

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, NOVEMBER 15, 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 October 4, 2017

4. AUTHORITY MATTERS

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

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

- a. Broker Services for Business and Real Estate Property and Casualty Insurance Program – GP-0247-R01

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

- a. Approval of Award – State-Wide Relocation Consultant Services – GP-0248-R01

- b. Design-Build Award and Approval of Final Project Charter - Passaic Dayton Avenue Educational Campus - NT-0052-B01

- c. COMPANY NAME: Tricon Enterprises
DISTRICT: Pemberton
CONTRACT NO.: WT-0023-N01
PMF/CM: TBD
SCHOOL NAME: Denbo-Crichton Elementary School
CHANGE ORDER NO.: 4
REASON: Additional Remediation through Allowance Utilization
AMOUNT: \$300,000
CONTRACT STATUS: 45% Paid to Date against the Current Contract Value
ANTICIPATED OCCUPANCY DATE: September 2020

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

OCTOBER 4, 2017 OPEN SESSION

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, OCTOBER 4, 2017**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, October 4, 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)
Kevin Egan
Loren Lemelle
Lester Lewis-Powder
Michael Maloney
Robert Nixon
Mario Vargas

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

At the Chairman's request, Charles McKenna, chief executive officer, 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; Aidita Milsted, director; and Sean Murphy, director of the SDA, participated in the meeting. Thomas Huth of the Governor's Authorities Unit also participated in the meeting.

The meeting was called to order by the Chairman of the Board, Mr. Walsh, who requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and had been duly posted on the Secretary of State's bulletin board at 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 September 6, 2017 Open Session meeting. A copy of the meeting 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. Maloney, the September 6, 2017 Open Session meeting minutes was approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 3a***.

Authority Matters

CEO Report

The Chairman asked Mr. McKenna for the Report of the Chief Executive Officer. Mr. McKenna opened his report with an update on the Trenton Central HS (TCHS) project. He said that, at the previous Board meeting, staff asked for authorization to move forward with a potential schedule acceleration for the TCHS project. He said that, in light of the recent hurricanes which could impact manpower needs and the availability of supplies, it has been determined the better course is to adhere to the existing schedule and not to move forward with the accelerated schedule. He then reported that roofing, exterior sheathing and concrete masonry

unit installation work is ongoing. He also reported that staff has submitted the final building design to the Department of Community Affairs (DCA) incorporating prior DCA comments and received release on plumbing HVAC, elevator, and electrical. He advised the Board that interior rough-in work has begun for HVAC, fire suppression, electric, plumbing and interior framing. In continuing, Mr. McKenna addressed concerns raised by Trenton resident Billie Hayes in the Public Comment portion of the September Board meeting. He said that the foliage around the building has been cleaned up and the portion of the adjacent road that was impacted by the installation of a sewer pipe has been addressed.

With respect to the Camden HS project, Mr. McKenna said that SDA awarded the demolition services contract on September 1 and issued the notice-to-proceed (NTP) on September 26. He provided an update regarding the litigation that has been filed in connection with the project. He also provided a status update of demolition activities for the project. He then advised the Board that the design builder has initiated the design phase for the East Orange George Washington Carver ES project.

Next, Mr. McKenna reported that DCA issued a temporary certificate of occupancy (TCO) for the new Elizabeth New ES facility and that the district occupied the school on September 7. He noted that the auditorium and three music rooms were excluded from the TCO. He advised the Board that work is progressing with respect to these spaces and they are tentatively scheduled to be completed and turned over to the district in late October.

Turning to the Garfield James Madison ES No. 10 project, Mr. McKenna said that exterior veneer work, mechanical, electrical and plumbing rough-in work and exterior grading work are all proceeding well. He said that the vapor mitigation system and concrete slab on

grade were completed and that roofing work is ongoing and scheduled to be completed mid-October.

Mr. McKenna said that design phase services are continuing for the Harrison New ES project. He said that Brockwell & Carrington is addressing DCA comments issued on the project's footings, foundations and structural steel submission. He advised the Board that, for the Irvington Madison Avenue ES project, design phase services are continuing and the design builder has begun construction activities associated with the building's footings and foundations. He noted that a groundbreaking had taken place there the previous Thursday (September 28). He also advised the Board that design phase services are continuing for the Keansburg Port Monmouth Road ES project.

With respect to the Millville HS addition and renovation project, Mr. McKenna reported that Hall Construction Company, Inc. (Hall) completed their on-site investigations to confirm existing conditions at the school. He said that Hall's report and findings are under review by SDA. He also reported that design phase services are continuing and that on September 27 the Authority issued GREYHAWK North America LLC a NTP for construction management services.

In continuing, Mr. McKenna said that masonry, HVAC, electrical and plumbing work is ongoing for the New Brunswick Paul Robeson ES project. He said that window installation in the addition portion is nearly complete. He noted that, following the identification of unforeseen structural problems, a resolving change order (RCO) related to the existing building's structural issues is on the meeting agenda.

With respect to the Newark South Street ES project, Mr. McKenna said that rooftop HVAC, rough electrical and plumbing, roofing, windows and exterior brick installation work is ongoing. He added that interior partitions and final grading also has begun there.

Turning to projects in the Orange School District, Mr. McKenna said that construction documents phase services by the design consultant are ongoing for the Orange Cleveland ES project. He added that abatement and demolition work was completed and that site work is on schedule to achieve the October 8 substantial completion date. He also reported that design phase services continue for the Orange HS project.

Reporting on projects in the Passaic School District, Mr. McKenna said that staff anticipates the issuance this month of the DCA building permit and NTP for remaining construction for the Leonard Place ES project. For the Passaic Dayton Avenue Educational Campus project, he reported that this would be the largest building project the Authority has undertaken. He said that design build proposals are due October 5 and that the project is estimated to be \$180 million.

In continuing, Mr. McKenna said that the demolition contractor has begun abatement work for the Paterson Union Avenue MS project.

Next, Mr. McKenna reported that SDA advertised for design build services the previous month for the Pemberton Denbo Crichton ES project and that proposals are due November 15, 2017. He added that demolition of the existing Crichton School is ongoing. Mr. McKenna then reported that, for the Perth Amboy Seaman Avenue ES project, design phase services continue, site utility, curb installation and dynamic compaction work is ongoing and footings and foundation work has begun.

With respect to the Vineland New MS project, Mr. McKenna advised the Board that masonry, steel erection, roofing, electrical, plumbing, window installation, HVAC and site work is ongoing. In addition, he said that interior partition installation work has begun for the project.

Reporting on the Authority's procurement activities, Mr. McKenna said that, later in the meeting, management would be presenting the legal services task order contract awards. He said that other activity currently underway includes procurements for design-build services for the Passaic Dayton Avenue Educational Campus project; design-build services for the Pemberton Denbo-Crichton ES project; relocation services; OCIP IV administration services; and business, real estate property & casualty insurance broker services.

Turning to Authority events, outreach and other activities, Mr. McKenna reported that, on September 28, SDA joined the Irvington School District for a groundbreaking ceremony celebrating the start of construction for the new Madison Avenue ES.

He advised the Board that the following day (October 5), SDA staff would be participating in a groundbreaking ceremony for the Perth Amboy Seaman Avenue School project. He said that, on October 12, he would be attending a groundbreaking ceremony at the Park Avenue ES/Freehold Intermediate School in Freehold.

Audit Committee

Approval of Award Package GP-0242-R01 – Legal Services

Mr. Nixon said that the Audit Committee met on September 18, 2017 at which time management provided the Committee with the August 2017 New Funding Allocation and Capital Plan Update. He said that there were no changes in any of the reserve balances for the SDA Districts during the reporting period. Turning to the Regular Operating Districts (RODs), Mr.

Nixon reported that the Program Reserve for the RODs increased by \$1.5 million during the reporting period due to reductions in state share for grant projects nearing completion.

Next, Mr. Nixon presented contract awards for legal services. He explained that management had recommended and the Committee considered the advancement for approval of awards to a new group of law firms with expertise in 8 areas. He listed those areas as: 1) Insurance Coverage and Suretyship 2) Bankruptcy & Insolvency Proceedings; 3) Environmental Law; 4) Employment Law; 5) Government Contracting, Bid Protests & Procurement; 6) Professional Errors & Omissions & Cost Recovery; 7) Construction Litigation; and 8) Real Estate Law. He said that the Board requested to approve the award of contracts to 16 firms to provide such services following a competitive two-step procurement process. He said that attorney services would be performed for a blended hourly rate of \$200 with paralegal services at an hourly rate of \$90 for a two-year term. He advised the Board that no one firm can be compensated in excess of \$1,500,000 over the term of the engagement, regardless of whether it provides services in one or more of the specialty areas. Mr. Murphy advised that the 8 identified legal expertise areas are the same areas designated in past years' contracts. He noted that 13 of the 16 firms listed in the current proposed contract participated in the 2015 legal services award. He noted that Table No. 1 in the memorandum provides expenditures attributable to previously procured legal services task order contracts.

Following discussion, upon motion duly made by Mr. Luckie and seconded by Mr. Vargas, the Board approved the proposed contract awards for legal services with its unanimous vote in favor of ***Resolution 5a***.

Next, Mr. Nixon provided the Board with the August 2017 Monthly Financial report. He advised the Board that Year-to-Date Authority Operating Expenses (Actual vs. Budget) at

\$14 million, are down \$1.9 million as compared to the operating budget for the corresponding period. He explained that this is largely attributable to 32 fewer than anticipated full time employees. In continuing, Mr. Nixon advised the Board that the Authority's year-to date operating expenses (Actual vs. Prior Year Actual), at \$14 million, are \$935,000 higher as compared to actual expenses for the corresponding period. He said that this variance is due to higher employee benefit costs due primarily to the non-cash accrual for pension expense recorded under General Accounting Standards Board (GASB) No. 68. Mr. Nixon said that year-to-date school facilities project expenditures, at \$241.5 million, are \$9.9 million higher as compared to the capital spending forecast for the corresponding period. He said that project expenditures (Actual vs. Prior Year Actual) have decreased by \$15 million as compared to the corresponding prior year. He explained that this is largely attributable to decreased spending in construction related activity, school furniture, fixtures and equipment, property acquisition and other project related costs--offset by a spending increase in grants. In concluding his report, Mr. Nixon said that, currently, SDA has disbursed 79.1% of the funds authorized for the SDA Districts. Additionally, he said that since program inception, 96% of all SDA disbursements relate to school facilities projects and 4% relate to operating expenses. He said that the estimated value of active school facilities projects remains at \$2.2B.

School Review Committee

Resolving Change Order – New Brunswick School District – Paul Robeson Community Theme School for the Arts; Preliminary Charter - Orange Public Schools District – Orange High School – Addition and Renovation Project

Mr. Luckie reported that the School Review Committee met on September 18, 2017. He said that the first item the Committee considered is a RCO for the Paul Robeson Community Theme School for the Arts project (the Robeson School project) in New Brunswick. Mr. Luckie

said that the Robeson School project involves a 59,400 square foot renovation and a 60,500 square foot addition. He said that the school is designed to educate 823 students in grades Pre-K to 5. He reminded the Members that, on September 15, the Board approved the design-build award for the project to Hall and the project's final charter. He said that, currently, Robeson School students and staff are occupying a SDA leased facility for the duration of the construction. Mr. Luckie said that unforeseen structural problems in the original building were identified during renovation activities resulting in the issuance of a zero dollar construction change directive (CCD) on June 15, 2017. He explained that the CCD and RCO No. 1 represent scope associated with additional design and construction activities for a total value of \$2,180,000. He said that the Committee is recommending Board approval of this RCO to Hall in the final negotiated value of \$2,180,000 for the design and construction services required to address the school's structural issues. Ms. Milsted and Mr. Da Silva then provided the Board with additional project details.

Following discussion, upon motion duly made by Mr. Vargas, seconded by Mr. Nixon and with Mr. Egan recused and abstaining, the Board approved the RCO for the New Brunswick Paul Robeson School Theme School for the Arts project upon its unanimous vote in favor of ***Resolution 6a.***

In continuing, Mr. Luckie said that the Committee is advancing for Board approval a preliminary charter for the Orange HS addition and renovation project (the project). He reminded the Board that the Authority's 2012 Capital Plan identified a project to address facility conditions deficiencies at the Orange HS, a facility that currently educates 804 students in grades 10 through 12. He said that the project will include renovations to address the conditions deficiencies along with an addition, allowing for a district-wide change in grade alignment to

address district-wide overcrowding at all grade levels. Mr. Luckie advised the Members that, with Board approval, the Authority engaged Kliment Halsband Architects, LLP (KHA) to provide design consultant services for the project and, in May 2015, issued KHA a NTP with pre-design phase services. He said that KHA was tasked with developing and analyzing options for delivery of the project scope to most effectively and efficiently address the identified conditions deficiencies and educational program needs. Mr. Luckie said that, in January 2017, the Board provided approval for KHA to begin construction phase services and also approved a planning charter detailing project advancement recommendations as well as negotiated costs for the remaining design and construction phase services. He reminded the Members that, that same month, SDA issued KHA a NTP with advancement of schematic design phase services. He reported that KHA has completed all elements of the schematic design phase and in July 2017 SDA issued KHA a NTP with design development phase services. Mr. Luckie said that the Committee is recommending that the Board approve the project's preliminary charter detailing project advancement recommendations including estimated costs for project completion.

Following discussion, upon motion duly made by Mr. Vargas and seconded by Mr. Maloney, the Board approved the preliminary charter for the Orange HS project with its unanimous vote in favor of ***Resolution 6b.***

Public Comments

The Chairman opened the Public Comments portion of the meeting. He invited Mr. Frank Faras to the podium. Mr. Faras said that he is a resident of the City of Trenton and lives across the street from the TCHS site. He reminded the Board that over the past few months, he has shared videos and photos depicting the clouds coming across the street from the site every twenty minutes. He advised that Board that, while there were previously two mixing stations

processing the material across the street from his house, there are now three with the result that 50% more material is making its way into his neighborhood. Mr. Faras referenced the photograph that he had brought for Board consideration. He asked that the Board do something about this. Mr. Faras said that according to Amerimix, the manufacturer of the product, there should be a “collar” on mixing machines. He said that, unlike the other two mixers, there is no collar on the third mixer. Mr. Faras said that this “looks like retribution”, i.e. that three mixers on a large site positioned right in front of his house looks “suspicious”. Mr. McKenna said that he would look into the matter raised by Mr. Faras.

Next, Mr. Michael Goodman, a resident of the City of Trenton, addressed the Board. He said that he is seeking status information regarding the TCHS project. He recognized that Mr. McKenna’s report had covered the project status aspect. He said that he would speak with (managing director) Ritchard Sherman following the meeting regarding the committee update process. Mr. McKenna said that staff would provide Mr. Goodman with whatever information he needs.

Finally, at the Chairman’s request, Mr. Jerrell Blakeley of the Healthy Schools Now/Work Environment Council approached the podium. Mr. Blakeley said that his Coalition continues to be concerned with the emergent project process. He recognized that SDA is only one part of the process but indicated that he would like to put his Coalition’s concerns on the public record. Mr. Blakeley explained that 95% of the projects submitted by the SDA districts were denied—a result that the Coalition believes is unacceptable. Mr. McKenna clarified that some of the submissions were sent back to the districts in cases where documents were not complete, etc. Mr. Blakeley said that, in some cases, entire districts’ project submissions were denied—districts such as Paterson and Trenton. He asked for a breakdown/analysis reflecting

those submissions that were sent back and why. Mr. McKenna responded that he would check into the matter but that some districts are simply not very good at the paperwork part of the process. He emphasized that during his tenure SDA has done a significant amount of work in the Paterson School District, including new schools and other projects. He outlined the work that SDA has completed in Paterson. Mr. Blakeley said that he is interested in understanding why the various districts' projects, particularly those of Paterson and Trenton, were denied as there might be the need for training opportunities to be provided to those districts. In response to an inquiry by Mr. Maloney, Mr. McKenna noted that the Paterson School District previously had indicated that it had the money to do its own emergent projects with the result that the law was changed to allow the districts to do so. He said that there previously had been a cap on the amount of dollars districts could spend on emergent projects but that this cap was removed by law. Mr. Blakeley emphasized SDA's obligation to provide facilities in SDA districts. Mr. McKenna agreed but noted, again, that Paterson had stressed that it had millions of dollars to address some of its needs on its own resulting in the statutory change.

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 October 4, 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 October 4, 2017 Board meeting of the New Jersey Schools Development Authority, for the Open Session were forwarded to the Governor on October 5, 2017.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's October 4, 2017 Open Session meeting is hereby approved.

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

Dated: November 15, 2017

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

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

**BROKER SERVICES FOR BUSINESS AND REAL ESTATE PROPERTY AND
CASUALTY INSURANCE PROGRAM**



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

5

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
 Director, Procurement

Karon Simmonds
 Director, Risk Management and Vendor Services

DATE: November 15, 2017

SUBJECT: Approval of Award
 Package No. GP-0247-R01
 Broker Services for the Business and Real Estate Property and Casualty Insurance Program

INTRODUCTION

The Members of the Authority are requested to approve the award of a contract to The Safegard Group, Inc. ("Safegard") for the placement and servicing of NJSDA's Business and Real Estate Property and Casualty Insurance Program. The contract term is three (3) years, inclusive of two (2) renewal years. The contract will have a not-to-exceed amount of \$1,455,000, or \$485,000 annually. Prior to presenting this memorandum to the Board for approval of award, a copy of Safegard's complete RFP Proposal, inclusive of limits, coverages and optional considerations, was provided to the Audit Committee for their review and recommendation.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of consultant contracts greater than \$100,000.

DESCRIPTION

The NJSDA has maintained a combined property and casualty insurance program for its business and real estate activities separate from its construction activities. The NJSDA is again seeking to engage a Broker with the expertise to design a combined program that provides the broadest coverage at the most cost effective price. The selected Broker shall be responsible for the placement and servicing of the NJSDA's Business and Real Estate Property and Casualty Insurance Program commencing on December 14, 2017 at 12:01 a.m. In addition, the selected Broker may be consulted to assess and/or procure additional risk and insurance needs as deemed necessary by the NJSDA.

PROCUREMENT PROCESS

In accordance with NJSDA regulations, the NJSDA employed a two-step process for this procurement. The first step was the issuance of a Request for Qualifications ("RFQ") and evaluation of all responsive submissions, inclusive of interviews, in order to shortlist the three (3) highest-ranked firms. The second step was the issuance of a Request for Proposals ("RFP") to the shortlisted firms and evaluation of all responsive submissions.

The RFQ was advertised beginning on May 8, 2017 on the NJSDA website, the New Jersey State website, and in selected newspapers for interested firms to participate in the bidding process. Outreach was also performed via e-mail.

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

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 Broker Services for the Business and Real Estate Property and Casualty Insurance Program
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Firms interested in submitting a proposal were required to send an e-mail giving Notice of Intent to Participate (“NOI”) by May 22, 2017. NOIs were received from five (5) firms. A Qualifications Proposal was received from one (1) firm on June 15, 2017. The Qualifications Proposal was evaluated by the Selection Committee based on the following criteria:

- Understanding of the Purposes of this Engagement;
- Firm Experience;
- Team Structure and Key Team Members Experience and Qualifications; and
- Approach to Providing the Required Scope of Services.

Each Selection Committee member evaluated the Qualifications Proposal, 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 RFQ requirements with no deficiencies.
- Sufficient (5-6): meets RFQ requirements with no significant deficiencies.
- Minimal (3-4): meets RFQ requirements but contains some significant deficiencies.
- Marginal (1-2): comprehends intent of RFQ but contains many significant deficiencies.
- Unsatisfactory (0): requirements not addressed and lack of detail precludes adequate evaluation.

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 1 below:

TABLE 1

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Understanding of the Purposes of this Engagement	1.0	10
Firm Experience	3.0	30
Team Structure and Key Team Members Experience and Qualifications	3.0	30
Approach to Providing the Scope of Services	3.0	30
Total Possible Points		100

For the firm’s Qualifications Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a Qualifications Proposal Score for the firm. The maximum Qualifications Proposal Score is 100. All of the scores awarded by the Selection Committee members to the firm’s Qualifications Proposal were added together and averaged to arrive at a Qualifications Proposal Score for the firm. The responding firm, its score and ranking are listed in Table 2 below:

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TABLE 2

Firm	Qualifications Proposal Score	Qualifications Proposal Rank
The Safegard Group, Inc.	72.875	1

An interview was held with the The Safegard Group, Inc. on June 27, 2017. The interview allowed Safegard to expand and detail its firm and staff experience with respect to NJSDA requirements for Broker Services. The Selection Committee interviewed and evaluated the firm on Interview Criteria and Weighting Factors that were the same as those used in the evaluation of the Qualifications Proposal, as detailed above.

The individual criteria scores awarded by a particular Selection Committee member were added together to calculate an Interview Score for the firm. The maximum Interview Score is 100. All of the Interview Scores awarded to the firm by the Selection Committee members were added together and averaged to arrive at an Interview Score for the firm. Safegard's score and ranking are listed in Table 3 below:

TABLE 3

Firm	Interview Score	Interview Rank
The Safegard Group, Inc.	83.250	1

The RFP was issued to Safegard on June 30, 2017. Coverage and Price Proposals were received from Safegard on September 20, 2017. The Coverage Proposal was evaluated by the Selection Committee based on the following criteria:

- Overall Program Design;
- Limits and Coverages per the Coverage Specifications;
- Public Officials'/Employment Practices Liability; and
- Deductibles/Self-Insured Retentions.

Each Selection Committee member evaluated the Coverage Proposal, 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.

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 4 below:

Members of the Authority
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TABLE 4

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Overall Program Design	3.0	30
Limits and Coverages per the Coverage Specifications	3.0	30
Public Officials'/Employment Practices Liability	3.0	30
Deductibles/Self-Insured Retentions	1.0	10
Total Possible Points		100

For the firm's Coverage Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a Coverage Proposal Score for the firm. The maximum Coverage Proposal Score is 100. All of the scores awarded by the Selection Committee members to the firm's Coverage Proposal were added together and averaged to arrive at a Coverage Proposal Score for the firm. Safeguard's score and ranking are listed in Table 5 below:

TABLE 5

Firm	Coverage Proposal Score	Coverage Proposal Rank
The Safeguard Group, Inc.	86.000	1

After the Coverage Proposal Score was determined for Safeguard, the Coverage Proposal Score was adjusted by a weighting factor of 40%. The Qualifications Proposal Score and the Interview Score were each adjusted by a weighting factor of 30%. The maximum point total of all three scores combined is 100. Safeguard's score and ranking are listed in Table 6 below:

TABLE 6

Firm	Final Combined Score	Final Rank
The Safeguard Group, Inc.	81.238	1

The Price Proposal, which had been kept separate and sealed, was then opened on September 25, 2017. The RFP required the firm to provide a breakdown of the Annual Premiums, inclusive of commissions, by each line of business coverage specified in the Scope of Services.

Safeguard's proposed Annual Premiums for each line of business coverage for the initial policy year commencing on December 14, 2017, inclusive of commissions, are listed in Table 7 below.

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TABLE 7

Insurer	Coverage	Annual Premiums
Chubb	Business Administration Package	\$ 32,416.27
Chubb	Business Automobile	\$ 35,823.66
Chubb	Workers' Compensation	\$ 84,487.00
CNA *	Umbrella Liability (\$15M Limit)	\$ 21,929.00
Liberty Mutual *	Excess Liability (\$15M Limit)	\$ 13,716.81
Chubb *	Public Officials/Employment Practices/ Network Security & Privacy Liability (\$15M Limit)	\$ 176,823.61
Ironshore *	Excess Public Officials /Employment Practices (\$10M Limit)	\$ 59,999.85
Chubb	Real Estate Owned General Liability	\$ 35,910.18
	Total Annual Premiums	\$ 461,106.38

* Denotes new insurer from current program.

The proposed pricing is based on the NJSDA's current insurable exposures as disclosed in the RFP for each type of coverage; however, insurance premiums are adjustable to account for changes in exposures that occur during the policy term including, but not limited to, fluctuations in NJSDA's real estate inventory, automobile inventory, business property inventory including improvements, and audited payroll amounts. After reviewing and analyzing the Price Proposal and options received from Safegard, Risk Management staff determined that the Annual Premiums proposed above in Table 7 are fair and reasonable. As compared to the cost of the current program (\$561,534), the proposed annual premiums reflect an approximate 17.9% reduction in premium cost.

RECOMMENDATION

The Members of the Authority are requested to approve the NJSDA contracting with The Safegard Group, Inc. for a not-to-exceed amount of \$1,455,000, or \$485,000 annually, for the placement and servicing of NJSDA's Business and Real Estate Property and Casualty Insurance Program. The contract term is for a total of three (3) years, inclusive of two (2) renewal years. The requested not-to-exceed amount includes the Annual Premiums listed in Table 7 (\$461,106.38) for the policy year commencing on December 14, 2017, plus an annual allowance of approximately 5%, if needed, to account for potential exposure increases to arrive at an annual not-to-exceed value of \$485,000 for the initial policy year. The not-to-exceed values for the two renewal years are assumed to be approximately the same \$485,000 annually.

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

/s/ Sean Murphy

Sean Murphy, Director, Procurement

/s/ Karon Simmonds

Karon Simmonds, Director, Risk Management and Vendor Services

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

Resolution—5a.

Approval of Award
Package No. GP-0247-R01
Broker Services for the Business and Real Estate Property and Casualty Insurance Program

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve contracts for Goods and Services exceeding \$100,000; and

WHEREAS, the SDA's business and real estate property and casualty insurance requirements have been combined into a single program and one broker has been engaged to provide services for the combined program; and

WHEREAS, the Authority is again seeking to engage a broker with the expertise to design a combined program that provides the broadest coverage at the most cost effective price; and

WHEREAS, as fully described in the memorandum presented to the Board on this date, the selected broker shall be responsible for the placement and servicing of the SDA's Business and Real Estate Property and Casualty Insurance Program and may be consulted to assess and/or procure additional risk and insurance needs as deemed necessary by the SDA; and

WHEREAS, SDA employed a two-step competitive process to obtain the services of a broker and, at its conclusion, management recommends that the SDA contract with The Safeguard Group for a three year term, inclusive of two renewal years; and

WHEREAS, a description of the procurement process followed and the terms and financial details pertinent to the engagement are set forth in the memorandum presented to the Board on this date; and

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

NOW, THEREFORE, BE IT RESOLVED that, consistent with the provisions of the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the SDA contracting with The Safeguard Group, for the placement and servicing of the Authority's Business and Real Estate Property and Casualty Insurance Program.

BE IT FURTHER RESOLVED that, prior to execution of the contract, the contract and related documentation shall 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 same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Business and Real Estate Property & Casualty Insurance Program,
GP-0247-R01, dated November 15, 2017

Dated: November 15, 2017

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

APPROVAL OF AWARD - STATE-WIDE RELOCATION CONSULTANT SERVICES

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Director, Procurement

Jacqueline Howard
Director, Real Estate Services

DATE: November 15, 2017

SUBJECT: Approval of Award
Package No. GP-0248-R01
State-Wide Relocation Consultant Services

INTRODUCTION

The NJSDA previously procured state-wide relocation consultant services in 2003, 2005, 2011 and 2014. Since the current task order contract will expire in December 2017, the Members of the Authority are requested to approve the award of a contract to a firm with relevant experience and qualifications to successfully perform the required relocation services. Specific work assignments under the contract will be made by way of “task order” on an as needed basis. The term of agreement for this contract is three (3) years. For any assignment(s) accepted during the term of the agreement, the firm will be allowed to complete the particular assignment(s), even if extending beyond the term of the agreement. The contract will have a not-to-exceed amount of \$3,000,000.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of consultant contracts greater than \$100,000.

DESCRIPTION

When the Authority initially engages the consultant to perform relocation services, the consultant is required to submit to the Authority a budget proposal for the project assignment based upon the expected number of hours required for the various relocation services and the hourly rates contained in the contract. All such proposals are subject to Authority review and approval. The relocation consultant is responsible for completing all required services for any such project assignments in accordance with applicable laws and regulations governing relocation assistance.

PROCUREMENT PROCESS

In accordance with NJSDA regulations, the NJSDA employed a single-step process for this procurement, but retained the option to conduct interviews with the three (3) highest-ranked firms.

The Request for Proposals (“RFP”) was advertised beginning on August 30, 2017 on the NJSDA website, the New Jersey State website, and in selected newspapers for interested firms to participate in the bidding process. Outreach was also performed via e-mail.

Members of the Authority
 Approval of Award
 Package No. GP-0248-R01
 State-Wide Relocation Consultant Services
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A selection committee consisting of three (3) 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 September 12, 2017. NOIs were received from five (5) firms. A Technical Proposal was received from one (1) firm on September 28, 2017. The Technical Proposal was evaluated by the Selection Committee. Evaluations were based upon the information provided by the firm in response to the RFP for this project. The three (3) committee members independently evaluated the Technical Proposal based on the following criteria:

- Firm Relevant Experience Providing Relocation Services (Case Studies);
- Qualifications & Relevant Experience of Key Team Members;
- Approach to Providing the Scope of Services; and
- Approach to Scheduling and Budget.

Each Selection Committee member evaluated the Technical Proposal, 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.

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 1 below:

TABLE 1

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Firm Relevant Experience Providing Relocation Services (Case Studies)	4.0	40
Qualifications & Relevant Experience of Key Team Members	2.0	20
Approach to Providing the Scope of Services	2.0	20
Approach to Scheduling and Budget	2.0	20
Total Possible Points		100

For the firm’s Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a Technical Proposal Score for the firm. The maximum Technical Proposal Score is 100. All of the scores awarded by the Selection Committee members to the firm’s Technical Proposal were added together and averaged to arrive at a Technical Proposal Score for the firm. The responding firm, its score and ranking are listed in Table 2 below:

Members of the Authority
 Approval of Award
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 State-Wide Relocation Consultant Services
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TABLE 2

Firm	Technical Proposal Score	Technical Proposal Rank
O.R. Colan Associates	90.000	1

Members of the Selection Committee were satisfied that the information contained within the Technical Proposal was sufficient for their evaluations and determined that an interview of O.R. Colan Associates would not be necessary. Accordingly, the Technical Proposal Rank became the Final Rank.

The Fee Proposal, which had been kept separate and sealed, was then opened on October 11, 2017. The fee schedule required the firm to list appropriate job titles and loaded hourly staff rates for those positions. The proposed loaded hourly staff rates are listed in Table 3 below:

TABLE 3

Job Title	Loaded Hourly Staff Rate		
	Year 1	Year 2	Year 3
Corporate Executive	\$170.00	\$175.00	\$180.00
Program Manager	\$185.00	\$191.00	\$197.00
Project Manager	\$164.00	\$169.00	\$174.00
Quality Control Specialist	\$125.00	\$129.00	\$133.00
Relocation Specialist	\$133.00	\$137.00	\$141.00
Relocation Trainee	\$ 80.00	\$ 82.50	\$ 85.00
Translator	\$ 85.00	\$ 87.00	\$ 90.00
Administrative Assistant	\$ 69.00	\$ 71.00	\$ 73.00
Technical Advisor	\$201.00	\$207.00	\$213.00

NJSDA staff negotiated reductions to the proposed loaded hourly staff rates. The negotiated loaded hourly staff rates are listed in Table 4 below:

TABLE 4

Job Title	Loaded Hourly Staff Rate		
	Year 1	Year 2	Year 3
Corporate Executive	\$170.00	\$170.00	\$170.00
Program Manager	\$175.00	\$175.00	\$175.00
Project Manager	\$155.00	\$155.00	\$155.00
Quality Control Specialist	\$125.00	\$125.00	\$125.00
Relocation Specialist	\$125.00	\$125.00	\$125.00
Relocation Trainee	\$ 70.00	\$ 70.00	\$ 70.00
Translator	\$ 75.00	\$ 75.00	\$ 75.00
Administrative Assistant	\$ 60.00	\$ 60.00	\$ 60.00
Technical Advisor	\$185.00	\$185.00	\$185.00

Members of the Authority
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State-Wide Relocation Consultant Services
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RECOMMENDATION

The Members of the Authority are requested to approve the NJSDA contracting with O.R. Colan Associates to provide State-Wide Relocation Consultant Services at the hourly rates listed in Table 4 above. The firm would enter into a contract for a not-to-exceed amount of \$3,000,000 over the three-year term of the agreement.

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

/s/ Sean Murphy
Sean Murphy, Director, Procurement

/s/ Jacqueline Howard
Jacqueline Howard, Director, Real Estate Services

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

Resolution—6a.

Approval of Award
 Package No. GP-0248-R01
 State-Wide Relocation Consultant Services

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Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve the SDA's award of contracts for the provision of professional services; and

WHEREAS, in 2003, 2005, 2011 and 2014, the SDA entered into contracts for state-wide relocation consultant services; and

WHEREAS, the current contract will expire in December 2017; and

WHEREAS, the Members of the Authority are requested to approve the award of a contract to a firm with relevant experience and qualifications to successfully perform the required relocation services; and

WHEREAS, on August 30, 2017, the SDA commenced a single-step process to procure a relocation services consultant; and

WHEREAS, the details of the procurement process followed and the scope of the services to be provided pursuant to the contract are set forth in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, upon completion of the procurement process, management is recommending that the Board authorize SDA management to contract with O.R. Colan Associates to provide state-wide relocation consultant services at rates set forth in the memorandum presented to the Board on this date, for a not-to-exceed amount of \$3,000,000 over the three year term of the contract; 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.

NOW, THEREFORE, BE IT RESOLVED that the Members of the Authority hereby authorize and approve the award of a contract for site consultant services (GP-0248-R01) to O.R. Colan Associates for state-wide relocation consultant services at the rates so specified and for a not-to-exceed amount of \$3,000,000 over the three year term of the contract, consistent with the provisions of the memorandum presented to the Board on this date and the exhibits appended thereto.

BE IT FURTHER RESOLVED that, prior to execution of the 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 same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Approval of Award, Package No. GP-0248-R01, State-Wide
Relocation Consultant Services, dated November 15, 2017
Dated: November 15, 2017

**DESIGN-BUILD AWARD AND APPROVAL OF FINAL PROJECT CHARTER -
PASSAIC DAYTON AVENUE EDUCATIONAL CAMPUS**



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

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Director, Procurement

Thomas Schrum
Managing Director, Program Operations

RE: District: Passaic School District
School: Dayton Avenue Educational Campus
Description: Design-Build
Package No.: NT-0052-B01
CCE: \$179,250,000
Advertised CCE Range: \$170,000,000 to 180,000,000
Award: \$163,560,000
CM: TBD

DATE: November 15, 2017

SUBJECT: Design-Build Award and Approval of Final Project Charter

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$163,560,000 to Terminal Construction Corporation¹ for Design-Build services for the Dayton Avenue Educational Campus (Dayton Ave. Campus) in the Passaic School District.

The Design-Build Team will complete the design of the campus facility utilizing NJSDA-developed schematic design documents and will also provide construction and construction administration services, including securing of all required permits and approvals, for construction of a new educational campus comprised of four school facilities located in a unified structure for grades Pre-Kindergarten through 8. The form of contract for this engagement is a Design-Build contract with the general contractor as the lead and with relevant trades and design disciplines serving in sub-contractor and sub-consultant roles.

We are also recommending approval by the Members of the attached Final Project Charter representing the project budget inclusive of dollar values for the award of the Design-Build package.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of construction contracts greater than \$500,000 and for the approval of the Final Project Charter.

¹ Terminal Construction Corporation listed the following subcontractors for the required trades in its Price Proposal: AC Mechanical, LLC (Plumbing), The Barham Group, LLC (HVACR), Tru-Val Electric Corporation (Electrical), and Arnold Steel Company, Inc. (Structural Steel & Ornamental Iron). Terminal Construction Corporation also listed a design consultant team lead by RSC Architects (Architecture), and including Concord Engineering Group, Inc. (HVAC Engineering, Electrical Engineering, and Plumbing Engineering), O'Donnell & Naccarato, Inc. (Structural Engineering), and Langan Engineering & Environmental Services, Inc. (Civil Engineering and Environmental Engineering).

Members of the Authority
Design-Build Award and Approval of Final Project Charter
Package No. NT-0052-B01
Passaic – Dayton Ave. Educational Campus – Design-Build
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BACKGROUND

The Dayton Ave. Campus project will consist of the construction of an approximately 448,000 SF 4-story educational campus that includes four school facilities located in a unified structure with shared central facilities. Each school facility will include a complement of instructional spaces, large group spaces, specialized learning spaces as well as administrative and support areas. Centralized facilities include food service and central plant operations. The campus is designed to educate approximately 2,760 students in grades Pre-Kindergarten through 8.

At the March 7, 2012 NJSDA Board Meeting, the Members approved the Authority's 2012 Capital Plan. That Plan identified the Dayton Ave. Campus project for validation and advancement into Pre-Development. At the November 6, 2013 NJSDA Board Meeting, two actions were taken regarding the Dayton Ave. Campus project consistent with the Operating Authority: (1) The Dayton Ave. Campus project was approved to advance under the Authority's Capital Program, in order to assist the District to more fully address its overcrowding needs for grades Pre-Kindergarten through 8, and (2) the Preliminary Project Charter recommending a Design-Build project advancement approach was approved by the Board.

The project's history includes property acquisition and demolition.

Temporary classroom units (TCUs) currently placed on the site serve to educate approximately 400 students in grades Pre-Kindergarten to 2. For efficient and effective advancement of the Dayton Ave. Campus project, it was determined during the project's conceptual design phase that site utilization logistics required removal of the TCUs prior to construction of the new facility. To accommodate the removal of the TCUs, and most importantly further address Passaic's district-wide overcrowding, in September 2014 the Board approved the inclusion of the New Leonard Place ES in the Authority's Capital Plan, an action that, when construction is completed, will provide a temporary location for the students currently educated in the TCUs at the Dayton Ave. Campus. In fact, and in support of improved logistics for advancement of the Dayton Ave. Campus project, the District and NJSDA have agreed to relocate the TCU students even sooner.

Therefore, the Charter accompanying this recommendation includes costs for temporary space for the period until the New Leonard Place ES is completed.

The Design-Builder will be responsible for the final design and construction of the project.

A Construction Management firm will be engaged to manage the construction of the Dayton Ave. Campus. These services will be procured during the second quarter of 2018.

PROCUREMENT PROCESS

This package was advertised as a design-build solicitation on June 13, 2017 on the NJSDA website, NJ State website, and in selected newspapers for interested firms to participate in the bidding process. For this procurement, "Price" is weighted as more important than all "Other Factors," with price equaling 60% of the overall weight, and all non-price factors having a combined weight of 40%.

A mandatory pre-bid conference was held on June 29, 2017.

In accordance with regulations, the NJSDA employed a two-step process for this procurement. The first step required interested bidders to submit a Project Rating Proposal, which was used by the NJSDA to determine each

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 Design-Build Award and Approval of Final Project Charter
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 Passaic – Dayton Ave. Educational Campus – Design-Build
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bidder's Project Rating Limit, or maximum amount that a bidder may bid, for the project. Project Rating Proposals were received by July 14, 2017. Bidders were evaluated based on the largest of four projects completed in the past seven years, safety records as well as reference checks. Based on evaluation of the information submitted, six (6) bidders received a Project Rating Limit.

The Project Rating Limits resulting from the Project Rating Evaluations are listed in Table 1 below:

TABLE 1

Firm	Project Rating Limit
Dobco, Inc.	\$144,019,723
Epic Management, Inc.	\$245,490,000
Ernest Bock & Sons, Inc.	\$169,622,902
Leon D. DeMatteis Construction Corporation	\$263,040,075
Terminal Construction Corporation	\$186,261,000
Tutor Perini Building Corporation	\$840,852,556

The second step of the process required the bidders to simultaneously submit a Technical Proposal and a sealed Price Proposal. In advance of submission of Technical and Price Proposals, bidders were permitted to submit questions seeking clarification of the procurement documents, until September 11, 2017. Addenda responses to Bidder Questions were issued to the bidders on July 31, August 18, August 30, September 13 and September 21, 2017.

Technical and Price Proposals were received on October 5, 2017 from six (6) bidders. The Technical Proposal provided information regarding the bidder's past experience and qualifications as well as the bidder's overall approach to the project and to the Design portion of the project. Interviews were held with each of the six (6) Design-Build teams at NJSDA offices in Trenton on October 26, 2017 affording members of the Selection Committee an opportunity to obtain any additional information from each team as needed to complete their evaluations of the Technical Proposals.

Members of the Selection Committee, comprised of five (5) NJSDA staff members and one (1) alternate, and one (1) Passaic School District representative, were responsible for independently evaluating and scoring the Technical Proposal submittals with respect to the non-price evaluation criteria. The proposals were evaluated by the Selection Committee members based on the following criteria:

- Design-Builder's Experience on Similarly Sophisticated Projects
- Experience of Design-Builder's Design Consultant on Similarly Sophisticated Projects
- Design-Builder's Prior Affirmative Action Experience
- Approach to Project
- Identification and Qualification of Required Key Team Members
- Approach to Schedule
- Approach to LEED Requirements

Each Selection Committee member evaluated each Technical Proposal, assigning a raw score for each criterion on a scale of 0 to 10 as follows:

- 9 - 10 points - outstanding response - offers significant advantages.
- 7 - 8 points - superior response - exceeds requirements with no deficiencies.

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 Package No. NT-0052-B01
 Passaic – Dayton Ave. Educational Campus – Design-Build
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- 5 - 6 points - sufficient response - meets the requirements with no significant deficiencies.
- 3 - 4 points - minimal response - meets the requirements but contains some significant deficiencies.
- 1 - 2 points - marginal response - comprehends requirements, but contains many significant deficiencies.
- 0 points - unsatisfactory response - requirements not addressed and lack of detail precludes adequate evaluation.

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

TABLE 2

Criteria	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Design-Builder's Experience on Similarly Sophisticated Projects	2.0	20
Experience of Design-Builder's Design Consultant on Similarly Sophisticated Projects	1.0	10
Design-Builder's Prior Affirmative Action Experience	0.5	5
Approach to Project	2.5	25
Identification and Qualification of Required Key Team Members	2.5	25
Approach to Schedule	1.0	10
Approach to LEED Requirements	0.5	5
Total Possible Points		100

For each Technical Proposal, the individual criteria scores awarded by a particular Selection Committee member were added together to calculate a Total Non-Price Score for that Technical Proposal. The maximum Total Non-Price Score is 100. All of the Total Non-Price Scores awarded to a Technical Proposal by the Selection Committee members were added together and averaged to arrive at a Final Non-Price Score for each Technical Proposal.

The results of the Selection Committee's review of the Technical Proposal are listed in Table 3 below:

TABLE 3

Contractor	Non- Price Score	Non-Price Rank
Ernest Bock & Sons, Inc.	69.417	1
Epic Management, Inc.	69.083	2
Terminal Construction Corporation	68.708	3
Tutor Perini Building Corporation	62.417	4
Dobco, Inc.	56.708	5
Leon D. DeMatteis Construction Corporation	54.875	6

Once all the Technical Proposals were scored, the Authority opened the sealed Price Proposals and reviewed them for responsiveness. The Price Proposals were publicly opened on October 27, 2017 and the bids were read aloud as required by law.

Members of the Authority
 Design-Build Award and Approval of Final Project Charter
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 Passaic – Dayton Ave. Educational Campus – Design-Build
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The lowest responsive Price Proposal was awarded the maximum number of points for the price component, which is 100. All other Price Proposals were awarded points based on the percentage that each proposal exceeded the lowest bid.

The results of the NJSDA’s review of the Price Proposals are listed in Table 4 below:

TABLE 4

Contractor	Bid Amount	Price Score	Price Rank
Dobco, Inc.	\$154,000,000	100.000	1
Terminal Construction Corporation	\$163,560,000	93.792	2
Ernest Bock & Sons, Inc.	\$164,585,000	93.127	3
Epic Management, Inc.	\$171,100,000	88.896	4
Tutor Perini Building Corporation	\$185,757,000	79.379	5
Leon D. DeMatteis Construction Corporation	\$218,990,000	57.799	6

After the Price Scores were determined for all bidders, the Price Scores were adjusted by a weighting factor of 60%. The Non-Price Scores for “Other Factors” criteria were adjusted by a weighting factor of 40%. The Price Score and Non-Price Score for each bidder were added together for a Final Combined Score. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Table 5 below:

TABLE 5

Contractor	Raw Non-Price Score	Raw Price Score	Weighted Non-Price Score (40%)	Weighted Price Score (60%)	Final Combined Score	Final Rank
Terminal Construction Corporation	68.708	93.792	27.483	56.275	83.759	1
Ernest Bock & Sons, Inc.	69.417	93.127	27.767	55.876	83.643	2
Dobco, Inc.	56.708	100.000	22.683	60.000	82.683	3
Epic Management, Inc.	69.083	88.896	27.633	53.338	80.971	4
Tutor Perini Building Corporation	62.417	79.379	24.967	47.627	72.594	5
Leon D. DeMatteis Construction Corp.	54.875	57.799	21.950	34.679	56.629	6

The highest ranked bidder was Terminal Construction Corporation (Terminal).

The bid submitted by Terminal was 8.8% below the CCE. In order to understand the differential between the CCE and the bid price and to ensure the contractor’s price proposal was inclusive of all scope elements, a meeting was conducted on November 2, 2017 with Terminal and staff from Procurement, Program Operations, Design Studio and Contract Management to review the bid. The review identified variances between the NJSDA’s CCE and Terminal’s price proposal in several areas, with the majority of the overall variance representing costs related to the design and construction of the pile foundation system required for the project. Other elements with variances between the CCE and Terminal’s price proposal were reviewed and it was recognized that as a result of the size of the project and competitive bidding from subcontractors, Terminal’s bid reflected cost efficiencies that were not accounted for in the CCE. As confirmed by Terminal, the discussion verified that Terminal had included in its price proposal all scope elements and requirements contained in the Contract Documents.

The Program Operations Managing Director and the Contract Management Acting Director recommend award of the project to Terminal.

Members of the Authority
 Design-Build Award and Approval of Final Project Charter
 Package No. NT-0052-B01
 Passaic – Dayton Ave. Educational Campus – Design-Build
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FINAL PROJECT CHARTER

The attached Final Project Charter represents the project budget inclusive of actual dollar values for the award of the Design-Build contract, current estimates for all project scope elements inclusive of estimated costs for future scope elements such as FF&E, technology and appropriate contingencies. Additionally, the budget is inclusive of costs incurred related to land acquisition, site investigation, relocation, demolition and property maintenance, as well as NJSDA Staff costs for both Design and Project Management. The project budget of \$240.9 million in the Final Project Charter represents a net increase of approximately \$31.4 million from the Board approved Preliminary Project Charter due to increased construction costs based upon the award value for the design-builder which exceed the value that was estimated within the Preliminary Project Charter. The values estimated within the Preliminary Project Charter were based upon the application of planning assumptions to proposed project scope at the time the charter was advanced for approval in November 2013. The increased construction cost is attributable to refined costs associated with the extensive pile foundation system required for the project, as well as escalation. Additionally, the Construction Management Fees and Furniture, Fixtures, Technology & Equipment budgets have been increased to reflect more recent project experience. Costs associated with Temporary Space have also been incorporated into the charter to allow for the District to vacate the site in support of improved logistics for advancement of the project. These increases within the overall budget are partially offset through the utilization of design contingency included within the Preliminary Project Charter to account for potential cost increases prior to the award of the design-build contract.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to the highest ranked bidder, Terminal Construction Corporation, for Contract No. NT-0052-B01 in the amount of \$163,560,000. Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

The Members of the Authority are also requested to approve the attached Final Project Charter representing all expended and projected funds necessary for completion of the project.

/s/ Sean Murphy

Sean Murphy, Director, Procurement

/s/ Thomas Schrum

Thomas Schrum, Managing Director, Program Operations

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

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

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

Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations

Reviewed and Recommended by: Joseph Lucarelli, Deputy Program Director, Program Operations

Reviewed and Recommended by: Denise Petraglia, Senior Program Officer, Program Operations

Prepared and Recommended by: Jeannette Thannikary, Program Officer, Program Operations

New Jersey Schools Development Authority Project Charter - Summary

Charter Date

11/15/17

**Supersedes
Charter Dated**

11/06/13

Region: Northern
District: Passaic City
Project Name: New Pre K to 8 Education Campus @ Dayton Avenue
School Type: ES/MS
DOE # / Project #: 3970-x03-01-0776
Project Type (New/Add/Reno): New
Project Location: Dayton Avenue Passaic, NJ
Number of Students: 2,760 (FES Capacity) 3,020 (Maximum Capacity)

Land Acquisition Required? Yes No

Temporary Space Required? Yes No

Funding Source

2012 Capital Plan

Funding Allocated

\$240,923,270

Project Budget: \$ 240,923,270

Anticipated Substantial Completion Date 05/03/22

Anticipated School Occupancy Date Sep-22

Project Team Leader: Thomas Schrum

District Local Share

\$0.00

Project Initiation Date: March-12

SDA Board - Project Charter Approval Date: 11/15/17

Charter Version and Date		Project Summary
<input type="checkbox"/> Planning		New educational campus at the acquired Dayton Avenue site to educate 2,760 students in grades Pre-K to 8.
<input type="checkbox"/> Preliminary	11/06/13	
<input checked="" type="checkbox"/> Final	11/15/17	
Revision # and Date		Purpose for Advancement of Current/Revised Project Charter
<input type="checkbox"/> One		Approval of the Final Project Charter inclusive of the final budget and schedule for the project based upon the award of the Design-Build contract.
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		
Revision # and Date		District Project Goals
<input type="checkbox"/> Four		Alleviate district wide overcrowding in grades Pre-K to 8.
<input type="checkbox"/> Five		
<input type="checkbox"/> Six		

Recommendation

Program Director - Program Operations _____ Date _____
 Thomas Schrum

Managing Director - Design / Capital Planning _____ Date _____
 Ritchard Sherman / Gregory Voronov

VP - Construction Operations _____ Date _____
 Manuel Da Silva

EVP - Program Operations and Strategic Planning _____ Date _____
 Andrew Yosha

Approval

Chief Executive Officer _____ Date _____
 Charles McKenna

6

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

Charter Date
11/15/17

District / Project Name:	Passaic City / New Pre K to 8 Education Campus @ Dayton Avenue
DOE # / Project #:	3970-x03-01-0776

Project Milestones	Date
School Occupancy Date	09/15/22

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

<u>Real Estate Services</u>	Start	Est.	Act.	Finish	Est.	Act.
Feasibility	Complete	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Complete	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Investigations	07/08/13	<input type="checkbox"/>	<input checked="" type="checkbox"/>	03/04/14	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Site Acquisition	Complete	<input type="checkbox"/>	<input type="checkbox"/>	Complete	<input type="checkbox"/>	<input type="checkbox"/>
Relocation	Complete	<input type="checkbox"/>	<input type="checkbox"/>	Complete	<input type="checkbox"/>	<input type="checkbox"/>
Demolition	Complete	<input type="checkbox"/>	<input type="checkbox"/>	Complete	<input type="checkbox"/>	<input type="checkbox"/>
Early Site Package	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?	Yes	Date				
District Notified?	Yes	<input type="checkbox"/>	<input type="checkbox"/>			
Classification Exception Area?	Yes					
District Notified?	Yes	<input type="checkbox"/>	<input type="checkbox"/>			

Special Considerations

<u>Design:</u>	Date	Est.	Act.	Finish	Est.	Act.
Design Start (NTP)	12/09/13	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Design Restart (if applicable)	NA	<input type="checkbox"/>	<input type="checkbox"/>			
	Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase	06/17/16	<input type="checkbox"/>	<input checked="" type="checkbox"/>	07/15/16	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic Design	07/18/16	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/09/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bridging Documents	04/14/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/19/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design-Build Bid/Award	06/13/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/16/17	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build NTP	12/17/17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12/27/17	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Design	12/27/17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	09/10/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

<u>Construction:</u>	Date	Est.	Act.
Construction Start (NTP)	09/11/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	05/03/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	Sep-22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	08/12/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	03/29/23	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	06/08/23	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

The above schedule information is based upon the NJSDA's schedule for project completion consistent with the contract requirements for the design-build engagement. Adjustments to the Charter schedule may be made after review and approval of the design-builder awardee's proposed project schedule.

New Jersey Schools Development Authority Project Charter - Project Budget		Charter Date
		11/15/17
District / Project Name: Passaic City / New Pre K to 8 Education Campus @ Dayton Avenue		
DOE # / Project #: 3970-x03-01-0776		
2012 Capital Plan Funding Allocation		\$ 240,923,270
Special Considerations:		
The project budget is based upon the award amount for the Design-Build engagement, current estimates for all project scope elements and estimated costs for future scope elements. Additionally, the budget includes prior expenditures related to site investigation, acquisition and demolition activities for the Dayton Ave site.		
Project Budget:		
Gross Building Area (GSF):		Grossing Factor:
New	448,000	1.52
Addition	0	
Renovation	0	
Total Gross Building Area (GSF):	448,000	
Estimated Building Cost / GSF		
New Construction Cost/GSF	\$302.07	
Renovation Cost/GSF		
Design-Builder Costs		
Design	\$ 8,340,888	
Building Costs	\$ 139,333,649	
Site Costs	\$ 15,885,463	
Demolition	\$0	
E-Rate (If separately bid)	\$0	
Cost Escalation months at 5 % per year	\$0	
Design Contingency	\$0	
Construction Contingency	\$6,000,000	
Total Construction Costs	\$169,560,000	
Pre-Development Costs:		
Consultant Services	\$2,505,153	
Building Demolition	\$4,874,076	
Land Acquisition	\$31,329,501	
Relocation	\$2,538,146	
Property Maintenance/Carry Costs	\$225,000	
Total Pre-Development Costs	\$41,471,877	
Other Costs:		
Design		
Prior Design Services	\$2,353,430	
In-House Design	\$1,627,915	
Project Management (SDA Staff)	\$2,332,000	
PMF/CM	\$4,000,000	
FF&E	\$7,000,000	
Technology	\$9,000,000	
Commissioning	(Included in DB Scope)	
Temporary Space	\$1,100,000	
Other Costs	\$2,478,048	
Total Other Costs	\$29,891,393	
Other Funding Sources		
Rebates & Refunds	\$0	
District Local Share Funds	\$0	
Total Other Funding Sources	\$0	
Total Project Budget	\$240,923,270	
Funding from Prior Allocation	\$40,830,350	
Funding from 2012 Capital Plan	\$200,092,920	

New Jersey Schools Development Authority Project Charter - Budget Variance		Charter Date	
		11/15/17	
District / Project Name: Passaic City / New Pre K to 8 Education Campus @ Dayton Avenue			
DOE # / Project #: 3970-x03-01-0776			
Project Budget:			
	Preliminary Charter 11/6/2013	Current Budget	VARIANCE Fav/(Unfav)
Grossing Factor:	1.55	1.52	0.03
Gross Building Area (GSF):	438,000	448,000	(10,000)
		0	
		0	
Total Gross Area (GSF):	438,000	448,000	(10,000)
Design-Builder Costs			
Design	\$7,432,860	\$8,340,888	(\$908,028)
Building Costs	\$113,327,828	\$139,333,649	(\$26,005,821)
Site Costs	\$13,874,561	\$15,885,463	(\$2,010,902)
Demolition	\$0	\$0	\$0
E-Rate (If separately bid)	\$0	\$0	\$0
Cost Escalation	\$0	\$0	\$0
Design Contingency	\$6,367,436	\$0	\$6,367,436
Construction Contingency	\$6,566,762	\$6,000,000	\$6,934,198
Total Construction Costs	\$147,569,447	\$169,560,000	(\$21,990,553)
Pre-Development Costs:			
Consultant Services	\$2,101,305	\$2,505,153	(\$403,847)
Building Demolition	\$4,874,076	\$4,874,076	\$0
Land Acquisition	\$31,354,501	\$31,329,501	\$25,000
Relocation	\$2,538,146	\$2,538,146	\$0
Property Maintenance/Carry Costs	\$151,351	\$225,000	(\$73,649)
Total Pre-Development Costs	\$41,019,380	\$41,471,877	(\$452,497)
Other Costs:			
Design			
Prior Design Services	\$2,353,430	\$2,353,430	\$0
In-House Design/Bridging Services	\$1,627,915	\$1,627,915	\$0
Project Management (SDA Staff)	\$2,332,000	\$2,332,000	\$0
PMF/CM	\$1,848,000	\$4,000,000	(\$2,152,000)
FF&E	\$5,275,710	\$7,000,000	(\$1,724,290)
Technology	\$4,689,520	\$9,000,000	(\$4,310,480)
Commissioning	\$350,000	(Included in DB Scope)	\$350,000
Temporary Space	\$0	\$1,100,000	(\$1,100,000)
Other Costs	\$2,478,048	\$2,478,048	\$0
Total Other Costs	\$20,954,623	\$29,891,393	(\$8,936,770)
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	\$209,543,450	\$240,923,270	(\$31,379,819)
Funding from Prior Allocation	\$40,830,350	\$40,830,350	\$0
Funding from 2012 Capital Plan	\$168,713,100	\$200,092,920	(\$31,379,819)
Budget Variance Analysis:			
<p>The project budget represents a net increase of approximately \$31.4 million from the Board approved Preliminary Project Charter due to increased construction costs based upon the award value for the design-builder which exceeds the value that was estimated within the Preliminary Project Charter. The values estimated within the Preliminary Project Charter were based upon the application of planning assumptions to proposed project scope at the time the charter was advanced for approval in November 2013. The increased construction cost is attributable to refined costs associated with the necessary pile foundation system required for the project as well as escalation. Additionally, the CM Fees, Furniture, Fixtures, Technology & Equipment budgets have been increased to reflect more recent project experience. Funding for temporary space has also been included in the budget to allow for the District to vacate the site in support of improved logistics for advancement of the project. These increases are partially offset through the utilization of design contingency included within the Preliminary Project Charter to account for potential cost increases prior to the award of the design-build contract.</p>			
Schedule Variance Analysis:			

Resolution—6b.

Design-Build Award and Approval of Final Project Charter

District:	Passaic School District
School:	Dayton Avenue Educational Campus
Description:	Design-Build
Package No.:	NT-0052-B01
CCE:	\$179,250,000
Advertised CCE Range:	\$170,000,000 – \$180,000,000
Award:	\$163,560,000
CM:	TBD

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Resolution

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

WHEREAS, in March 2012, the SDA Board approved the Authority’s 2012 Capital Plan, identifying the Passaic School District’s (District) Dayton Avenue Campus project (the Project) for validation and advancement into pre-development; and

WHEREAS, in November 2013 the Board approved advancement of the Project in order to assist the District in fully addressing its overcrowding needs for grades Pre-K through 8, along with a preliminary project charter recommending a design-build project advancement approach; and

WHEREAS, the Project includes construction of an approximately 448,000 square foot, 4-story educational campus that includes four school facilities located in a unified structure with shared central facilities and is designed to educate approximately 2,760 students in grades Pre-K through 8; and

WHEREAS, a package for design-build services was advertised on June 13, 2017 with “price” weighted as 60% of the overall weight and “all non-price factors” having a combined weight of 40%; and

WHEREAS, the design-build team will complete the design of the campus facility utilizing SDA-developed schematic design documents and also will provide construction and construction administration services; and

WHEREAS, upon completion of the competitive procurement process, the program operations director and the contract management division recommend award of a contract for design-build services in the amount of \$163,560,000 to Terminal Construction Corporation (Terminal) for the Project; and

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

WHEREAS, along with the contract award, SDA executive management recommends that the Members of the Authority approve the final charter for the Project as presented to the Board on this date and representing all expended and projected funds necessary for completion of the Project; and

WHEREAS, the background of the Project, a detailed description of the procurement process followed and the specifics of the final charter recommended for approval are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; 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.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract in the amount of \$163,560,000 to the highest ranked bidder, Terminal Construction Corporation, for the Passaic School District's Dayton Avenue Educational Campus project (NT-0052-B01) and the project's final charter as presented to the Board on this date and representing the Project budget inclusive of dollar values for the award of the design-build package.

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

BE IT FURTHER RESOLVED, 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, Design-Build Award and Approval of Final Project Charter, Dayton Avenue Educational Campus - NT-0052-B01, Passaic School District, dated November 15, 2017

Dated: November 15, 2017

CHANGE ORDER: TRICON ENTERPRISES



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

MEMORANDUM

TO: Members of the Authority

FROM: Thomas Schrum
Managing Director, Program Operations

DATE: November 15, 2017

SUBJECT: Increase to Allowance for Unforeseen Conditions in the
Contract for Demolition of the Aletta Crichton Elementary School

Denbo-Crichton Elementary School Project

COMPANY NAME:	Tricon Enterprises
DISTRICT:	Pemberton
CONTRACT NO.:	WT-0023-N01
PMF/CM:	TBD
SCHOOL NAME:	Denbo-Crichton Elementary School
CHANGE ORDER NO.:	4
REASON:	Additional Remediation through Allowance Utilization
AMOUNT:	\$300,000
CONTRACT STATUS:	45% Paid to Date against the Current Contract Value
ANTICIPATED OCCUPANCY DATE:	September 2020

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of Change Order #4, in the value of \$300,000, to add funds to the Contractual Allowance for Unforeseen Conditions in order to:

- 1) Address the necessary remediation of conditions beyond earlier expectations that were based on site investigation results, and
- 2) Replenish the Allowance in order to address most swiftly and effectively any conditions not yet identified that may become revealed as demolition work progresses.

The NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, requires approval by the Members of the Authority for a change order that singularly exceeds \$500,000 or singularly or in the aggregate exceeds 10% of the contract value. The value of the Allowance increase recommended through Change Order #4 is a value that singularly or in the aggregate exceeds 10% of the contract value.

Pemberton Denbo-Crichton Elementary School
Tricon Enterprises (WT-0023-N01)
Change Order #4
November 15, 2017
Page 2 of 3

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BACKGROUND

The NJSDA issued a Notice-to-Proceed to Tricon Enterprises (Tricon) on June 12, 2017 for abatement, demolition and site preparation services to be performed at the Aletta Crichton Elementary School (Crichton ES) in the Pemberton School District.

Demolition of the Crichton ES is necessary in order to prepare the site for delivery by the NJSDA of a new 126,000 square foot, two story facility that will educate 846 students in grades Pre-K through 5. Upon completion of construction of the new school, the existing Alexander Denbo Elementary School (Denbo ES), also located on the site, will then undergo abatement and demolition.

The engagement with Tricon includes road access work and the construction of a site separation barrier. Because students and staff will remain in the existing Denbo ES facility during construction of the new school, a site separation barrier will provide for safe use of the Denbo facility during the construction period. Students and staff of the Crichton ES have relocated to temporary space within the District.

Tricon's contract includes an Allowance for Unforeseen Conditions with a value of \$150,000. The purpose of this allowance is to provide funding to address undisclosed, unforeseen subsurface conditions, hidden asbestos, unidentified underground tanks and unidentified impacted soils, and to provide certified clean backfill following the removal of undisclosed, unforeseen subsurface conditions.

REASON FOR CHANGE

Work performed by Tricon has revealed the presence of asbestos containing material (ACM) in areas beyond those identified earlier by the NJSDA-engaged consultant, and in excess of the amount to be addressed through the contractually established allowance value. Change Order #4 will add funds to the Contractual Allowance for Unforeseen Conditions and thereby fund the removal and disposal of additional ACM encountered as the demolition of the Crichton ES building was commencing.

Based upon Tricon's proposals as well as NJSDA estimates, the expected cost of the additional ACM removal is approximately \$250,000. Utilization of \$38,000 from the original Allowance value of \$150,000 has left a current remainder of \$112,000. Funds made available through Change Order #4 will augment those remaining Allowance funds in order to address the additional ACM already revealed as well as any further unforeseen conditions that may be encountered during the demolition of the Crichton ES facility and ancillary structures.

This change order, and the reason(s) for needing an increase to the Allowance, will be forwarded to the NJSDA Special Projects Division for determination of potential cost recovery.

Pemberton Denbo-Crichton Elementary School
 Tricon Enterprises (WT-0023-N01)
 Change Order #4
 November 15, 2017
 Page 3 of 3

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SUMMARY OF CHANGE

Change Order #4, in the value of \$300,000, is for additional funds for the Unforeseen Conditions Allowance for the removal and disposal of unanticipated additional ACM encountered as the demolition of the Crichton ES building was commencing.

All documents supporting this change order have been reviewed by the associated NJSDA project team members as well as the Managing Director, Deputy Program Director and Contract Management Division for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members have determined that the items included in the change order are justified and that the amount is reasonable and appropriate.

CALCULATIONS

a. Original Contract Amount	\$ 1,229,900.00
b. Change Order to Date (excluding proposed change order)	\$ 30,689.00
c. Proposed Change Order Amount	\$ 300,000.00
d. Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.))	\$ 330,689.00
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	27%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$ 1,560,589.00

RECOMMENDATION

The Members of the Authority are requested to approve Change Order #4 in the value of \$300,000. The NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, requires approval by the Members of the Authority for a change order that singularly exceeds \$500,000 or singularly or in the aggregate exceeds 10% of the contract value. The value of the Allowance increase recommended through Change Order #4 is a value that singularly or in the aggregate exceeds 10% of the contract value.

/s/ Thomas Schrum

Thomas Schrum, Managing Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, EVP, Program Operations and Strategic Planning
 Reviewed and Recommended by: Manuel DaSilva, Vice President, Construction Operations
 Reviewed and Recommended by: Joseph Lucarelli, Deputy Program Director, Program Operations
 Reviewed and Recommended by: Denise Petraglia, Senior Program Officer, Program Operations
 Prepared and Recommended by: Jeannette Thannikary, Program Officer, Program Operations

Resolution—6c.Approval of Change Order No. 4, Tricon Enterprises
Additional Remediation through Allowance Utilization

COMPANY NAME:	Tricon Enterprises
DISTRICT:	Pemberton
CONTRACT NO.:	WT-0023-N01
CM:	TBD
SCHOOL NAME:	Denbo-Crichton Elementary School
CHANGE ORDER NO.:	4
REASON:	Additional Remediation through Allowance Utilization
AMOUNT:	\$300,000
CONTRACT STATUS:	45% Paid to Date against the Current Contract Value
ANTICIPATED OCCUPANCY DATE:	September 2020

Resolution

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

WHEREAS, on June 12, 2017, the SDA issued a Notice-to-Proceed to Tricon Enterprises (Tricon) for abatement, demolition and site preparation services to be performed at the Aletta Crichton Elementary School (Crichton ES) in the Pemberton School District; and

WHEREAS, demolition of the Crichton ES is necessary in order to prepare the site for delivery by the SDA of a new 126,000 square foot, two story facility that will educate 846 students in grades Pre-K through 5; and

WHEREAS, Tricon's contract includes a \$150,000 Allowance for Unforeseen Conditions (Allowance) in order to provide funding to address undisclosed, unforeseen subsurface conditions, hidden asbestos, unidentified underground tanks and unidentified impacted soils, and to provide certified clean backfill following the removal of undisclosed, unforeseen subsurface conditions; and

WHEREAS, work performed by Tricon has revealed the presence of asbestos containing material (ACM) in areas beyond those identified earlier by an SDA-engaged consultant, and in excess of the amount to be addressed through the contractually established Allowance value; and

WHEREAS, Change Order No. 4, in the value of \$300,000, provides additional funds for the Allowance in order to effectuate removal and disposal of the unanticipated additional ACM encountered as demolition was commencing along with any further unforeseen conditions that may be encountered during the demolition of the facility and ancillary structures; and

WHEREAS, the value of the Allowance increase recommended through Change Order No. 4 is a value that singularly or in the aggregate exceeds 10% of the contract value and thus requires Board approval; and

WHEREAS, Change Order No. 4 and the reason(s) for the necessary Allowance increase, will be forwarded to the SDA Special Projects Division for determination of potential cost recovery; and

WHEREAS, the project background, reason for the change, cost details and a summary of the change are set forth in the memorandum presented to the Board on this date; and

WHEREAS, all documents supporting Change Order No. 4 have been reviewed by the associated SDA project team members as well as the managing director, deputy program director and contract management division for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that the items included in this change order are justified and that the amount is reasonable and appropriate.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve Change Order No. 4 Tricon Enterprises in the value of \$300,000 for the Pemberton Denbo-Crichton Elementary School project.

BE IT FURTHER RESOLVED, that Change Order No. 4 is necessary in order to address the remediation of conditions beyond earlier expectations that were based on site investigation results and to replenish the Unforeseen Conditions Allowance in order to address most swiftly and effectively any conditions not yet identified that may become revealed as demolition work progresses.

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, Tricon Enterprises (Contract No. WT-0023-N01), Change Order No. 4,
Pemberton, Denbo-Crichton Elementary School, dated November 15, 2017

Dated: November 15, 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: November 15, 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 10/31/17

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	School occupied Sep. 2017. (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	School occupied Sep. 2017. (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 10/31/17

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	School occupied Sep. 2017. (Terminal)	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 Aug. 2017 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	D-B Proposals received Oct. 2017. ROA for DB advancing to Nov. 2017 Board.	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 10/31/17

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.	1 QTR 18
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.	1 QTR 18
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 10/31/17

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	Preliminary Charter approved Oct. 2017 Board.	3 QTR 18
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 10/1/2017

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	Substantial Completion	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	Construction	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	Complete	Aug-17	Achieved	Sep-17	Achieved	\$ 16,848,500



**Active Project Status Report
Status as of 10/1/2017**

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	Complete	Oct-16	Achieved	3Q 2017	Achieved	\$ 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: November 15, 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 yet have outstanding open contracts, and 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. The following projects has been closed or transferred since the last Board Meeting:

Year of Occupancy	Project #	Project Type	District	School	Status
2014	3530-060-03-1032	Capital Plan	New Brunswick	A. Chester Redshaw Elementary School	Closed
N/A	3880-115-10-00CM	Emergent	Orange	Orange Middle School (Orange Prep Academy)	Transferred



SPECIAL PROJECTS DIVISION					
PROJECT STATUS REPORT - As of October 1, 2017					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
Bridgeton					
2016	0540-050-13-0ACN	Buckshutem Road Elementary School			
2017	0540-100-13-0ACO	Quarter Mile Lane 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)			
2017	1320-N20-13-0AEG	Halloran Elementary School			
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)
2017	1770-N01-03-0188	Gloucester City Middle School			
Harrison					
2007	2060-X01-01-0832	New Harrison High School	Project Transferred	10/23/12	Open contract(s)

SPECIAL PROJECTS DIVISION					
PROJECT STATUS REPORT - As of October 1, 2017					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
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			
2017	2390-x03-01-0587	Patricia M. Noonan ES			
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
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

SPECIAL PROJECTS DIVISION					
PROJECT STATUS REPORT - As of October 1, 2017					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
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
2017	5670-100-12-0AEE	Harry L. Bain E.S.			
Capital and Demonstration Projects Totals					
Total Capital and Demonstration			147		
Closed Capital and Demonstration Projects			100		
Capital and Demonstration Projects Not Closed			47		
Capital and Demonstration Projects Not Closed, Project Transferred			29		
			Legal Matter	13	
			Pending Audit	6	
			Miscellaneous	10	
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)	Project Transferred	09/05/17	Open contract(s)
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			1		
Health and Safety Contract Totals					
Total Contracts			399		
# of Contracts Closed			393		
# of Open Contracts			6		

SPECIAL PROJECTS DIVISION					
PROJECT STATUS REPORT - As of October 1, 2017					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
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: November 15, 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:

No activity during the reporting period



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

Reporting Period: Jan. 1, 2008 to September 30, 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: September 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: September 2017

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

CONTRACTS EXECUTED REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: November 15, 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 September 1 through September 30, 2017.

Noteworthy Items during the reporting period:

- Execution of 1 contract for construction management services for the Millville Senior High School Addition and Renovation project to Greyhawk North America LLC for \$3,255,000.
- Execution of 1 contract for demolition and site preparation services for the Camden New High School project to USA Environmental Management for \$6,682,000.
- Execution of 1 contract for the temporary classroom units to support the Pemberton New Denbo-Crichton ES to Vanguard Modular Building Systems for \$504,760.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period September 1 through September 30, 2017.

Noteworthy Items during the reporting period:

- Execution of 1 Design Services Amendments totaling \$20k that did not require board approval.
- Execution of 2 Construction Services Change Orders totaling \$22k, of the 2 executed change orders none required board approval.

Report of change orders less than \$10,000 yet requiring Board Approval

In accordance with the Operating Authority adopted by the Members on December 1, 2010 as amended on March 7, 2012, the Members are to be provided a report of any change order which received delegated approval by the CEO due to the fact that they are valued at less than \$10,000 yet require Board approval due the total change orders exceeding 10% of the contract value.

- No Activity to Report



Contracts Executed Report

Reporting Period: 9/1/2017 through: 9/30/2017

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 1. Professional Services										
Construction Management Services										
Millville	High School	RenoAdd	ConstrMgmt	ST-0046-M01	GREYHAWK North America LLC		\$3,255,000	09/27/2017	-	
Construction Management Services										
Part 1. Professional Services										
							\$3,255,000			

7



Contracts Executed Report

Reporting Period: 9/1/2017 through: 9/30/2017

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 2. Construction Services										
Contractor										
Camden City	Camden H.S.	New	Demolition-PM	CA-0022-N01	USA Environmental Management, Inc.	S	\$6,682,000	09/26/2017	-	\$7,240,323
Contractor										
Part 2. Construction Services							\$6,682,000			\$7,240,323

7



Contracts Executed Report

Reporting Period: 9/1/2017 through: 9/30/2017

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 4. Other Contracts & Services										
Others										
Pemberton Township	Alexander Denbo E.S.	RenoAdd	FFE	WT-0023-F04	Vanguard Modular Building Systems, LLC		\$504,760	9/25/2017	-	
Part 4. Other Contracts & Services							\$504,760			
							Total Contract Award			Total Contracts Awarded
Grand Totals - Professional and Construction Services Combined							\$10,441,760			3

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

Project Types Legend

- HS Health & Safety
- New New Construction
- 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



Amendments & Change Orders Report

Reporting Period: 9/1/2017 through: 9/30/2017

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														
West New York	Harry L. Bain E.S.	HU-0026-A01	10/21/2013	1	USA Architects, Planners + Interior Designers, PA	9/15/2017	\$1,315,988	\$0	\$20,408			\$1,336,396	1.55%	
Design Consultant														
Professional Services														
									\$20,408					
Construction Services														
Contractor														
East Orange	G.W.Carver Institute	ES-0021-N01	08/04/2016	1	Site Enterprises, Inc.	9/22/2017	\$1,975,000	\$0	\$28,397			\$2,003,397	1.43%	
Irvington Township	Irvington H.S.	EP-0083-C01	05/22/2015	7	Bennett Company, Inc. (The)	9/7/2017	\$4,917,000	\$52,586	(\$6,297)			\$4,963,289	0.94%	
Contractor														
Construction Services														
									\$22,100					
									Total Change Order Summary		Total Change Orders			
Grand Totals									\$42,508		3			

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

7

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: November 15, 2017

SUBJECT: Contractor and Workforce Compliance Monthly Update for August 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 August 31, 2017 was \$118,283,504. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total contract dollars awarded to all SBE contractors was \$41,629,276 (including minorities and women). This represents 35.20% of all SDA contracts.

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$ 33,446,766	28.28%
Small/ Minority Business Enterprises	\$ 125,000	0.11%
Small/Women Business Enterprises	\$ 8,057,510	6.81%
Small/Veteran Owned Business Enterprises	\$ -0-	0.00%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
TOTAL SBE CONTRACTS	\$ 41,629,276	35.20%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 November 15, 2017
 Page 2 of 4

Ethnic Breakdown

Through the month of August 31, 2017 the total SBE contracts awarded with minority participation was 0.30%.

Ethnicity	Contract Amount	Percentage
American Indian	\$ -0-	0.00%
Asian	\$ 125,000	0.30%
Black	\$ -0-	0.00%
Hispanic	\$ -0-	0.00%
Total	\$ 125,000	0.30%

WORKFORCE COMPLIANCE MONITORING

For the month of August 2017, there was a contractor workforce of 938 on SDA projects. This represents a total of 86,376 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	100	10,218	11.83%
Hispanic	252	9,707	11.24%
American Indian	4	272	0.32%
Asian	10	975	1.13%
Total Minority Participation	366	21,172	24.52%
Total Non-Minority Participation	572	65,204	75.48%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 November 15, 2017
 Page 3 of 4

There was a contractor workforce of 464,770 total workforce hours and 3,846 total female workforce hours on SDA projects for the period of January 1, 2017 through August 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	464,770	100.00%
*Total Local County Workforce Hours	34,372	7.40%
Total Local County Non-Minority Workforce Hours	19,550	4.21%
Total Local County Female Workforce Hours	76	0.02%
Total Local County Minority Workforce Hours	14,822	3.19%
**Local County Workforce Hours by Ethnicity:		
Black	11,394	2.45%
Hispanic	2,728	0.59%
American Indian	0	0.00%
Asian	700	0.15%

*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
 November 15, 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 August 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	125,814	34,860	27.49%	0	0.00%
Garfield, James Madison ES	26,360	5,215	19.78%	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	52,443	11,295	21.54%	4,230	8.07%
Newark, South Street ES	17,412	4,680	26.88%	917	5.27%
Passaic, Leonard Place ES	14,244	2,379	16.70%	2,970	20.85%
Perth Amboy, Seaman Avenue	3,304	0	0.00%	611	23.96%
Phillipsburg HS	160	0	0.00%	57	35.63%
Trenton HS	138,906	44,280	31.88%	19,866	14.30%
Vineland, Lincoln Ave MS	42,471	8,263	19.46%	3,309	7.79%
West New York, Harry L. Bain ES	23,459	12,830	54.69%	0	0.00%
Emergent Projects	8,097	2,160	26.68%	1,195	14.76%

Prepared by: Charlotte Brooks
 JaDawna Brown-Mooney

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: November 15, 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 September 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.
- 2 grants impacting 2 districts were executed during the reporting period representing 0.8M in total project costs and state share of \$0.4M..
- 38 grants impacting 9 districts were closed out during the reporting period representing \$28.8M in total project costs and state share of \$10.4M.
- 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

September 2017

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	31	524	512	229
Number of Grant Projects	93	5,396	4,427	969
Total Project Cost Estimate	\$ 95,000,610	\$ 9,142,944,703	\$ 7,922,671,381	\$ 1,220,273,321
Grant Amount	\$ 40,270,463	\$ 3,020,724,223	\$ 2,587,257,924	\$ 433,466,299
Amount Disbursed	N/A	\$ 2,751,901,946	\$ 2,587,257,924	\$ 164,644,022

Total Funding Offered to School Districts via Grant Program	\$ 3,342,209,450
Total ROD Grant Funding remaining for new Grant Projects	\$ 52,173,130

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	2	9
Number of Grant Projects	2	38
Total Project Cost Estimate	\$ 797,651	\$ 28,796,276
Grant Amount	\$ 431,185	\$ 10,403,628
Amount Disbursed	NA	\$ 10,403,628

* 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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Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

September 2017

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Camden	Black Horse Pike Regional	Timber Creek Regional H.S.	\$ 507,651	\$ 290,495	Security upgrades
Gloucester	Swedesboro-Woolwich	Walter H. Hill E.S.	\$ 290,000	\$ 140,690	Roof replacement
Grand Total		Grants Executed - 2	\$ 797,651	\$ 431,185	

**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: November 15, 2017

SUBJECT: Monthly Communications Report

SDA Breaks Ground for Seaman Avenue Elementary School in Perth Amboy



On October 5, SDA joined students and Perth Amboy officials to break ground for the new Seaman Avenue Elementary School. Once completed, the school will be the fourth new facility built by the SDA in Perth Amboy.

The Seaman Avenue Elementary School will be a new 128,000-square-foot facility designed to educate approximately 800 students in grades kindergarten through five. The facility is currently scheduled to open to students in September 2019.

SDA Celebrates Construction Progress of New Trenton Central High School

On October 27, SDA joined local elected officials, Trenton School District leaders, and students for a “beam signing” ceremony to highlight the progress of construction on the new Trenton Central High School.

The new Trenton Central High School will be a 374,000 square-foot school designed to educate 1,900 students in grades 10 through 12. The school is anticipated for completion in 2019.

Communications Report
November 15, 2017
Page 2 of 2



Reviewed by: Jane F. Kelly, V.P. Corporate Governance & Operations

MONTHLY FINANCIAL REPORT



100 EAST FRONT STREET
 P.O. BOX 991
 MANTON, NJ 08625-0991
 609-858-5325

MEMORANDUM

TO: Members of the Authority

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

DATE: November 15, 2017

SUBJECT: Monthly Financial Report – September 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 September 2017 year to date, Authority operating expenses, **\$15.1 million**, are **down \$2.3 million** as compared to the operating budget for the *corresponding period*. The deviation of actual expenses versus budget is due to:

- Lower salary & benefit costs **\$2.1M**. The Authority is currently 33 FTEs under budget. This variance is offset by the year to date allocation - of payroll expense to project cost - that is lower than projected, (**\$715K**);
- Lower spending for MIS **\$243K**;
- Lower spending for capital expenditures **\$145K**.

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

For September 2017 year to date, Authority operating expenses, **\$15.1 million**, are **\$1.3M** higher as compared to the corresponding prior year:

- Higher employee benefit costs **\$1M**, primarily due to the impact of a non-cash accrual for pension expense recorded for GASB 68;
- Increases in Common Area Maintenance (CAM) fees **\$85K**.

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

For September 2017 year to date, project expenditures, **\$274.3 million**, are **higher by \$9 million** as compared to the capital-spending forecast for the *corresponding period*. The variance is due to increased activity in construction work **\$9.6M**, and grant activity **\$7.8M**. This variance is offset by decreased spending in property acquisitions **\$4M**, project insurance **\$900K** and other project related costs **\$3.5M**.

Members of the Authority
November 1, 2017
Page 2

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

For September 2017 year to date, project expenditures, **\$274.3 million**, have **decreased** by **\$21 million** as compared to the *corresponding prior year*. The variance is primarily due to decreased spending in construction related activity **\$17.7M**, school furniture, fixtures and equipment **\$13.9M**, property acquisitions **\$1.1M** and other project related costs **\$4.4M**. Offsetting these cost reductions are spending increases in grants **\$16.1M**.

Other

Since program inception, 79.4% 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
September 2017
(Unaudited)

New Jersey Schools Development Authority Overview of Financial Position September 30, 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, September 30, 2017.

► Overall **Cash and Cash Equivalents** have decreased by \$284.3 million to \$273 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ -
■ Investment earnings	2,223,745
■ Miscellaneous revenue	54,926
■ Project costs	(274,301,715)
■ SDA operating expenses	(11,699,158)
■ SDA capital expenditures	(6,180)
■ Deposits (primarily district local shares)	(566,773)
Net Change in Cash	\$ (284,295,155)

► **Prepaid Expenses** total \$408,173 as follows:

- Prepaid insurance of \$133,283.
- Prepaid rents of \$122,431 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$119,097.
- Other prepaids of \$33,362.

► **Capital Assets** total \$557,838 (net of accumulated depreciation of \$6,885,993), 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 \$155,446.

► **Accrued Liabilities** total \$131.9 million, as follows:

- Accrued project costs of \$20.4 million consisting of unpaid invoices (\$4.0 million); and retainage (\$16.4 million).
- Accrued net pension liability of \$73.7 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 \$2.0 million.
- Post-employment benefits obligation of \$26.1 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 \$156 million.

New Jersey Schools Development Authority School Facilities Project Expenditures & Funding Allocation September 30, 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 \$32.8 million and \$274.3 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Current Year-To-Date</u>	<u>Since Program Inception</u>
Construction	\$ 19,602,329	\$ 151,655,070	\$ 4,614,722,438
Design Services	193,359	2,095,251	411,082,736
PMF/CM Services	224,653	4,394,446	449,645,553
SDA Project Management	1,426,567	10,785,975	68,159,384
Property Acquisition, Relocation & Enviro	603,117	2,578,065	579,899,006
School Furniture, Fixtures & Equipment	1,793,356	12,275,290	153,084,037
Project Insurance	(321)	1,395,696	109,007,277
NJ State Inter-Agency Transfers	-	237,530	48,924,230
SDA District Grant & Funding Agreements	99,536	15,405,494	846,503,761
Regular Operating District Grant Agreements	8,606,975	71,548,543	2,762,376,002
Real-Time Project Audits	-	30,349	468,867
Property Management, Maintenance & Utils	23,492	546,231	16,196,039
Outside Legal & Claims Resolution Services	39,693	530,849	8,074,385
Other Project Costs	226,407	1,244,114	63,543,573
Project Credits	-	-	(54,902,944)
Total Project Expenditures	32,839,163	274,722,903	10,076,784,344
Less: Local Share Contributions	-	(421,188)	(182,901,823)
Project Expenditures (State Share)	\$ 32,839,163	\$ 274,301,715	\$ 9,893,882,521
 2017 Capital Spending Forecast	 \$ 33,771,947	 \$265,290,151	

Allocations Since Program Inception

► Program Funding & Expenditures

	<u>Bonding Caps</u> ¹	<u>Total Funding</u> ²	<u>Paid to Date</u> ³
■ SDA Districts	\$ 8,900,000,000	\$ 9,012,278,828	\$ 7,155,064,603
■ Regular Operating Districts	3,450,000,000	3,494,174,456	3,067,500,753
■ Vocational Schools	150,000,000	151,765,116	113,318,044
Total - State Share	\$ 12,500,000,000	\$ 12,658,218,400	\$ 10,335,883,400

► Percentage of Total Funding Paid to Date

■ SDA Districts	79.4%
■ Regular Operating Districts	87.8%
■ Vocational Schools	74.7%
Total - State Share	81.7%

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 \$442,000,880.

New Jersey Schools Development Authority Operating Expenses vs Budget September 30, 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	\$ 13,541,346	\$ 14,724,540	\$ (1,183,194)
Employee Benefits	8,886,919	9,715,423	(828,504)
Direct Hire Temporary Employee Costs	158,325	217,998	(59,673)
Total Employee Salaries & Benefits Costs	22,586,590	24,657,961	(2,071,371)
Less: Employee Salaries & Benefits Costs			
Charged to Projects	10,785,974	11,500,552	(714,578)
Salaries & Benefits Charged to Operating Expense	11,800,616	13,157,409	(1,356,793)
Temporary Staffing Services	64,454	112,500	(48,046)
Travel & Expense Reimbursements	15,586	25,257	(9,671)
Training & Professional Development	28,388	100,923	(72,535)
Total Personnel Expenses	11,909,044	13,396,089	(1,487,045)
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	1,808,234	1,979,505	(171,271)
Information Systems	857,269	1,100,538	(243,269)
Professional & Other Contracted Services	166,487	368,378	(201,891)
Property & Casualty Insurance	306,714	306,594	120
SDA-Owned Automobiles	59,469	86,247	(26,778)
Communications & Outreach	1,377	378	999
Reserve for Unforeseen Events & New Initiatives	-	37,503	(37,503)
Total Operating Expenses (Non-Capital)	15,108,594	17,275,232	(2,166,638)
Capitalized Operating Expenses	6,180	151,250	(145,070)
Total Authority Operating Expenses	\$ 15,114,774	\$ 17,426,482	\$ (2,311,708)
 2017 Annual Operating Budget		 \$ 22,924,694	

New Jersey Schools Development Authority

Operating Expenses vs Prior Year

September 30, 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	\$ 13,541,346	\$ 13,861,094	\$ (319,748)
Employee Benefits	8,886,919	7,842,771	1,044,148
Direct Hire Temporary Employee Costs	158,325	148,103	10,222
Total Employee Salaries & Benefits Costs	22,586,590	21,851,968	734,622
Less: Employee Salaries & Benefits Costs Charged to Projects	10,785,974	11,294,301	(508,327)
Salaries & Benefits Charged to Operating Expense	11,800,616	10,557,667	1,242,949
Temporary Staffing Services	64,454	99,646	(35,192)
Travel & Expense Reimbursements	15,586	19,968	(4,382)
Training & Professional Development	28,388	44,114	(15,726)
Total Personnel Expenses	11,909,044	10,721,395	1,187,649
Non-Personnel Operating Expenses:			
Facilities & General Office Expenses	1,808,234	1,708,326	99,908
Information Systems	857,269	770,644	86,625
Professional & Other Contracted Services	166,487	136,514	29,973
Property & Casualty Insurance	306,714	306,276	438
SDA-Owned Automobiles	59,469	59,886	(417)
Communications & Outreach	1,377	240	1,137
Reserve for Unforseen Events & New Initiatives	-	-	-
Total Operating Expenses (Non-Capital)	15,108,594	13,703,281	1,405,313
Capitalized Operating Expenses	6,180	88,185	(82,005)
Total Authority Operating Expenses	\$ 15,114,774	\$ 13,791,466	\$ 1,323,308

New Jersey Schools Development Authority

Employee Headcount

September 30, 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	8	13	-5
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>216</u>	<u>249</u>	<u>-33</u>

New Jersey Schools Development Authority

Statement of Net Position

September 30, 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	\$ 272,951,164	\$ 557,246,319	\$ (284,295,155)
Receivables	188,880	201,378	(12,498)
Prepaid Expenses	408,173	850,418	(442,245)
Capital Assets (Net of Accumulated Depr.)	557,838	707,104	(149,266)
Total Assets	<u>274,106,055</u>	<u>559,005,219</u>	<u>(284,899,164)</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>\$ 293,862,979</u>	<u>\$ 580,944,921</u>	<u>\$ (287,081,942)</u>
LIABILITIES			
Accrued Project Costs	\$ 29,925,931	\$ 72,842,226	\$ (42,916,295)
Net Pension Liability	73,736,858	72,439,355	1,297,503
Accrued Other Post-Employment Benefits	26,099,233	24,500,963	1,598,270
Other Accrued Liabilities	2,091,960	4,200,487	(2,108,527)
Deposits	2,913,516	3,480,289	(566,773)
Total Liabilities	<u>134,767,498</u>	<u>177,463,320</u>	<u>(42,695,822)</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount for Pensions	3,074,757	3,074,757	-
NET POSITION			
Invested in Capital Assets	557,838	707,104	(149,266)
Restricted for Schools Construction:			
Special Revenue Fund	155,462,886	399,699,740	(244,236,854)
Net Position	<u>156,020,724</u>	<u>400,406,844</u>	<u>(244,386,120)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION			
	<u>\$ 293,862,979</u>	<u>\$ 580,944,921</u>	<u>\$ (287,081,942)</u>

New Jersey Schools Development Authority Statement of Activities September 30, 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	2,223,745	1,305,717	918,028
Rental Income	45,035	792,730	(747,695)
Other Revenue-OPRA	9,891	92	9,799
Total Revenues	<u>2,278,671</u>	<u>2,098,539</u>	<u>180,132</u>
EXPENSES			
Administrative & General Expenses	15,108,594	13,703,281	1,405,313
Capital Depreciation	155,446	131,973	23,473
School Facilities Project Costs	231,400,751	257,679,724	(26,278,973)
Total Expenses	<u>246,664,791</u>	<u>271,514,978</u>	<u>(24,850,187)</u>
CHANGE IN NET POSITION	(244,386,120)	(269,416,439)	25,030,319
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>\$ 156,020,724</u>	<u>\$ 200,595,624</u>	<u>\$ (44,574,900)</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.