

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS TELECONFERENCE MEETING
WEDNESDAY, JUNE 22, 2016**

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, June 22, 2016 at 1:30 P.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Kevin Luckie (DCA)
Bernie Piaia (DOE)
Matthew Spadaccini (Treasury)
Michael Capelli
Michael Maloney
Lester Lewis-Powder
Mario Vargas

being a quorum of the Board. 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 and assistant secretary; Donald Guarriello, vice president and chief financial officer; Raymond Arcario, vice president; Albert Barnes, chief counsel; Sean Murphy, director; and Aidita Milsted, director of the SDA participated in the meeting. Christopher Howard 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.

School Review Committee

Award of Contract, Approval of Re-established Final Charter and Release of Funds from Program Reserve – Trenton Public Schools District – Hedgepeth Williams School – Emergent Project – Domestic Water Supply Line Replacement

At the Chairman's request, Mr. McKenna provided some brief background and the procurement history and process relative to the Trenton Hedgepeth Williams School emergent project. He thanked the Members for making themselves available to participate in today's teleconference meeting.

At the Chairman's request, Mr. Murphy discussed management's recommendation for approval of a contract award, re-established final charter and release of funds from the program reserve for the Trenton Hedgepeth Williams School (the School) emergent project (the Project). He reported that this 170,000 square foot School, built in 1939, currently serves as two separate educational facilities: the Robeson ES, educating approximately 584 students in grades Pre-K through 5 and the Hedgepeth Williams MS, educating approximately 500 students in grades 6 through 8. He informed the Members that the SDA has been charged with addressing two distinct emergent conditions at the School: one involving replacement of the facility's domestic water supply to remedy extensive leaking and the other involving roof repairs to eliminate water infiltration. He said that the separate condition related to the need for roof repair work was identified during a SDA site visit in June 2014 when the SDA identified a potential emergent condition concerning water infiltration throughout various roof areas. Mr. Murphy noted that the two distinct conditions are being addressed through two separate contracts, while remaining consolidated with one Department of Education (DOE) project number. He said that

construction activities related to the roof system repairs achieved substantial completion on February 19, 2016.

Mr. Murphy informed the Members that, on April 8, 2014, The Design Collaborative (TDC) was issued a Notice to Proceed (NTP) with pre-design services to address the domestic water supply replacement problem. He said that, upon completion of pre-design services, TDC was authorized to proceed with design services and to perform construction administration services for the project. In continuing, Mr. Murphy reported that, on May 3, 2016, D&K Construction Co, Inc. (D&K) was issued a NTP to proceed with construction of this emergent project which was scheduled for substantial completion by September 1, 2016.

Mr. Murphy reported that, on May 12, 2016, D&K notified SDA that the plumbing subcontractor identified in its price proposal had declined to enter into a subcontract with D&K for the project. He said that D&K then requested the ability to name a substitute plumbing contractor for the project. Mr. Murphy said that, following review of the situation and applicable case law, legal counsel determined that, in this circumstance, the Authority lacks the ability to permit substitution of a named subcontractor after award of a contract to a general contractor so a notice of termination was issued to D&K on May 13. He said that, also on May 13, 2016, a new procurement for construction services was advertised to address the emergent project. He reported that, upon conclusion of the competitive procurement process, management is recommending award of the contract to D&K in the amount of \$1,287,000. Mr. Murphy said that funding for the project is available within the emergent project funding allocation approved by the Board in March 2011. He advised the Members that, following review, D&K has confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He said that the project construction schedule has been revised with construction

anticipated to begin July 2016. He said that substantial completion will still be achieved by September 1, 2016. The Members of the Board then asked certain questions of staff which were answered to their evident satisfaction.

Mr. Murphy said that the Members of the Authority are requested to approve advancement of three (3) related actions to address the emergent condition at the Hedgepeth Williams School in the Trenton Public School District: 1) the award of a contract in the amount of \$1,287,000 to D&K; 2) the re-established final charter for the project which is consistent with the award for construction and is inclusive of updated information as to project costs and schedule; and 3) the release of \$1,863,304 from the SDA Program Reserve.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made Mr. Maloney and seconded by Mr. Piaia, the contract award, re-established final charter and release of funds from the program reserve for the emergent project at the Trenton Hedgepeth Williams School were approved with the Board's unanimous vote in favor of *Resolution 3a*.

Public Comments

The Chairman then opened the Public Comments portion of the meeting. Ms. Kelly advised the Chairman that two members of the public had indicated a desire to address the Board. She asked Mr. Frank Fares, a resident of the City of Trenton, to approach the podium.

Mr. Fares advised the Board that he resides across the street from the Trenton Central High School (TCHS). He questioned who had initiated the contract for the Trenton Hedgepeth Williams emergent work. Mr. McKenna explained the general process applicable to advancement of emergent project work and described the roles played by the district, the DOE and the SDA in that process. Mr. Fares said that he had submitted an Open Public Records Act

(OPRA) request to the DOE seeking a list of all such contracts and did not receive any information regarding this project in response to his request. He advised the Board that he had seen the TCHS principal and librarian in the SDA lobby prior to the meeting and learned that they were in the Authority's offices for a TCHS building design meeting. He questioned why members of the community are not included in these design meetings, noting that the school principal is not a resident of Trenton. He also noted that the former Superintendent who had spearheaded the effort and been involved with the design is no longer employed by the district. He concluded by stating that the community should be involved in design discussions.

Ms. Kelly then asked Mr. Billie Hayes to address the Board. Mr. Hayes questioned why the public comment period is provided at the end of the meeting. He said that public comments should be received prior to the voting portion of the meeting.

Mr. Hayes indicated that he lives behind the TCHS site and opined that the community, and not just the school principal, should be included in building design meetings.

Mr. Hayes then questioned whether the Trenton Board of Education (TBOE) had approved the advancement of the Trenton Hedgepeth Williams emergent project. Mr. McKenna explained that TBOE approval was not a required part of the process but that the district is supportive of the project. Mr. Hayes asked whether the DOE had approved the emergent project and, if so, whether such approval was memorialized in written form. Mr. Piaia responded in the affirmative.

Ms. Kelly then asked if any other member of the public was present who wished to address the Board. No member of the public stepped forward.

Adjournment

There being no further business to come before the Board, Mr. Walsh then asked for a motion to adjourn the meeting. Upon motion by the Chairman 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 June 22, 2016 meeting.

/s/ Jane F. Kelly
Assistant Secretary