

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, MAY 6, 2015**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA” or “the Authority”) was held on Wednesday, May 6, 2015 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman  
Kevin Luckie (DCA)  
David Moore (Treasury)  
Bernard Piaia (DOE)  
Kevin Egan  
Michael Capelli  
Loren Lemelle  
Lester Lewis-Powder  
Michael Maloney  
Joseph McNamara  
Robert Nixon  
Mario Vargas

being a quorum of the Board. Mr. Capelli Mr. Egan, Ms. Lemelle, Mr. Lewis-Powder, Mr. Moore and Mr. Vargas participated in the meeting by teleconference.

At the Chairman’s request, Charles McKenna, chief executive officer; Jason Ballard, chief of staff; Andrew Yosha, executive vice president; Jane F. Kelly, vice president & assistant secretary; Donald Guarriello, vice president and chief financial officer; Raymond Arcario, vice president; Albert Barnes, chief counsel; Cecelia Haney, senior counsel; Sean Murphy, director; Thomas Schrum, director; and Gregory Voronov, managing director of the SDA, participated in

the meeting. John Spinello 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.

### *Approval of Meeting Minutes*

Mr. Walsh presented for consideration and approval the Minutes of the Board's April 1, 2015 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. Luckie and seconded by Mr. McNamara, the Open and Executive Session minutes of the April 1, 2015 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*

Mr. Walsh asked Mr. McKenna to discuss recent SDA activities. Mr. McKenna provided the Members with an update regarding the Trenton Central HS (TCHS) project. He said that a Notice to Proceed (NTP) was issued to USA Environmental Management, Inc./Luzon, Inc. on April 9 for abatement and demolition of the existing building. He reported that the EO 215 resubmission to the Department of Environmental Protection (DEP) was completed and that, in preparation for the issuance of conditional approval, the DEP requested pictures of the four mosaic murals salvaged by the district. He said that SDA will provide the district with the pictures. Mr. McKenna then advised the Members that that the floor plans are down and that the

Design Studio is working on elevations. He noted that on May 26 the three designs will be presented at a meeting of the Trenton School Board.

Mr. McKenna then gave an update on projects in the Bridgeton School District. He said that work continues on the on Buckshutem ES project. In regard to the Quarter Mile Lane ES project, Mr. McKenna said that work there is progressing well.

In continuing, Mr. McKenna discussed the status of projects in the Elizabeth School District. He said that work continues on the Elizabeth Academic HS building. He reported that SDA advertised for construction management (CM) services on April 2 for the Elizabeth New ES project. He said that the project's design-builder, Torcon, made the preliminary design submission and it is currently under review.

Next, Mr. McKenna reported that the Department of Community Affairs (DCA) issued the certificate of acceptance for the Garfield James Madison ES No. 10 demolition project. He said that the procurement packages for construction and CM services have been finalized, with advertisement anticipated during second quarter 2015. He added that, in order to best align the final design with current SDA materials and systems standards, SDA will initiate an amendment with the design consultant to incorporate design changes.

With regard to the Harrison New PK-1 ES project, Mr. McKenna reported that the SDA Design Studio has initiated the in-house design with the site/program/concept phase. He added that all site investigation work is complete and the final report is anticipated by mid-May. He noted that the report findings will inform the early site package decision.

Next, Mr. McKenna reported that SDA anticipates the design-builder's resubmission of the final design phase documents this month addressing all SDA and DCA comments regarding the Jersey City ES No. 3 project. He then provided the Board with an update on the situation

regarding the sidewalk adjacent to the site. He explained that the sidewalk closure permits have been reinstated and the contractor is remobilized on-site.

Mr. McKenna then reported that site work is ongoing at the Keansburg Caruso ES project. He noted that footings and foundations and structural steel erection are complete. He added that metal decking installation, concrete slab work and masonry installation have all commenced.

In regard to the addition and renovations to the existing high school in the Millville School District, Mr. McKenna said that SDA anticipates issuing the NTP for schematic design by the end of May.

Turning to projects in the Newark School District, Mr. McKenna said that exterior masonry veneer work is ongoing for the Elliot Street ES project. He added that roof installation is also ongoing and that the project is proceeding ahead of schedule. He then reported that both interior and exterior masonry work is ongoing for the Oliver Street ES project and that the project is proceeding on schedule. He informed the Members that the SDA Design Studio developed a schematic plan that is under review by the DOE for the Newark South Street ES project. Mr. McKenna added that early site package work is complete on that project.

Mr. McKenna then gave an update on projects in the Orange School District. He said that a Notice of Award was issued on April 20 to design consultant Kliment Halsband Architects for the Orange HS project. He added that the NTP was issued May 5. In regard to the Cleveland ES project, Mr. McKenna said that a site consultant has been engaged through the task order contract for the project to address necessary activities associated with the acquisition of properties adjacent to the existing school. He said that this work is underway.

Turning to projects in the Passaic School District, Mr. McKenna advised the Board that SDA hopes to have the Passaic Henry Street School project open in September 2015.

In continuing, Mr. McKenna gave an update on projects in the Paterson School District. With respect to the Marshall Street ES project, he said that masonry work, mechanical/electrical/plumbing (MEP) work and roof installation work is going. He noted that erection of the pedestrian bridge was completed on April 18 and offered details as to the bridge erection process. In regard to the Paterson PS 16 project, Mr. McKenna said that work continues and is going well.

Next, Mr. McKenna said that exterior masonry work is ongoing for the Phillipsburg HS project. He advised the Board that construction of the pump house has commenced. Mr. Schrum then provided additional details regarding the Phillipsburg pump house.

Mr. McKenna informed that Members that, on the Gloucester ES/MS project, design-builder Terminal Construction's first design package submission is currently under review. He said that the first construction Notice to Proceed (NTP) for underground utilities, footing, foundations and structural steel is anticipated to be issued 3rd quarter 2015. He noted that utility relocation construction by the utility companies is ongoing. Mr. McKenna then advised the Board that SDA issued a Construction Change Directive (CCD) to the design builder, Terminal Construction, to address previously unidentified soil conditions. A lengthy discussion ensued regarding the CCD. The Members asked several questions to which staff responded to the Board's evident satisfaction.

Mr. McKenna then provided an update regarding SDA procurement activity. He said that there are a number of procurements that SDA will be presenting to the Board today and that staff will provide additional details regarding these procurements later in the meeting. He said that these include an award to SSP Architectural Group for design consultant services on the Pemberton Denbo-Crichton project; an award to Bluegrass Services for State-Wide Property Management and Maintenance Services; a construction procurement for exterior masonry &

structural repairs for the Bridgeton Broad Street ES emergent project and a construction procurement for the Vineland HS South HVAC system replacement emergent project. Mr. McKenna said that other procurement activity underway includes a construction procurement for roof, HVAC and masonry repairs for the Irvington HS project; a procurement for construction management services for the Elizabeth New ES project; a procurement for construction management services for the Garfield James Madison ES #10 project and a procurement for design-build services for the New Brunswick Paul Robeson ES project.

Mr. McKenna then discussed the Authority's upcoming events, outreach and other activity. He said that SDA held a beam signing ceremony for the Keansburg new Caruso ES on April 23. Next, Mr. McKenna reported that, on May 4, the Lieutenant Governor joined SDA at a groundbreaking ceremony for the New Gloucester MS project, adding that the Gloucester community is happy with the progress there.

He then informed the Members the SDA has completed the fifth offering of its SMWBE contractor training program, explaining that this 16 week program was developed to teach SMWBEs how to navigate the state system. He said that the program has been successful in past years and was successful this year as well.

In continuing Mr. McKenna said that the SDA Annual Report, which was approved by the Board in April, has been delivered to the Governor's office and posted to the SDA website. He also advised the Board that SDA has participated in two budget hearings in recent weeks.

Next, Mr. McKenna informed the Members that Salvage Dawgs, a television show which airs on the DIY Network, filmed an episode at TCHS. He said that they salvaged numerous items from the building, including the clock, thus saving them from the landfill.

Mr. McKenna then advised the Board that, on April 20, he along with staff met with the Healthy Schools Now Coalition.

Finally, Mr. McKenna reminded the Board that Member Financial Disclosure Statements are due to be filed with the State Ethics Commission by May 15. He said a \$50/day fine is assessed for any filings received after the due date and that such penalties are not subject to waiver.

The Chairman then asked management to provide him with additional detail regarding the Gloucester CCD that Mr. McKenna had discussed earlier in his report. Mr. Arcario agreed to do so.

At this time Mr. Lewis-Powder indicated that he had joined the meeting.

### *School Review Committee*

**Preliminary Project Charter – East Orange School District - New George Washington Carver ES; Release of Funds from Program Reserve – Plainfield City School District – Plainfield HS – Emergent Project – Window Replacement; Preliminary Project Charter – West New York School District – Harry L. Bain ES – Renovations; Release of Funds from Program Reserve, Award of Contract and Approval of Final Charter – Bridgeton Public Schools – Broad Street School – Emergent Project – Exterior Masonry & Structural Repairs; Award of Contract for Pre-Design Phase Services – Pemberton Public School District – Denbo-Crichton School Facility Project; Release of Funds from Program Reserve, Award of Contract and Approval of Final Charter – Vineland Public School District – Vineland HS South – Emergent Project – HVAC System Replacement; Approval of Award – State-Wide Property Management and Maintenance Services GP-0218-R01**

Mr. Walsh asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie informed the Members that the Committee met on April 20, 2015. He discussed management's request that the Board approve the preliminary project charter for the New George Washington Carver ES project in the East Orange District. He reported that, in January 2014, the Board approved an amendment to the SDA Capital Plan Portfolio which identified the New George Washington Carver ES project in the East Orange School District for validation and advancement into pre-development. Mr. Luckie explained that a Working Group of district, DOE and SDA staff was convened to review and validate current district needs and discuss the proposed elementary school project. He said that the validation process, which included a

review of current and projected district enrollments and current district educational capacity, confirmed district-wide facilities efficiency standards (FES) compliance needs and localized overcrowding in several schools serving grade levels Pre-K to 5. He added that, upon conclusion of this process, the Working Group confirmed that advancement of the New George Washington Carver ES project would address FES compliance needs, localized overcrowding and educational needs for all district students in grades Pre-K to 5. Mr. Voronov offered additional details regarding the New George Washington Carver ES project as presented in the memorandum presented to the Board. Mr. Luckie said that the Committee recommends approval of management's recommendation of the preliminary charter as presented.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. McNamara and seconded by Mr. Walsh, the preliminary project charter for the New George Washington Carver ES project in the East Orange School District was approved with the Board's unanimous vote in favor of *Resolution 5a*.

Mr. Luckie then discussed management's request that the Board approve the release of funds from the program reserve for the Plainfield HS window replacement emergent project in the Plainfield City School District. He reported that the Plainfield HS is an approximately 276,000 square foot facility that educates 1,497 students in grades 9 to 12. He said that, following joint site visits conducted by SDA and DOE staff to review potential emergent conditions in the Plainfield City School District, the DOE issued pre-construction approval in July 2012 for an emergent project to address conditions related to the windows in certain sections of the building. Mr. Luckie noted that, after receipt of pre-construction approval from DOE, SDA issued a grant offer to the district to allow for the advancement of the window replacement project. He added that the grant agreement was executed in March 2013 and that



the project will advance through SDA delegation for district management. Mr. Walsh asked if the award amount was final. Mr. Voronov explained that the award amount is an estimate and will not come back to the Board so long as the final figure is within the funding parameters approved by the Board. Mr. Luckie said that the Committee recommends approval of the release of funds as recommended by management.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made Mr. Vargas, seconded by Mr. Piaia, and with Mr. Lewis-Powder recused and abstaining, the release of funds from the program reserve for the Plainfield HS window replacement emergent project in the Plainfield City School District was approved with the Board's vote in favor of *Resolution 5b*.

Next, Mr. Luckie discussed management's request for Board approval of the preliminary project charter for the Harry L. Bain ES renovation project in the West New York School District. He informed the Members that the Harry L. Bain ES is a 102,335 square foot, three story building educating 736 students in grades Pre-K through 6 in the West New York School District. He reported that, in March 2011, the Board approved the 2011 SDA Capital Program, which included the Harry L. Bain ES project for advancement as a new school construction project. He said that, following collaborative review and analysis performed by an SDA, DOE and district Working Group, a determination was made that an appropriate and cost-effective scope is, instead, the renovation of the existing Harry L. Bain ES facility. Mr. Luckie also said that the Working Group identified portions of the building and its systems for rehabilitation work that would extend the useful life of the building and provide a healthy, safe and educationally appropriate environment. He added that the details of the project scope and total project budget of \$18.9 million are detailed in the memorandum prepared by staff and the preliminary project charter. Mr. Luckie noted that the renovation budget compares favorably with a projected

estimate of approximately \$45 million to replace the Bain ES. Mr. Schrum provided additional comments with regard to the project schedule. Mr. Maloney asked if the State mandated PLA would apply to this project. Mr. McKenna responded that the PLA applies to all work over \$5 million. Mr. Luckie said that the Committee recommends approval of the preliminary project charter as recommended by management.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made Mr. Nixon and seconded by Mr. Walsh, the preliminary project charter for the Harry L. Bain ES renovation project in the West New York School District was approved with the Board's unanimous vote in favor of *Resolution 5c*.

Mr. Luckie then discussed management's request that the Board approve the release of funds from the program reserve, contract award and final charter for the Bridgeton Broad Street School exterior masonry and structural repairs emergent project. He said that the 121,500 square foot Bridgeton Broad Street School currently educates 903 students in grades kindergarten through eight. He reported that, in March 2011, the Board approved the 2011 Capital Program which allocated \$100 million to fund emergent projects in the 31 SDA districts. Mr. Luckie said that a statewide effort then identified emergent projects for advancement utilizing these funds, including a project to address an emergent condition regarding water infiltration related to the building envelope at the Broad Street School. He advised the Members that SDA staff developed a preliminary scope of work to address the Project based on information initially received from the district and SDA staff site visits and assessments. He explained that a final scope for the Project was developed following a more comprehensive review of the emergent condition and SDA engaged pre-design, design consultant and construction administration services through the SDA design consultant services task order contract. Mr. Luckie said that a construction package was advertised beginning on March 16, 2015 seeking the services of a

contractor to address this emergent Project. He also said that, following completion of the procurement process, management recommends award of the contract to Catcord Construction Company, Inc. whose price proposal was determined to be inclusive of all scope elements contained in the contract documents. He noted that SDA staff will provide construction management for the entirety of the Project which is anticipated to begin June 2015. Mr. Luckie asked Mr. Murphy to provide the final figures for the project. Mr. Murphy did so and provided an overview of the procurement process followed along with other details as were fully described in the memorandum presented to the Board. Mr. Luckie said that the Committee recommends Board approval of the release of funds, contract award and final charter as presented by management.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made Mr. Nixon and seconded by Mr. McNamara, the release of funds from the program reserve, contract award and final charter for the exterior masonry and structural repairs emergent project at the Bridgeton Broad Street School were approved with the Board's unanimous vote in favor of *Resolution 5d*.

Mr. Luckie then discussed management's request for Board approval of the contract award for pre-design phase services for the Denbo-Crichton School Facility project in the Pemberton Public School District. He reported that, in January 2014, the SDA approved an amendment to the SDA Capital Plan Portfolio identifying a project to address Facilities Efficiency Standards (FES) compliance needs at the Pemberton School District's Denbo ES. He said that, working with representatives of the district and the DOE, SDA staff has reviewed and validated district needs and preliminarily identified project scope options to address those needs. Mr. Luckie noted that the DOE identified FES compliance needs in grades Pre-K to 5 in the district based upon localized overcrowding in district facilities, facilities with classrooms that do

not meet FES requirements and facilities providing less square feet per student than prescribed by the FES. He informed the Members that, based upon enrollment projections, the Working Group determined that, in addition to existing FES compliance needs currently being experienced by the district, overcrowding of approximately 250 students in grade levels Pre-K to 5 will need to be addressed within the next 5 years. Mr. Luckie said that Denbo ES and Crichton ES share a site in the district and it was determined that further assessment of both facilities and their shared site is needed in order to appropriately define the project for advancement. He noted that the Working Group recognized that a complete evaluation of the options would require an assessment of the conditions of both facilities and preliminary program planning and preliminary pre-development activities, in order to consider potential scope, schedules and costs. He said that the development of the project scope will follow SDA review and analysis of the results of pre-design activities, and may include new construction, additions, alterations, and renovations to provide for a single school facility on the site which will efficiently address the educational program and other needs. Mr. Luckie also said that it was determined that the design engagement for this project should be done in two phases, the pre-design and design and construction administration phases respectively. He said that a competitive procurement process for pre-design phase design consultant services was advertised on February 6, 2015. Mr. Luckie then informed the Members that the firm receiving the highest final combined score was SSP Architectural Group. He added that SSP Architectural Group has confirmed that its fee proposal is inclusive of all pre-design scope elements contained in the contract documents and the negotiated fee has been determined to be fair and reasonable for the services to be provided. Mr. Murphy and Mr. Schrum then provided additional details regarding the project. Mr. Yosha explained that, after review of the pre-design work, a determination will be made on the most effective and efficient scope and authorization will then be given to continue with the full design.

Mr. Luckie said that the Committee recommends Board approval of the proposed contract award for pre-design services.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. McNamara and seconded by Mr. Walsh, a contract award for pre-design phase services for the Pemberton Denbo-Crichton School Facility project was approved with the Board's unanimous vote in favor of *Resolution 5e*.

Next, Mr. Luckie discussed management's request that the Board approve the release of funds from the program reserve, contract award and approval of final charter for the Vineland HS South HVAC system replacement project in the Vineland Public School District. He reported that the Vineland HS South is a 231,000 square foot facility educating 1,300 students in grades 9 through 12. Mr. Luckie again noted that, in March 2011, the Board approved the 2011 Capital Program allocating \$100 million to fund emergent projects in the 31 SDA districts. He reported that one project identified to advance with these funds was an emergent condition related to the HVAC system at Vineland HS South. Mr. Luckie said that SDA staff developed a preliminary project scope of work to address the HVAC system-related deficiencies and, after a more comprehensive review of the emergent condition, a final scope for the project was determined utilizing the SDA Design Consultant Services Task Order contract. He informed the Members that a package was advertised beginning on March 17, 2015 seeking the services of a contractor to address the emergent project. He noted that project construction is anticipated to begin June 2015.

Mr. Luckie then advised the Board that the procurement results were not available at the time the Committee considered this matter and, as a result, they were not presented to the Committee. For this reason, he advised the Board, management has requested the opportunity to share with the Board in Executive Session some contractual issues that are being deliberated

prior to a Board vote on the matter. The Board agreed to return to Open Session to vote on this matter following additional discussion in Executive Session.

In continuing, Mr. Luckie discussed management's request that the Board approve a contract award for State-Wide Property Management and Maintenance Services. He reported that the SDA previously procured property management and maintenance services in 2008 and 2011 and the SDA's current contract for these services expires this month. He explained that these services are required for properties acquired and owned by the SDA whose inventory currently includes 21 real property sites consisting of vacant lots along with occupied and unoccupied commercial and residential spaces. Mr. Luckie said that, following the procurement process, management is recommending award of the agreement for State-Wide Property Management and Maintenance Services to Bluegrass Services. He advised the Board that the negotiated total compensation for the three-year agreement is \$2,165,000. Mr. Luckie advised the Members that the agreement will commence June 2015 with an option by SDA to extend the agreement for one additional year on such terms as the SDA and the consultant might then agree. He said that, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the Division of Chief Counsel. Mr. McKenna noted that Bluegrass Services is an incumbent woman owned and operated business which has done a good job for the Authority in past years. Mr. Luckie said that the Committee recommends approval of the proposed contract award by the full Board.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Nixon and seconded by Mr. Walsh, the contract award to Bluegrass Services for State-Wide Property Management and Maintenance Services was approved with the Board's unanimous vote in favor of *Resolution 5g*.

Mr. Luckie then discussed management's request to approve the final adoption without change of SDA's Title 19, Chapter 39 Affirmative Action rules (Rules). He reported that, in 2007, Chapter 39 was originally adopted by the New Jersey Schools Construction Corporation as a re-adoption and recodification of rules originally promulgated by the NJEDA to govern affirmative action requirements for the school construction program. He said that the Rules are now due to expire on May 13, 2015. Mr. Luckie added that the proposed Rules appeared in the New Jersey Register on February 17, 2015 and that a 60 day comment period was provided. He said that no comments were received. He advised the Board that the proposed substantive changes to the current regulations incorporate statutory and regulatory updates, reflect changes in governmental entities with responsibility for setting and monitoring equal opportunity and affirmative action goals, and clarify the current nature of SDA's workforce training and development efforts. He noted that the Rules before the Board today have not changed from the original proposal. Mr. Luckie said that the Committee recommends full Board approval of the Rules as presented.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Nixon and seconded by Mr. Walsh, the final adoption without change to the Title 19, Chapter 39 Affirmative Action Rules was approved with the Board's unanimous vote in favor of *Resolution 5h*.

Mr. Walsh inquired about the status of remaining funds in the \$100 million Emergent Project Reserve. Mr. Voronov advised that there is approximately \$20 million remaining in the reserve for projects that are not yet in construction. Mr. Nixon noted that staff regularly updates the Audit Committee in this regard. At this time Mr. Capelli left the meeting. Mr. McKenna said that there is some reserve money that will be freed-up for emergent projects but, eventually, more bonding will be required to provide the needed funds.

Next, the Chairman asked about the monthly reports and, specifically, about the status of project close out activities. Mr. Ballard informed the Board that staff has closed out a legacy project for the Manchester Township High School and a 2009 project which could result in a cost recovery for the Authority. Mr. Walsh then advised the Members that the June Board meeting may take place in a school in the southern part of the State. Mr. McKenna noted the positive response from districts where the Board has conducted previous meetings. After a brief discussion Mr. Walsh requested that the next meeting take place in an older school that is in need of work.

### *Public Comments*

The Chairman then opened the Public Comments portion of the meeting. He asked Rich Tolson of the International Union of Bricklayers & Allied Craftworkers (BACNJ) to address the Board. Mr. Tolson indicated that he did not wish to address the Board at this time.

The Chairman asked Pat Austin, Assistant Superintendent (AS) of the Pemberton Township School District (District) to address the Board. AS Austin opened her remarks by thanking the Members of the Authority for their vote to move forward with the Pemberton Denbo-Crichton Elementary School project. She said that the District has been waiting for this project to proceed for a long time but that the wait was worth it. She noted a reference in the Board memorandum citing the good condition of the Denbo-Crichton facilities and said that the District is proud of their efforts to maintain their school buildings. She said that the Pemberton District is located near to military bases with the result that enrollment is often unpredictable. She said that the District also must adhere to restrictions imposed due to its location in the Pinelands region. She advised the Board that the District has not sought state emergent project funding in over ten years with the exception of the need to address facility security issues. She



noted that the District has put \$8 million into its school facilities over the years and has only asked the State for funding for the Denbo-Crichton project.

AS Austin stressed the need to eliminate the statutory \$500,000 threshold applicable to SDA districts which prevents these districts, even when they have available funds, from proceeding with certain necessary projects. Mr. McKenna then described the statutory limitation referenced by AS Austin and said that the SDA agrees that this threshold should be eliminated through statutory amendment. A discussion ensued as to how the districts often must break necessary projects down into separate projects in order to get needed work done. AS Austin concluded by inviting the Board to hold a meeting in a Pemberton School District facility. Mr. Walsh thanked AS Austin for her comments.

Mr. Walsh then asked for a motion to adjourn the meeting into Executive Session. Ms. Kelly announced that the Members would be discussing three matters in Executive Session. She said that the first is a recommendation for settlement of litigation and claims relating to the Trenton Martin Luther King, Jr. Elementary School Project; the second discussion item is to share deliberative information regarding the Vineland High School South contract award; and the third discussion item, to be considered later in the meeting, pertains to an audit matter. Thereafter, upon motion and with unanimous consent, the meeting adjourned into Executive Session.

Following discussion in Executive Session, upon motion duly made and seconded and with unanimous consent, the Board returned to Open Session.

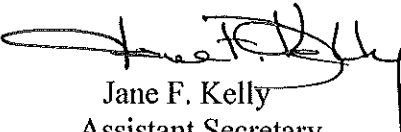
A resolution regarding the proposed settlement of litigation/claim/counterclaims relating to the Trenton Martin Luther King Jr. ES project had been provided to the Members in advance of the meeting. Upon a motion by Mr. Nixon, and seconded by Mr. Walsh, the resolution attached hereto as *Exhibit A1*. was unanimously approved by the Board.

A resolution pertaining to the release of funds from the program reserve, contract award and final charter for the Vineland HS South HVAC system replacement emergent project had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Walsh and seconded by Mr. Piaia, the release of funds from the program reserve, contract award and final charter for the HVAC system replacement emergent project at the Vineland HS South was approved with the Board's unanimous vote in favor of *Resolution 5f*.

Mr. Walsh then asked for a motion to adjourn the Open Session of the meeting and return to Executive Session for presentation of an informational matter. At this time, Mr. Walsh and Mr. Egan left the meeting, due to their recusal from the matter to be discussed. Upon motion duly made and seconded and with unanimous consent, the Open Session of the meeting was adjourned into Executive Session.

Upon return from Executive Session, the Vice Chairman, Mr. McNamara, asked for a motion to adjourn the meeting. Upon motion duly made and seconded 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 May 6, 2015 meeting.



Jane F. Kelly  
Assistant Secretary