construction trades apprenticeship programs] **training and scholarship programs for minority group members and women in preparation for construction trade occupations or other occupations, including engineering and construction management professions**, that are pertinent to **construction, design and management of** school facilities projects [construction].

(b) [The SDA may designate the Department of Labor and Workforce Development to administer and coordinate pre-apprenticeship and apprenticeship training programs and other construction related employment opportunities. The Department of Labor and Workforce Development may retain vendors to provide the necessary services or may utilize the services of county vocational schools, community colleges, community-based organizations, private training entities, and Local Workforce Investment Boards. All such training providers must be located in New Jersey.

(c) Pre-apprenticeship training may include, but is not limited to, literacy training, basic skills instruction, related academic or remedial education programs, English as a Second Language, vocational training and other types of training that will prepare individuals for apprenticeships and occupations pertinent to school facilities project construction.]

[(d)] The SDA [~~shall~~] **may-utilize such funds to** work with the State [Apprenticeship Policy Committee established under *N.J.S.A. 34:15E-1* et seq.] **Higher Education Student Assistance**

Authority to [assist with the design and implementation of a comprehensive plan] **develop a targeted scholarship program for New Jersey women and minority group members, directed toward fields of study relevant to occupations pertinent to school facilities project construction, management and design,** to increase the numbers of women and minorities in the State's construction trades **and related professions.**

[(e) All organizations providing training under this section must be approved by the New Jersey Department of Education, as provided by N.J.S.A. 18:54-1 et seq. or 18A:69 et seq. All apprenticeship programs supported by the SDA must be registered with the New Jersey Department of Education and the U.S. Department of Labor's Bureau of Apprenticeship and Training.]

(c) The SDA ~~may~~ shall further utilize such funds to create an SBE/WBE/MBE training program to assist existing New Jersey SBE/WBE/MBE entities in trades or professions related to school facilities project design, management and construction to further develop their business practices, become familiar with SDA contracting and procurement requirements, and to secure SDA prequalification to participate in SDA procurements.

~~_(d) The SDA may designate the Department of Labor and Workforce Development to administer and coordinate pre-apprenticeship and apprenticeship training programs and other construction related employment opportunities. The Department of Labor and Workforce Development may retain vendors to provide the necessary services or may utilize the services of county vocational schools, community colleges, community-based organizations, private training entities, and Local Workforce Investment Boards. All such training providers must be located in New Jersey.~~

~~(e) Pre-apprenticeship training may include, but is not limited to, literacy training, basic skills instruction, related academic or remedial education programs, English as a Second Language, vocational training and other types of training that will prepare individuals for apprenticeships and occupations pertinent to school facilities project construction.~~

[(f)] (d) To the extent practicable, the services provided pursuant to this section shall be coordinated with apprenticeship training provided under *N.J.S.A. 18A:7G-38*.

~~(g) In addition to the creation of a targeted scholarship program, an SBE/MBE/WBE development program and a pre-apprenticeship training program, the SDA may authorize the use of training funds for the following purposes:~~

- ~~1. Outreach to and recruitment of potential trainees;~~
- ~~2. Ancillary expenses of trainees, such as transportation, child/parental care, tools, work clothes and shoes;~~
- ~~3. Monitoring of training program participants and graduates; [and]~~
- ~~4. Retention support services; and~~
- ~~5. The creation of any other training or development program that SDA may deem necessary or appropriate to encourage the participation of women, minority group members and small businesses in the trades or professions related to the design, management or construction of school facilities projects.~~

[(h) In establishing sites for its training programs, the SDA through its State partners shall, wherever possible, exercise a preference for locations within Abbott school districts in order to maximize opportunities for unemployed and underemployed women and minorities in those communities most affected by the school construction program.]

~~[(i)] (h) The SDA, through its State partners, [shall] **may** facilitate the placement of graduates of the programs described in (a) above in appropriate registered apprenticeship programs.~~

~~[(j)] (i) The SDA, either directly or through its State partners, [shall] **may** undertake outreach efforts to recruit trainees and inform Abbott district residents of upcoming construction job opportunities through:~~

- ~~1. Notices to school districts;~~
- ~~2. Public presentations to community based, and faith based organizations;~~
- ~~3. Local newspaper advertisements;~~
- ~~4. The Workforce Investment Boards; [and]~~
- ~~5. Website and/or email communications; and~~
- ~~6. Other such means.~~

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: January 7, 2015

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.



2011 & 2012 Portfolio Projects Activities Summary

as of 12/22/14

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 (Patock 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	NTP for Design Phase Services sent Dec. 1, 2014.	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.



2011 & 2012 Portfolio Projects Activities Summary

as of 12/22/14

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.	2 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	\$16.0	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.

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



2011 & 2012 Portfolio Projects Activities Summary

as of 12/22/14

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	\$55.3	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 1 QTR 15
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.	2 QTR 15
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.	3 QTR 15
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.	2 QTR 15

*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 12/22/14

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	\$138.8	Design-Build	Preliminary Charter approved Feb. 2014 Board. Phase 1 Construction (Early-Site Package) advertisement 12/19/14	12/19/14

*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 12/1/2014**

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	Elizabeth	New ES	New Construction	Design-Build Award	2Q 2017	On-target	Sep-17	On-target	\$ 55,312,580
5	Gloucester City	New ES/MS	New Construction	Design-Build Design Phase	1Q 2017	On-target	Sep-17	On-target	\$ 63,829,937
6	Jersey City	New ES #3	New Construction	Construction	2Q 2016	On-target	Sep-16	On-target	\$ 54,004,014
7	Jersey City	New PS #20	New Construction	Construction	1Q 2016	On-target	Sep-16	On-target	\$ 48,202,265
8	Keansburg	New Caruso ES	New Construction	Design-Build Design Phase	3Q 2016	On-target	Sep-16	On-target	\$ 47,271,503
9	New Brunswick	New Redshaw ES	New Construction	Substantial Completion	Oct-14	Achieved	Jan-15	On-target	\$ 51,204,641
10	Newark	Elliott Street ES	New Construction	Construction	1Q 2016	On-target	Sep-16	On-target	\$ 46,678,296
11	Newark	Oliver Street ES	New Construction	Construction	4Q 2015	On-target	Sep-16	On-target	\$ 73,548,257
12	Passaic City	New Henry Street ES	New Construction	Construction	1Q 2015	On-target	Sep-15	On-target	\$ 55,023,004
13	Paterson	New Marshall Street ES	New Construction	Construction	1Q 2016	On-target	Sep-16	On-target	\$ 55,150,306
14	Paterson	New PS #16	New Construction	Construction	3Q 2016	On-target	Sep-16	On-target	\$ 62,347,275
15	Phillipsburg	New HS	New Construction	Construction	2Q 2016	On-target	Sep-16	On-target	\$ 127,508,125



**Active Project Status Report
Status as of 12/1/2014**

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	Achieved	Jan-15	On-Target	\$ 3,126,332
2	Irvington	University MS	Building Envelope	GC TO w/ Design	Nov-14	Achieved	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	Achieved	Dec-14	On-Target	\$ 1,618,348
7	West New York	PS #1	Structural Repairs	GC TO w/ Design	Oct-14	Achieved	Nov-14	Achieved	\$ 1,409,740

PROJECT CLOSEOUT STATUS REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

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: January 7, 2015
Subject: Project Close Out Status Report

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.

For the current reporting period we do not have any activity to report, however, we continue to advance projects and contracts through the close out process.

Prepared by: Ayisha Cooper
Reviewed by: Bridget Capasso

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of December 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 December 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	ECC	Land and/or School Transferred	02/01/13	Open contract(s)
Perth Amboy				
Legacy	ECC I - Ignacio Cruz	Land and/or School Transferred	06/17/10	Open contract(s)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of December 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				
		79		
Capital and Demonstration Projects Not Closed				
		51		
	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 December 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



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: January 7, 2015

SUBJECT: Executive Summary – Monthly Project Status Reports

MONTHLY PROJECT STATUS REPORT

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

No new data to report

Projects Greater than 90 Days Behind Schedule:

No new data to report

Revisions to Project Charters:

No new data to report



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

Reporting Period: Jan. 1, 2008 to November 30, 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%	99%	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 November 30, 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: November 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: November 2014

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
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No Activity During the Reporting Period

CONTRACTS EXECUTED REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: January 7, 2015

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

Contracts Executed Report

No data to report for the period November 1 through November 30, 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 November 1 through November 30, 2014.

Noteworthy Items during the reporting period:

- Execution of 24 Design Contract Amendments totaling a credit of \$23.2M, of the 24 executed amendments 23 represent deobligations of funds for suspended design engagements totaling a credit of \$23.2M.
- Execution of 4 Construction Services Change Orders totaling \$95k, of the 4 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 11/1/14 through 11/30/14

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																
Bridgeton	Broad Street E.S.	EP-0078-A01	10/29/13	1	Rivardo Schnitzer Capazzi dba RSC Architects	11/19/14	\$188,865	\$0		\$4,900			\$193,765	2.59%	\$188,865	2.59%
Buena Regional	Collings Lake E.S.	ST-0028-A01	7/6/04	2	Crane Associates, P.C.	11/17/14	\$221,212	\$2,000		\$-121,503			\$101,710	-54.02%	\$221,212	-54.92%
Camden City	Washington E.S.	CA-0003-A01	8/8/03	4	Sykes O'Connor Salemo Hazaveh, PA t/a SOSH Arch.	11/17/14	\$1,226,391	\$244,878		\$-470,893			\$1,000,376	-18.42%	\$1,226,391	-38.39%
Camden City	Creative and Performing Arts H.S.	CA-0008-A01	5/28/03	5	Skidmore, Owings & Merrill, Architects, P.A.	11/17/14	\$2,395,000	\$373,791		\$-899,751			\$1,869,039	-21.96%	\$2,395,000	-37.56%
City Of Orange Township	Central E.S.	ES-0024-A01	6/7/04	9	KNTM Architects, LLC	11/17/14	\$614,485	\$659,450	11/07	\$-395,051			\$878,884	43.02%	\$614,485	-61.68%
East Orange	G.W.Carver Institute	ES-0021-A01	9/15/03	2	Spiezle Group, Inc.	11/17/14	\$1,651,541	\$8,200		\$-1,537,886			\$121,855	-92.62%	\$1,651,541	-92.62%
Elizabeth	Elizabeth Multi-Facility/TCU	EC-0001-A18	6/1/01	1	Alex Soffiantini & Associates	11/14/14	\$85,800	\$0		\$-57,200			\$28,600	-66.66%	\$85,800	-66.66%
Elizabeth	Number 19, Woodrow Wilson E.S. Number 6, Marquis deLafayette E.S.	EL-0018-A01	5/6/03	3	Fletcher Thompson Architecture Engineering, LLC	11/17/14	\$1,981,897	\$-191,008		\$-584,757			\$1,206,132	-39.14%	\$1,981,897	-40.90%
Elizabeth	Number 17, Theodore Roosevelt E.S.	EL-0032-A01	1/13/05	1	Skidmore, Owings & Merrill, Architects, P.A.	11/17/14	\$2,171,229	\$0		\$-1,611,258			\$559,971	-74.20%	\$2,171,229	-74.20%
Elizabeth	New PK-8 (Number 32)	EL-0034-A01	7/22/04	1	Gilbert Architects	11/17/14	\$2,174,938	\$0		\$-1,238,296			\$936,642	-56.93%	\$2,174,938	-56.93%
Garfield	New Woodrow Wilson ES #5	NT-0038-A01	11/4/04	1	Sowinski Sullivan Architects, PC	11/17/14	\$1,308,975	\$0		\$-697,924			\$611,051	-53.31%	\$1,308,975	-53.31%
Jersey City	Replacement PS35 ES	JE-0033-A01	8/3/04	4	KDA Architects, P.A.	11/17/14	\$2,316,978	\$52,819		\$-1,845,719			\$524,078	-77.38%	\$2,316,978	-77.38%
Keansburg Borough	Keansburg H.S.	ET-0070-A01	10/14/04	3	_MultiVendor	11/17/14	\$2,434,888	\$0		\$-2,142,218			\$292,671	-87.98%	\$2,434,888	-87.98%
Newark	University H.S.	NE-0012-A01	8/19/03	3	_MultiVendor	11/17/14	\$3,075,000	\$11,100		\$-2,659,988			\$426,112	-86.14%	\$3,075,000	-86.50%
Newark	Gladys Hillman-Jones M.S.	NE-0018-A01	8/5/03	7	Timber Architecture Office	11/17/14	\$1,144,973	\$1,384,638	6/07	\$-311,977			\$2,217,633	93.68%	\$1,144,973	-27.24%
Newark	Avon Avenue E.S. William H. Brown Academy	NE-0041-A01	1/24/06	4	KNTM Architects, LLC	11/17/14	\$503,530	\$108,736		\$-138,664			\$473,602	-5.94%	\$503,530	-5.94%
Newark	Eighteenth Avenue E.S.	NE-0058-A01	4/25/07	1	Architects Alliance (The), Blasé Weimer AIA	11/17/14	\$460,546	\$0		\$-181,011			\$279,535	-39.30%	\$460,546	-39.30%
Paterson	Number 4 E.S.	PA-0009-A01	9/25/03	3	Thomas Associates Architects + Engineers	11/17/14	\$2,432,180	\$247,151		\$-1,802,962			\$876,369	-63.96%	\$2,432,180	-72.61%
Paterson	New Early Childhood Center at PS #19	PA-0012-A01	1/22/04	3	Tonetti Associates Architects	11/17/14	\$583,500	\$114,270		\$-459,183			\$238,587	-59.11%	\$583,500	-75.92%
Union City (Hudson Co.)	Magnet K-8	HU-0008-A01	4/12/04	2	Urbahn Architects, P.C.	11/17/14	\$2,546,500	\$44,800		\$-1,543,209			\$1,048,091	-58.84%	\$2,546,500	-58.84%
Union City (Hudson Co.)	Elementary School 02	HU-0011-Z01	7/30/03	3	Paulus, Sokolowski and Sartor, LLC	11/17/14	\$1,810,782	\$282,200	4/07	\$-617,356			\$1,475,627	-18.50%	\$1,810,782	-34.09%
Vineland City	Vineland New MS	ST-0017-A01	12/5/03	7	Perkins & Will Architects, PC	11/17/14	\$1,667,682	\$648,992	5/09	\$-457,174			\$1,859,500	11.50%	\$1,667,682	-26.46%
West New York	Memorial HS/Freshman & Soph Academy	HU-0016-A01	7/20/04	1	Di Cara / Rubino Architects	11/17/14	\$3,423,800	\$0		\$-3,115,690			\$308,110	-91.00%	\$3,423,800	-91.00%

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

Reporting Period 11/1/14 through 11/30/14

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																
West New York	Memorial HS/Freshman & Soph Academy	HU-0017-A01	6/18/04	2	Arcari + Iovino Architects, P.C.	11/17/14	\$483,210	\$76,703		-\$317,147			\$242,766	-49.75%	\$483,210	-65.63%
Design Consultant																
Site Investigation																
Long Branch	New H.S. (-x03)	GP-0084-L02	2/14/08	48	French & Parrello Associates, P.A.	11/25/14	\$0	\$1,198,898		\$40,818			\$1,239,716	0.00%	\$0	NA
Jersey City	Number 20 E.S.	GP-0084-L03	2/14/08	86	Whitman	11/6/14	\$0	\$3,617,278		-\$12,889			\$3,604,389	0.00%	\$0	NA
Jersey City	Number 20 E.S.	GP-0171-L03	12/1/11	16	Whitman	11/24/14	\$0	\$1,190,017		\$19,980			\$1,209,997	0.00%	\$0	NA
Vineland City	Vineland New MS	GP-0171-L07	12/1/11	10	Brinkerhoff Environmental Services, Inc.	11/14/14	\$0	\$785,289		\$20,110			\$805,399	0.00%	\$0	NA
New Brunswick	Paul Robeson Community E.S.	GP-0171-L13	12/1/11	10	CDI-Infrastructure, LLC dba L.R. Kimball	11/6/14	\$0	\$914,672		\$38,346			\$953,018	0.00%	\$0	NA
Newark	University H.S.	GP-0171-L15	12/1/11	10	French & Parrello Associates, P.A.	11/6/14	\$0	\$560,591		-\$75			\$560,516	0.00%	\$0	NA
Site Investigation																
Relocation																
Multi-District, Project, or Statewide	Cooper's Poynt E.S. Creative and Performing Arts H.S. Dayton Ave. Ed Complex Gladys Hillman-Jones M.S. Harriet Tubman E.S. Harry L. Bain E.S. Lorraine Place ES (formerly New Beachway ES) New Early Childhood Center (-x02) New Franklin Elementary School Replacement New Middle School New North East ES (-x06) Ridge Street (Replacement) West Side H.S.	GP-0175-R03	2/11/12	65	Bluegrass Hydroseeding, LLC	11/13/14	\$27,996	\$1,064,649		\$11,744			\$1,104,389	3,844.78%	\$27,996	3844.78%

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

Reporting Period 11/1/14 through 11/30/14

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	ECC 13 Elementary School 02 Harry L. Bain E.S. Magnet K-8 New Early Childhood Center New Middle School Roebling School University H.S.	GP-0175-R03	2/11/12	66	Bluegrass Hydroseeding, LLC	11/24/14	\$27,996	\$1,076,393		\$2,476			\$1,106,865	3,853.63%	\$27,996	3853.63%
Relocation																
Others																
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L06	4/15/05	113	JCP&L	11/6/14	\$8,060	\$15,522		\$123			\$23,705	194.09%	\$8,060	194.09%
Asbury Park	New Early Childhood Center (-x02)		4/15/05	114	JCP&L	11/6/14	\$8,060	\$15,645		\$59			\$23,764	194.82%	\$8,060	194.82%
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L16	8/2/11	39	New Jersey American Water	11/25/14	\$410	\$6,483		\$171			\$7,063	1,624.14%	\$410	1624.14%
Camden City	Cumberland Regional H.S. Park Avenue E.S.	GP-0194-R01	1/23/13	3	Napco Copy Graphics Center Corp.	11/13/14	\$619	\$386		\$3,851			\$4,856	684.72%	\$619	684.72%
Garfield	James Madison School #10 (Most Holy Name)	NT-0014-N02	6/2/14	1	Tricon Enterprises, Inc.	11/5/14	\$1,057,000	\$0		\$25,000			\$1,082,000	2.36%	\$1,057,000	2.36%
Lodi	Lodi H.S.	G5-4872-D01	4/9/14	1	District - Lodi	11/17/14	\$453,272	\$0		-\$110,451			\$342,821	-24.36%	\$453,272	-24.36%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R02	4/12/01	63	Times Newspaper (The)---(Adverts)	11/24/14	\$62,132	\$1,364		\$12			\$63,508	2.21%	\$62,132	2.21%
Multi-District, Project, or Statewide	Marshall Street Elementary School New Academic HS Quarter Mile Lane E.S.	GP-0005-R10	7/3/02	40	Napco Copy Graphics Center Corp.	11/14/14	\$251,397	\$159,421		\$1,510			\$412,328	64.01%	\$251,397	64.01%
Paterson	New PS#16	GP-0089-R08	8/19/08	40	Hill Wallack, LLP	11/20/14	\$2,000	\$141,882		\$207			\$144,089			
Paterson	New PS#16	GP-0089-R12	9/2/08	39	Wolff & Samson, P.C.	11/20/14	\$2,895	\$125,600		\$1,624			\$130,120			
Long Branch	New H.S. (-x03)	GP-0162-R12	10/20/11	26	Greenbaum, Rowe, Smith & Davis LLP	11/20/14	\$0	\$156,895		\$30,165			\$187,060	0.00%	\$0	NA
Egg Harbor Township	New Davenport E.S. #2 New Slaybaugh E.S. #3	GP-0162-R13	10/20/11	22	Hill Wallack, LLP	11/12/14	\$0	\$129,122		\$9,206			\$138,328	0.00%	\$0	NA
Jersey City	Lincoln H.S. Dr. C. T. Epps Freshman Academy		10/20/11	23	Hill Wallack, LLP	11/12/14	\$0	\$138,328		\$4,433			\$142,760	0.00%	\$0	NA

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

Reporting Period 11/1/14 through 11/30/14

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	Frank R. Conwell ES #3 (aka New PS3 ES) Frank R. Conwell MS #4 (New Middle School #4)	GP-0162-R15	10/20/11	18	Eckert Seamans Cherin & Mellott, LLC	11/20/14	\$0	\$393,741		\$6,957			\$400,698	0.00%	\$0	NA
Jersey City	Frank R. Conwell ES #3 (aka New PS3 ES) Frank R. Conwell MS #4 (New Middle School #4)		10/20/11	19	Eckert Seamans Cherin & Mellott, LLC	11/25/14	\$0	\$400,698		\$5,820			\$406,518	0.00%	\$0	NA
Jersey City	Frank R. Conwell ES #3 (aka New PS3 ES) Frank R. Conwell MS #4 (New Middle School #4)		10/20/11	20	Eckert Seamans Cherin & Mellott, LLC	11/25/14	\$0	\$406,518		\$7,104			\$413,621	0.00%	\$0	NA
Newark	Park Avenue E.S.	GP-0162-R18	10/20/11	39	Dilworth Paxson LLP	11/12/14	\$0	\$357,398		\$2,935			\$360,333	0.00%	\$0	NA
Camden City	Early Childhood Development Center #25		10/20/11	40	Dilworth Paxson LLP	11/12/14	\$0	\$360,333		\$4,687			\$365,020	0.00%	\$0	NA
Newark	Park Avenue E.S.		10/20/11	41	Dilworth Paxson LLP	11/17/14	\$0	\$365,020		\$-17,350			\$347,670	0.00%	\$0	NA
Multi-District, Project, or Statewide	New PS#16 A. Chester Redshaw E.S. Bonsall E.S. Broad Street E.S. Dayton Ave. Ed Complex Elliott Street E.S. Irvington H.S. New Caruso E.S. New ES #3 New ES at Henry St. (-x01) New ES at Leonard Place New Middle School Oliver Street E.S. Paul Robeson Community E.S. Quarter Mile Lane E.S. Seaman Avenue School Statewide Project ID Trenton Central H.S. Vineland New MS	GP-0195-R02	2/28/13	9	Banc3, Inc.	11/20/14	\$0	\$245,936		\$38,192			\$284,128	0.00%	\$0	NA
Trenton	Trenton Central H.S.	GP-0195-R06	2/28/13	5	Armand Corporation	11/7/14	\$0	\$49,633		\$13,766			\$63,398	0.00%	\$0	NA

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

Reporting Period 11/1/14 through 11/30/14

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	Printing Bid Packages	GP-0197-R01	4/15/13	4	Treasurer, State of NJ	11/12/14	\$0	\$1,246		\$383			\$1,628	0.00%	\$0	NA
Newark	Park Avenue E.S.	GP-0200-R07	11/14/13	2	Dilworth Paxson LLP	11/17/14	\$0	\$1,278		\$17,350			\$18,628	0.00%	\$0	NA
Multi-District, Project, or Statewide	Legal Services	GP-0200-R13	11/14/13	6	Rabinowitz, Lubetkin & Tully, LLC	11/25/14	\$0	\$3,907		\$754			\$4,661	0.00%	\$0	NA
New Brunswick	Temporary School	ET-0071-G01	9/7/12	27	30 Van Dyke Avenue, Urban Renewal	11/7/14	\$0	\$-1,891,883		\$-61,683			\$-1,953,567	0.00%	\$0	NA
Newark	West Side H.S.	NE-0008-L56	7/1/04	55	City of Newark	11/6/14	\$2,512	\$6,047		\$23			\$8,583	241.61%	\$2,512	241.61%
Newark	Speedway Ave. ES Replacement	NE-0009-M01	1/18/08	5	Lend Lease (US) Construction LMB Inc.	11/5/14	\$1,155,000	\$397,615	8/10	\$-2,184			\$1,550,431	34.23%	\$1,155,000	-0.18%
Newark	West Side H.S.	NE-0070-L22	4/8/10	167	Public Service Electric and Gas Company	11/6/14	\$22	\$16,665		\$35			\$16,721	77,457.46%	\$22	77,457.46%
Newark	West Side H.S.		4/8/10	168	Public Service Electric and Gas Company	11/6/14	\$22	\$16,700		\$182			\$16,903	78,302.04%	\$22	78,302.04%
River Edge	Cherry Hill E.S.	G5-4919-D01	5/6/14	1	District - River Edge	11/24/14	\$200,674	\$0		\$-34,274			\$166,400	-17.07%	\$200,674	-17.07%
Somerset County Vocational School District	Somerset County Voc.-Tech. V.S.	G5-6123-D01	7/16/14	1	District - Somerset County Voc. S.D.	11/24/14	\$724,000	\$0		\$-36,794			\$687,206	-5.08%	\$724,000	-5.08%
Trenton	Martin Luther King/Jefferson School	GP-0105-R01	5/20/08	17	First Environment, Inc.	11/18/14	\$113,566	\$118,580		\$30,307			\$262,452	131.10%	\$113,566	131.10%
Trenton	Martin Luther King/Jefferson School		5/20/08	18	First Environment, Inc.	11/18/14	\$113,566	\$148,886		\$15,789			\$278,241	145.00%	\$113,566	145.00%
Trenton	Martin Luther King/Jefferson School		5/20/08	19	First Environment, Inc.	11/18/14	\$113,566	\$164,675		\$20,739			\$298,980	163.26%	\$113,566	163.26%
Trenton	Martin Luther King/Jefferson School		5/20/08	20	First Environment, Inc.	11/18/14	\$113,566	\$185,414		\$2,310			\$301,290	165.29%	\$113,566	165.29%
Trenton	Martin Luther King/Jefferson School		5/20/08	21	First Environment, Inc.	11/18/14	\$113,566	\$187,724		\$15,824			\$317,113	179.23%	\$113,566	179.23%
Trenton	Martin Luther King/Jefferson School		5/20/08	22	First Environment, Inc.	11/18/14	\$113,566	\$203,547		\$15,774			\$332,887	193.12%	\$113,566	193.12%
Trenton	Martin Luther King/Jefferson School	WT-0011-R05	12/1/06	27	Gibbons P.C.	11/25/14	\$359,274	\$305,167		\$512			\$664,952	85.08%	\$359,274	85.08%
Trenton	Martin Luther King/Jefferson School		12/1/06	28	Gibbons P.C.	11/25/14	\$359,274	\$305,679		\$214			\$665,166	85.14%	\$359,274	85.14%
Trenton	Martin Luther King/Jefferson School		12/1/06	29	Gibbons P.C.	11/25/14	\$359,274	\$305,893		\$25			\$665,191	85.14%	\$359,274	85.14%
Trenton	Martin Luther King/Jefferson School		12/1/06	30	Gibbons P.C.	11/25/14	\$359,274	\$305,917		\$283			\$665,473	85.22%	\$359,274	85.22%
Trenton	Martin Luther King/Jefferson School		12/1/06	31	Gibbons P.C.	11/25/14	\$359,274	\$306,200		\$324			\$665,798	85.31%	\$359,274	85.31%
Trenton	Martin Luther King/Jefferson School		12/1/06	32	Gibbons P.C.	11/25/14	\$359,274	\$306,524		\$392			\$666,190	85.42%	\$359,274	85.42%
Trenton	Martin Luther King/Jefferson School		12/1/06	33	Gibbons P.C.	11/25/14	\$359,274	\$306,916		\$1,215			\$667,404	85.76%	\$359,274	85.76%
Trenton	Martin Luther King/Jefferson School		12/1/06	34	Gibbons P.C.	11/25/14	\$359,274	\$308,131		\$4,087			\$671,491	86.90%	\$359,274	86.90%
Trenton	Martin Luther King/Jefferson School		12/1/06	35	Gibbons P.C.	11/25/14	\$359,274	\$312,217		\$378			\$671,869	87.00%	\$359,274	87.00%
Trenton	Martin Luther King/Jefferson School		12/1/06	36	Gibbons P.C.	11/25/14	\$359,274	\$312,595		\$1,360			\$673,229	87.38%	\$359,274	87.38%

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

Reporting Period 11/1/14 through 11/30/14

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																
Willingboro Township	Levitt Middle School	G5-1922-D01	9/2/04	1	District - Willingboro Township	11/7/14	\$1,986,430	\$0		\$-141,952			\$1,844,478	-7.14%	\$1,986,430	-7.14%
Others																
Professional Services										\$-23,201,915						

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

Reporting Period 11/1/14 through 11/30/14

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																
Burlington City	Burlington City H.S.	WT-0013-C01	1/30/04	331	Ernest Bock & Sons, Inc.	11/21/14	\$28,723,000	\$17,558,253	11/19/09	\$117,510			\$46,398,763	61.53%	\$28,723,000	0.40%
Irington Township	University Six School	HS-0094-C05	12/30/02	7	Arkay Construction, Inc.	11/26/14	\$889,200	\$390,829	3/15/04	\$-2,000			\$1,278,029	43.72%	\$1,280,029	-0.15%
Long Branch	New H.S. (-x03)	ET-0010-C02	6/10/14	2	Ingrassia Construction Co Inc	11/7/14	\$1,691,825	\$0		\$-22,880			\$1,668,945	-1.35%	\$1,691,825	-1.35%
Long Branch	George L. Catrambone E.S. (formerly Elberon)	ET-0068-C01	5/31/12	46	Terminal Construction Corp.	11/7/14	\$27,500,000	\$14,299	7/24/13	\$2,487			\$27,516,786	0.06%	\$27,500,000	0.06%
Contractor																
Construction Services																
										\$95,117						

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

Reporting Period 11/1/14 through 11/30/14

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																
Others																
Asbury Park	Asbury Middle School	ET-0040-L01	10/17/03	1	Chicago Title Insurance Company	11/20/14	\$328	\$0		\$-151			\$177	-46.03%	\$328	-46.03%
Others																
Other Contracts & Services																
										\$-151						

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

Reporting Period 11/1/14 through 11/30/14

Grand Totals

Total Change Order Summary
\$-23,106,949

Total Change Orders
85

Column Description Legend

CO Execution Date	Date the Change Order was entered into the SIMS system
Revised Contract Amount	Current value of the contract (excluding additional assignments) including current change order
Cumulative CO %	Cumulative percentage change in contract value (excluding additional assignments) over the original contract award amount
RBC Value	Revised Basis Contract Value – This value is the Original Award amount for contracts executed after July 27, 2005 or contracts for which board approval has been required after July 27, 2005. Otherwise, this value is the contract value as of July 27, 2005.
Cumulative % since last Board Approval	Cumulative percentage change in contract value since either the later of July 27, 2005 or last board action date over the RBC Value. If the current change order received approval prior to July 27, 2005 this value is not applicable.

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CONTRACT TERMINATIONS REPORT (*no activity*)

SETTLEMENT CLAIMS

Settled Claims Log

Contract #	School Name	Claimant	Type of Claim	Settlement Date	Claim Amount (Per SDA Form 505)	Settlement
HS-0050-C01	Camden HS	Winchester Roofing	Extended General Conditions	7/2/2014	\$179,904.41	\$37,325.66
NE-0009-C02	Speedway ES	Delric Construction	Removal of Impacted Soils	7/22/2014	\$264,713.00	\$172,518.86
NE-0009-C02	Speedway ES	Delric Construction	67 CD Extension - Impacted Soils	7/22/2014	\$181,074.45	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Sales Tax Reimbursement	7/22/2014	\$1,757.33	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Pit excavation - contaminated water	7/22/2014	\$26,054.00	\$3,108.41
NE-0009-C02	Speedway ES	Delric Construction	Removal of 18" RCP	7/22/2014	\$2,282.00	\$770.12
NE-0009-C02	Speedway ES	Delric Construction	Relocation of new water lines	7/22/2014	\$12,514.00	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Additional site dewatering	7/22/2014	\$17,307.00	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Permit Fees	7/22/2014	\$11,131.00	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Add'l flashing - duct supports	7/22/2014	\$12,855.00	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Temporary Heat	7/22/2014	\$401,853.08	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Excavation - unsuitable soils	7/22/2014	\$46,137.00	\$19,560.11
NE-0009-C02	Speedway ES	Delric Construction	Additional excavation/backfill per PMF	7/22/2014	\$55,578.00	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Remove additional concrete	7/22/2014	\$79,302.35	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Emergency gas/water shut off	7/22/2014	\$13,853.90	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Additional uplift bridging	7/22/2014	\$7,997.12	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Langan directed additional excavation	7/22/2014	\$435,722.00	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Remove and replace s. wall brick	7/22/2014	\$26,975.18	\$9,743.42
NE-0009-C02	Speedway ES	Delric Construction	Solid vs. hollow picket fence	7/22/2014	\$75,932.56	\$31,070.65
NE-0009-C02	Speedway ES	Delric Construction	Inspection of backfill remedial work	7/22/2014	\$33,102.83	\$10,611.89
NE-0009-C02	Speedway ES	Delric Construction	Lavatory shield trap wraps	7/22/2014	\$8,308.80	\$3,690.78
NE-0009-C02	Speedway ES	Delric Construction	Electrical delay	7/22/2014	\$698,040.09	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Added structural steel work	7/22/2014	\$132,944.41	\$10,585.23
NE-0009-C02	Speedway ES	Delric Construction	Miscellaneous plumbing changes	7/22/2014	\$7,373.71	\$0.00
NE-0009-C02	Speedway ES	Delric Construction	Delric Delay Claim	7/22/2014	\$3,012,629.00	\$479,639.25
PM-0006-P01	Jersey City Region	URS Corporation	Project delays/additional costs	9/17/2014	\$3,981,653.00	\$2,100,000.00
PM-0024-P01	Region 10 Schools	URS Corporation	Additional Compensation	9/17/2014	\$2,761,767.00	\$750,000.00
HU-0006-C02	West New York #3	Prismatic Dev.	Low E Coating Glazed Windows	9/29/2014	\$33,807.00	\$29,106.00
HU-0006-C02	West New York #3	Prismatic Dev.	Atrium SWO Impact	9/29/2014	\$3,650,122.00	\$1,541,403.00
WT-0013-C01	Burlington City HS	Ernest Bock & Sons	Removal of Contaminated Soil	11/19/2014	\$189,867.00	\$90,214.92
WT-0013-C01	Burlington City HS	Ernest Bock & Sons	Tri-State/Widener Escalation	11/19/2014	\$118,470.00	\$27,295.21
			TOTAL FOR DECEMBER, 2014		\$16,481,028.22	\$5,316,643.51

CONTRACTOR AND WORKFORCE COMPLIANCE REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

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: January 7, 2015

SUBJECT: Contractor and Workforce Compliance Monthly Update for October

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 October, 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 October, 2014 there was a contractor workforce of 845 on SDA projects. This represents a total of 57,371 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	103	6,232	10.86%
Hispanic	135	8,675	15.12%
American Indian	3	16	0.28%
Asian	2	40	0.70%
Total Minority Participation	243	14,963	26.08%
Total Non-Minority Participation	602	42,408	26.18%

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

There was a contractor workforce of 386,208 total workforce hours which includes 3,761 total female workforce hours on SDA projects for the period of January 1, 2014 through October, 2014. The following table highlights the *Local County Contractor Workforce* participation for that period:

Local County Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	386,208	100.00%
*Total Local County Workforce Hours	69,536	18.01%
Total Local County Non-Minority Workforce Hours	45,216	11.71%
Total Local County Female Workforce Hours	3,761	0.33%
Total Local County Minority Workforce Hours	24,320	6.30%
**Local County Workforce Hours by Ethnicity:		
Black	13,847	3.59%
Hispanic	9,880	2.56%
American Indian	48	0.00%
Asian	545	0.14%

*Total workforce and total local county workforce represent all laborers including females

**Minority female laborers are captured as female laborers only and are not included in the minority breakdown.

The following table represents contractor and female workforce for all SDA active Capital Projects from project commencement and all active and completed Emergent Projects for the period of January 1, 2014 through October 31, 2014.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Local County Workforce Hours & Percentage	
Bridgeton, Buckshutem ES & Qtr. Mile	14,747	3,080	20.89%	0	0%
Elizabeth, New Academic HS	20,698	4,444	21.47%	19,315	93.32%
Jersey City, Jersey City PS #20	24,279	7,770	32.00%	2,372	9.77%
Jersey City, Jersey City PS #3	6	0	00.0%	0	0.00%
Keansburg, Caruso ES	197	90	45.69%	118	59.90%
New Brunswick, Redshaw ES	85,331	21,745	25.48%	12,447	14.59%
Newark, Elliott Street ES	50,924	10,933	21.47%	10,505	20.63%
Newark, Oliver Street ES	23,144	6,190	26.75%	61	0.26%
Passaic, New Henry Street	51,029	6,492	12.72%	6,300	12.35%
Paterson, PS #16	3,630	526	14.49%	391	10.77%
Paterson, Marshall Street ES	19,311	5,275	27.32%	1,753	9.08%
Phillipsburg, Phillipsburg HS	27,221	2,059	7.56%	1,122	4.12%
All Emergent Projects (YTD)	1,234	326	26.42%	690	55.92%
Totals	321,751	68,930	21.42%	55,074	17.12%

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: January 7, 2015

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 November 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.
- 30 grants impacting 12 districts were executed during the reporting period representing \$23.7M in total project costs and state share of \$9.7M.
- 1 grant impacting 1 district was closed out during the reporting period representing \$3.3M in total project costs and state share of \$1.8M.
- 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.



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

Monthly Regular Operating District Grant Report - Summary

November 2014

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	274	517	491	300
Number of Grant Projects	1,275	4,770	3,448	1,322
Total Project Cost Estimate	\$ 1,387,911,902	\$ 8,460,319,433	\$ 7,154,609,381	\$ 1,305,710,052
Grant Amount	\$ 556,393,621	\$ 2,796,096,186	\$ 2,291,159,737	\$ 504,936,449
Amount Disbursed	N/A	\$ 2,468,701,913	\$ 2,291,159,737	\$ 177,542,176

Total Funding Offered to School Districts via Grant Program	\$ 3,352,489,807
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Total ROD Grant Funding remaining for new Grant Projects	\$ 10,312,380
--	---------------

1. Includes grants that have been offered to District's but have not yet been executed.

ROD Grant Summary - November 2014		
	Executed	Closed-Out
Districts Impacted	12	1
Number of Grant Projects	30	1
Total Project Cost Estimate	\$ 23,720,795	\$ 3,305,422
Grant Amount	\$ 9,746,979	\$ 1,844,478
Amount Disbursed	NA	\$ 1,844,478

* 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

November 2014

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Bergen	Ramapo Indian Hills Regional High School District	Indian Hills H.S.	\$ 1,932,000	\$ 772,800	Exterior masonry upgrades
Bergen	Ramapo Indian Hills Regional High School District	Ramapo H.S.	\$ 1,152,200	\$ 460,880	Exterior masonry upgrades
Bergen	Ramapo Indian Hills Regional High School District	Ramapo H.S.	\$ 241,817	\$ 96,727	Exterior Closure
Burlington	Tabernacle Township	Tabernacle E.S.	\$ 274,000	\$ 109,600	Exterior Closure, Life Safety
Burlington	Tabernacle Township	Tabernacle M.S.	\$ 334,000	\$ 133,600	Life Safety
Camden	Brooklawn	Alice Costello E.S.	\$ 152,380	\$ 104,253	New security cameras and equipment
Gloucester	Monroe Township - Gloucester	Oak Knoll E.S.	\$ 598,001	\$ 325,271	Unit ventilator replacement
Hunterdon	Delaware Township	Delaware Township E.S. #1	\$ 399,347	\$ 159,739	Replacement of rooftop HVAC units
Hunterdon	Delaware Township	Delaware Township E.S. #1	\$ 346,383	\$ 138,553	Upgrade of clocks, bells, communications and crisis management systems
Hunterdon	Delaware Township	Delaware Township E.S. #1	\$ 149,953	\$ 59,981	Electrical upgrade in 1970 wing.
Hunterdon	Milford Borough	Milford E.S.	\$ 170,000	\$ 68,000	ADA - Renovate lower level toilet rooms
Hunterdon	Milford Borough	Milford E.S.	\$ 90,000	\$ 36,000	ADA - Renovate main level toilet rooms
Monmouth	Monmouth County Vocational School District	Monmouth Co. Acad. Allied Hth. Sci.	\$ 554,130	\$ 221,652	Repair parking lot
Monmouth	Rumson-Fair Haven Regional H.S. Dist.	Rumson-Fair Haven Reg. H.S.	\$ 78,750	\$ 31,500	Security upgrades
Monmouth	Rumson-Fair Haven Regional H.S. Dist.	Rumson-Fair Haven Reg. H.S.	\$ 57,750	\$ 23,100	Exterior Closure
Ocean	Jackson Township	Carl W. Goetz M.S.	\$ 185,282	\$ 74,113	Security upgrades at exterior of school
Ocean	Jackson Township	Christa McAuliffe M.S.	\$ 142,973	\$ 57,189	Security upgrades at exterior of school
Ocean	Jackson Township	Crawford-Rodriguez E.S.	\$ 95,902	\$ 38,361	Security upgrades at exterior of school
Ocean	Jackson Township	Elms ES	\$ 101,611	\$ 40,644	Security upgrades at exterior of school
Ocean	Jackson Township	Howard C. Johnson E.S.	\$ 88,651	\$ 35,460	Security upgrades at exterior of school

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

Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

November 2014

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Ocean	Jackson Township	Jackson Liberty High School	\$ 114,280	\$ 45,712	Security upgrades at exterior of school
Ocean	Jackson Township	Jackson Memorial H.S.	\$ 12,188,083	\$ 4,875,233	Plumbing, HVAC, Communications, Electrical
Ocean	Jackson Township	Jackson Memorial H.S.	\$ 224,211	\$ 89,684	Security upgrades at exterior of school
Ocean	Jackson Township	Lucy N. Holman E.S.	\$ 97,943	\$ 39,177	Security upgrades at exterior of school
Ocean	Jackson Township	Switlik E.S.	\$ 104,545	\$ 41,818	Security upgrades at exterior of school
Ocean	Jackson Township	Sylvia Rosenauer E.S.	\$ 59,409	\$ 23,764	Security upgrades at exterior of school
Ocean	Ocean Gate	Ocean Gate E.S.	\$ 382,200	\$ 160,753	New classroom A/C
Somerset	South Bound Brook Borough	Robert Morris/Voorhees E.S.	\$ 544,116	\$ 280,934	Remove and Replace existing boiler, Remove and replace existing mechanical equipment in Old Media Center. Alterations to radiant heating system in locker rooms. Replace existing public address system in Multi-Purpose Room
Somerset	South Bound Brook Borough	Robert Morris/Voorhees E.S.	\$ 499,777	\$ 258,041	Installation of new backup emergency generator
Somerset	Warren Township	Mount Horeb E.S.	\$ 2,361,101	\$ 944,440	Roof replacement
Grand Total		Grants Executed - 30	\$ 23,720,795	\$ 9,746,979	

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: January 7, 2015

SUBJECT: Monthly Communications Report

Christie Administration Breaks Ground for New Caruso Elementary School in Kearsburg



On December 16, CEO Charles McKenna joined legislators, local officials, and Kearsburg School District leaders to break ground on the future new Joseph C. Caruso Elementary School. This building will be the first new school in Kearsburg built by the SDA.

The new 122,000 square-foot school is designed to educate approximately 750 students in kindergarten through fourth grades. The facility will include 28 general use classrooms, eight kindergarten classrooms, self-contained special education classrooms, a media center, a gymnasium and a cafetorium. The school is anticipated for student occupancy in September 2016.

Christie Administration Announces Demolition Activities in Garfield



On December 5, CEO Charles McKenna joined Garfield School District officials to announce the start of demolition activities at a site in Garfield to make room for a new elementary school. The new James Madison Elementary School Number 10 will replace the former school that will be demolished. The Phase 1 work will prepare the site for the future construction of a new approximately 50,000 square foot elementary school facility that will be designed to educate

Members of the Authority
Communications Report
January 7, 2015
Page 2 of 2

approximately 275 students from kindergarten through fifth grades. The school will be the third new building constructed by the SDA in Garfield.

SDA Participates in the Governor's Season of Service



As part of the Christie Administration's fourth annual "Season of Service", New Jersey Schools Development Authority (SDA) Chief Executive Officer Charles McKenna and SDA staff volunteered at the Food Bank of South Jersey in Pennsauken on December 16. The SDA also participated in another event at the Community Food Bank of New Jersey in Hillside a few weeks prior.

SDA Releases the Biannual Report

The SDA released its Biannual Report on the School Facilities Construction Program. The report summarizes activities of the SDA for the time period April 1, 2014 through September 30, 2014. The report is required to be submitted to the Governor and the Legislature pursuant to the Educational Facilities Construction and Financing Act. The report is available on the SDA website: www.NJSDA.gov.

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: January 7, 2015

SUBJECT: Monthly Financial Report – November 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 November 2014 year to date, Authority operating expenses, **\$16.1 million**, are **down \$2.9 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 **\$2.1 million**. The Authority is currently 26 FTEs under budget. Also, the annual employer pension contribution payment was \$223K lower than anticipated;
- Year to date spending reductions related to; MIS projects **\$312K**, Contract Services **\$248K** (including DAG Fees \$68K, Internal/External Audit Fees \$106K, and Project Services \$74K), and General Office & Facilities **\$221K**.

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

For November 2014 year to date, Authority operating expenses, **\$16.1 million**, are **\$2.3 million** lower as compared to the *corresponding prior year*. The decrease in the year-over-year expense is due to:

- Cost savings of **\$1.1M** related to the lease termination of 1 West State Street office space, (lower rent **\$727K**, moving **expenses \$271K**, and utilities **\$137K**);
- Personnel Expense, **\$599K** – 13 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, **\$277K** (including the DOE Long Range Facility Project, \$252K) and Contract Services **\$206K**, (including Internal Audit fees, \$189K);

Members of the Authority
January 7, 2015
Page 2

- 2013 expenditure for leasehold improvements, and the new telephone system, **\$136K**.

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

For November 2014 year to date, project expenditures, **\$257.6 million**, are **down \$49.8 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 **\$26M**, construction activity **\$30.4M**, 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 November 2014 year to date, project expenditures, **\$257.6 million**, have increased by **\$67.1M** as compared to the *corresponding prior year*. The year-over-year variance is attributable to increased spending for construction cost **\$61M**, and other project related activity **\$15.6M**, as well as the 2013 insurance claim cost recovery (credit in prior year) for the Elliott Street School **\$15.1M**, offset by a decrease in grant activity, **\$24.6M**.

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**

November 2014

(Unaudited)



New Jersey Schools Development Authority
 Financial Summary
 November 30, 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, November 30, 2014.

Selected Financial Information:

► Overall **Cash and Cash Equivalents** has increased by \$313 million to \$595 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ 585,000,000
■ Investment earnings	136,430
■ Miscellaneous revenue	109,829
■ Project costs	(257,591,975)
■ SDA operating expenses	(13,053,971)
■ SDA capital expenditures	(95,331)
■ Deposits (primarily district local shares)	(1,862,491)
Net Change in Cash	\$ 312,642,491

► **Prepaid Expenses** total \$188,173 as follows:

- Prepaid insurance of \$44,098.
- Prepaid rents of \$98,552 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$6,297.
- Prepaid security deposits of \$10,937 for the Authority's leased swing space.
- Other prepaids of \$28,289.

► **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 \$92,352.

► **Accrued Liabilities** total \$69.3 million, as follows:

- Accrued project costs of \$19.3 million consisting of unpaid invoices (\$9.6 million); retainage (\$9.7 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 \$1.8 million.
- Post-employment benefits obligation of \$15.8 million.
- Other accrued liabilities of \$.3 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
November 30, 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 \$20.4 million and \$257.6 million, respectively, as follows:

Category	Month	Year-To-Date	From Inception
■ Construction	\$ 13,389,084	\$ 144,243,071	\$ 3,996,298,385
■ Design Services	212,952	3,310,303	403,342,605
■ PMF/CM Services	412,761	7,243,456	433,855,402
■ SDA Project Management	1,087,022	13,101,433	27,119,420
■ Property Acquisition, Relocation & Environmental	497,401	6,847,572	537,372,188
■ School Furniture, Fixtures & Equipment	634,539	5,221,132	105,452,239
■ Project Insurance	-	363,333	96,879,204
■ NJ State Inter-Agency Transfers	-	679,785	46,013,851
■ SDA District Grant & Funding Agreements	1,365,787	11,680,431	805,643,481
■ Regular Operating District Grant Agreements	2,518,428	62,560,630	2,477,634,464
■ Real-Time Project Audits	-	-	-
■ Property Management, Maintenance & Utilities	14,813	828,518	13,372,207
■ Legal & Claims Resolution Services	187,273	1,330,555	5,207,935
■ Other Project Costs	95,536	1,371,897	54,918,032
■ Project Credits	-	-	(54,902,944)
Total Project Expenditures	20,415,596	258,782,116	8,948,206,469
■ Less: Local Share Disbursements	-	(1,190,141)	(178,160,707)
Project Expenditures (State Share)	\$ 20,415,596	\$ 257,591,975	\$ 8,770,045,762
■ Invoice Accruals at Month End (not included above)	\$ 9,614,542	\$ 9,614,542	

▶ **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	\$ 9,007,280,373	\$ 6,289,933,824	69.8%
■ Regular Operating Districts	3,450,000,000	3,492,852,313	2,770,402,993	79.3%
■ Vocational Schools	150,000,000	151,712,231	106,623,486	70.3%
Totals - State Share	\$ 12,500,000,000	\$ 12,651,844,917	\$ 9,166,960,303	72.5%

▶ **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.
- 795 Section 15 Grant Agreements have been executed with an aggregate contract value of \$192,572,728 (State Share - Non-SDA Districts).
- 122 purchase orders has been issued for school furniture & technology (i.e., computers & related equipment) purchases with an aggregate contract value of \$5,062,795.

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 \$396,914,540

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



**New Jersey Schools Development Authority
Flash Operating Report
November 30, 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	\$ 16,655,011	\$ 17,896,124	\$ 16,454,977	\$ 1,241,113	\$ (200,034)	\$ 19,522,993	\$ 18,517,594
Employee Benefits	8,609,705	10,140,886	9,108,118	1,531,181	498,413	10,853,785	9,977,033
Direct Hire Temporary Employee Costs	344,177	534,853	311,574	190,676	(32,603)	583,463	406,593
Total Employee Salaries & Benefits Costs	25,608,893	28,571,863	25,874,669	2,962,970	265,776	30,960,241	28,901,220
Less: Employee Salaries & Benefits Costs Charged to Projects	(13,101,433)	(14,070,056)	(12,736,642)	(968,623)	364,791	(15,349,128)	(14,891,516)
Operating Employee Salaries & Benefits Costs	12,507,460	14,501,807	13,138,027	1,994,347	630,567	15,611,113	14,009,704
Temporary Employees	46,989	119,163	29,926	72,174	(17,063)	130,000	80,000
Interagency Agreements	96,846	169,587	101,188	72,741	4,342	185,000	131,352
Other Contract & Professional Outside Services	130,908	306,212	332,649	175,304	201,741	330,500	304,500
Employee Expense Reimbursements	16,857	26,818	9,725	9,961	(7,132)	29,250	17,000
Training & Professional Development	36,962	66,946	36,997	29,984	35	72,970	54,748
Parking	48,120	48,125	43,860	5	(4,260)	52,500	52,500
Automobiles	63,236	76,087	59,673	12,851	(3,563)	83,000	83,000
Communications & Outreach	360	462	480	102	120	500	500
Management Information Systems	748,798	1,060,675	1,026,056	311,877	277,258	1,157,100	1,083,420
General Office & Facilities	2,315,388	2,536,886	3,409,992	221,498	1,094,604	2,767,520	2,720,976
Other General	13,604	26,576	18,509	12,972	4,905	29,000	24,500
Reserve for Unforeseen Events & New Initiatives	-	45,837	-	45,837	-	50,000	50,000
Total Non-Capitalized Operating Expenses	16,025,528	18,985,181	18,207,082	2,959,653	2,181,554	20,498,453	18,612,200
Capitalized Operating Expenses (Internal)	95,331	54,000	231,542	(41,331)	136,211	54,000	130,000
Total Authority Operating Expenses	\$ 16,120,859	\$ 19,039,181	\$ 18,438,624	\$ 2,918,322	\$ 2,317,765	\$ 20,552,453	\$ 18,742,200
Total Authority Operating Expenses Before Allocation of Salaries & Benefits Costs to Projects	\$ 29,222,292	\$ 33,109,237	\$ 31,175,266	\$ 3,886,945	\$ 1,952,974	\$ 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
November 30, 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	\$ 621,977	\$ 422,455	\$ 454,272	\$ (199,522)	\$ (167,705)	\$ 460,864	\$ 689,434
Design Studio - Employee Benefits	253,195	178,959	193,380	(74,236)	(59,815)	195,222	282,136
Design Studio - Direct Hire Temps	294,720	440,231	232,952	145,511	(61,768)	480,258	298,538
Field Staff - Employee Salaries	3,050,920	3,403,400	2,946,044	352,480	(104,876)	3,712,788	3,486,490
Field Staff - Employee Benefits	1,242,902	1,441,671	1,247,572	198,769	4,670	1,572,737	1,428,289
Field Staff - Direct Hire Temps	-	-	-	-	-	-	-
Support Staff - Employee Salaries	1,094,087	1,442,177	1,174,945	348,090	80,858	1,573,282	1,312,311
Support Staff - Employee Benefits	445,719	610,907	497,584	165,188	51,865	666,442	537,197
Total Direct Project Management Salaries & Benefits	7,003,520	7,939,800	6,746,749	936,280	(256,771)	8,661,593	8,034,395
Indirect - Project Management Salaries & Benefits							
Indirect - Employee Salaries	4,332,964	4,296,666	4,192,978	(36,298)	(139,986)	4,687,267	4,860,725
Indirect - Employee Benefits	1,754,841	1,820,071	1,779,203	65,230	24,362	1,985,526	1,980,651
Indirect - Direct Hire Temps	10,108	13,519	17,712	3,411	7,604	14,742	15,745
Total Indirect Project Management Salaries & Benefits	6,097,913	6,130,256	5,989,893	32,343	(108,020)	6,687,535	6,857,121
Total Authority Project Management Expenses	\$ 13,101,433	\$ 14,070,056	\$ 12,736,642	\$ 968,623	\$ (364,791)	\$ 15,349,128	\$ 14,891,516



New Jersey Schools Development Authority
Flash Operating Report
November 30, 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.	21	25	4
Program Operations, Safety	8	10	2
Program Operations, Project Teams	70	80	10
Corp Governance & Operations, Management	2	3	1
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	5	4	(1)
Financial Operations, Controller	13	13	-
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>230</u>	<u>256</u>	<u>26</u>
EOM Budget	<u>256</u>		



New Jersey Schools Development Authority
Statement of Net Position and General Fund Balance Sheet
November 30, 2014

	General Fund		Statement of Net Position	
	Total	Adjustments	Current Yr	Prior Yr End
ASSETS				
Cash and Cash Equivalents	\$ 594,552,113		\$ 594,552,113	\$ 281,909,622
Receivables	165,858	\$ 711,097	876,955	1,353,319
Prepaid Expenses	188,173		188,173	645,466
Capital Assets (Net of Accumulated Depreciation of \$6,445,964)		373,132	373,132	370,153
Total Assets	\$ 594,906,144	\$ 1,084,229	\$ 595,990,373	\$ 284,278,560
LIABILITIES				
Accrued Project Costs	\$ 19,267,848	\$ 32,120,351	\$ 51,388,199	\$ 81,038,969
Accrued Other Post-Employment Benefits Obligation		15,848,706	15,848,706	13,880,767
Other Accrued Liabilities	946,479	1,132,558	2,079,037	1,709,076
Deposits	4,538,499		4,538,499	6,400,990
Total Liabilities	24,752,826	49,101,615	73,854,441	103,029,802
FUND BALANCE/NET POSITION				
Invested in Capital Assets		373,132	373,132	370,153
Nonspendable:				
Prepaid Expenses	188,173	(188,173)		
Restricted:				
Schools Construction Build America Bond Program	-		-	-
Schools Construction Special Revenue Fund	569,965,145	(48,202,345)	521,762,800	180,878,605
Total Fund Balance/Net Position (Deficit)	570,153,318	(48,017,386)	522,135,932	181,248,758
Total Liabilities and Fund Balance/Net Position	\$ 594,906,144	\$ 1,084,229	\$ 595,990,373	\$ 284,278,560



New Jersey Schools Development Authority
Statement of Activities and General Fund Revenues, Expenditures and Changes in Fund Balances
November 30, 2014 Year-To-Date

	<u>General Fund Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>	
			<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	136,430		136,430	256,833
Rental Income	109,687		109,687	131,083
Other Revenue-OPRA	142		142	5,189
Total Revenues	<u>585,246,259</u>	<u>-</u>	<u>585,246,259</u>	<u>393,105</u>
Expenditures/Expenses				
Administrative & General Expenses	14,057,589	\$ 1,967,939	16,025,528	18,207,082
Capital Expenditures	95,331	(95,331)	-	-
Capital Depreciation		92,352	92,352	544,320
School Facilities Project Costs	231,779,154	(3,537,949)	228,241,205	136,967,576
Total Expenditures/Expenses	<u>245,932,074</u>	<u>(1,572,989)</u>	<u>244,359,085</u>	<u>155,718,978</u>
Excess of Revenues Over Expenditures	339,314,185	1,572,989		
Change in Net Position			340,887,174	(155,325,873)
Fund Balance/Net Position (Deficit)				
Beginning of Year	230,839,133	(49,590,375)	181,248,758	373,464,758
End of Period	<u>\$ 570,153,318</u>	<u>\$ (48,017,386)</u>	<u>\$ 522,135,932</u>	<u>\$ 218,138,885</u>

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



**New Jersey Schools Development Authority
Summary of Cash Receipts & Disbursements
November 30, 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	-	136,430	109,829	257,591,975	13,053,971	95,331	(1,862,491)	312,642,491
Totals	9,605,129,000	5,136,963	142,114,897	4,593,057	8,770,045,762	382,430,428	14,484,113	4,538,499	\$594,552,113
Cash & Cash Equivalents									\$594,552,113

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 (\$4,538,499).
 6 2010 Investment Earnings includes: 2009 New Brunswick legal settlement, \$144,736, and interest income \$1,299,176, offset by the Rebate Arbitrage payment of \$4,193,776



New Jersey Schools Development Authority
 Interagency Agreements
 November 30, 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.	295,578	5,607,380	5,902,958
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>679,785</u>	<u>45,334,066</u>	<u>46,013,851</u>

(Continued on Next Page)



New Jersey Schools Development Authority
 Interagency Agreements
 November 30, 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.	84,627	9,711,790	9,796,417
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>84,627</u>	<u>11,037,821</u>	<u>11,122,448</u>
Total Interagency Payments		<u>\$ 764,412</u>	<u>\$ 56,371,887</u>	<u>\$ 57,136,299</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**

<u>District</u>	<u>School Name</u>	<u>DOE Project #</u>	<u>Contract ID</u>	<u>Vendor</u>	<u>Award Date</u>	<u>Award Amount</u>	<u>Previous Contract Changes</u>	<u>Revised Contract Value</u>	<u>Amount Paid</u>	<u>De-Obligation</u>	<u>Remaining Balance</u>
Garfield	New Abraham Lincoln ES #6	1700-N04-04-00KM-00	NT-0039-A01	Woolley Morris Architects, P.C.	11/10/04	\$1,299,400.00	\$0.00	\$1,299,400.00	\$736,722.00	\$562,678.00	\$0.00
Harrison	Lincoln No. 3 E.S.	2060-060-01-0834-00	NT-0023-A01	L&C Design Consultanats, PA	11/17/03	\$1,450,000.00	\$0.00	\$1,450,000.00	\$180,950.00	\$1,269,050.00	\$0.00
Newark	Ridge Street (Replacement)	3570-X09-01-0695-01	NE-0023-A01	Prisco Group (The)	12/18/03	\$1,910,000.00	\$0.00	\$1,910,000.00	\$371,602.50	\$1,538,397.50	
West New York	Number 1 E.S.	5670-060-01-0553-00	HU-0019-A01	Anderson LaRocca Anderson Haynes	09/08/04	\$2,020,000.00	\$18,020.00	\$2,038,020.00	\$699,020.00	\$1,339,000.00	\$0.00
Totals						\$6,679,400.00	\$18,020.00	\$6,697,420.00	\$1,988,294.50	\$4,709,125.50	\$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.