

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, OCTOBER 4, 2017 AT 9:00 A.M.
32 E. FRONT STREET, TRENTON, NJ
BOARD ROOM**

1. NOTICE OF PUBLIC MEETING

2. ROLL CALL

3. APPROVAL OF MEETING MINUTES

- a. Board Open Session Meeting Minutes of September 6, 2017

4. AUTHORITY MATTERS

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

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

- a. Legal Services Award – Package No. GP-0242-R01

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

- a. COMPANY NAME: Hall Construction Company, Inc. (Hall)
DISTRICT: New Brunswick School District
CONTRACT NO: ET-0073-B01
PMF/CM: Greyhawk North America, LLC (Greyhawk)
SCHOOL NAME: Paul Robeson Community Theme School for the Arts
CHANGE ORDER NO.: 1
REASON: Resolving Change Order No. 1 for CCD No. 1/ Change in Scope and Extended General Conditions
AMOUNT: \$2,180,000
CONTRACT STATUS: 67.4% Paid to Date against the Current Contract Value
COMPLETION DATE: April 4, 2018 (Current Substantial Completion Date)

- b. Preliminary Charter – Orange Public Schools District – Orange High School – Addition and Renovation Project

7. MONTHLY REPORTS

- a. *For Informational Purposes*
 - i. Active Projects Report
 - ii. Project Close Out Status Report
 - iii. Project Status Reports
 - iv. Contracts Executed Report/Amendments & Change Orders Executed Report
 - v. Contract Terminations Report (*no activity*)
 - vi. Settlement Activities Report (*no activity*)
 - vii. Contractor and Workforce Compliance Report
 - viii. Regular Operating District Grant Activity Report

- ix. Notification of Amendments to Goods and Services Contracts Not Exceeding \$100,000 or 10% of the Contract Value (*no activity*)
- x. Communications Report
- xi. Monthly Financial Report
- xii. Design Contract De-Obligations Report (*no activity*)

8. PUBLIC COMMENTS

9. NO EXECUTIVE SESSION

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

10. ADJOURNMENT

APPROVAL OF MEETING MINUTES

SEPTEMBER 6, 2017 OPEN SESSION

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, SEPTEMBER 6, 2017**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, September 6, 2017 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Maureen Hassett (EDA)
Kevin Luckie (DCA)
Bernard Piaia (DOE)
Willem Rijkssen (Treasury)
Kevin Egan
Loren Lemelle
Michael Maloney
Robert Nixon
Mario Vargas

being a quorum of the Board. Mr. Egan, Ms. Lemelle, Mr. Piaia and Mr. Rijkssen participated in the meeting by teleconference.

At the Chairman's request, Charles McKenna, chief executive officer (by teleconference), Andrew Yosha, executive vice president; Jane F. Kelly, vice president and assistant secretary; Donald Guarriello, vice president and chief financial officer; Manuel Da Silva, vice president; Albert Barnes, chief counsel; Sean Murphy, director; and Karon Simmonds, director of the SDA, participated in the meeting. Thomas Huth 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 33 West State Street in Trenton, New Jersey. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members was present.

Approval of Meeting Minutes

Mr. Walsh presented for consideration and approval the minutes of the Board's August 2, 2017 Open and Executive Session meetings. A copy of both meetings' minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Luckie, the August 2, 2017 Open and Executive Session meeting minutes were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 3a/3b***.

Authority Matters

CEO Report

At the Chairman's request, Mr. Yosha provided the Members with the report of the CEO. Mr. Yosha began his report with an update on the Trenton Central HS (TCHS) project. He said that structural steel installation is nearly complete, and roofing, exterior sheathing and concrete masonry unit installation work is ongoing. He reported that SDA staff has submitted the final building design, incorporating prior Department of Community Affairs (DCA) comments, to DCA. He noted that SDA staff would discuss potential project schedule changes later in the meeting.

With respect to the Bridgeton Buckshutem Road ES and Quarter Mile Lane ES projects, Mr. Yosha said that SDA staff has completed both projects and is currently closing them out. With regard to the Camden HS project, he reminded the Members that the Board approved a demolition services award at the August Board meeting. He said that SDA staff issued a final determination addressing a protest received from another bidder, and issued a notice of award this past Friday (September 1) to USA Environmental Management Inc.

Mr. Yosha reported that the design-builder has initiated the design phase for the East Orange George Washington Carver ES project. With respect to the Elizabeth New ES project, he said that the school would open pursuant to a temporary certificate of occupancy (TCO). He added that the exact date is tied into TCO issuance and that this is expected this week. He noted that the auditorium and three music rooms would be excluded from the TCO and that work will be completed in those spaces by the end of the month.

Next, Mr. Yosha gave an update on the Garfield James Madison ES No. 10 project. He reported that exterior veneer work, mechanical, electrical and plumbing rough-in work and exterior grading work are all approximately 65% complete. He said that preparation work has begun for the installation of the vapor mitigation system and concrete slab on grade. He added that roofing work is scheduled to begin this month.

With respect to the Harrison New ES project, Mr. Yosha informed the Members that Brockwell & Carrington's design for footings and foundation work is under review by DCA. He said that the design for the remainder of the project is under review by the SDA prior to its submission to DCA. With regard to the Irvington Madison Avenue ES project, he reported that design phase services continue. He said that the general contractor has begun construction activities associated with the building's foundation.

Mr. Yosha said that design development phase services are ongoing for the Keansburg Port Monmouth Road ES project. For the addition and renovations project at the Millville HS, he reported that Hall Construction (Hall), the design-builder, continues with on-site investigations to confirm existing conditions. He said that a recommendation of award for construction management (CM) services is on today's agenda.

In continuing, Mr. Yosha reported that, for the New Brunswick Paul Robeson ES project, masonry, HVAC, electrical and plumbing work is ongoing and window installation in the addition is approximately 90% complete. For the Newark South Street ES project, he said that rooftop HVAC, rough electrical and plumbing, roofing, windows and exterior brick installation work is ongoing.

Turning to projects in the Orange School District, Mr. Yosha reported that, for the Cleveland ES project, the design consultant is finalizing the design development phase. He said that the site improvements contractor has completed abatement and demolition work. He noted that remaining site work is ongoing and staff expects it to be complete by the end of the month. He said that the design consultant continues design development work for the Orange HS project.

Next, Mr. Yosha gave an update on projects in the Passaic School District. He reported that, for the Leonard Place ES project, review of final design is nearing completion and SDA staff expects to issue the notice-to-proceed (NTP) for remaining building construction this month. He advised the Board that SDA staff advertised the design-build services package in mid-June for the Dayton Avenue Educational Campus project, adding that interested bidders are submitting questions. Mr. Yosha informed the Members that SDA staff adjusted the due date for

receipt of technical and price proposals to October 5, 2017, an adjustment suited to the complexity of the project.

Mr. Yosha reported that the demolition contractor has begun abatement work for the Paterson Union Avenue MS project (former site of Don Bosco Academy). For the Pemberton Denbo Crichton ES project, he said that temporary space is being readied for the upcoming school year and abatement work has begun. He noted that SDA staff expects to advertise a solicitation for design-build services later this month.

Mr. Yosha informed the Members that, for the Perth Amboy Seaman Avenue ES project, design phase services, site utility, curb installation and dynamic compaction work is ongoing. He added that footings and foundation work is scheduled to start this month. For the Vineland New MS project, he said that masonry, steel erection, roofing, electrical, plumbing, HVAC and site work is ongoing. He added that window installation work has commenced. He said that the West New York Harry L. Bain PS No. 6 project is substantially complete and that SDA staff participated in a ribbon-cutting ceremony the previous day to mark the reopening of the school.

Turning next to ongoing procurement activity, Mr. Yosha said that, later in the meeting, procurement staff would be presenting a construction management services award for the Millville HS project, along with site consultant services task order contract awards, and an OCIP IV broker services award. He said that other activity currently underway includes procurements for design-build services for the Passaic Dayton Avenue Educational Campus project, legal services, and business, real estate property & casualty insurance broker services.

Reporting on events, outreach and other SDA activities, Mr. Yosha again reported that, on September 5, SDA joined the West New York School District for a school re-opening ribbon

cutting ceremony for the Harry L. Bain ES. He said that SDA completed significant rehabilitation work at the school.

Mr. Yosha informed the Members that SDA staff expects to join Jersey City School District officials and students for a ribbon cutting ceremony to celebrate the opening of the new Patricia M. Noonan ES. He said that staff would advise the Members when that event is scheduled. He added that Communications staff is also working to schedule a ribbon cutting ceremony for the new Halloran ES in Elizabeth as well as groundbreaking ceremonies for the Perth Amboy Seaman Avenue School and Irvington Madison Avenue ES.

Audit Committee

The Chairman then requested that Mr. Nixon provide the report of the Audit Committee. Mr. Nixon reported that the Audit Committee met on August 21, 2017. He said that management provided the Committee with the June-July 2017 New Funding Allocation and Capital Plan Update. He advised the Board that the only SDA District Reserve Balance that experienced a change was the 2011 Emergent Projects Reserve Balance which decreased by \$6.9 million due to the release of funds for the Salem City MS structural ceiling repair project and emergent projects at the Paterson New Roberto Clemente ES, Newark Hawthorne Avenue ES, and Plainfield Cook ES. Additionally, he reported that the reserve balance for the Regular Operating Districts (RODs) increased by \$2 million during the reporting period due to reductions in state share for grant projects nearing completion.

Next, Mr. Nixon advised the Members that the Board will be asked to consider and act with respect to one item—a contract award for Owner Controlled Insurance Program (OCIP IV) Broker Services. Mr. Nixon referenced material that previously had been distributed for Board review. He advised that the current OCIP III is due to expire on March 1, 2018. He described

the full range of broker services to be provided as part of the new OCIP program. He said that, if approved, the marketing results and cost of OCIP IV would be presented separately to the Members, and the Authority would then direct the broker to purchase the insurance policies and perform the policy and claim services. Mr. Nixon explained that the RFP was advertised beginning on June 1, 2017 and was based on approximately 13 capital projects with an aggregate construction cost estimate (CCE) of \$845 million, plus another \$25-\$50 million in emergent project work. He reported that the top ranked firm at the completion of the process was Willis Towers Watson/Willis of New York, Inc. (Willis). He said that the award is for the not-to-exceed amount of \$398,315. He said that the Members are requested to approve the contract award to Willis with the engagement to begin upon issuance of the initial NTP for marketing services. He said that the engagement would extend for a period of three (3) additional years from the effective date of the various new OCIP policies or until all obligations of the consultant to deliver services have been performed, whichever occurs later. Mr. Nixon said that if the actual enrolled CCE proves to be 10% greater up to \$1 billion, a negotiated compensation fee has been determined. Accordingly, he said that the Members also are requested to approve a cost not-to-exceed \$40,000 for a policy administration contingency. Ms. Simmonds said that she was pleased with the procurement process and outcome. Mr. Vargas asked if the Authority has ever worked with Willis before. Ms. Simmonds responded that Willis was the broker for the Authority's OCIP I program and that the team servicing this contract is the same team that has been handling the New York construction program for approximately the last fifteen years.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. After discussion, upon motion duly made by Mr. Vargas and seconded by Mr. Hassett,

the contract award for OCIP IV Broker Services to Willis Towers Watson/Willis of New York, Inc. was approved with the Board's unanimous vote in favor of *Resolution 5a*.

Mr. Nixon reported that, at the Committee's meeting, the Authority's internal auditing unit had presented one audit to the Committee. He then provided the July 2017 Monthly Financial Report. He advised that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$12.3 million, which is down \$1.8 million as compared to the budget for the corresponding period. He explained that the decrease is mainly attributable to lower salary and benefit costs. He said that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total \$215.2 million and are \$14.9 million higher as compared to the capital-spending forecast for the corresponding period. Mr. Nixon then reported that project expenditures (Actual vs. Prior Year Actual), at \$215.2 million, are \$6 million lower as compared to the corresponding prior year period. He explained that the variance is due to decreased spending on construction-related activity (\$18.7 million), school furniture and equipment (\$2.2 million) and other project related costs (\$2.3 million), offset by an increase in grants (\$19.3 million). Mr. Nixon then reported that, since program inception, approximately 78.4% of the funds allocated for SDA districts have been disbursed. Additionally, he said that, since program inception, 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated value of current school facilities project activity is approximately \$2.2 billion.

Finally, Mr. Nixon said that management had advised the Committee that the 2017 Budget Reforecast shows a negligible change from the \$22.9 million budget as compared to the approved 2017 Annual Budget. He explained that the two material variances are that: 1) employee salary projections are lower than budgeted due to headcount; and 2) employee benefits

are higher than budgeted due to the accrual portion of future pension expenses necessitated by General Accounting Standards Board (GASB) No. 68.

School Review Committee

Construction Manager Award and Approval of Revised Final Project Charter – Millville School District - Millville High School; Approval of Awards - Site Consultant Services – GP-0243-L01; Change Order: Terminal Construction Corporation

Mr. Walsh asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie said that the Committee met on August 21, 2017. He said that the first matter for Board consideration involves a construction manager award and revised final project charter in connection with the Millville HS project. He advised the Members that the Millville HS project (the Project) includes additions and renovations to the existing Millville HS. He reminded the Members that, on April 5, 2017, the Board had approved the project's final charter and the award of an \$114,453,000 design-build construction contract to Hall. He said that on May 24, 2017 SDA issued Hall a NTP with design phase services. Mr. Luckie said that management now is seeking Board approval to enter into a contract for CM services. He said that the package for CM services was advertised as a "40% price" and "60% other factors" solicitation beginning June 27, 2017. He advised the Board that, upon completion of the procurement process, management recommends award of a contract in the amount of \$3,255,000 for CM services for the Project to GREYHAWK North America (GREYHAWK). He added that management also is seeking approval of a revision to the final project charter to reflect the actual dollar amount of the CM contract and appropriate contingency. He advised that GREYHAWK has confirmed that its price proposal is inclusive of all scope elements contained in the contract documents.

A resolution pertaining to the CM services procurement had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon,

the construction manager award and revised final charter for the Millville HS project was approved with the Board's unanimous vote in favor of **Resolution 6a**.

Next, at the Chairman's request, Mr. Luckie discussed the recommended awards for site consultant services. He advised the Board that the current task order contracts are due to expire in October 2017. He said that management is seeking Board approval to award contracts to 12 firms, creating a new pool of firms with the experience and qualifications to perform the site consultant services. He noted that each contract would have a three-year term and a not-to-exceed limit of \$3 million. Mr. Luckie said that management's recommendation follows a competitive procurement process, which was described in the memorandum that staff had shared with the Board prior to the meeting. Mr. Murphy briefly discussed the procurement process used and the negotiations that took place with the 12 proposed firms.

A resolution pertaining to the site consultant services procurement had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Walsh, the awards for site consultant services were approved with the Board's unanimous vote in favor of **Resolution 6b**.

Mr. Luckie then discussed a proposed change order for Terminal Construction Corporation (Terminal) in connection with the TCHS project. He said that the new TCHS would be an approximately 374,000 square-foot facility that will educate 1,850 students in grades ten through twelve. He reminded the Members that, in March 2016, the Board approved the project's final charter and the award of a design-build construction contract to Terminal in the amount of \$115,950,000. He said that the contractual substantial completion date for the project was set at June 2, 2019. Mr. Luckie informed the Members that Change Order No. 3 would support delivery of the high school a full year earlier than originally planned by modifying the

contractual substantial completion date by 291 calendar days. He said that this would adjust the June 2, 2019 substantial completion date to August 15, 2018. He advised the Members that, with Board approval, SDA will provide additional compensation in the amount of \$1 million to Terminal to facilitate this schedule adjustment. Mr. Luckie said that SDA executive leadership (chief executive officer) has advised that acceleration of the construction schedule would allow the TCHS students to occupy the new school earlier than originally planned and learn in an environment that is more conducive to the small learning community structure established by the district. He said that executive leadership has also advised that earlier student occupation of the new facility would result in a favorable impact to the project budget through avoidance of temporary facility lease and CM services costs. Mr. Luckie noted that, prior to final approval of Change Order No. 3, SDA will conduct additional due diligence in an effort to ensure the design-builder's ability to meet the aggressive construction schedule. Mr. McKenna said that the change order would result in savings of approximately \$650,000 through avoidance of swing space lease costs and additional savings through avoidance of CM services costs and furniture storage costs. In terms of potential risk, he said that in February of 2018 the Authority would need to decide whether to renew its swing space leases. He said that if the Authority chooses to go forward with the change order, does not renew the lease and the contractor is late, then SDA will have a high school that is not ready and nowhere to send the children. He also advised the Board that there exists some concern that Hurricane Harvey and the massive Houston rebuilding effort could affect the availability of building materials in a general sense. He also said that staff must engage in additional discussions with the contractor, Terminal, in order to validate its ability to achieve the earlier substantial completion date. He said that such discussions have been held but additional due diligence is required. Mr. Vargas suggested including contingencies or

verbiage about the issues that the Board has discussed in the resolution. Mr. McKenna said that the verbiage should convey that the Authority would relook at this in January 2018 at which time it will be obvious whether sufficient progress has been made such that it can be determined that the earlier substantial completion date truly can be achieved. He said that if Terminal has not met the benchmarks that SDA staff thinks must be met, then the Authority could terminate the change order.

Resolution 6c. pertaining to the TCHS schedule adjustment matter had been provided to the Board in advance of the meeting. With an expectation of revisions to that form of resolution to reflect the Board's discussion of the matter and upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, Change Order No. 3 for Terminal Construction Corporation was approved upon the Board's unanimous vote.

Public Comments

The Chairman asked Mr. Billie Hayes, a Trenton resident, to address the Board. Mr. Hayes said that, while he has not appeared before the Board in some time, something has been bothering him about the TCHS project that he would like to bring to the Board's attention.

He said that he recently had occasion to go the TCHS site and observed dust blowing in the parking lot as kids were leaving football practice. In addition, he said that he had observed rocks in the school parking lot, despite the fact that, during the planning phases, the community was told that the parking lot would not be part of the construction site. He also advised the Board that there is a "bump" in Greenwood Avenue, a street adjacent to the project site, which was not there prior to the start of the project. He also expressed concerns with the weeds he observed growing around the perimeter of the trailers located on the construction site, noting the

potential for ticks and bugs as a result. He said that he is present to ask SDA to address these issues.

Specifically, he said that he is asking that SDA install a gate cover around the entire site, pick up the rocks in the parking lot, have the weeds trimmed and pave the Greenwood Avenue bump.

Mr. McKenna (who was participating in the meeting telephonically) responded that, upon his return to New Jersey, he would go to the project site. He assured Mr. Hayes that he would address those issues that can be addressed and provide an explanation for those issues that cannot be addressed.

Mr. Hayes said that he also is concerned about the change order that the Board had approved earlier in the meeting for the TCHS project. He said that he is not in favor of the new TCHS opening with a TCO but, rather, SDA should stick to the original plan. He said that he supports a smooth transition to the new facility and is encouraging the Board to rescind its approval of the change order. Mr. Walsh said that the change order approved by the Board was simply to move things forward. Mr. Hayes again stated his disagreement.

The Chairman then asked Mr. Frank Faras, a resident of the City of Trenton, to come to the podium. Mr. Faras said that he had recently provided a series of links to YouTube videos. He said that he shared these videos with the Members so that they could view the clouds emanating from the TCHS project site and coming across the street every twenty minutes at least five days per week. He described the content of the videos, noting that even when it rains the particulates are so fine that they travel into the neighborhood. He said that, with the tarp in place, the particulates shoot up higher and come into the neighborhood. He said that the manufacturer of the product has indicated that it is carcinogenic and dangerous. He advised that he is living

across from a place that is trying to make him sick. He suggested that SDA staff move the mixers inside the gym or another enclosed space so that the emissions would not come into his neighborhood. He offered to answer any questions the Board might have regarding the videos.

The Chairman then called upon Jerrell Blakeley of the Healthy Schools Now/Work Environment Council to address the Board. Mr. Blakeley said that the Healthy Schools Now Coalition believes that all students deserve a healthy, safe school environment. He said that, also as a TCHS graduate himself, he believes that the current TCHS students have been split up for too long and denied the normal high school experience, so the sooner that the students are in the new TCHS facility, the better. He expressed his support for an August 2018 substantial completion date. Mr. McKenna expressed again his intent to look into the concerns raised by Mr. Hayes.

Adjournment

There being no further business to come before the Board, Mr. Walsh 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 September 6, 2017 meeting.

/s/ Jane F. Kelly
Assistant Secretary

Resolution—3a.**Approval of Minutes**

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

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the September 6, 2017 Board meeting of the New Jersey Schools Development Authority, for the Open Session were forwarded to the Governor on September 7, 2017.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's September 6, 2017 Open Session meeting are hereby approved.

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

Dated: October 4, 2017

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

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

LEGAL SERVICES AWARDS - GP-0242-R01



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

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

TO: Members of the Authority

FROM: Albert D. Barnes
Chief Counsel

Sean Murphy
Procurement Director

DATE: October 4, 2017

SUBJECT: Approval of Awards
Package No. GP-0242-R01
Legal Services

INTRODUCTION

The NJSDA previously procured legal services in 2008, 2011, 2013 and 2015 to complement legal support provided to the NJSDA through its Division of Chief Counsel and through the Division of Law in the Office of the Attorney General. Since the current task order contracts will expire in December 2017, the Members of the Authority are requested to approve the retention of a new group of sixteen (16) law firms with legal expertise in the following specific areas: (1) Insurance Coverage and Suretyship; (2) Bankruptcy and Insolvency Proceedings; (3) Environmental Law; (4) Employment Law; (5) Government Contracting, Bid Protests and Procurement; (6) Professional Errors and Omissions and Cost Recovery; (7) Construction Litigation; and (8) Real Estate Law. Specific work assignments under the contracts will be made by way of “task order” on an as needed basis. The term of agreement for these contracts is two (2) years. For any assignment(s) accepted during the term of the agreement, the firm(s) will be allowed to complete the particular assignment(s), even if extending beyond the term of the agreement.

The selected law firms may be tasked, on an as needed basis, to assist the NJSDA’s Division of Chief Counsel and to provide legal advice, consultative services, and, when required, formal representation of the NJSDA. Selection of a firm, however, does not guarantee that the firm will be assigned work. Task order assignments will be made on a rotating basis within the eight (8) specialty areas and multiple matters may be included as part of a single task order assignment. Assignments will be made subject to firm availability and a conflict of interest check. Firms will be required to submit a proposed budget for each task order assignment. The budget shall be subject to the NJSDA’s approval and acceptance prior to commencement of services under the task order assignment.

Additionally, as described in the Request for Proposals (“RFP”), each selected firm must comply with the NJSDA Legal Services Management Guidelines and agree to provide its services at a blended hourly rate of \$200 for attorney services and an hourly rate of \$90 for paralegal services. These rates are the same as those utilized for the 2008, 2011, 2013 and 2015 legal services task order contracts. Total compensation to an individual Firm, regardless of whether it is engaged in one or more of the specialty areas, shall not exceed \$1,500,000 for the two (2) year term.

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 Package No. GP-0242-R01
 Legal Services
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Expenditures attributed to previously procured legal services task order contracts through September 6, 2017 are as indicated in Table 1 below:

TABLE 1

Contract & Award Year	Task Orders Issued	Firms Issued Task Orders	Total Billings
GP-0089 (2008)	35	7 of 7	\$2,425,233.67
GP-0162 (2011)	20	9 of 16	\$3,028,475.62
GP-0200 (2013)	15	8 of 14	\$433,608.23
GP-0225 (2015)	10	5 of 16	\$355,027.60

PROCUREMENT PROCESS

In accordance with NJSDA regulations, the NJSDA employed a two-step process for this procurement. The first step was the issuance of an RFP and evaluation of all responsive submissions. The second step was to interview all firms submitting responsive proposals.

The RFP was advertised beginning on June 2, 2017 on the NJSDA website, on the New Jersey State website, in the New Jersey Law Journal, and in selected newspapers for interested firms to participate in the bidding process.

A Selection Committee consisting of four (4) NJSDA staff members was established.

Firms interested in submitting a proposal were required to send an e-mail giving Notice of Intent to Participate (NOI) by June 20, 2017. NOIs were received from thirty-four (34) firms. Responsive proposals were received from twenty-two (22) firms by July 12, 2017. Proposals were evaluated by the Selection Committee. Evaluations were based upon the information provided by the firms in response to the RFP for this project. The four (4) committee members independently evaluated the proposals per legal specialty area based on the following criteria:

- Understanding of the Purposes of the Engagement
- Firm Experience - Case Studies
- Team Structure/Key Team Member Experience and Qualifications
- Approach to Providing the Scope of Services/Control of Schedule

Each Selection Committee member evaluated each proposal per legal specialty area, assigning a raw score for each criterion on a scale of 0 to 10 as follows:

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

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Weighting factors were applied to each of the Selection Committee member's raw scores for each criterion to arrive at a total weighted score as indicated in Table 2 below:

TABLE 2

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Understanding of the Purposes of the Engagement	0.5	5
Firm Experience - Case Studies	3.5	35
Team Structure/Key Team Member Experience and Qualifications	3.5	35
Approach to Providing the Scope of Services/Control of Schedule	2.5	25
Total Possible Points		100

For each firm's proposal, the individual criteria scores awarded by a particular Selection Committee member for each legal specialty area were added together to calculate a Proposal Score for that legal specialty area. Each firm could receive a maximum of 100 points per evaluator per legal specialty area.

The firms participated in interviews with the Selection Committee from August 21, 2017 through September 6, 2017, as applicable. The interviews allowed the firms to expand and detail their team experience and approach with respect to each legal specialty area. The Selection Committee interviewed each of the firms and evaluated each firm on Interview Criteria and Weighting Factors that were the same as those used in the evaluation of the proposals, as detailed above.

The individual criteria scores awarded by a particular Selection Committee member for each legal specialty area were added together to calculate an Interview Score for that legal specialty area. Each firm could receive a maximum of 100 points per evaluator per legal specialty area.

The Proposal Score and the Interview Score assigned each firm were added together to obtain the firm's Final Combined Score. The Final Combined Scores and Final Rankings are listed in Tables 3-10 below:

Members of the Authority
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TABLE 3 – INSURANCE COVERAGE AND SURETYSHIP

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Dilworth Paxson LLP	189.50	159.00	161.75	510.25	1
Dughi, Hewit & Domalewski, P.C	200.00	139.00	145.50	484.50	2
Bathgate, Wegener & Wolf, P.C.	181.00	143.00	149.50	473.50	3
Eckert, Seamans Cherin & Mellott, LLC	156.00	149.00	146.00	451.00	4
Hill Wallack LLP	159.50	131.50	149.50	440.50	5
Archer & Greiner, P.C.	175.00	135.50	124.25	434.75	6
Greenbaum, Rowe, Smith & Davis, LLP	153.00	131.50	145.25	429.75	7
Cohn Lifland Pearlman Herrmann & Knopf LLP	143.50	138.00	141.00	422.50	8
Methfessel & Werbel, P.C.	142.50	149.00	130.25	421.75	9
Decotiis, FitzPatrick & Cole LLP	156.00	113.50	123.00	392.50	10
Gold, Albanese, Barletti & Locascio LLC	124.00	105.00	119.50	348.50	11

TABLE 4 – BANKRUPTCY & INSOLVENCY PROCEEDINGS

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Brown & Connery, LLP	192.00	150.00	164.00	506.00	1
Greenbaum, Rowe, Smith & Davis, LLP	184.00	149.00	157.50	490.50	2
Hill Wallack LLP	179.50	142.00	156.50	478.00	3
Dilworth Paxson LLP	172.50	152.00	153.00	477.50	4
Archer & Greiner, P.C.	180.50	139.00	143.50	463.00	5
Cohn Lifland Pearlman Herrmann & Knopf LLP	163.50	148.50	135.75	447.75	6
Capehart Scatchard	146.50	125.50	85.25	357.25	7

TABLE 5 – ENVIRONMENTAL LAW

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Cohn Lifland Pearlman Herrmann & Knopf LLP	191.00	169.50	144.50	505.00	1
Wanda Chin Monahan, LLC	197.50	150.00	157.00	504.50	2
Saiber	181.00	153.00	151.75	485.75	3
Carella, Byrne, Cecchi, Olstein, Brody & Agnello P.C.	166.00	154.50	148.75	469.25	4
Archer & Greiner, P.C.	166.00	149.50	152.25	467.75	5
McManimon, Scotland & Baumann, LLC	177.00	151.50	137.50	466.00	6
Greenbaum, Rowe, Smith & Davis, LLP	133.00	138.50	143.50	415.00	7
Decotiis, FitzPatrick & Cole LLP	166.50	124.00	117.75	408.25	8
Hill Wallack LLP	136.50	128.00	133.75	398.25	9
Methfessel & Werbel, P.C.	149.50	124.50	119.75	393.75	10
Capehart Scatchard	153.50	132.50	90.50	376.50	11

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TABLE 6 – EMPLOYMENT LAW

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Ruderman, Horn & Esmerado, P.C.	197.50	163.00	170.50	531.00	1
Brown & Connery, LLP	192.00	160.50	171.00	523.50	2
Methfessel & Werbel, P.C.	193.50	159.50	144.25	497.25	3
Hill Wallack LLP	186.50	159.50	147.75	493.75	4
Saiber	191.00	149.50	143.00	483.50	5
Eckert, Seamans Cherin & Mellott, LLC	179.00	156.00	142.50	477.50	6
Archer & Greiner, P.C.	174.00	139.00	150.50	463.50	7
Bathgate, Wegener & Wolf, P.C.	170.50	146.50	142.50	459.50	8
Cohn Lifland Pearlman Herrmann & Knopf LLP	160.50	145.00	153.25	458.75	9
Constangy Brooks, Smith & Prophete LLP	153.50	138.50	140.00	432.00	10
Carella, Byrne, Cecchi, Olstein, Brody & Agnello P.C.	155.50	133.50	140.00	429.00	11
Greenbaum, Rowe, Smith & Davis, LLP	152.00	131.50	138.25	421.75	12
Decotiis, FitzPatrick & Cole LLP	156.00	127.50	114.25	397.75	13
Capehart Scatchard	153.00	139.50	79.75	372.25	14
Gold, Albanese, Barletti & Locascio LLC	122.00	112.00	112.50	346.50	15

TABLE 7 – GOVERNMENT CONTRACTING, BID PROTESTS & PROCUREMENT

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Dilworth Paxson LLP	199.50	166.00	165.25	530.75	1
Decotiis, FitzPatrick & Cole LLP	200.00	148.50	137.00	485.50	2
Eckert, Seamans Cherin & Mellott, LLC	173.00	149.00	156.50	478.50	3
Schenck Price Smith and King	143.50	150.50	140.75	434.75	4
Archer & Greiner, P.C.	159.00	118.00	143.50	420.50	5
Bathgate, Wegener & Wolf, P.C.	148.00	132.50	139.00	419.50	6
Greenbaum, Rowe, Smith & Davis, LLP	138.00	131.50	145.25	414.75	7
Capehart Scatchard	129.00	122.00	73.00	324.00	8

TABLE 8 – PROFESSIONAL ERRORS AND OMISSIONS & COST RECOVERY

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	EVAL 4 SCORE	FINAL SCORE	FINAL RANK
Dilworth Paxson LLP	199.50	200.00	173.00	169.50	742.00	1
Greenbaum, Rowe, Smith & Davis, LLP	171.00	182.50	138.50	159.25	651.25	2
Bathgate, Wegener & Wolf, P.C.	168.00	167.50	139.50	156.50	631.50	3
Eckert, Seamans Cherin & Mellott, LLC	168.00	137.00	152.50	161.75	619.25	4
Dughi, Hewit & Domalewski, P.C.	196.50	151.00	135.50	133.25	616.25	5
Hill Wallack LLP	185.50	96.50	156.00	149.50	587.50	6
Schenck Price Smith and King	154.00	146.50	133.00	140.75	574.25	7
Cohn Lifland Pearlman Herrmann & Knopf LLP	143.50	117.50	127.50	144.50	533.00	8
Archer & Greiner, P.C.	147.50	72.00	125.00	124.25	468.75	9
Gold, Albanese, Barletti & Locascio LLC	121.00	39.50	101.50	109.00	371.00	10

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TABLE 9 – CONSTRUCTION LITIGATION

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Dilworth Paxson LLP	199.50	169.50	169.50	538.50	1
Hill Wallack LLP	189.00	156.00	149.50	494.50	2
Saiber	180.00	153.00	150.00	483.00	3
Bathgate, Wegener & Wolf, P.C.	170.50	143.00	158.25	471.75	4
Eckert, Seamans Cherin & Mellott, LLC	164.50	152.50	151.25	468.25	5
Schenck Price Smith and King	154.00	147.00	151.25	452.25	6
Dughi, Hewit & Domalewski, P.C	180.00	135.50	131.50	447.00	7
Greenbaum, Rowe, Smith & Davis, LLP	167.50	128.00	150.50	446.00	8
Carella, Byrne, Cecchi, Olstein, Brody & Agnello P.C.	155.50	137.00	138.25	430.75	9
Cohn Lifland Pearlman Herrmann & Knopf LLP	153.50	134.50	137.50	425.50	10
Decotiis, FitzPatrick & Cole LLP	159.50	138.00	124.75	422.25	11
Archer & Greiner, P.C.	151.00	121.50	147.00	419.50	12
McCARTER & ENGLISH, LLP	141.50	133.50	122.25	397.25	13
Methfessel & Werbel, P.C.	139.00	121.00	119.75	379.75	14
Capehart Scatchard	139.50	125.50	90.50	355.50	15
Gold, Albanese, Barletti & Locascio LLC	124.50	108.50	107.25	340.25	16

TABLE 10 – REAL ESTATE LAW

FIRM	EVAL 1 SCORE	EVAL 2 SCORE	EVAL 3 SCORE	FINAL SCORE	FINAL RANK
Carella, Byrne, Cecchi, Olstein, Brody & Agnello P.C.	189.00	172.00	168.00	529.00	1
John J. Curley LLC	193.50	154.00	175.75	523.25	2
Brown & Connery, LLP	185.00	167.50	170.50	523.00	3
Bathgate, Wegener & Wolf, P.C.	185.50	160.50	160.00	506.00	4
Dughi, Hewit & Domalewski, P.C	200.00	153.00	138.50	491.50	5
Eckert, Seamans Cherin & Mellott, LLC	165.50	145.50	154.75	465.75	6
Hill Wallack LLP	164.00	145.50	146.00	455.50	7
Archer & Greiner, P.C.	154.00	139.00	138.25	431.25	8
Decotiis, FitzPatrick & Cole LLP	159.50	127.50	112.50	399.50	9
Saiber	146.50	132.00	118.50	397.00	10
Greenbaum, Rowe, Smith & Davis, LLP	143.50	124.50	126.00	394.00	11
Capehart Scatchard	139.50	132.50	111.50	383.50	12
Cohn Lifland Pearlman Herrmann & Knopf LLP	143.50	120.50	107.75	371.75	13
McCARTER & ENGLISH, LLP	135.50	105.50	97.75	338.75	14

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Based on the Final Combined Scores and Final Rankings as listed in Tables 3-10 above, the sixteen (16) firms listed in Table 11 below are proposed for awards of contracts in the legal specialty areas indicated.

TABLE 11 – SUMMARY OF HIGHEST RANKED FIRMS PER SPECIALTY

Firm	Insurance Coverage and Suretyship	Bankruptcy & Insolvency Proceedings	Environmental Law	Employment Law	Government Contracting, Bid Protests & Procurement	Professional Errors and Omissions & Cost Recovery	Construction Litigation	Real Estate Law
Archer & Greiner, P.C.								
Bathgate, Wegener & Wolf, P.C.	X					X	X	X
Brown & Connery, LLP		X		X				X
Capehart Scatchard								
Carella, Byrne, Cecchi, Olstein, Brody & Agnello P.C.								X
Cohn Lifland Pearlman Herrmann & Knopf LLP			X					
Constangy Brooks, Smith & Prophete LLP								
Decotiis, FitzPatrick & Cole LLP					X			
Dilworth Paxson LLP	X				X	X	X	
Dughi, Hewit & Domalewski, P.C	X					X		X
Eckert, Seamans Cherin & Mellott, LLC					X	X	X	X
Gold, Albanese, Barletti & Locascio LLC								
Greenbaum, Rowe, Smith & Davis, LLP		X				X		
Hill Wallack LLP		X				X	X	
John J. Curley LLC								X
McCarter & English, LLP								
McManimon, Scotland & Baumann, LLC								
Methfessel & Werbel, P.C.				X				
Ruderman, Horn & Esmerado, P.C.				X				
Saiber			X				X	
Schenck Price Smith and King							X	
Wanda Chin Monahan, LLC			X					

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RECOMMENDATION

We are requesting the Members' approval to contract with the three (3) highest ranked firms in each of the following five (5) legal specialty areas: (1) Insurance Coverage and Suretyship; (2) Bankruptcy and Insolvency Proceedings; (3) Environmental Law; (4) Employment Law; and (5) Government Contracting, Bid Protests and Procurement.

Additionally, we are requesting the Members' approval to contract with the six (6) highest ranked firms in each of the following three (3) legal specialty areas: (1) Professional Errors and Omissions and Cost Recovery; (2) Construction Litigation; and (3) Real Estate Law.

Attorney services will be provided at a blended hourly rate of \$200 and paralegal services will be provided at an hourly rate of \$90. The awarded firms in each specialty would enter into a contract for a two-year term. The contract term would extend until completion of work assignments made during the two-year period from issuance of the contract Notice to Proceed. The blended rates will be the hourly rates charged through the duration of all assignments.

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

/s/ Albert D. Barnes
Albert D. Barnes, Chief Counsel

/s/ Sean Murphy
Sean Murphy, Procurement Director

Resolution—5a.

Approval of Award
Package No. GP-0242-R01
Legal Services

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority authorize the award of professional services contracts; and

WHEREAS, in 2015, the SDA entered into two-year contracts with law firms in a variety of legal specialties, pursuant to which those firms would serve to complement legal support provided to the SDA through its Division of Chief Counsel and by the Division of Law in the Office of the Attorney General; and

WHEREAS, these legal services contracts will expire in December 2017; and

WHEREAS, the Board is now requested to approve the retention of a new group of law firms with legal expertise in the areas of insurance coverage and suretyship, bankruptcy and insolvency proceedings, environmental law, professional errors and/or omissions and cost recovery, employment law, government contracting bid protests and procurement, construction litigation, and real estate law for school facilities projects; and

WHEREAS, any law firm selected to provide legal services to the SDA will be required to submit a proposed budget for any task order assignment; and

WHEREAS, each selected firm must agree to provide its services in accordance with the terms set forth in the memorandum presented to the Board on this date and in compliance with the SDA Legal Services Management Guidelines as described in the Request for Proposals; and

WHEREAS, procurement for all selected law firms was conducted in accordance with applicable SDA regulations as set forth in greater detail in the memorandum presented to the Board on this date; and

WHEREAS, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel; and

WHEREAS, executive management has deemed approval of this award in the best interest of the Authority and recommends its approval by the full Board.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of the contracts for professional legal services (Package No. GP-0242-R01) consistent with the provisions of the memorandum dated October 4, 2017 and presented to the Board on this date.

BE IT FURTHER RESOLVED, that, prior to the execution of each contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

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

Attached: Memorandum, Approval of Award Package No. GP-0242-R01, Legal Services, dated
October 4, 2017

Dated: October 4, 2017

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

**RESOLVING CHANGE ORDER NO. 1 FOR CCD NO. 1 - NEW BRUNSWICK SCHOOL DISTRICT -
PAUL ROBESON COMMUNITY THEME SCHOOL FOR THE ARTS**



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

MEMORANDUM

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TO: Members of the Authority

FROM: C. Aidita Milsted, Program Director, Program Operations

DATE: October 4, 2017

SUBJECT: Resolving Change Order No. 1 for CCD No. 1

COMPANY NAME:	Hall Construction Company, Inc. (Hall)
DISTRICT:	New Brunswick School District
CONTRACT NO:	ET-0073-B01
PMF/CM:	Greyhawk North America, LLC (Greyhawk)
SCHOOL NAME:	Paul Robeson Community Theme School for the Arts
CHANGE ORDER NO.:	1
REASON:	Resolving Change Order No. 1 for CCD No. 1/ Change in Scope and Extended General Conditions
AMOUNT:	\$2,180,000
CONTRACT STATUS:	67.4% Paid to Date against the Current Contract Value
COMPLETION DATE:	April 4, 2018 (Current Substantial Completion Date)

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of a Construction Change Order (CO) to resolve Construction Change Directive (CCD) No. 1, issued for \$0.00 (zero dollars), on June 15, 2017. The CCD and this Resolving Change Order (RCO) No. 1 represent scope associated with additional design and construction activities, and various components of compensation for such scope, for a total value of \$2,180,000.

A CCD is a contractual mechanism reserved for use when the work at issue has been verified to be a change to the base scope, and one of the following two conditions are met: either the work is so urgent that it requires a directive for immediate action by the General Contractor (GC), or negotiations for a change order have failed to come to a resolution, thereby placing the work in the critical path requiring immediate direction to avoid construction delays impacting a schedule milestone, e.g. school turn-over to the district. A resolving change order is the mechanism by which the final dollar value of the CCD is determined. It is the combined value of the CCD and the resolving CO that determines the required level of approval for the resolving change order.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a construction change order which singularly exceeds \$500,000, or singularly and/or in the aggregate is greater than 10% of the contract value, requires approval by the Members of the Authority. This change order warrants Board review and approval in that it exceeds \$500,000.

Change Order 1 (RCO for CCD No. 1)
Paul Robeson Community Theme School for the Arts (Addition & Renovation)
October 4, 2017
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BACKGROUND

The Paul Robeson Community Theme School for the Arts (Robeson School) Addition and Renovation project consists of a 59,400 square foot renovation and a 60,500 square foot addition to the facility that is designed to educate 823 students in grades Pre-K to Five in the New Brunswick School District. The addition and renovation project at the Robeson School is included in the NJSDA Capital Plan. The Design-Build award for this project to Hall Construction Company, Inc. (Hall) was approved by the Members of the Authority at the September 2, 2015 Board Meeting along with the Final project Charter.

The Robeson School students and staff have been relocated to a NJSDA-leased facility for the duration of the construction.

REASON FOR CHANGE

Following Hall's engagement but before construction work had begun, cracking was identified in interior and exterior wall jambs of the existing Robeson School building, but neither visual inspection nor preliminary exploratory investigation identified the structural condition that is the cause of this Change Order. In March 2017, Hall's removal of the existing windows and selective demolition around the windows revealed that the building's exterior walls were inadequately anchored to the existing building structure, and this structural deficiency had caused the masonry walls to shift laterally. Further invasive and destructive investigation by Hall confirmed that the condition existed throughout the building's exterior walls.

In order to mitigate the potentially significant delay attributable to the work required to address this structural condition, the NJSDA issued a CCD directing Hall to: 1) develop alternative design solutions to address the condition for NJSDA's review and selection, and 2) subsequently perform the work as described in the NJSDA-selected solution, with such work to be advanced concurrently with the performance of the base contract scope, in support of anticipated school opening in September 2018.

DESCRIPTION OF THE CHANGE ORDER SCOPE

The corrective action selected by NJSDA after review by NJSDA staff and an engaged third party structural engineer consists of a two methodologies: installation of new structural steel connected to the existing structure, or the installation of structural bracing walls comprised of cold-formed metal framing, used in various locations as appropriate, as described in plans reviewed and released by the Division of Community Affairs, Codes and Standards Division (hereafter, the "Corrective Work").

The Corrective Work consists of the installation of structural steel and structural bracing walls as described above, as well as all necessary coordination and relocation/rerouting of mechanical, electrical, plumbing (MEP) and data infrastructure; all required electrical work in the Mechanical Room; lead paint abatement

Change Order 1 (RCO for CCD No. 1)
Paul Robeson Community Theme School for the Arts (Addition & Renovation)
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of existing steel members in areas where welding will be performed along the building's perimeter; any other work required to implement the selected design solution, and all necessary design services.

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This Change Order also serves to extend the Contract Time by 112 calendar days and to change the Substantial Completion date under the Contract from April 4, 2018 to July 25, 2018 and the Contract Final Completion date from June 28, 2018 to September 27, 2018 (the "Contract Time Change"). Notwithstanding the Contract Time Change, the Change Order serves to memorialize a phased delivery of the Project, recognizing that the addition to the Paul Robeson Community Theme School must be delivered to the NJSDA on or before April 4, 2018 to facilitate the delivery and installation of furniture, fixtures and equipment by the NJSDA.

The Change Order's final value of \$2,180,000 represents a negotiated lump sum fee to perform the Corrective Work, including but not limited to: general conditions and extended general conditions; general conditions and extended general conditions of all sub-consultants and sub-contractors; resequencing and/or acceleration of performance to facilitate schedule recovery (including additional labor hours, additional crews and premium shifts) to maintain the overall Project timeline; and escalation costs for materials and labor.

SUMMARY OF CHANGE

This change order will resolve CCD No. 1, which was issued to address structural conditions in the original building that were revealed during renovation activities, as well as the prior authorization of \$80,000 under CCD No. 1 for design services to develop the design solution for the Corrective Work.

This Change Order will support the delivery of the Robeson School facility to the District as originally forecasted for September, 2018.

The Change order shall modify the Contractual Substantial Completion date by 112 calendar days, adjusting from the current, original date of April 4, 2018 to a revised Contractual Substantial Completion date of July 25, 2018. In order to accomplish the Corrective Work within this revised Schedule, the Design-Builder, Hall, shall increase the Labor Hours of the trade workforce and shall provide such workforce during alternate, premium shifts as necessary. The additional cost includes performance of the work by a labor force working additional hours and within a timeframe that maintains the anticipated school opening date of September 2018. The Change Order represents compensation to Hall for these adjustments.

The documents supporting the above change order, inclusive of the adjusted schedule have been reviewed by the associated NJSDA project team members, as well as the Design Studio Managing Director, Program Director, Deputy Director, and CMD for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members, including CMD, have determined that these change orders are justified and that the amounts are reasonable and appropriate.

Change Order 1 (RCO for CCD No. 1)
 Paul Robeson Community Theme School for the Arts (Addition & Renovation)
 October 4, 2017
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CALCULATIONS

a) Original Contract Amount	\$ 31,993,000
b) Change Orders to Date	\$ 0
c) Resolving Change Order Amount*	\$ 2,180,000
d) Total Change Orders to Date Including this Resolving Change Order Value [total of Line b) and Line c)]	\$ 2,180,000
e) Percentage Change to Original Contract [Line d) as a percentage of Line a)]	7%
f) Proposed Adjusted Contract Price [Line a) plus Line d)]	\$ 34,173,000

* This amount is inclusive of the value of CCD # 1 in the amount of \$0, and the initial authorization under CCD #1 of \$80,000 for design services to develop the corrective solution.

RECOMMENDATION

The Members of the Authority are request to approve Construction Change Order No. 1 in the amount of \$2,180,000 to resolve CCD No. 1. In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any change order which singularly exceeds \$500,000 or singularly and/or in the aggregate is greater than 10% of the contract value, requires approval by the Members of the Authority. This change order warrants Board review and approval in that it exceeds \$500,000.

/s/ C. Aidita Milsted

C. Aidita Milsted, Program Director, Program Operations

Reviewed and Recommended by:	Andrew Yosha EVP, Program Operations and Strategic Planning
Reviewed and Recommended by:	Manuel Da Silva Vice President, Construction Operations
Reviewed and Recommended by:	Katherine Gallo, Deputy Program Director, Program Operations
Reviewed and Recommended by:	Nicole Burnett, Program Officer, Program Operations
Prepared and Recommended by:	Claire Tsai-Ochs, Senior Program Officer, Program Operations

Resolution—6a.

Resolving Change Order No. 1 for CCD No. 1

COMPANY NAME:	Hall Construction Company, Inc. (Hall)
DISTRICT:	New Brunswick School District
CONTRACT NO:	ET-0073-B01
PMF/CM:	GREYHAWK North America, LLC (GREYHAWK)
SCHOOL NAME:	Paul Robeson Community Theme School for the Arts
CHANGE ORDER NO.:	1
REASON:	Resolving Change Order No. 1 for CCD No. 1/ Change in Scope and Extended General Conditions
AMOUNT:	\$2,180,000
CONTRACT STATUS:	67.4% Paid to Date against the Current Contract Value
COMPLETION DATE:	April 4, 2018 (Current Substantial Completion Date)

Resolution

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

WHEREAS, in the course of construction, Construction Change Directives (CCDs) are used only when the work has been verified to be a change to the base scope and either 1) is so urgent that it requires a directive for immediate action by the general contractor or 2) negotiations for a change order have failed to come to a resolution and the existence of one of these two situations places the work in the critical path requiring immediate direction to avoid construction delays impacting a schedule milestone; and

WHEREAS, a Resolving Change Order (RCO) is the mechanism by which the final dollar value of a CCD is determined, with the combined value of the CCD and the RCO determining the required level of approval for the resolving change order; and

WHEREAS, the Paul Robeson Community Theme School for the Arts (Robeson School) Addition and Renovation project (the project), which is included in the SDA Capital Plan, consists of a 59,400 square foot renovation and a 60,500 square foot addition to the facility that is designed to educate 823 students in grades Pre-K to 5 in the New Brunswick School District; and

WHEREAS, the Members of the Authority approved the design-build award for the project to Hall Construction Company, Inc. (Hall) and the project's final charter in September 2015; and

WHEREAS, the Robeson School students and staff have been relocated to a SDA leased facility for the duration of the construction; and

WHEREAS, CCD No. 1 in the amount of \$0.00 was issued on June 15, 2017 to address structural conditions in the original building that were revealed during renovation activities; and

WHEREAS, the CCD and the RCO No. 1 represent change in scope and extended general conditions associated with additional design and construction activities for a total value of \$2,180,000; and

WHEREAS, this RCO in a final negotiated value of \$2,180,000 is recommended for Board approval to resolve the CCD issued to Hall by SDA for the design and construction services required to address the structural issues at the Robeson School project; and

WHEREAS, this RCO exceeds \$500,000, thus requiring Board approval; and

WHEREAS, the project background, reason for change, summary of change and relevant financial calculations are comprehensively set forth in the memorandum presented to the Board on this date and incorporated herein; and

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

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 Resolving Change Order No. 1 in the amount of \$2,180,000 for Hall Construction Company, Inc. to resolve Construction Change Directive No. 1 in connection with the Paul Robeson Community Theme School for the Arts in the New Brunswick School District.

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, Resolving Change Orders No. 1 or CCD No. 1, \$2,180,000 (Contract No. ET-0073-B01), Paul Robeson Community Theme School for the Arts, New Brunswick School District, dated October 4, 2017

Dated: October 4, 2017

**PRELIMINARY CHARTER - ORANGE PUBLIC SCHOOLS DISTRICT - ORANGE
HIGH SCHOOL - ADDITION AND RENOVATION PROJECT**



MEMORANDUM

6

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

Ritchard Sherman
Managing Director, Design

C. Aidita Milsted
Program Director, Program Operations

DATE: October 4, 2017

SUBJECT: Preliminary Charter

RE: Orange Public Schools District - Orange High School
Addition and Renovation Project

INTRODUCTION

At the March 7, 2012 NJSDA Board Meeting, the Members of the Authority approved the Authority's 2012 Capital Plan. That Plan identified a project to address facility conditions deficiencies at the Orange High School in the Orange Public Schools District (District).

We are writing to recommend approval by the Members of the attached Preliminary Charter, created by Program Operations staff, which details project advancement recommendations including estimated project costs for project completion.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Preliminary Project Charters require approval by the Members of the Authority.

BACKGROUND

Orange High School is a 111,314 square foot facility currently educating 804 students in grades 10 through 12. The project being advanced by the Authority will include renovations to address facility conditions deficiencies and will provide an addition which will allow for a District-wide change in grade alignment, consistent with the District's approved Long Range Facilities Plan (LRFP) to address district-wide overcrowding at all grade levels identified by the Department of Education based upon its 2013 Educational Facilities Needs Assessment.

Through a competitive process, and with Board approval, the Authority engaged Kliment Halsband Architects, LLP (KHA) to provide Design Consultant Services for the project. The Authority's Design Consultant Services agreement with KHA includes performance of both 1) Predesign Phase Services and 2) Design and Construction Administration Phase Services.

Members of the Authority
 Preliminary Charter
 Orange Public Schools District – Orange High School Addition and Renovation Project
 October 4, 2017
 Page 2 of 3

On May 5, 2015 NJSDA issued to KHA a Notice-to-Proceed (NTP) for Predesign Phase Services. The purpose of the Predesign Phase was to develop and analyze options for delivery of the project scope to most effectively and efficiently address the identified facilities conditions deficiencies and educational program needs.

Services also included development of a viable solution to provide a closed, connecting circulation link between Orange High School and the adjacent Orange Preparatory Academy (OPA) to allow safe and secure passage between the two Schools for student use of shared facilities, most notably the existing auditorium which is located in OPA. The SDA-accepted solution developed by KHA is an enclosed elevated connecting link and installation of new elevators on either end of the elevated connecting link.

On January 4, 2017 the Members provided approval for KHA to proceed with Design and Construction Phase Services and approved a Planning Charter detailing project advancement recommendations as well as negotiated costs for the remaining Design and Construction Phase Services. On January 26, 2017, the NJSDA issued a NTP to KHA for advancement of Schematic Design Phase Services including the development of:

- Educational Specifications;
- Schematic Design Documents; and
- Updated Construction Cost Estimate (CCE).

KHA has completed all elements of the Schematic Design Phase and the NJSDA issued to KHA a NTP for Design Development Phase Services on July 14, 2017.

PROJECT SCOPE

The project scope remains consistent with the scope identified at the time the Planning Charter was approved by the Members in January 2017:

- An approximately 50,000 square foot two-story addition to the existing Orange High School facility including (15) general classrooms, (3) art classrooms, (1) drama classroom, (2) technology labs, (1) robotics lab, (1) auxiliary gymnasium, (1) media center, (2) administrative offices.
- An enclosed elevated connecting link between Orange High School and OPA including installation of new elevators on either end of the elevated connecting link;
- Conversion of the existing Orange High School media center to an auxiliary dining facility;
- Selective renovations and systems upgrades at Orange High School including: science rooms renovations, replacement of interior and exterior doors, flooring replacement, roofing replacement, restroom upgrades, replacement in kind of existing HVAC systems, and provision of a new hot water boiler plant in the Orange High School facility;
- Site improvements including necessary site utility work and replacement of existing parking being displaced by the addition to Orange High School; and
- Demolition of four temporary classroom units currently being utilized to deliver instruction in the Arts, as well as site restoration following demolition.

Based upon completion of schematic design, the project will also provide:

- Replacement of the electrical service switchgear and feeder equipment;
- Replacement of a greater number of unit ventilators than originally anticipated; and
- New burners in the steam boilers located in OPA, necessary for the successful separation of the heating system currently shared with Orange High School.

Members of the Authority
Preliminary Charter
Orange Public Schools District – Orange High School Addition and Renovation Project
October 4, 2017
Page 3 of 3

PROJECT BUDGET

As detailed in the attached Preliminary Charter, the estimated cost of \$46.2 million for the project is inclusive of all prior expenditures including Predesign and Schematic Design Services performed, as well as estimated future costs necessary for advancement of the current project scope including Design Phase Services by KHA, and NJSDA staff costs. The budget is based upon the revised construction cost estimate provided by KHA and the application of planning estimates to the current anticipated project scope. The increased estimated construction costs are based upon the detailed schematic design for the addition, renovation and necessary site work to support the project. The increased costs will be addressed utilizing existing project contingency funds in the amount of \$823,000 and as such there is no increase to the Preliminary Charter Budget from the Planning Charter approved by the Members in January 2017.

RECOMMENDATION

The Members are requested to approve the Preliminary Charter for the Orange High School Project for Orange Public Schools District.

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

Recommended by:

/s/ C. Aidita Milsted

C. Aidita Misted, Program Director, Program Operations

/s/ Ritchard Sherman

Ritchard Sherman, Managing Director of Design

/s/ Gregory Voronov

Gregory Voronov, Managing Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, EVP, Program Operations and Strategic Planning

Reviewed and Recommended by: Manuel Da Silva, Vice President, Construction Operations

Reviewed and Recommended by: Ricardo Didier, Program Officer, Program Operations

Prepared and Recommended by: Katherine Gallo, Deputy Director, Program Operations

New Jersey Schools Development Authority Project Charter - Summary

Charter Date
10/04/17

Supersedes Charter Dated
01/04/17

Region: Northern
District: Orange
Project Name: Orange High School
School Type: High School
DOE # / Project #: 3880-050-15-0AEK
Project Type (New/Add/Reno): Add/Reno
Project Location: 355 Cleveland Street Orange, NJ
Number of Students: 1,440

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

Funding Source
2012 Capital Plan

Project Budget: \$ 46,194,000
Anticipated Substantial Completion Date: TBD
Anticipated School Occupancy Date: TBD

Funding Allocated
\$46,194,000

Project Team Leader: C. Aidita Milsted
Project Initiation Date: 04/01/15
SDA Board - Project Charter Approval Date: 10/04/17

District Local Share
\$0.00

Charter Version and Date	Project Summary
<input type="checkbox"/> Planning 01/04/17	Addition and Renovations to the existing Orange High School to address facility conditions deficiencies and District-wide overcrowding. Project is comprised of a 50,000 SF addition and renovations to the existing 111,000 SF building necessary to accommodate the high school educational program and address facility condition deficiencies.
<input checked="" type="checkbox"/> Preliminary 10/04/17	
<input type="checkbox"/> Final	
Purpose for Advancement of Current/Revised Project Charter	
Revision # and Date	The Preliminary Project Charter is being advanced to update the scope and budget based upon the completion of Schematic Design.
<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	
The project, when advanced in conjunction with the Cleveland ES project, will serve to address current District-wide overcrowding and facility conditions deficiencies.	

Recommendation

Program Director - Program Operations C. Aidita Milsted	Date	Managing Directors - Capital Planning / Design Gregory Voronov / Ritchard Sherman	Date
Vice President - Construction Operations Manuel DaSilva	Date	EVP- Prog. Ops. and Strategic Planning Andrew Yosha	Date

Approval

Chief Executive Officer
 Charles McKenna

6

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

Charter Date
10/04/17

District / Project Name:	Orange / Orange High School
DOE # / Project #:	3880-050-15-0AEK

Project Milestones	Date
School Occupancy Date	TBD

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

<u>Real Estate Services</u>	Start	Est.	Act.	Finish	Est.	Act.
Feasibility		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
EO215 Requirements	05/05/15	<input type="checkbox"/>	<input checked="" type="checkbox"/>	01/04/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Acquisition		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Relocation		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Demolition		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Remediation		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?	N/A	Date				
District Notified?	N/A	<input type="checkbox"/>	<input type="checkbox"/>			
Classification Exception Area?	N/A					
District Notified?	N/A	<input type="checkbox"/>	<input type="checkbox"/>			

Special Considerations

<u>Design:</u>	Date	Est.	Act.		Est.	Act.
Design Start (NTP)	05/05/15	<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	05/05/15	<input type="checkbox"/>	<input checked="" type="checkbox"/>	01/04/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic Design Phase	01/26/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/13/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design Development Phase	07/14/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/11/17	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Construction Documents Phase	12/12/17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	05/02/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DCA Review	05/03/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>	08/03/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bid and Award	06/15/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12/20/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

<u>Construction:</u>	Date	Est.	Act.
Construction Start (NTP)	TBD	<input type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	TBD	<input type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	TBD	<input type="checkbox"/>	<input type="checkbox"/>
Title Transfer	TBD	<input type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	TBD	<input type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	TBD	<input type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	TBD	<input type="checkbox"/>	<input type="checkbox"/>

Special Considerations

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date
		10/04/17
District / Project Name:	Orange / Orange High School	
DOE # / Project #:	3880-050-15-0AEK	
2012 Capital Plan Funding Allocation	\$	46,194,000
Special Considerations:		
The project budget is inclusive of all prior expenditures including Predesign Services performed by KHA, as well as estimated future costs necessary for advancement of the current project scope. The budget is based upon the negotiated fees for Design Consultant Services, the reconciled construction cost estimate provided by KHA and the application of planning estimates to the current anticipated project scope.		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor:
		1.55
New Addition	_____	
Renovation	_____	
Total Gross Building Area (GSF):	_____	
Estimated Building Cost / GSF		
New Construction Cost/GSF	\$325.00	
Renovation Cost/GSF	\$112.00	
Construction Costs:		
Addition Costs	_____	\$15,343,000
Renovation Costs	_____	\$11,625,000
Site Costs	_____	\$2,860,000
System Upgrades	_____	\$0
E-Rate (If separately bid)	_____	\$0
Cost Escalation 18 months at 5 % per year	_____	\$2,200,000
Design Contingency	_____	\$2,577,000
Construction Contingency	_____	\$1,560,000
Total Construction Costs		\$36,165,000
Pre-Development Costs:		
Consultant Services	_____	\$100,000
Early Site Packages	_____	\$0
Land Acquisition	_____	\$0
Relocation	_____	\$0
Property Maintenance/Carry Costs	_____	\$0
Total Pre-Development Costs		\$100,000
Other Costs:		
Design	_____	\$3,775,000
Project Management (SDA Staff)	_____	\$1,650,000
PMF/CM	_____	\$1,600,000
FF&E	_____	\$1,140,000
Technology	_____	\$1,140,000
Commissioning	_____	(Included in Design Scope)
Temporary Space	_____	\$0
Other Costs	_____	\$624,000
Total Other Costs		\$9,929,000
Other Funding Sources		
Rebates & Refunds	_____	\$0
District Local Share Funds	_____	\$0
Total Other Funding Sources		\$0
Total Project Budget	_____	\$46,194,000
Funding from Prior Allocation	_____	\$0
Funding from 2012 Capital Plan	_____	\$46,194,000

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

Charter Date

10/04/17

District / Project Name: Orange / Orange High School
DOE # / Project #: 3880-050-15-0AЕК

Project Budget:

	Capital Plan Estimate	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:	1.55	1.55	
Gross Building Area (GSF):			
New Addition	50,000	50,664	(664)
Renovation	111,300	111,300	0
Total Gross Area (GSF):	161,300	161,964	(664)
Construction Costs			
Addition Costs	\$14,978,000	\$15,343,000	(\$365,000)
Renovation Costs	\$11,886,000	\$11,625,000	\$261,000
Site Costs	\$2,456,000	\$2,860,000	(\$404,000)
System Upgrades	\$0	\$0	\$0
E-Rate (If separately bid)	\$0	\$0	\$0
Cost Escalation	\$1,885,000	\$2,200,000	(\$315,000)
Design Contingency	\$3,400,000	\$2,577,000	\$823,000
Construction Contingency	\$1,560,000	\$1,560,000	\$0
Total Construction Costs	\$36,165,000	\$36,165,000	\$0
Pre-Development Costs:			
Consultant Services	\$100,000	\$100,000	\$0
Early Site Packages (Demolition/Remediation)	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0
Relocation	\$0	\$0	\$0
Property Maintenance/Carry Costs	\$0	\$0	\$0
Total Pre-Development Costs	\$100,000	\$100,000	\$0
Other Costs:			
Design	\$3,775,000	\$3,775,000	\$0
Project Management (SDA Staff)	\$1,650,000	\$1,650,000	\$0
PMF/CM	\$1,600,000	\$1,600,000	\$0
FF&E	\$1,140,000	\$1,140,000	\$0
Technology	\$1,140,000	\$1,140,000	\$0
Commissioning	(Included in Design Scope)	(Included in Design Scope)	\$0
Temporary Space	\$0	\$0	\$0
Other Costs	\$624,000	\$624,000	\$0
Total Other Costs	\$9,929,000	\$9,929,000	\$0
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	\$46,194,000	\$46,194,000	\$0
Funding from Prior Allocation	\$0	\$0	\$0
Funding from 2012 Capital Plan	\$46,194,000	\$46,194,000	\$0

Budget Variance Analysis:

The budget is based upon the reconciled construction cost estimate provided by KHA and the application of planning estimates to the current anticipated project scope. The increased estimated construction costs are based upon the detailed schematic design for the addition, renovation and necessary site work to support the project. The increased costs will be addressed utilizing existing project contingency funds in the amount of \$823,000 and as such there is no increase to the Preliminary Charter Budget from the Revised Planning Charter approved by the Members in January 2017.

Schedule Variance Analysis:

Resolution—6b.

Preliminary Project Charter
Orange Public Schools District – Orange High School
Addition/Renovation 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

WHEREAS, Orange High School (High School) in the Orange Public Schools District (District) is a 111,314 square foot facility currently educating 804 students in grades 10 through 12 (project) ; and

WHEREAS, in March 2012, the Members of the Authority approved the SDA's 2012 Capital Plan, identifying a project to address facility conditions deficiencies at the High School; and

WHEREAS, the project being advanced by the Authority will include renovations to address facility conditions deficiencies at the High School and provide an addition, allowing for a District-wide change in grade alignment, consistent with the District's approved Long Range Facilities Plan (LRFP) to address district-wide overcrowding at all grade levels; and

WHEREAS, through a competitive process, and with Board approval, the Authority engaged Kliment Halsband Architects, LLP (KHA) to provide design consultant services for the project; and

WHEREAS, in May 2015 SDA issued to KHA a Notice-to-Proceed (NTP) with predesign phase services and to develop and analyze options for delivery of the project scope to most effectively and efficiently address the identified facilities conditions deficiencies and educational program needs; and

WHEREAS, in January 2017 the Members provided approval for KHA to proceed with design and construction phase services and approved a planning charter detailing project advancement recommendations as well as negotiated costs for the remaining design and construction phase services; and

WHEREAS, that same month, SDA issued KHA a NTP with advancement of schematic design phase services as described in the memorandum presented to the Board on this date; and

WHEREAS, KHA has completed all elements of the schematic design phase and in July 2017 SDA issued KHA a NTP with design development phase services; and

WHEREAS, management recommends that the Members of the Authority approve the project's preliminary charter, presented to the Board on this date, which details project advancement recommendations including estimated project costs for project completion; and

WHEREAS, the project's background, recommended scope and budget are set forth in detail in the memorandum presented to the Board on this date and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the preliminary charter for the Orange High School Project in the Orange Public Schools District consistent with the memorandum presented to the Board on this date and incorporated herein.

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

Attached: Memorandum, Preliminary Project Charter, Orange Public Schools District, Orange High School - Addition/Renovation, dated October 4, 2017

Dated: October 4, 2017

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: October 4, 2017

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 9/20/17

2011 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Bridgeton	Buckshutem ES	K-8	581	645	\$23.3	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Bock)	5/31/13
Bridgeton	Quarter Mile Lane ES	PK-8	731	795	\$39.0	Kit of Parts/ Design-Build	Award for D-B approved Oct. 2013 Board. (Bock)	5/31/13
Elizabeth	Frank J. Cicarell Academy (Academic HS)	9-12	1,091	1,284	\$64.1	Existing Design	School occupied Sep. 2016. (Patock)	12/8/11 7/11/12
Jersey City	Patricia M. Noonan ES (ES 3)	PK-5	778	848	\$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	698	\$49.3	Existing Design	School occupied Sep. 2016. (Dobco, Inc.)	4/17/12 3/6/13
Long Branch	Catrambone ES	PK-5	794	867	\$40.0	Existing Design	School occupied Sep. 2014. (Terminal Construction)	12/20/11
New Brunswick	Redshaw ES	PK-5	906	990	\$51.2	Kit of Parts/ Design-Build	School occupied Jan. 2015. (Hall Construction)	5/29/12
Newark	Oliver St. ES	PK-8	848	932	\$73.6	Kit of Parts/ Design-Build	School occupied May 2016. (Epic Management)	6/27/12 11/29/12
Paterson	Dr. Hani Awadallah ES (Marshall St. ES)	K-8	650	722	\$55.2	Existing Design	School occupied Sep. 2016. (Dobco, Inc.)	6/13/12 2/12/13
Paterson	PS 16	PK-8	641	705	\$62.4	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Hall Construction)	3/27/12 8/28/13
West New York	Harry L. Bain PS 6	PK-6	736	814	\$16.8	Design-Bid-Build	Construction Contract approved Apr. 2016 Board. (Paul Otto)	2/27/12 12/29/15

*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.
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/17

2012 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Gloucester City	Elementary/Middle School	4-8	687	763	\$65.3	Kit of Parts/ Design-Build	Award for D-B approved Jul. 2014 Board. (Terminal Construction)	3/4/14
Keansburg	Caruso ES	K-4	758	842	\$50.9	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Hall Construction)	10/20/11 6/27/13
Keansburg	Port Monmouth Road School	PK	318	318	\$25.8	Design-Bid-Build	Revised Planning Charter approved Dec. 2016 Board.	TBD
New Brunswick	Robeson ES	PK-5	823	893	\$47.1	Kit of Parts/ Design-Build	Award for D-B approved Sep. 2015 Board. (Hall Construction)	4/22/15
Newark	Elliot Street ES	PK-8	848	932	\$46.7	Kit of Parts/ Design-Build	School occupied Jan. 2016. (Hall Construction)	12/27/12
Newark	South Street ES	PK-8	597	657	\$69.9	Kit of Parts/ Design-Build	Award for D-B approved Oct. 2015 Board. (Bock)	6/28/13 6/29/15
Passaic	Dayton Ave. Campus	PK-8	2,741	2,997	\$209.5	Kit of Parts/ Design-Build	Advertisement for D-B 6/13/17. Proposals due Oct. 2017.	6/13/17
Phillipsburg	High School	9-12	1,846	2,172	\$127.5	Existing Design	School occupied Sep. 2016. (Epic Management)	9/27/12
West New York	Memorial HS	9-12	1,859	2,194	\$16.0	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Renovation work delegated to District via 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.
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

7



2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/17

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

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
East Orange	George Washington Carver ES	PK-5	470	512	\$42.0	Kit of Parts/ Design-Build	Award for D-B approved Jun. 2017 Board. (Dobco)	4/26/16 1/20/17
Elizabeth	New ES @ Halloran PS #22 ES Site	2-8	860	956	\$55.3	Kit of Parts/ Design-Build	School occupied Sep. 2017. (Torcon)	6/9/14
Garfield	James Madison ES	K-5	275	305	\$29.7	Existing Design	Award for GC approved Oct. 2015 Board. (Brockwell & Carrington)	2/19/14 6/30/15
Harrison	New ES	PK - 1	392	432	\$36.1	Kit of Parts/ Design-Build	Award for D-B approved Nov. 2016 Board. (Brockwell and Carrington)	11/10/15 7/13/16
Irvington	Madison Avenue ES	PK-5	463	504	\$35.4	Kit of Parts/ Design-Build	Award for D-B approved Dec. 2016 Board. (Bock)	11/19/15 8/16/16
Millville	Senior HS Addition/Renovation	HS	2,026	2,391	\$110.0	Design-Build	Award for D-B approved Apr. 2017 Board. (Hall Construction)	9/30/16
Passaic	New ES @ Leonard Place	K-5	628	698	\$55.9	Kit of Parts/ Design-Build	Award for D-B approved Dec. 2015 Board. (Dobco, Inc.)	8/13/15
Paterson	New MS @ Union Ave.	6-8	996	1107	\$112.9	Design-Build	Preliminary Charter approved Apr. 2015 Board.	3/2/17 1 QTR 18
Pemberton	Denbo ES	PK-5	846	930	\$62.0	Design-Build	Advertisement for D-B 9/13/17. Proposals due Nov. 2017.	3/1/17 9/13/17
Perth Amboy	High School	HS	2,800	3,304	\$234.4	Design-Build	Preliminary Charter approved Jun. 2016 Board.	4 QTR 17
Perth Amboy	Seaman Avenue ES	K-5	724	804	\$56.8	Kit of Parts/ Design-Build	Award for D-B approved Jul. 2016 Board. (Epic Management).	2/3/16
Plainfield	New Woodland ES	K-5	756	839	\$56.9	Kit of Parts/ Design-Build	Preliminary Charter approved Sep. 2016 Board.	4 QTR 17
Union City	New Grade 7 to 9 School	7-9	756	840	\$64.2	Kit of Parts/ Design-Build	Preliminary Charter approved Mar. 2017 Board.	4 QTR 18
Vineland	Lincon Ave. MS (New MS)	6-8	562	624	\$49.8	Kit of Parts/ Design-Build	Award for D-B approved Jan. 2016 Board. (Bock)	9/24/15

*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. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



2011 & 2012 Portfolio Projects Activities Summary

as of 9/20/17

2012 Portfolio Projects (Facilities Deficiencies) - sorted by District

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Camden	High School	9-12	1,244	1,468	\$132.7	Design-Build	Preliminary Charter approved Oct. 2016 Board. ROA for Demolition approved Aug.-17 Board.	6/9/17 TBD
Hoboken	Demarest ES	ES	TBD	TBD	TBD	TBD	Substitution of Demarest ES approved Jul. 2017 Board.	TBD
Orange	Cleveland St. ES	PK-6	306	336	\$24.3	Design-Bid-Build	Preliminary Charter approved Mar. 2017 Board.	2/21/17 TBD
Orange	High School	9-12	1,440	1,694	\$46.2	Design-Bid-Build	Planning Charter approved Jan. 2017 Board.	TBD
Trenton	Central HS	9-12	1,850	2,176	\$155.4	Design-Build	Award for D-B approved Mar. 2016 Board. (Terminal)	12/19/14 9/29/15

*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.
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



Active Project Status Report Status as of 9/1/2017

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	Quarter Mile Lane ES	Addition/Renovation	Complete	Apr-17	Achieved	Sep-17	Achieved	\$ 39,043,619
2	East Orange	New GW Carver ES	New Construction	Design-Build Design Phase	4Q 2019	On-target	1Q 2020	On-target	\$ 41,179,670
3	Elizabeth	New ES	New Construction	Construction	Sep-17	Achieved	Sep-17	Achieved	\$ 55,312,580
4	Garfield	New James Madison ES	New Construction	Construction	2Q 2018	On-target	Sep-18	On-target	\$ 29,650,092
5	Harrison	New Elementary School	New Construction	Design-Build Design Phase	2Q 2019	On-target	Sep-19	On-target	\$ 36,115,640
6	Irvington	New Madison Ave ES	New Construction	Construction	2Q 2019	On-target	Sep-19	On-target	\$ 38,589,795
7	Millville	Millville Senior High School	Addition/Renovation	Design-Build Design Phase	3Q 2022	On-target	Phased	On-target	\$ 137,185,832
8	New Brunswick	Paul Robeson Community ES	Addition/Renovation	Construction	2Q 2018	On-target	Sep-18	On-target	\$ 47,012,849
9	Newark	South Street ES	New Construction	Construction	2Q 2018	On-target	Sep-18	On-target	\$ 69,876,694
10	Passaic City	New ES at Leonard Place	New Construction	Construction	3Q 2018	On-target	Sep-18	On-target	\$ 55,884,039
11	Perth Amboy	New Seaman Ave ES	New Construction	Design-Build Design Phase	1Q 2019	On-target	Sep-19	On-target	\$ 56,435,971
12	Trenton	New Central HS	New Construction	Construction	2Q 2019	On-target	Sep-19	On-target	\$ 155,404,000
13	Vineland	Lincoln Road MS (New Middle School)	New Construction	Construction	2Q 2018	On-target	Sep-18	On-target	\$ 49,787,025
14	West New York	Harry L. Bain ES	Renovation	Construction	Aug-17	Achieved	Sep-17	Achieved	\$ 16,848,500



**Active Project Status Report
Status as of 9/1/2017**

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	Camden City	Cramer ES	Structural Repairs	GC TO w/ Design	4Q 2017	On-Target	4Q 2017	On-Target	\$ 1,932,429
2	Paterson	New Roberto Clemente	HVAC & Corrective Work	GC TO w/ Design	1Q 2019	On-Target	2Q 2019	On-Target	\$ 2,528,884
3	Salem City	Salem MS	Structural Ceiling Repairs	GC TO w/ Design	1Q 2018	On-Target	2Q 2018	On-Target	\$ 2,330,169
4	Vineland	High School South	HVAC	Construction	Oct-16	Achieved	3Q 2017	On-Target	\$ 13,652,573

PROJECT CLOSEOUT STATUS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY32 EAST FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-858-5395

To: Members of the Authority

From: /s/ Ayisha Cooper, Research Specialist

Date: October 4, 2017

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 project transfer to the district, but also have outstanding open contracts. Additionally, we have included a running total of all school facilities projects, health and safety contracts, and suspended design contracts which have been closed.

We continue to advance projects and contracts through the close-out process. A Health & Safety contract has been closed, and the following project has been transferred since the last Board Meeting:

Year of Occupancy	Project #	Project Type	District	School	Status
2016	2390-190-01-0581	Capital Plan	Jersey City	New Public School #20	Transferred

**SPECIAL PROJECTS DIVISION****PROJECT STATUS REPORT - As of September 1, 2017**

Year of Occupancy	DOE #	School	Disposition	School Transfer Date	Outstanding Issues Preventing Complete Close-out
Bridgeton					
2016	0540-050-13-0ACN	Buckshutem Road Elementary School			
Burlington City					
2007	0600-020-01-0957	New High School	Project Transferred	12/29/11	Open contract(s) - Legal matter pending
Camden					
2007	0680-140-01-0939	Octavius V. Catto Community School - Demonstration Project	Project Transferred	01/09/12	Open contract(s) - Pending audit completion
2009	0680-350-01-0938	HB Wilson Elementary School	Project Transferred	04/14/10	Open contract(s)
2009	0680-190-01-0927	Dudley Elementary School	Project Transferred	02/06/12	Open contract(s)
2011	0680-245-01-0930	Morgan Village Academy	Project Transferred	02/25/13	Open contract(s) - Legal matter pending
Cumberland					
2009	0997-030-02-0926	Cumberland Regional High School	Project Transferred	06/25/10	Open contract(s) - Legal matter pending
East Orange					
2009	1210-150-01-1178	Cicely Tyson School of Performing and Fine Arts - Demonstration Project	Project Transferred	12/01/09	Open contract(s) - Pending audit completion
Egg Harbor City					
2010	1300-X01-04-0ADY	New Middle School	Project Transferred	01/01/12	Open contract(s)
Egg Harbor Township					
2011	1310-005-04-0AEB	Egg Harbor Township High School			
Elizabeth					
Legacy	1320-X06-01-0866	#30 Ronald Reagan Academy	Project Transferred	07/09/12	Open contract(s) - Legal matter pending
2013	1320-240-03-0339	Victor Mravlag Elementary School # 21			
2016	1320-x07-01-0867	Frank J. Cicarell Academy (New Academic HS)			
Garfield					
2007	1700-N01-02-0114	Garfield Middle School	Project Transferred	06/25/09	Open contract(s) - Legal matter pending
Gloucester City					
Legacy	1770-160-01-0245	Cold Springs Elementary School	Project Transferred	06/05/09	Open contract(s)
Harrison					
2007	2060-X01-01-0832	New Harrison High School	Project Transferred	10/23/12	Open contract(s)
Jersey City					
Legacy	2390-N01-99-0227	New Elementary School #3 (Frank R. Conwell Elementary School #3)	Project Transferred	12/19/15	Open contract(s) - Legal matter pending
Legacy	2390-N02-99-0228	Jersey City Middle School # 4 (Frank R. Conwell Middle School #4)	Project Transferred	12/19/15	Open contract(s) - Legal matter pending
2016	2390-190-01-0581	New Public School #20	Project Transferred	08/11/17	Open contract(s)
2007	2390-N03-99-0147	Heights Middle School #7			

SPECIAL PROJECTS DIVISION**PROJECT STATUS REPORT - As of September 1, 2017**

Year of Occupancy	DOE #	School	Disposition	School Transfer Date	Outstanding Issues Preventing Complete Close-out
Keansburg					
2016	2400-E01-02-0116	New Caruso Elementary School			
Long Branch					
2008	2770-X03-01-0635	Long Branch High School & Athletic Fields	Project Transferred	12/07/12	Open contract(s) - Legal matter pending
New Brunswick					
2010	3530-N05-03-0791	New Brunswick High School - Demonstration Project	Project Transferred	08/19/11	Open contract(s) - Pending audit completion
2014	3530-060-03-1032	A. Chester Redshaw Elementary School	Project Transferred	01/15/16	Open contract(s)
Newark					
Legacy	3570-X01-01-0617	Science Park	Project Transferred	05/03/13	Open contract(s) - Legal matter pending
2008	3570-X03-01-0665	Central High School	Project Transferred	03/28/12	Open contract(s) - Legal matter pending
2010	3570-X07-01-0693	Speedway Elementary School	Project Transferred	10/21/15	Open contract(s)
2016	3570-390-04-00BJ	Elliott Street Elementary School	Project Transferred	01/31/17	Open contract(s)
2016	3570-590-02-0315	Oliver Street Elementary School	Project Transferred	05/18/17	Open contract(s)
Passaic					
2015	3970-X01-01-X760	New Henry Street Elementary School			
Paterson					
Legacy	4010-N02-02-0393	Roberto Clemente Elementary School	Project Transferred	04/12/13	Unable to close due to upcoming repairs.
2016	4010-N09-04-00HP	New Public School #16	Project Transferred	07/31/17	Open Contract(s)
2008	4010-S01-02-0101	International High School			
2008	4010-270-02-0608	#24 Elementary School			
2016	4010-N01-02-0169	Dr. Hami Awadallah School (New Marshall Street ES)			
Pemberton					
2011	4050-E01-02-0082	Pemberton Early Childhood Education Center	Project Transferred	02/01/13	Open contract(s)
Phillipsburg					
2016	4100-X01-99-0464	New High School			
Trenton					
2008	5210-N02-01-0912	Daylight/Twilight Alternative School - Demonstration Project	Project Transferred	12/01/08	Open contract(s) - Pending audit completion
Union City					
2009	5240-X07-01-0571	Union City High School and Athletic Complex - Demonstration Project	Project Transferred	10/27/11	Open contract(s) - Pending audit completion
2012	5240-N03-02-0397	Columbus Elementary School	Project Transferred	02/24/15	Open contract(s) - Legal matter pending
Vineland					
2007	5390-N05-04-000C	Gloria M. Sabater Elementary School - Demonstration Project	Project Transferred	05/06/11	Open contract(s) - Pending audit completion
West New York					
2009	5670-065-01-0559	Elementary School #2	Project Transferred	05/14/13	Open contract(s) - Legal matter pending
2012	5670-070-01-0556	West New York #3	Project Transferred	01/29/14	Open contract(s) - Legal matter pending

**SPECIAL PROJECTS DIVISION
PROJECT STATUS REPORT - As of September 1, 2017**

Year of Occupancy	DOE #	School	Disposition	School Transfer Date	Outstanding Issues Preventing Complete Close-out
Capital and Demonstration Projects Totals					
Total Capital and Demonstration			142		
Closed Capital and Demonstration Projects			99		
Capital and Demonstration Projects Not Closed			43		
Capital and Demonstration Projects Not Closed, Project Transferred			30		
		Legal Matter	13		
		Pending Audit	6		
		Miscellaneous	11		
Emergent Projects					
Irvington					
	2330-090-12-0ACT	Chancellor Avenue Elementary School			
	2330-050-10-00CH	Irvington High School - Roof, HVAC, Bathroom			
Orange					
	3880-115-10-00CM	Orange Middle School (Orange Preparatory Academy)			
Passaic					
	3970-050-12-0ADZ	Passaic City High School			
Trenton					
	5210-080-12-0ABZ	Hedgepeth-Williams School			
Vineland					
	5390-050-12-0ACK	Vineland High School South			
Emergent Project Totals					
Total Emergent Projects			71		
Emergent Projects Closed			64		
Emergent Projects Not Closed			7		
Emergent Projects Not Closed but Transferred			0		
Health and Safety Contract Totals					
Total Contracts			399		
# of Contracts Closed			393		
# of Open Contracts			6		
Open Design Contracts					
Total Contracts			109		
# of Contracts Closed			98		
# of Open Contracts			11		

PROJECT STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: October 4, 2017

SUBJECT: Executive Summary – Monthly Project Status Reports

MONTHLY PROJECT STATUS REPORT

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

No activity during the reporting period

Projects Greater than 90 Days Behind Schedule:

No activity during the reporting period

Revisions to Project Charters:

Camden School – Camden High School – Budget increase to reflect the inclusion of costs associated with temporary facilities necessary to support project advancement that had yet to be determined at the time of Preliminary Project Charter approval in October 2016.



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

Reporting Period: Jan. 1, 2008 to August 31, 2017

District	Project	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ¹	% 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.	\$19,180,848	\$19,100,848	\$80,000	99.6%	99%	1. Unforeseen soil remediation 2. Unforeseen asbestos abatement. 3. Unforeseen HVAC corrective work	Project substantially complete and building occupied. HVAC corrective work scheduled for completion in Q3 2017.
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. Working towards project close-out.
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. Working towards project 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. Working towards project close-out.
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. Working towards project 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. Working towards project close-out.

¹ 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: August 2017

#	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: August 2017

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
1	Camden	Camden High School	Budget Increase	\$ 950,000	0.72%	Board Approved	Budget increase to reflect the inclusion of costs associated with temporary facilities necessary to support project advancement that had yet to be determined at the time of Preliminary Project Charter approval in October 2016.

CONTRACTS EXECUTED REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: October 4, 2017

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

Contracts Executed Report

This report contains the activity of Contracts executed during the period August 1 through August 31, 2017.

Noteworthy Items during the reporting period:

- Execution of 1 contract for the lease of temporary space to support the Salem City Middle School Emergent Ceiling Repair Project for \$115,683.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period August 1 through August 31, 2017.

Noteworthy Items during the reporting period:

- Execution of 3 Design Services Amendments totaling \$22k, of the 3 executed amendments none required board approval.
- Execution of 1 Construction Management Services Amendment totaling a credit of \$76k which did not require board approval.
- Execution of 14 Construction Services Change Orders totaling \$1.0M, 2 of the 14 executed change orders required board approval totaling \$1.1M.

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



Contracts Executed Report

Reporting Period: 8/1/2017 through: 8/31/2017

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE	
Part 3. Land Aquisition Services											
Site Acquisition - Leases											
Salem City	Salem M.S.	Reno	Acquisition	EP-0101-L01	Mid-Atlantic States Career & Education Center		\$115,683	8/14/2017	-		
Site Acquisition - Leases											
Part 3. Land Aquisition Services							\$115,683				

**** Contracts less than \$10,000 are not displayed**

Project Types Legend

- HS Health & Safety
- New New Constuction
- Add Addition
- RenoAdd Addition & Renovation
- Reno Renovation

Contract Types Legend

- Aquisition Property Acquisition Related Costs
- Appraisal Appraisal, Appraisal Review, NRE
- Construction Construction
- Design Design or Site Investigation
- DB Design-Build
- E-Rate E-Rate
- FFE Furniture, Fixtures, and Equipment
- General General Program Cost
- Legal Legal
- Material Material Supply
- ProjectMgmt Project Management Firm
- PreDevelopment Predevelopment or Demolition
- Relocation Relocation Services
- SiteInvstgtn Site Investigation
- Testing Testing
- Title Title Services
- Utilities Utilities Services

MWSBE CERTIFICATIONS

- M = Minority Business Enterprise
- W = Women Business Enterprise
- S = Small Business Enterprise

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



Amendments & Change Orders Report

Reporting Period: 8/1/2017 through: 8/31/2017

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %
Professional Services													
Design Consultant													
City Of Orange Township	Orange M.S.	EP-0061-A01	8/15/2013	3	Schrader Group Architecture, LLC	8/14/2017	\$144,713	(\$11,557)	(\$14,604)			\$118,551	-18.07%
Garfield	James Madison Elementary School #10	NT-0014-A01	5/28/2003	17	Faridy Veisz Fraytak, P.C. Architects/Planners	8/31/2017	\$1,139,765	\$1,371,474	\$16,000			\$2,527,239	121.73%
West New York	Harry L. Bain E.S.	HU-0026-A01	10/21/2013	1	USA Architects, Planners + Interior Designers, PA	8/21/2017	\$1,315,988	\$0	\$20,408			\$1,336,396	1.55%
Design Consultant													
Construction Management Services													
New Brunswick	A. Chester Redshaw E.S.	PM-0016-P01	11/26/2002	40	Epic Management, Inc.	8/30/2017	\$1,076,875	(\$2,762)	(\$75,672)			\$998,441	7.28%
Construction Management Services													
Professional Services													
												\$	(53,868)
Construction Services													
Contractor													
Egg Harbor City	New Middle School	ET-0097-C02	8/21/2015	5	I.E.W. Construction Group, Inc.	8/10/2017	\$389,789	\$1,112,745	\$4,071			\$1,506,606	286.51%
Egg Harbor Township	Egg Harbor Township H.S.	ET-0087-C03	4/3/2017	1	Delric Construction Co., Inc.	8/7/2017	\$1,141,371	\$0	\$160,213	YES	7/5/2017	\$1,301,584	14.03%
Elizabeth	Number 17, Theodore Roosevelt E.S.	EL-0043-C01	7/15/2016	1	B&N&K Restoration Co., Inc.	8/21/2017	\$28,284	\$0	(\$1,701)			\$26,583	-6.01%
Jersey City	Number 20 E.S.	JE-0010-C01	9/16/2013	65	Dobco, Inc.	8/25/2017	\$28,735,000	\$1,594,377	\$3,639			\$30,333,016	5.56%
Phillipsburg	New HS (-x01)	NT-0003-C02	6/6/2013	109	Epic Management, Inc.	8/21/2017	\$80,490,000	\$4,738,241	\$1,069			\$85,229,310	5.88%
Phillipsburg	New HS (-x01)	NT-0003-C02	6/6/2013	113	Epic Management, Inc.	8/21/2017	\$80,490,000	\$4,739,310	\$20,872			\$85,250,182	5.91%
Phillipsburg	New HS (-x01)	NT-0003-C02	6/6/2013	112	Epic Management, Inc.	8/28/2017	\$80,490,000	\$4,760,182	\$54,995			\$85,305,177	5.98%
Phillipsburg	New HS (-x01)	NT-0003-C02	6/6/2013	115	Epic Management, Inc.	8/28/2017	\$80,490,000	\$4,815,177	\$51,336			\$85,356,513	6.04%
Trenton	Hedgepeth-Williams M.S.	EP-0073-C03	7/1/2016	4	D&K Construction Co., Inc.	8/1/2017	\$1,287,000	\$58,055	\$2,961			\$1,348,016	4.74%



Amendments & Change Orders Report

Reporting Period: 8/1/2017 through: 8/31/2017

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Current CO Amount	Board Approval Required	Board Apporoval Date	Revised Contract Amount	Cumulative CO %
Vineland City	Vineland Senior H.S. South	EP-0085-C01	6/24/2015	8	Falasca Mechanical Inc.	8/21/2017	\$8,600,000	\$1,629,699	(\$200,000)			\$10,029,699	16.62%
West New York	Harry L. Bain E.S.	HU-0026-C01	5/11/2016	22	Paul Otto Building Co., Inc.	8/14/2017	\$10,978,000	\$304,554	\$52,576			\$11,335,130	3.25%
Elizabeth	New ES	EL-0042-B01	12/16/2014	1	Torcon, Inc.	8/23/2017	\$44,456,800	\$0	\$988,000	YES	8/2/2017	\$45,444,800	2.22%
Gloucester City	New Elementary/Middle School	ST-0014-B01	8/6/2014	6	Terminal Construction Corp.	8/30/2017	\$40,000,000	\$1,859,977	(\$20,000)			\$41,839,977	4.59%
Vineland City	Lincoln Ave Middle School	ST-0017-B01	2/16/2016	1	Ernest Bock & Sons, Inc.	8/31/2017	\$36,885,000	\$0	(\$87,072)			\$36,797,928	-0.23%

Contractor	
Construction Services	\$1,030,959

Total Change Order Summary
\$977,091

Total Change Orders
18

Grand Totals

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

CONTRACT TERMINATIONS REPORT *(no activity)*

SETTLEMENT CLAIMS *(no activity)*

CONTRACTOR AND WORKFORCE COMPLIANCE REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds /s/ Karon Simmonds
Director Risk Management and Vendor Services
Office of the Chief Financial Officer

DATE: October 4, 2017

SUBJECT: Contractor and Workforce Compliance Monthly Update for July 2017

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 through July 31, 2017 was \$91,483,504. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total contract dollars awarded to all SBE contractors was \$31,231,276 (including minorities and women). This represents 34.14 % of all SDA contracts.

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$ 25,562,766	27.94%
Small/ Minority Business Enterprises	\$ 125,000	0.14%
Small/Women Business Enterprises	\$ 5,543,510	6.06%
Small/Veteran Owned Business Enterprises	\$ -0-	0.00%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
TOTAL SBE CONTRACTS	\$ 31,231,276	34.14%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 October 4, 2017
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Ethnic Breakdown

Through the month of July 31, 2017 the total SBE contracts awarded with minority participation was 0.40%.

Ethnicity	Contract Amount	Percentage
American Indian	\$ -0-	0.00%
Asian	\$ 125,000	0.40%
Black	\$ -0-	0.00%
Hispanic	\$ -0-	0.00%
Total	\$ 125,000	0.40%

WORKFORCE COMPLIANCE MONITORING

For the month of July 2017, there was a contractor workforce of 774 on SDA projects. This represents a total of 66,902 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	97	8,020	11.99%
Hispanic	95	7,408	11.07%
American Indian	1	202	0.30%
Asian	4	394	0.59%
Total Minority Participation	197	16,024	23.95%
Total Non-Minority Participation	577	50,878	76.05%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 October 4, 2017
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There was a contractor workforce of 378,394 total workforce hours and 2,879 total female workforce hours on SDA projects for the period of January 1, 2017 through July 31, 2017. The following table highlights the *Local County Contractor Workforce* participation for that period:

Local County Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	378,394	100.00%
*Total Local County Workforce Hours	26,195	6.92%
Total Local County Non-Minority Workforce Hours	14,210	3.76%
Total Local County Female Workforce Hours	68	0.02%
Total Local County Minority Workforce Hours	11,985	3.17%
**Local County Workforce Hours by Ethnicity:		
Black	9,748	2.58%
Hispanic	2,237	0.59%
American Indian	0	0.00%
Asian	0	0.00%

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

**Minority breakdown represents Black, Hispanic, American Indian, and Asian laborers. Minority female laborers are captured as female laborers only and are not included in the minority breakdown.

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 October 4, 2017
 Page 4 of 4

The following table represents contractor and female workforce for all SDA active Capital Projects and all active and completed Emergent Projects for the period of January 1, 2017 through July 31, 2017.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Local County Workforce Hours & Percentage	
Bridgeton, Quarter Mile Lane ES	5,480	721	13.16%	0	0.00%
Elizabeth, New Elementary School	110,913	32,170	29.00%	0	0.00%
Garfield, James Madison ES	20,496	4,215	20.56%	0	0.00%
Gloucester, New MS	2,295	240	10.46%	65	2.83%
Harrison ES	905	520	57.46%	0	0.00%
Jersey City, ES #3	2,420	368	15.21%	32	1.32%
New Brunswick, Paul Robeson School	44,704	9,691	21.68%	3,804	8.51%
Newark, South Street ES	14,479	3,782	26.12%	917	7.90%
Passaic, Leonard Place ES	11,900	2,218	18.64%	2,231	18.75%
Perth Amboy, Seaman Avenue	2,550	0	0.00%	360	14.12%
Phillipsburg HS	64	0	0.00%	27	42.19%
Trenton HS	104,684	33,512	32.01%	16,363	15.63%
Vineland, Lincoln Ave MS	31,311	5,863	18.73%	2,404	7.68%
West New York, Harry L. Bain ES	23,319	12,734	54.61%	0	0.00%
Emergent Projects	2,874	605	21.05%	704	24.50%

Prepared by: Charlotte Brooks
 JaDawna Brown-Mooney

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: October 4, 2017

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 August 2017. Also included is a detailed list of grants executed and grants offered during the reporting period.

Monthly Update:

- No grants were offered during the reporting period.
- No grants were executed during the reporting period.
- 22 grants impacting 16 districts were closed out during the reporting period representing \$19.1M in total project costs and state share of \$6.5M.
- Since inception, over \$2.7B has been disbursed to 524 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

August 2017

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	34	524	512	228
Number of Grant Projects	98	5,394	4,399	995
Total Project Cost Estimate	\$ 96,067,591	\$ 9,147,698,804	\$ 7,902,552,430	\$ 1,245,146,374
Grant Amount	\$ 40,809,380	\$ 3,022,804,671	\$ 2,580,597,202	\$ 442,207,469
Amount Disbursed	N/A	\$ 2,744,836,475	\$ 2,580,597,202	\$ 164,239,273

Total Funding Offered to School Districts via Grant Program	\$ 3,342,209,450
-------------------------------------------------------------	------------------

Total ROD Grant Funding remaining for new Grant Projects	\$ 51,521,580
----------------------------------------------------------	---------------

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

Monthly Activity ROD Grant Summary		
	Executed	Closed-Out
Districts Impacted	-	16
Number of Grant Projects	-	22
Total Project Cost Estimate	\$ -	\$ 19,120,762
Grant Amount	\$ -	\$ 6,493,193
Amount Disbursed	NA	\$ 6,493,193

* 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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**NOTIFICATION OF AMENDMENTS TO GOODS AND SERVICES CONTRACTS NOT
EXCEEDING \$100,000 OR 10% OF THE CONTRACT VALUE (*no activity*)**

COMMUNICATIONS MONTHLY REPORT

MEMORANDUM

TO: Members of the Authority

FROM: /s/ Kristen MacLean, Director of Communications

DATE: October 4, 2017

SUBJECT: Monthly Communications Report

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Opening the New Patricia M. Noonan Elementary School



On September 12, 2017 CEO Charlie McKenna joined local and district officials to cut the ribbon and welcome students to the new Patricia M. Noonan School in Jersey City. The new Patricia M. Noonan Elementary School is a 123,000 square-foot school designed to educate approximately 850 students in grades Pre-kindergarten through five. The facility includes 30 general use classrooms, 10 Pre-kindergarten classrooms, four self-contained special education classrooms, a technology/project lab, a science demonstration lab, small group instruction rooms, a cafeteria, a gymnasium, a multi-purpose room with stage and a media center.

Communications Report
October 4, 2017
Page 2 of 2

Re-Opening of the Harry L. Bain Elementary School in West New York



On September 5, SDA Executive Vice President of Program Operations and Strategic Planning Andrew Yosha joined West New York School District and local officials to celebrate the re-opening of the rehabilitated Harry L. Bain Elementary School in West New York. The Harry L. Bain Elementary School project included improvements to the building envelope and interior systems of the existing school that educates approximately 800 students in grades pre-kindergarten through six. The exterior renovations included removal and replacement of the building façade, brick front and windows, as well as installation of a water-resistant exterior insulation and finish wall system. The interior work included replacement of classroom HVAC units, lighting systems upgrades, ceiling tile replacements in coordination with the HVAC & lighting work, and repairs to water infiltration-damaged interior spaces.

Community Meetings

SDA staff also attended community meetings in Camden on September 20, 2017 to provide an update on the new Camden High School project.

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: October 4, 2017

SUBJECT: Monthly Financial Report – August 2017

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. Page 5 contains a breakdown of the Authority’s headcount information by department/division. The basic financial statements follow on pages 6 and 7.

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

For August 2017 year to date, Authority operating expenses, **\$14 million**, are **down \$1.9 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 **\$1.7M**. The Authority is currently 32 FTEs under budget. This variance is offset by the year to date allocation - of payroll expense to project cost - that is lower than projected, **(\$667K)**;
- Lower spending for MIS **\$243K**;
- Lower spending for capital expenditures **\$131K**.

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

For August 2017 year to date, Authority operating expenses, **\$14 million**, are **\$1.3M** higher as compared to the corresponding prior year:

- Higher employee benefit costs **\$935K**, primarily due to the impact of a non-cash accrual for pension expense recorded for GASB 68;
- Increases in Common Area Maintenance (CAM) fees **\$76K**.

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

For August 2017 year to date, project expenditures, **\$241.5 million**, are **higher by \$9.9 million** as compared to the capital-spending forecast for the *corresponding period*. The variance is due to increased activity in construction work **\$7.6M**, grant activity **\$7.8M** and school, furniture, fixtures and equipment **\$2.5M**. This variance is offset by decreased spending in property acquisitions **\$3.9M** and other project related costs **\$4.1M**.

Members of the Authority
October 4, 2017
Page 2

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

For August 2017 year to date, project expenditures, **\$241.5 million**, have **decreased** by **\$15 million** as compared to the *corresponding prior year*. The variance is primarily due to decreased spending in construction related activity **\$16.6M**, school furniture, fixtures and equipment **\$9M**, property acquisitions **\$1.4M** and other project related costs **\$4.3M**. Offsetting these cost reductions are spending increases in grants **\$16.3M**.

Other

Since program inception, 79.1% 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
August 2017
(Unaudited)

New Jersey Schools Development Authority

Overview of Financial Position

August 31, 2017

To: The Audit Committee

From: Sherman E. Cole, Controller

The information contained in this monthly financial report is for the period as of, and for the year-to-date ending, August 31, 2017.

► Overall **Cash and Cash Equivalents** have decreased by \$251 million to \$306.2 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ -
■ Investment earnings	1,984,678
■ Miscellaneous revenue	49,922
■ Project costs	(241,462,552)
■ SDA operating expenses	(11,018,665)
■ SDA capital expenditures	(6,180)
■ Deposits (primarily district local shares)	<u>(569,125)</u>
Net Change in Cash	<u>\$ (251,021,922)</u>

► **Prepaid Expenses** total \$458,475 as follows:

- Prepaid insurance of \$177,711.
- Prepaid rents of \$122,431 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$124,791.
- Other prepaids of \$33,542.

► **Capital Assets** total \$574,892 (net of accumulated depreciation of \$6,868,938), consisting of leasehold improvements (SDA offices), and capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is generally calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$6,180 and **Depreciation Expense** is \$138,392.

► **Accrued Liabilities** total \$134.8 million, as follows:

- Accrued project costs of \$23.7 million consisting of unpaid invoices (\$7.8 million); and retainage (\$15.9 million).
- Accrued net pension liability of \$73.6 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$3.2 million (PRO liability \$5.1 million, offset by expected cost recoveries of \$1.9 million).
- Estimated liability for loss contingencies totaling \$2.1 million (contractor claims \$2.1 million).
- Estimated liability for loss contingencies totaling \$4.3 million (Cumberland HS \$4.3 million).
- Payroll related liabilities of \$1.9 million.
- Post-employment benefits obligation of \$25.9 million.
- Other accrued liabilities of \$0.1 million.

► **Deposits** total \$2.9 million, as follows:

- \$2.8 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$186.4 million.

New Jersey Schools Development Authority School Facilities Project Expenditures & Funding Allocation August 31, 2017

► School Facilities Construction Bond / Note Proceeds & Project Expenditures

- During the current year to date, the SDA has received \$0 million bond and note proceeds. The total amount of proceeds received since program inception is \$10.448 billion.
- Project expenditures for the month and year-to-date periods total \$26.3 million and \$241.5 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Current Year-To-Date</u>	<u>Since Program Inception</u>
Construction	\$ 18,677,302	\$ 132,052,741	\$ 4,595,120,109
Design Services	212,523	1,901,892	410,889,377
PMF/CM Services	590,696	4,169,793	449,420,900
SDA Project Management	1,033,636	9,359,408	66,732,817
Property Acquisition, Relocation & Enviro	(650,353)	1,974,948	579,295,889
School Furniture, Fixtures & Equipment	1,250,868	10,481,934	151,290,681
Project Insurance	608,444	1,396,017	109,007,598
NJ State Inter-Agency Transfers	82,190	237,530	48,924,230
SDA District Grant & Funding Agreements	463,599	15,305,958	846,404,225
Regular Operating District Grant Agreements	3,728,819	62,941,568	2,753,769,027
Real-Time Project Audits	-	30,349	468,867
Property Management, Maintenance & Utils	94,821	522,739	16,172,547
Outside Legal & Claims Resolution Services	68,218	491,156	8,034,692
Other Project Costs	133,035	1,017,707	63,317,166
Project Credits	-	-	(54,902,944)
Total Project Expenditures	26,293,798	241,883,740	10,043,945,181
Less: Local Share Contributions	-	(421,188)	(182,901,823)
Project Expenditures (State Share)	\$ 26,293,798	\$ 241,462,552	\$ 9,861,043,358
 2017 Capital Spending Forecast	 \$ 31,242,386	 \$231,518,204	

Allocations Since Program Inception

► Program Funding & Expenditures

- SDA Districts
- Regular Operating Districts
- Vocational Schools
- Total - State Share

	<u>Bonding Caps</u> ¹	<u>Total Funding</u> ²	<u>Paid to Date</u> ³
SDA Districts	\$ 8,900,000,000	\$ 9,012,107,033	\$ 7,131,245,627
Regular Operating Districts	3,450,000,000	3,494,104,960	3,058,686,227
Vocational Schools	150,000,000	151,762,336	112,431,890
Total - State Share	\$ 12,500,000,000	\$ 12,657,974,329	\$ 10,302,363,744

► Percentage of Total Funding Paid to Date

- SDA Districts 79.1%
- Regular Operating Districts 87.5%
- Vocational Schools 74.1%
- Total - State Share 81.4%

1 Of the \$12.5 billion authorized for the school construction program, \$10,447,702,648 principal amount of bond and note proceeds have been received to date.

2 Includes bonding cap amounts and other income and miscellaneous revenue earned to date (i.e., interest income on invested funds and State appropriations).

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$441,320,386.

New Jersey Schools Development Authority Operating Expenses vs Budget August 31, 2017

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<u>Category</u>	<u>Actual Year-To-Date</u>	<u>Budget Year-To-Date</u>	<u>Increase/ (Decrease)</u>
Personnel Expenses:			
Employee Salaries	\$ 12,151,777	\$ 13,057,486	\$ (905,709)
Employee Benefits	8,159,187	8,868,355	(709,168)
Direct Hire Temporary Employee Costs	145,740	193,776	(48,036)
Total Employee Salaries & Benefits Costs	20,456,704	22,119,617	(1,662,913)
Less: Employee Salaries & Benefits Costs			
Charged to Projects	9,359,408	10,026,118	(666,710)
Salaries & Benefits Charged to Operating Expense	11,097,296	12,093,499	(996,203)
Temporary Staffing Services	52,075	100,000	(47,925)
Travel & Expense Reimbursements	13,648	22,403	(8,755)
Training & Professional Development	26,015	89,621	(63,606)
Total Personnel Expenses	11,189,034	12,305,523	(1,116,489)
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	1,599,973	1,759,560	(159,587)
Information Systems	735,553	978,256	(242,703)
Professional & Other Contracted Services	158,322	333,336	(175,014)
Property & Casualty Insurance	273,041	272,528	513
SDA-Owned Automobiles	53,355	76,664	(23,309)
Communications & Outreach	1,377	336	1,041
Reserve for Unforeseen Events & New Initiatives	-	33,336	(33,336)
Total Operating Expenses (Non-Capital)	14,010,655	15,759,539	(1,748,884)
Capitalized Operating Expenses	6,180	137,500	(131,320)
Total Authority Operating Expenses	\$ 14,016,835	\$ 15,897,039	\$ (1,880,204)
 2017 Annual Operating Budget		 \$ 22,924,694	

New Jersey Schools Development Authority

Operating Expenses vs Prior Year

August 31, 2017

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2016</u> <u>Year-To-Date</u>	<u>Increase/</u> <u>(Decrease)</u>
Personnel Expenses:			
Employee Salaries	\$ 12,151,777	\$ 12,320,750	\$ (168,973)
Employee Benefits	8,159,187	7,224,344	934,843
Direct Hire Temporary Employee Costs	145,740	139,582	6,158
Total Employee Salaries & Benefits Costs	20,456,704	19,684,676	772,028
Less: Employee Salaries & Benefits Costs Charged to Projects	9,359,408	9,790,238	(430,830)
Salaries & Benefits Charged to Operating Expense	11,097,296	9,894,438	1,202,858
Temporary Staffing Services	52,075	76,347	(24,272)
Travel & Expense Reimbursements	13,648	16,401	(2,753)
Training & Professional Development	26,015	37,800	(11,785)
Total Personnel Expenses	11,189,034	10,024,986	1,164,048
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	1,599,973	1,521,678	78,295
Information Systems	735,553	685,692	49,861
Professional & Other Contracted Services	158,322	120,731	37,591
Property & Casualty Insurance	273,041	272,256	785
SDA-Owned Automobiles	53,355	53,475	(120)
Communications & Outreach	1,377	240	1,137
Reserve for Unforseen Events & New Initiatives	-	-	-
Total Operating Expenses (Non-Capital)	14,010,655	12,679,058	1,331,597
Capitalized Operating Expenses	6,180	78,518	(72,338)
Total Authority Operating Expenses	\$ 14,016,835	\$ 12,757,576	\$ 1,259,259

New Jersey Schools Development Authority

Employee Headcount

August 31, 2017

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<u>SDA Department</u>	<u>Current Month End</u>	<u>Budget</u>	<u>Increase/ (Decrease)</u>
Office of Chief Executive Officer (CEO)	2	3	-1
CEO, Contract Management	9	13	-4
COS, Program Assessment & Development	7	9	-2
COS, Special Projects	10	9	1
Program Operations, Executive	5	5	0
Program Operations, Capital Planning & Grants Admin.	22	26	-4
Program Operations, Safety	8	8	0
Program Operations - Design Studio	16	16	0
Program Operations, Project Teams	48	62	-14
Corp Governance & Operations, Executive	3	3	0
Corporate Governance & Operations, Human Resources	6	8	-2
Corporate Governance & Operations, Chief Counsel	13	15	-2
Corporate Governance & Operations, Information Systems	15	16	-1
Corporate Governance & Operations, Facilities	4	5	-1
Corporate Governance & Operations, Communications	7	9	-2
Financial Operations, Executive	5	5	0
Financial Operations, Controller	12	12	0
Financial Operations, Real Estate Services	5	5	0
Financial Operations, Procurement & Contract Services	9	9	0
Financial Operations, Risk Management & Vendor Services	<u>11</u>	<u>11</u>	<u>0</u>
Total Full-Time Employees	<u>217</u>	<u>249</u>	<u>-32</u>

New Jersey Schools Development Authority
Statement of Net Position
August 31, 2017

7

	<u>Current</u> <u>Month End</u>	<u>2016</u> <u>Year End</u>	<u>Increase/</u> <u>(Decrease)</u>
ASSETS			
Cash and Cash Equivalents	\$ 306,224,397	\$ 557,246,319	\$ (251,021,922)
Receivables	189,796	201,378	(11,582)
Prepaid Expenses	458,475	850,418	(391,943)
Capital Assets (Net of Accumulated Depr.)	574,892	707,104	(132,212)
Total Assets	<u>307,447,560</u>	<u>559,005,219</u>	<u>(251,557,659)</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount for Pensions	19,756,924	21,939,702	(2,182,778)
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES			
	<u>\$ 327,204,484</u>	<u>\$ 580,944,921</u>	<u>\$ (253,740,437)</u>
LIABILITIES			
Accrued Project Costs	\$ 33,250,471	\$ 72,842,226	\$ (39,591,755)
Net Pension Liability	73,592,691	72,439,355	1,153,336
Accrued Other Post-Employment Benefits	25,921,098	24,500,963	1,420,135
Other Accrued Liabilities	2,047,152	4,200,487	(2,153,335)
Deposits	2,911,164	3,480,289	(569,125)
Total Liabilities	<u>137,722,576</u>	<u>177,463,320</u>	<u>(39,740,744)</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount for Pensions	3,074,757	3,074,757	-
NET POSITION			
Invested in Capital Assets	574,892	707,104	(132,212)
Restricted for Schools Construction:			
Special Revenue Fund	185,832,259	399,699,740	(213,867,481)
Net Position	<u>186,407,151</u>	<u>400,406,844</u>	<u>(213,999,693)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION			
	<u>\$ 327,204,484</u>	<u>\$ 580,944,921</u>	<u>\$ (253,740,437)</u>

New Jersey Schools Development Authority
Statement of Activities
August 31, 2017

7

	<u>Current Year-To Date</u>	<u>2016 Year-To Date</u>	<u>Increase/ (Decrease)</u>
REVENUES			
Program Revenues:			
Bond and Note Proceeds (Issued by EDA)	\$ -	\$ -	-
Bidding Fees-Plans & Specs	-	-	-
General Revenues:			
Investment Earnings	1,984,678	1,185,081	799,597
Rental Income	40,031	782,722	(742,691)
Other Revenue-OPRA	9,891	82	9,809
Total Revenues	<u>2,034,600</u>	<u>1,967,885</u>	<u>66,715</u>
EXPENSES			
Administrative & General Expenses	14,010,655	12,679,058	1,331,597
Capital Depreciation	138,392	114,003	24,389
School Facilities Project Costs	201,885,246	222,219,316	(20,334,070)
Total Expenses	<u>216,034,293</u>	<u>235,012,377</u>	<u>(18,978,084)</u>
CHANGE IN NET POSITION	(213,999,693)	(233,044,492)	19,044,799
Beginning of Period Net Position	<u>400,406,844</u>	<u>470,012,063</u>	<u>(69,605,219)</u>
NET POSITION END OF PERIOD	<u>\$ 186,407,151</u>	<u>\$ 236,967,571</u>	<u>\$ (50,560,420)</u>

DESIGN CONTRACT DE-OBLIGATIONS REPORT *(no activity)*

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.