

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD MEETING  
WEDNESDAY, DECEMBER 6, 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 November 15, 2017

**4. AUTHORITY MATTERS**

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

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

- a. Approval of Awards – Contract Management System Software and Implementation Services
- b. 2018 SDA Proposed Budget

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

- a. Release of Funds from Program Reserve -Newark Public Schools District – Malcolm X. Shabazz High School - Emergent Project – Building Envelope Exterior Masonry, Roof and Courtyard Drainage
- b. Release of Funds from Program Reserve -Newark Public Schools District – Vocational High School - Emergent Project – Building Envelope Exterior Masonry, Roof and Window Replacement
- c. COMPANY NAME: Heery International  
DISTRICT: Phillipsburg  
CONTRACT NO.: PM-0019-P01  
PMF/CM: Heery International  
SCHOOL NAME: Phillipsburg High School  
AMENDMENT NO.: 10  
REASON: De-Obligation of Unused Contract Funds  
AMOUNT: (\$123,566.44)  
CONTRACT STATUS: 95% Paid to Date against the Current Contract Value  
OCCUPANCY DATE: July 2016

- d. COMPANY NAME: Triad Fire Protection Engineering Corporation  
DISTRICT: Newark  
CONTRACT NO: NE-0001-Y01  
PMF/CM: NJSDA Self-Managed

SCHOOL NAME: Science Park High School  
AMENDMENT NO: 2  
REASON: Additional Consulting Services  
AMOUNT: \$20,000  
CONTRACT STATUS: 9.9% Paid to Date against the Current Contract Value  
ORIGINAL OCCUPANCY DATE: November 13, 2006

**7. REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE (CHAIRMAN’S REPORT) – TO BE PROVIDED IN EXECUTIVE SESSION**

**8. MONTHLY REPORTS**

- a. *For Informational Purposes*
  - i. Active Projects Report
  - ii. Project Close Out Status Report
  - iii. Project Status Reports
  - iv. Contracts Executed Report/Amendments & Change Orders Executed Report
  - v. Contract Terminations Report (*no activity*)
  - vi. Settlement Activities Report (*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*)

**9. PUBLIC COMMENTS**

**10. EXECUTIVE SESSION**

- a. Recommendation of alternative methods for the Sale and Conveyance of 707-709 Market Street and 108 N. 7th Street in the City of Camden — Amending January 4, 2017 Approval by the Members
- b. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)  
CCD Report (*no activity*)

**11. ADJOURNMENT**

**APPROVAL OF MEETING MINUTES**

**NOVEMBER 15, 2017 OPEN SESSION**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, NOVEMBER 15, 2017**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, November 15, 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  
Juan Burgos (EDA)  
Kevin Luckie (DCA)  
Bernard Piaia (DOE)  
Willem Rijkssen (Treasury)  
Kevin Egan  
Loren Lemelle  
Lester Lewis-Powder  
Robert Nixon  
Mario Vargas

being a quorum of the Board. Mr. Egan, Ms. Lemelle, Mr. Lewis-Powder, Mr. Nixon, Mr. Piaia, Mr. Rijkssen and Mr. Vargas 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; Anthony Gilfillan, director; and Karon Simmonds, director, of the SDA, participated in the meeting. Thomas Huth of the Governor's Authorities Unit also participated in the meeting.

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 October 4, 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. Luckie and seconded by Mr. Piaia, the October 4, 2017 Open Session meeting minutes were 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 reported that, roofing, exterior sheathing and concrete masonry unit installation work is ongoing. He informed the Members that staff has submitted the final building design to the Department of Community Affairs (DCA) incorporating prior DCA comments and is currently awaiting release of the final building review. He said that interior rough-in HVAC, fire suppression, electric, plumbing and framing is ongoing.

Mr. McKenna reported that for the Camden HS project, SDA staff issued the notice-to-proceed (NTP) with demolition services to USA Environmental Management on September 26. He added that abatement activities are underway and scheduled for completion by January 2018. He provided an update regarding the litigation that has been filed in connection with the project.

With respect to the East Orange George Washington Carver ES project, Mr. McKenna said that design phase services are ongoing and that SDA staff is finalizing preliminary design work. For the Elizabeth New ES project, he reported that, on October 30, DCA issued a temporary certificate of occupancy for the entire building, including spaces that previously had been excluded. He said that the design-builder is addressing punch-list items. He added that staff anticipates applying for a certificate of occupancy by the end of the year.

Mr. McKenna next reported that, for the Garfield James Madison ES No. 10 project, exterior veneer work is complete and mechanical, electrical and plumbing rough-in work is ongoing. He said that roofing work is nearly complete and exterior site work has begun.

With regard to the Harrison New ES project, Mr. McKenna informed the Members that design phase services continue. He said that DCA issued a release for footings, foundations and structural steel work. He added that SDA staff expects construction activities to begin later in the month.

Mr. McKenna reported that, for the Irvington Madison Avenue ES project, design phase services continue and the design builder has begun construction work associated with the building's footings and foundations. For the Keansburg Port Monmouth Road ES project, he said that design phase services continue. With regard to the addition and renovation project at the Millville HS, he advised that design phase services continue and abatement work is ongoing. He

added that SDA staff had issued GREYHAWK North America LLC a limited NTP the previous month for review of the design-builder's proposed construction schedule.

In continuing, Mr. McKenna gave an update on the New Brunswick Paul Robeson ES project. He said that masonry, HVAC, electrical, plumbing and site work is ongoing; window installation in the addition is nearly complete; and structural repair to the existing building is ongoing.

Mr. McKenna reported that, for the Newark South Street ES project, interior partitions, painting, final electrical and plumbing, and final grading work is ongoing. He noted that flooring and bathroom partition installation work has begun.

Mr. McKenna said that design phase service continue on both the Orange Cleveland ES and Orange HS projects. For the Passaic Leonard Place ES project, he reported that SDA staff issued a full construction NTP. He added that exterior/interior masonry is ongoing.

With respect to the Passaic Dayton Avenue Educational Campus project, Mr. McKenna said that a recommendation of award for design-build services is on the meeting agenda. He added that the number one ranked firm is Terminal Construction Corporation (Terminal) and that the number two ranked firm, Dobco, Inc., has filed a bid protest. Reporting on the Paterson Union Avenue MS project (former site of Don Bosco Academy), he said that abatement work is ongoing in the main building and SDA staff has begun demolition of the technical building.

With regard to the Pemberton Denbo-Crichton ES project, Mr. McKenna reported that abatement of the Crichton ES is ongoing. He said that Tricon Enterprises (Tricon) encountered unforeseen asbestos containing material (ACM) and, in order to address it, management will be seeking Board approval later in the meeting to increase the Allowance fund for unforeseen



conditions by \$300,000. He informed the Members that technical and price proposals for the design-build procurement are due November 30.

Mr. McKenna reported that, for the Perth Amboy Seaman Avenue ES project, design phase services continue and site utility curb installation, and footing and foundation work is ongoing. With regard to the Vineland New MS project, he said that masonry, steel erection, roofing, electrical, plumbing, window installation, HVAC and site work is ongoing. He said that interior painting has commenced as well.

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

Turning to Authority events, outreach and other activities, Mr. McKenna reported that, on October 5, SDA joined Perth Amboy students and district officials for a groundbreaking ceremony celebrating the start of construction of the new Seaman Avenue ES. He said that, on October 12, he attended a groundbreaking ceremony at the Park Avenue ES/Freehold Intermediate School in Freehold. He added that this is a project the SDA is funding through the ROD grant program.

Mr. McKenna informed the Members that, on October 27, staff held a beam signing ceremony for the new TCHS project. He said that SDA staff was happy to have the Chairman and Mr. Maloney in attendance at the event.

Mr. McKenna said that, on November 2, he attended the dedication ceremony for the new Halloran ES in Elizabeth. He added that the ceremony was wonderful and included various student groups.

Mr. McKenna reported that, on November 1, Manuel DaSilva and Greg Voronov presented SDA's 2018 project forecast at the New Jersey Alliance for Action's annual Construction Forecast Seminar.

Mr. McKenna informed the Members that the SDA recently launched a new SDA website. He said that the Authority's Information Systems and Communications staffs worked extremely hard on the new site.

Mr. McKenna reported that the full Board has now completed Ethics Training for 2017. He said that SDA ethics staff appreciates their prompt response.

### *Audit Committee*

#### ***Broker Services and Business and Real Estate Property and Casualty Insurance Program – GP-0247-R01***

At the Chairman's request, Mr. Nixon reported that the Audit Committee met on October 16, 2017 at which time management provided the Committee with the September 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 \$2 million during the reporting period due to reductions in state share for grant projects nearing completion.

Next, Mr. Nixon reported that management had recommended and the Committee had considered a recommendation for approval of an award for Broker Services for the Authority's

Business and Real Estate Property and Casualty Insurance Program (the Program). He said that a request for quotations was advertised beginning in May 2017. He advised the Board that, upon completion of the procurement process, the top ranked firm was the Safegard Group. He said that the award is for a not-to-exceed amount of \$1,445,000—\$485,000 annually—for the placement and servicing of the Program for a three (3) year term inclusive of two (2) renewal years. He advised the Board that the proposed annual premiums reflect an approximate 17.9% reduction in costs from the current program. Ms. Simmonds noted that the favorable pricing reflects a decrease in SDA real estate inventory due to the disposition of property and the movement of projects into the SDA's Owners Controlled Insurance Program.

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

Next, Mr. Nixon advised the Board that the internal audit division had presented the Committee the results of an audit of the Matrix East Front Street Operating Company, Inc., LLC Common Area Maintenance Fees.

In continuing, Mr. Nixon reported that management also had shared with the Committee the results of two (2) real-time construction audits. He explained that the audits, presented by SDA's outside consultant, Experis, LLC, were conducted in compliance with the statutory requirement that capital portfolio projects costing over \$10 million be reviewed to assess whether state funds were expended properly utilizing contract terms, SDA practices and state rules and regulations. He reported that the results of the audits were positive.

Next, Mr. Nixon advised the Board that management informed the Committee of the Authority's need to purchase a new construction management software system. He described the

cost impact the expenditure will have on the 2018 budget and subsequent budgets. He explained that the current system is utilized by both internal staff and external contractors. He advised the Board that the current system, purchased in 2006, has reached obsolescence. He explained that the new system would have the functionality of the current system plus additional functionality to support ongoing operations and additional system enhancements. Mr. Nixon explained that staff is employing a multi-step process to select the most suitable replacement system, noting that the addition of new functionality in the replacement system is being investigated. He advised that the cost of software and implementation services for the first year is approximately \$1.5 million and the second year cost for implementation, maintenance and support services is approximately \$1 million. He said that, thereafter, recurring maintenance and support services cost would equal \$300,000 annually. He noted that the cost of purchasing the System would be included in the 2018 budget that the Board will consider in December. He advised that management would present the software purchase to the Board then as well. Mr. Gilfillan provided additional details regarding the current system, a description of the replacement system that is needed and the process staff is employing to obtain the latter. Ms. Kelly said that the matter will be discussed at the November 20 meeting of the Audit Committee and that if any non-Audit Committee Member wishes to participate they are welcome to do so up to a maximum of 7 Member participants.

Next, Mr. Nixon provided the Board with the September 2017 Monthly Financial report. He advised the Board that Year-to-Date Authority Operating Expenses (Actual vs. Budget) at \$15.1 million, are down \$2.3 million as compared to the operating budget for the corresponding period. He explained that this is largely attributable to 33 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 \$15.1 million, are \$1.3 million 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 \$274.3 million, are \$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 \$21 million as compared to the corresponding prior year. He explained that this is largely attributable to decreased spending in construction related activity (\$17.7 million), school furniture, fixtures and equipment (\$13.9 million), property acquisition (\$1.1 million) and other project related costs—offset by a spending increase in grants (\$16.1 million). In concluding his report, Mr. Nixon said that, currently, SDA has disbursed 79.4% 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*

#### ***Approval of Award – State-Wide Relocation Consultant Services; Design-Build Award and Approval of Final Project Charter – Passaic Dayton Avenue Educational Campus; Change Order, Tricon Enterprises, Pemberton Denbo Crichton ES project***

Mr. Walsh asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review Committee met on October 16, 2017. He said that the first item the Committee considered is a contract award for statewide relocation consultant services. He reported that the SDA has entered into term contracts for statewide relocation

consultant services since 2003. He advised that the current task order contract would be expiring in December 2017, so management is asking that the Board approve the award of a contract to a firm with the experience and qualifications to provide the required services. Mr. Luckie said that SDA staff conducted a single-step process to procure a relocation services consultant. He said that, upon completion of that process, management recommends that the Board approve a contract award to O.R. Colan Associates to provide state-wide relocation consultant services at the rates listed in the memorandum and for a not-to-exceed amount of \$3,000,000 over the three-year term of the contract.

Following discussion, upon motion duly made by Mr. Burgos and seconded by Mr. Piaia, the Board approved the contract award for statewide relocation consultant services with its unanimous vote in favor of ***Resolution 6a.***

In continuing, Mr. Luckie said that the Committee is advancing for Board approval a design-build award and final project charter for the Passaic Dayton Avenue Educational Campus project (the Project). He reminded the Board that the Authority's 2012 Capital Plan identified the Project for validation and advancement into pre-development. He reminded the Members that, in November 2013, the Board approved advancement of the Project in order to assist the district in addressing its overcrowding problem. He said that the Board also approved a preliminary charter recommending a design-build approach for the Project. Mr. Luckie explained that the Project involves construction of an approximately 448,000 square foot, 4-story educational campus. He added that it includes four school facilities located in a unified structure with shared central facilities and is designed to educate approximately 2,760 Pre-K through 8th grade students. He said that SDA staff advertised a package for design-build services on June 13, 2017 with "price" weighted as 60% of the overall weight and "all non-price factors" having a combined weight of

40%. Mr. Luckie informed the Members that 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. He reported that, upon completion of the competitive procurement process, management recommends award of a \$163,560,000 contract for design-build services to Terminal for the Project. He said that, at the time of review, Terminal confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He added that SDA executive management also recommends that the Board approve the Project's final charter.

Following discussion, upon motion duly made by Mr. Burgos and seconded by Mr. Piaia, the Board approved the design-build award and final charter for the Passaic Dayton Avenue Educational Campus project with its unanimous vote in favor of **Resolution 6b**.

Mr. Luckie then discussed a proposed change order for Tricon in connection with the Pemberton Denbo-Crichton ES project. He said that demolition of the Pemberton Crichton ES is necessary in order to prepare the site for SDA's delivery of a new 126,000 square foot, two-story facility that will educate 846 students in grades Pre-K through 5. He reported that, on June 12, 2017, the SDA issued a NTP to Tricon for abatement, demolition and site preparation services to be performed at the Crichton School. He advised the Board that Tricon's contract includes a \$150,000 Allowance for unforeseen conditions to address undisclosed, unforeseen subsurface conditions including asbestos, unidentified underground tanks and unidentified impacted soil. He said that the Allowance is also available to fund certified clean backfill following removal of the subsurface conditions. Mr. Luckie informed the Members that work performed by Tricon has revealed the presence of ACM in areas beyond those identified earlier by an SDA-engaged consultant. He explained that the existing Allowance is insufficient to cover removal of the

material. He said that management now is recommending approval of Change Order No. 4 in the amount of \$300,000. He advised that this would add funds to the Allowance in order 1) to cover removal and disposal costs related to the unanticipated asbestos material; and 2) to address any further unforeseen conditions that may be identified during the demolition of the facility and ancillary structures.

Following discussion, upon motion duly made by Mr. Piaia and seconded by Mr. Burgos, the Board approved Change No. 4 for Tricon Enterprises for the Pemberton Denbo-Crichton ES project with its unanimous vote in favor of *Resolution 6c*.

### ***Public Comments***

The Chairman opened the Public Comments portion of the meeting. He asked Frank Faras to address the Board. Mr. Faras said that he is resident of the City of Trenton and resides across the street from the TCHS site. Mr. Faras reminded the Members that at the previous month's Board meeting he had expressed his concerns regarding the location of three mixing stations across the street from his home. He said that Mr. McKenna had said that he would take care of it. He then referenced a picture he had provided and that staff had distributed to the Members in advance of the meeting. He said that the picture was taken one week prior and depicted a "collar" that was put on the side of the mixers but never used. He said that the collar should have been placed on top of the "hole". Mr. McKenna said that he had in fact taken care of relocation of the mixers that Mr. Faras had complained about at the previous meeting. Mr. Faras said that, while the mixers are not there now, they had been located across the street from his home for eight months. He said that during the summer months when windows were open it was possible to taste the material. He advised the Board that it is currently coating the leaves in the area. Mr. Faras again emphasized that the collar was not being used. Mr. Faras said that Mr.



McKenna has previously said that he has trouble hiring qualified engineers, adding that this is likely because these professionals do not want to work for a political hack who is the Governor's best friend. Mr. McKenna said that he has never said that he has trouble hiring qualified engineers and that, with his comments, Mr. Faras has insulted SDA staff. Mr. Faras then referenced the potential for completion of the TCHS project ahead of schedule. He suggested that this is because work on site is beginning at 5:00 AM. He said that this interrupts his mother's sleep. He emphasized that residents have rights too.

The Chairman then asked Gloria Smith to address the Board. Ms. Smith said that she is a resident of the City of Camden and resides across the street from the Camden High School site. She said that she was appearing before the Board "preemptively" in an effort to avoid issues going forward. She advised the Board that certain residents in the area have respiratory, heart and other health problems. She said that residents have recently noticed an increasing problem with rodents. Mr. McKenna said that he would have staff speak to Ms. Smith following the meeting to establish a direct line of communication. He said that he would be available to conduct a community meeting with the residents as well. Ms. Smith asked if a written plan exists addressing project related matters of interest to the community. She also expressed an interest in having health officials speak to the community regarding project related health matters. She asked that the Authority provide the community with a project schedule and logistics plan. In closing, she said that she wishes that the Authority had been able to keep the high school building's façade. Mr. McKenna said that he agrees but that this would have been cost prohibitive.

*Adjournment*

There being no further business to come before the Board, 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 November 15, 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 November 15, 2017 Board meeting of the New Jersey Schools Development Authority, for the Open Session were forwarded to the Governor on November 16, 2017.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's November 15, 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: December 6, 2017

## **AUTHORITY MATTERS**

**CEO REPORT (*ORAL*)**

**CHAIRMAN'S REPORT (*ORAL*)**

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



**APPROVAL OF AWARDS - CONTRACT MANAGEMENT SYSTEM SOFTWARE  
AND IMPLEMENTION SERVICES**



STATE OF NEW JERSEY

## SCHOOLS DEVELOPMENT AUTHORITY

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

## MEMORANDUM

5

TO: Members of the Authority

FROM: Sean Murphy, Director – Procurement  
Anthony Gilfillan, Director – Information Systems

SUBJECT: Approval of Awards  
Contract Management System Software and Implementation Services

DATE: December 6, 2017

We are writing to seek Board approval of the SDA's purchase of a new contract management software system. Briefly, the current Contract Management Software system (Oracle Primavera Contract Management or Primavera CM) we are seeking to replace is integral to effective and timely project delivery and contract management.

The Authority uses Primavera CM for its project management, project accounting (i.e. schedule of values apportioning of the contract sum for accurate invoicing) and project scheduling. For project management, the system is utilized for filing project documents, tracking construction progress and payments along with communications. Primavera CM also interfaces with other software utilized by the Authority including P6 CPM Scheduling and the SIMS financial system. Firms providing services on SDA projects are provided web access to Primavera CM and these vendors are required to utilize the system for project management.

### Introduction - Background and Scope

In 2006, SDA purchased Primavera CM. At the time, Primavera CM was considered an industry standard to manage large-scale construction projects. In 2007, the SDA Primavera Implementation Team completed the configuration, pre-loaded SDA project data, and released the system to our internal and external users.

In 2008, Primavera Software, Inc. was purchased by Oracle and rebranded "Primavera Contract Management" or "Primavera CM". For several years following, Oracle continued to develop, modernize and support the Primavera CM product line. However, Oracle has now notified its clients (including SDA) that it will no longer support the Primavera CM system. Accordingly, as Primavera CM is rapidly approaching obsolescence, the Authority must identify, acquire and implement a new construction management solution.

Toward that end, the SDA Executive Team established an interdivisional Contract Manager Software Evaluation Project Team (CMSEPT) consisting of eight staff from Information Systems and twelve internal stakeholders (business stakeholders) to identify baseline requirements for a replacement system and to evaluate different available products in order to select the most suitable replacement for Primavera CM.

*Members of the Authority*  
*Award of Contracts for Contract Management Software System*  
*December 6, 2017*  
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Collective work by the CMSEPT resulted in detailing the functional requirements for a replacement system to meet SDA business needs, one that would include the functionality existing in the current system along with enhancements to better support ongoing and anticipated future operations. The latter includes Capital Planning initiatives and the implementation of an Electronic Bidding process.

### **Product Evaluation Process**

SDA employed a multi-step process to select the most suitable system software to meet its business requirements.

- The first step was SDA issuance in January 2017 of Request for Information (RFI) to vendors with existing NJ State or federal General Services Administration contracts to provide software specifically intended for contract management. Seven vendors met this criterion.
- The second step was a technical review by staff assigned to the Information Systems Department (IS), inclusive of a product demonstration by each vendor. IS staff determined that four of the seven vendors met most of the technical and business requirements and would continue through the evaluation process.
- The third step was an introductory product demonstration by each of the four vendors to the business stakeholders. The business stakeholders determined that, based on the overall functionality presented, only three of the four vendors (PMWeb, Oracle, and IBM) met all SDA business requirements and thus would continue to advance through the evaluation process. The fourth vendor failed to meet all SDA business requirements.
- The fourth step was a comprehensive product demonstration by each of the remaining three vendors to the business stakeholders.

As mentioned in the second step above, each vendor presented a product demonstration to the IS team. Each IS team member independently evaluated the product based on the following criteria:

- Company Overview
- Technical Criteria
- Extent that product would require customization to meet SDA's needs
- Transition from a Primavera CM Environment
- Integration with Other SDA Systems

As mentioned in the third and fourth steps above, from June through August 2017 the three firms under consideration participated in two demonstrations each with the business stakeholders' team. Each team member independently evaluated the firms based on twenty-five specific items of functionality including activities done currently in Oracle Primavera CM, integration with P6, and additional enhancements discussed above.

*Members of the Authority*  
*Award of Contracts for Contract Management Software System*  
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Thereafter, from October through November 2017, an independent third party consultant—familiar with the needs of the SDA engagement and familiar with the three vendors' products under review---met with the CMSEPT to review requirements and the level of importance of each requirement. The third party consultant also met with each product vendor individually to assess functionality in various categories, such as Operations, Project Accounting, Technical, Usability, Capital Planning and Procurement.

### **Evaluation Process Conclusion**

The IS review determined which vendor's product would be reviewed by the business stakeholders. The business stakeholders independently evaluated the products across a range of twenty-five business needs, with those needs weighted by importance for the SDA.

The third party consultant independently assessed the products based on SDA's needs and their weighted comparative importance. The third party consultant's assessment served to provide independent validation of the SDA stakeholders' evaluation.

The business stakeholder review determined that two of the three firms under consideration would more readily address SDA's needs than the product of the third firm. Of those two, PMWeb's product would require less customization than the other, and the cost of the PMWeb software is less than the other products reviewed. For all these reasons, management has concluded that PMWeb would best satisfy SDA's contract management system software needs, with Critical Business Analysis, Inc. (CBA) providing SDA implementation services. This determination also was reached independently by the third party consultant.

### **Cost**

The cost for software and implementation services for the first year would be a not to exceed value of \$1,500,000. The cost of second year implementation, maintenance, and support services would be a not to exceed value of \$1,000,000. Thereafter, recurring maintenance and support services would not exceed \$300,000 annually.

The cost for this project in Year 1 is included in the 2018 SDA Operating Budget that will be presented to the Board for approval in December 2017.

### **Recommendation**

Upon conclusion of the Product Evaluation Process followed by the Contract Manager Software Evaluation Project Team, and with input from the independent third party, management is recommending the award of contracts to PMWeb for contract management system software and CBA for implementation services. The SDA Division of Chief Counsel will review the contract and related documentation prior to execution.

*Members of the Authority*  
*Award of Contracts for Contract Management Software System*  
*December 6, 2017*  
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Reviewed and Recommended by:

Andrew Yosha, Executive Vice President, Program Operations and Strategic Planning  
Manuel Da Silva, Vice President, Construction Operations  
Jane F. Kelly, Vice President, Corporate Governance & Operations  
Donald Guarriello, Vice President and Chief Financial Officer

***Resolution—5a.***

Approval of Awards  
Contract Management System Software and Implementation Services

**Resolution**

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

**WHEREAS**, in 2006, SDA purchased Contract Manager (CM) Software for utilization by SDA staff and outside contractors in managing the Authority's large-scale construction projects; and

**WHEREAS**, a contracts management system is integral to SDA's effective and timely project and contract management, offering scheduling information and serving as a filing, project tracking and communication system; and

**WHEREAS**, the Authority's current CM System will no longer be developed and is rapidly approaching obsolescence requiring SDA to identify and obtain a new construction management solution; and

**WHEREAS**, to this end, SDA established a Contract Manager Software Evaluation Project team (CMSEP) to support the evaluation and selection of a system to replace the current system; and

**WHEREAS**, the members of the CMSEP team employed a multi-step process to select the most suitable system software to meet SDA's business requirements as described in detail in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, the CMSEP identified the Authority's business and technical requirements for the system along with available systems that would meet those requirements; and

**WHEREAS**, the Authority obtained the input of a system expert, familiar with the available systems and with the needs of the SDA; and

**WHEREAS**, upon conclusion of the CMSEP process and considering SDA's system needs and the costs associated with installation and implementation of the available systems, management recommends that the Members of the Authority approve contract awards to PMWeb and Critical Business Analysis, Inc. respectively for the provision of contract management system software and implementation services consistent with the provisions of 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 contracts to PMWeb for the provision of construction management software and Critical Business Analysis, Inc. for implementation services consistent with the provisions of the memorandum presented to the Board on this date and incorporated herein.

**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 Awards, Contract Management System Software and Implementation Services, dated December 6, 2017

Dated: December 6, 2017

**PROPOSED 2018 OPERATING BUDGET**





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

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## MEMORANDUM

TO: The Members of the Authority

FROM: Charles McKenna, Chief Executive Officer  
Donald Guarriello, Chief Financial Officer

RE: Proposed 2018 Operating Budget

DATE: December 6, 2017

### Justification for Budget Request

Pursuant to Article V, Section 5.1.B of the Authority's By-Laws, the Chief Executive Officer is required to prepare and submit a proposed annual budget for the Authority for adoption by the Members. Included in the 2018 Operating Budget Presentation are the estimated pay-as-you-go amounts for Pensions, Other Post-Employment Benefits (OPEB) and Compensated Absences; however, consistent with governmental fund reporting, the budget excludes the non-cash accruals related to these items required by various accounting pronouncements. Accordingly, in support of the Authority's current and projected project activities and other initiatives, we are submitting to the Board of Directors for their consideration a calendar year 2018 Operating Budget of \$19.3M, an increase of \$538K over the 2017 Operating Budget, when the above-referenced non-cash accruals are excluded. The 2018 Operating Budget includes a proposed headcount of 257 full-time equivalents (FTE) which is unchanged from the current year budget.

### Budget Approach

To appropriately assign accountability, all operating expenses are budgeted on a departmental basis. In developing the operating budget, coordinators were identified by each department and/or division, and materials were distributed for data input of expenses and headcount requirements along with instructions on how to enter the data.

Departmental budget information supplied to the budget team was uploaded to a master spreadsheet and consolidated to arrive at divisional and Authority totals. Once approved, the budget will be apportioned for 2018 monthly reporting.

Consistent with prior years, a portion of the Authority's employee salaries and benefits costs will be appropriately charged to school facilities projects based upon employee weekly time sheet data. For budget year 2018, the Authority has estimated the amount of such costs to be charged to school facilities projects at \$15.9M, which amount has been backed out of operating expense as presented in the attached materials.

*The Members of the Authority*

*December 6, 2017*

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### **Significant Budgetary Items**

- The proposed 2018 Operating Budget reflects a headcount of 257 FTEs, excluding 1 permanent part-time employee.
- Employee salaries charged to operating expense are projected to decrease by \$427K as compared to the current year budget to approximately \$8.8M. This is due to the fact that the 43 current vacant positions are budgeted to be filled on a staggered basis throughout 2018, with a larger number of the vacant positions assumed to be filled in the second half of 2018.
- Employee benefit costs charged to operating expense are projected to decrease by \$60K as compared to the current year budget to approximately \$3.6M. This is primarily due to reduced costs for Health insurance due to the larger number of the vacant positions assumed to be filled in the second half of 2018. Also, the cost for Workers Compensation insurance is expected to decrease.

Overall, employee benefit costs are estimated to comprise approximately 41% of gross payroll in 2018.

- Information Systems expenses are \$352K lower than the current year budget due to the completion of the DOE LRFP program of \$225K, as well as reduced costs for System Hardware \$86K and System Software \$38K. Excluded from this decrease is the cost to purchase, develop and implement a replacement system for Primavera Contract Management, which for accounting purposes is being treated as a Capitalized Operating Expenditure (see below).
- General Office & Facilities costs are expected to increase \$23K due to increases in Common Area Maintenance (CAM) fees of \$37K and scheduled Office Rent increases of \$52K, offset by lower Utilities costs of \$60K.
- The 2018 Operating Budget also includes increases in Professional and Other Contracted Services of \$55K due to higher anticipated costs for Office of Attorney General Legal fees.
- Capitalized Operating Expenditures are \$1.35M higher than current year budget due to the scheduled replacement of the discontinued Primavera Contract Management project management tool. The replacement system is expected to cost a total of approximately \$2.5M, of which \$1.5M is anticipated to be capitalized in 2018.

*The Members of the Authority*

*December 6, 2017*

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**Accompanying Materials**

The accompanying 2018 Operating Budget materials include the following: (1) Budget Summary, (2) Employee Headcount Report by department; (3) 5-Year Budget Comparison Report, and (4) Budget Detail Report.

**Recommendation**

The Members of the Authority are recommended to approve the proposed 2018 Operating Budget as presented in the accompanying materials.

Prepared by: Robert E. Carney and James Wiegartner



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Summary  
Presentation to the Board of Directors**

	Proposed 2018 Budget	2017 Budget	2017 Reforecast	Increase/(Decrease)	
				2018 Budget vs 2017 Budget	2018 Budget vs 2017 Reforecast
<b>Authority Operating Expenses</b>					
<b>Personnel Expenses:</b>					
Employee Salaries	\$ 19,906,047	\$ 19,880,983	\$ 18,264,256	\$ 25,064	\$ 1,641,791
Employee Benefits	8,209,129	8,132,016	7,210,614	77,113	998,515
Direct Hire Temporary Employee Costs	290,655	290,655	224,655	-	66,000
Total Employee Salaries & Benefits Costs	28,405,831	28,303,654	25,699,525	102,177	2,706,306
<u>Less:</u> Employee Salaries Costs Charged to Projects	(11,347,683)	(10,895,427)	(10,703,170)	(452,256)	(644,513)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(4,576,086)	(4,438,647)	(4,286,845)	(137,439)	(289,241)
Salaries & Benefits Costs Charged to Operating Expense	12,482,062	12,969,580	10,709,510	(487,518)	1,772,552
Temporary Staffing Services	150,000	150,000	150,000	-	-
Travel & Expense Reimbursements	38,075	35,475	28,475	2,600	9,600
Training & Professional Development	146,800	135,359	100,359	11,441	46,441
Total Personnel Expenses	12,816,937	13,290,414	10,988,344	(473,477)	1,828,593
<b>Non-Personnel Operating Expenses:</b>					
Facilities & General Office Expenses	2,661,834	2,639,330	2,522,330	22,504	139,504
Information Systems	1,130,400	1,482,400	1,497,400	(352,000)	(367,000)
Professional & Other Contracted Services	593,100	538,250	447,750	54,850	145,350
Property & Casualty Insurance	343,000	408,800	408,800	(65,800)	(65,800)
SDA-Owned Automobiles	115,000	115,000	90,000	-	25,000
Communications & Outreach	1,000	500	1,800	500	(800)
Reserve for Unforeseen Events & New Initiatives	50,000	50,000	50,000	-	-
<b>Total Operating Expenses (Non-Capital)</b>	<b>17,711,271</b>	<b>18,524,694</b>	<b>16,006,424</b>	<b>(813,423)</b>	<b>1,704,847</b>
<b>Capitalized Operating Expenses</b>	<b>1,571,000</b>	<b>220,000</b>	<b>205,000</b>	<b>1,351,000</b>	<b>1,366,000</b>
<b>Total Authority Operating Expenses</b>	<b>\$ 19,282,271</b>	<b>\$ 18,744,694</b>	<b>\$ 16,211,424</b>	<b>\$ 537,577</b>	<b>\$ 3,070,847</b>
<b>Total Full-Time Employees (FTEs) (a)</b>	<b>257</b>	<b>257</b>	<b>257</b>	<b>-</b>	<b>-</b>

(a) Total FTEs excludes one (1) permanent part time employee; however, the employee's salary is included above.



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Employee Headcount  
Budget Presentation to the Board of Directors**

SDA Division/Unit	Employee Headcount			Proposed Headcount vs.	
	Proposed 2018 Budget	2017 Budget	Actual	2018 Budget	Actual
Office of Chief Executive Officer (CEO)	3	3	2	-	1
Contract Management	12	13	8	(1)	4
Program Assessment & Development	9	9	6	-	3
Special Projects	10	9	10	1	-
Program Operations–Mgmt (PO)	6	6	5	-	1
PO, Capital Plan/Grants	27	26	22	1	5
PO, Design Team	16	16	16	-	-
PO, Project Teams	65	66	48	(1)	17
PO, Safety	8	8	8	-	-
Corp Governance & Operations–Mgmt (GOV)	3	3	3	-	-
GOV, Human Resources	8	8	6	-	2
GOV, Chief Counsel	15	15	13	-	2
GOV, Information Systems	16	16	15	-	1
GOV, Facilities	6	6	4	-	2
GOV, Communications	10	10	7	-	3
Financial Operations, CFO–Mgmt (FO)	5	5	5	-	-
FO, Controller	12	12	12	-	-
FO, RES	5	5	5	-	-
FO, Procurement	10	10	9	-	1
FO, Risk Management/Vendor Svcs	11	11	10	-	1
<b>Total Full-Time Employees (FTEs) (a)</b>	<b>257</b>	<b>257</b>	<b>214</b>	<b>-</b>	<b>43</b>

(a) Excludes one (1) permanent part time employee.

Note: Vacant positions are filled on an as needed basis and, subject to CEO approval, could be reassigned to another department to address the Authority's needs.



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Summary Comparison  
2018 - 2014**

	<b>Proposed 2018 Budget</b>	2017 Budget	2016 Budget	2015 Budget	2014 Budget
<b>Authority Operating Expenses</b>					
<b>Personnel Expenses:</b>					
Employee Salaries	\$ 19,906,047	\$ 19,880,983	\$ 20,260,791	\$ 19,766,360	\$ 19,522,993
Employee Benefits	8,209,129	8,132,016	8,427,627	8,240,798	8,218,785
Direct Hire Temporary Employee Costs	290,655	290,655	376,775	486,815	583,463
Total Employee Salaries & Benefits Costs	28,405,831	28,303,654	29,065,193	28,493,973	28,325,241
<u>Less:</u> Employee Salaries Costs Charged to Projects	(11,347,683)	(10,895,427)	(11,158,927)	(10,686,361)	(10,929,201)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(4,576,086)	(4,438,647)	(4,535,164)	(4,394,580)	(4,419,927)
Salaries & Benefits Costs Charged to Operating Expense	12,482,062	12,969,580	13,371,102	13,413,032	12,976,113
Temporary Staffing Services	150,000	150,000	130,000	130,000	130,000
Travel & Expense Reimbursements	38,075	35,475	33,700	37,990	29,250
Training & Professional Development	146,800	135,359	126,194	113,895	72,970
Total Personnel Expenses	12,816,937	13,290,414	13,660,996	13,694,917	13,208,333
<b>Non-Personnel Operating Expenses:</b>					
Facilities & General Office Expenses	2,661,834	2,639,330	2,605,440	2,564,500	2,352,200
Information Systems	1,130,400	1,482,400	1,430,445	1,227,700	1,112,100
Professional & Other Contracted Services	593,100	538,250	504,500	469,500	625,500
Property & Casualty Insurance	343,000	408,800	413,000	432,000	431,820
SDA-Owned Automobiles	115,000	115,000	100,000	99,000	83,000
Communications & Outreach	1,000	500	500	500	500
Reserve for Unforeseen Events & New Initiatives	50,000	50,000	50,000	50,000	50,000
<b>Total Operating Expenses (Non-Capital)</b>	<b>17,711,271</b>	<b>18,524,694</b>	<b>18,764,881</b>	<b>18,538,117</b>	<b>17,863,453</b>
<b>Capitalized Operating Expenses</b>	<b>1,571,000</b>	<b>220,000</b>	<b>255,000</b>	<b>385,000</b>	<b>54,000</b>
<b>Total Authority Operating Expenses</b>	<b>\$ 19,282,271</b>	<b>\$ 18,744,694</b>	<b>\$ 19,019,881</b>	<b>\$ 18,923,117</b>	<b>\$ 17,917,453</b>
<b>Total Full-Time Employees (FTEs)</b>	<b>257</b>	<b>257</b>	<b>257</b>	<b>257</b>	<b>256</b>



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Detail  
Presentation to the Board of Directors**

	Proposed 2018 Budget	2017 Budget
<b>CURRENT APPROVED HEADCOUNT</b>	<b>257</b>	
Active as of 10/1/2017	214	
Open/Re-Titled	43	
Requested (New)	0	
<b>PROPOSED HEADCOUNT</b>	<b>257</b>	<b>257</b>
<b>AUTHORITY OPERATING EXPENSES</b>		
<b>PERSONNEL EXPENSES:</b>		
<b>Employee Salaries &amp; Benefits</b>		
Employee Salaries	\$19,906,047	\$19,880,983
Employee Benefits	8,209,129	8,132,016
Direct Hire Temporary Employee Costs	290,655	290,655
Total Employee Salaries & Benefits Costs	28,405,831	28,303,654
<u>Less:</u> Employee Salaries Costs Charged to Projects	(11,347,683)	(10,895,427)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(4,576,086)	(4,438,647)
<b>Total Salaries &amp; Benefits Costs Charged to Operating Expense</b>	<b>12,482,062</b>	<b>12,969,580</b>
<b>Temporary Staffing Services</b>	<b>150,000</b>	<b>150,000</b>
<b>Travel &amp; Expense Reimbursements</b>		
Mileage Reimbursements	14,300	12,020
Other Travel Reimbursements Incl Tolls & Parking	23,775	23,455
<b>Total Travel &amp; Expense Reimbursements</b>	<b>38,075</b>	<b>35,475</b>
<b>Training &amp; Professional Development</b>		
Outside Training Incl Conferences & Seminars	63,650	49,219
HR Training - Authority Wide	25,000	25,000
Publications & Subscriptions	22,650	22,025
Professional Memberships & Licenses	10,500	14,115
Tuition Reimbursement	25,000	25,000
<b>Total Training &amp; Professional Development</b>	<b>146,800</b>	<b>135,359</b>
<b>TOTAL PERSONNEL EXPENSES</b>	<b>12,816,937</b>	<b>13,290,414</b>



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Detail  
Presentation to the Board of Directors**

	Proposed 2018 Budget	2017 Budget
<b>NON-PERSONNEL OPERATING EXPENSES:</b>		
<b>FACILITIES &amp; GENERAL OFFICE EXPENSES</b>		
<b>Office Leases &amp; Parking</b>		
Trenton	1,419,964	1,367,960
Newark	203,000	203,000
<b>Total Office Leases &amp; Parking</b>	<u>1,622,964</u>	<u>1,570,960</u>
<b>Telephone</b>		
State of NJ	0	14,500
Private-VolP	18,000	18,000
Cellular	131,000	133,000
Cellular - GPS/Engine & Maint Status	5,000	0
Miscellaneous Charges	18,000	18,000
<b>Total Telephone</b>	<u>172,000</u>	<u>183,500</u>
<b>Utilities</b>		
Trenton Front St	225,000	285,000
Newark	30,000	30,000
<b>Total Utilities</b>	<u>255,000</u>	<u>315,000</u>
<b>Postage &amp; Delivery</b>		
Meter Usage	9,000	9,000
Post Office Box Rental	1,270	1,270
State of NJ	400	400
UPS	7,000	7,000
Federal Express	200	200
<b>Total Postage &amp; Delivery</b>	<u>17,870</u>	<u>17,870</u>
<b>Furniture &amp; Equipment</b>		
Furniture Purchases	5,000	5,000
Equipment Purchases	5,000	5,000
Equipment Maintenance	55,000	50,000
Fixtures & Tools	2,000	2,000
<b>Total Furniture &amp; Equipment</b>	<u>67,000</u>	<u>62,000</u>





**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Detail  
Presentation to the Board of Directors**

	<b>Proposed 2018 Budget</b>	<b>2017 Budget</b>
<b>Office Supplies</b>		
Stationary & Supplies	25,000	25,000
Printer & Copier Paper	20,000	20,000
Toner	50,000	50,000
Business Cards	<u>2,000</u>	<u>2,000</u>
<b>Total Office Supplies</b>	<u>97,000</u>	<u>97,000</u>
<b>Building Security</b>		
Building Security	<u>2,500</u>	<u>2,500</u>
<b>Total Building Security</b>	<u>2,500</u>	<u>2,500</u>
<b>Janitorial</b>		
Custodial Services	10,000	10,000
Carpet Maintenance	<u>10,000</u>	<u>10,000</u>
<b>Total Janitorial</b>	<u>20,000</u>	<u>20,000</u>
<b>Mechanical Maintenance</b>		
Repairs & Maintenance	25,000	25,000
Common Area Maintenance Fees	<u>360,000</u>	<u>323,000</u>
<b>Total Mechanical Maintenance</b>	<u>385,000</u>	<u>348,000</u>
<b>Other</b>		
Refreshments & Supplies	6,000	6,000
Employee Services	3,500	3,500
Recruitment Expense	<u>13,000</u>	<u>13,000</u>
<b>Total Other</b>	<u>22,500</u>	<u>22,500</u>
<b>TOTAL FACILITIES &amp; GENERAL OFFICE EXPENSES</b>	<u>2,661,834</u>	<u>2,639,330</u>
<b>INFORMATION SYSTEMS</b>		
<b>System Maintenance</b>	<u>620,000</u>	<u>632,000</u>
<b>Media Storage</b>	<u>28,600</u>	<u>28,600</u>
<b>System Supplies</b>	<u>34,000</u>	<u>40,000</u>



**New Jersey Schools Development Authority**  
**Proposed 2018 Operating Budget Detail**  
**Presentation to the Board of Directors**

	Proposed 2018 Budget	2017 Budget
<b>System Software</b>		
General	32,800	70,800
<b>Total System Software</b>	<u>32,800</u>	<u>70,800</u>
<b>System Hardware</b>		
General	38,000	20,000
Server	36,000	25,000
Printers	0	10,000
Workstation Purchases/Upgrades	0	105,000
<b>Total System Hardware</b>	<u>74,000</u>	<u>160,000</u>
<b>MIS Projects</b>		
Human Resources Projects	60,000	0
MIS Projects	0	30,000
DOE LRF Project	0	225,000
Authority Infrastructure Projects	36,000	50,000
<b>Total MIS Projects</b>	<u>96,000</u>	<u>305,000</u>
<b>External Services</b>		
Internet Service Provider	137,000	128,000
On-Line Board Books	15,000	15,000
Other On-Line Subscription Services	65,000	75,000
<b>Total External Services</b>	<u>217,000</u>	<u>218,000</u>
<b>Information Systems Training (Authority Wide)</b>	<u>28,000</u>	<u>28,000</u>
<b>TOTAL INFORMATION SYSTEMS</b>	<u>1,130,400</u>	<u>1,482,400</u>
<b>PROFESSIONAL &amp; OTHER CONTRACTED SERVICES</b>		
<b>Auditing</b>		
Independent Auditor Services	111,100	107,750
<b>Total Auditing</b>	<u>111,100</u>	<u>107,750</u>



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Detail  
Presentation to the Board of Directors**

	Proposed 2018 Budget	2017 Budget
<b>Other Professional Services</b>		
ADP Payroll Services	45,000	45,000
Actuary Services	6,000	10,000
MIS/Project Services	<u>151,000</u>	<u>143,500</u>
<b>Total Other Professional Services</b>	<u>202,000</u>	<u>198,500</u>
<b>Interagency Agreements</b>		
DAG Legal Services	<u>200,000</u>	<u>150,000</u>
<b>Total Interagency Agreements</b>	<u>200,000</u>	<u>150,000</u>
<b>Other</b>		
Document Storage (Off Site)	65,000	65,000
Shredding Services	5,000	6,000
Bank Service Charges	<u>10,000</u>	<u>11,000</u>
<b>Total Other</b>	<u>80,000</u>	<u>82,000</u>
<b>TOTAL PROFESSIONAL &amp; OTHER CONTRACTED SVCS</b>	<u>593,100</u>	<u>538,250</u>
<b>PROPERTY &amp; CASUALTY INSURANCE</b>		
Package-Owned	33,000	34,000
Automobile	36,000	37,800
Umbrella Liability	22,000	33,000
Umbrella Liability-Excess	14,000	16,000
Public Officials Liability	177,000	225,000
Public Officials Liability-Excess	<u>61,000</u>	<u>63,000</u>
<b>TOTAL PROPERTY &amp; CASUALTY INSURANCE</b>	<u>343,000</u>	<u>408,800</u>
<b>SDA-OWNED AUTOMOBILES</b>		
Central Motor Pool Charges	<u>115,000</u>	<u>115,000</u>
<b>TOTAL SDA-OWNED AUTOMOBILES</b>	<u>115,000</u>	<u>115,000</u>



**New Jersey Schools Development Authority  
Proposed 2018 Operating Budget Detail  
Presentation to the Board of Directors**

	Proposed 2018 Budget	2017 Budget
<b>COMMUNICATIONS &amp; OUTREACH</b>		
<b>Outreach</b>		
Shows/Exhibits	500	0
Community Outreach	500	500
<b>Outreach Total</b>	<u>1,000</u>	<u>500</u>
<b>TOTAL COMMUNICATIONS &amp; OUTREACH</b>	<u>1,000</u>	<u>500</u>
<b>RESERVE FOR UNFORSEEN EVENTS &amp; NEW INITIATIVES</b>	<u>50,000</u>	<u>50,000</u>
<b>TOTAL OPERATING EXPENSES (NON-CAPITAL)</b>	<u>17,711,271</u>	<u>18,524,694</u>
<b>CAPITAL EXPENDITURES</b>		
Automobile Purchases	55,000	55,000
Construction Management Software Replacement	1,500,000	0
CFR eDoc System	16,000	40,000
eDiscovery System	0	125,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<u>1,571,000</u>	<u>220,000</u>
<b>TOTAL AUTHORITY OPERATING EXPENSES</b>	<u>\$19,282,271</u>	<u>\$18,744,694</u>

***Resolution—5b.*****Approval of the Fiscal Year 2018 SDA Annual Operating Budget****Resolution**

**WHEREAS**, the New Jersey Schools Development Authority (SDA or the Authority) was established by law pursuant to P.L.2007, C.137 (NJSA 52:18A-235 et. seq.) as an entity “in but not of” the New Jersey State Department of the Treasury; and

**WHEREAS**, pursuant to law, the Authority is authorized to “adopt bylaws for the regulation of its affairs and the conduct of its business” and bylaws were adopted by the Authority on August 15, 2007; and

**WHEREAS**, pursuant to Article IX of the Authority’s bylaws, there is established an Audit Committee, the duties and responsibilities of which are set forth in the Audit Committee Charter; and

**WHEREAS**, pursuant to Article VII, Section 7.1 of the Authority’s bylaws, “the fiscal year of the Authority shall commence on the first day of January of each calendar year and conclude on the last day of December of the same calendar year; and

**WHEREAS**, pursuant to Article V. Section 5.1B of the Authority’s bylaws, the Authority’s “Chief Executive Officer shall prepare and submit a proposed annual budget for the Authority for each ensuing year for adoption by the members of the Authority”; and

**WHEREAS**, pursuant to Article V. Section 5.1B of the bylaws of the Authority, the Chief Executive Officer has submitted to the Audit Committee for consideration a proposed operating budget for the Authority’s Fiscal Year 2018; and

**WHEREAS**, at its November 20, 2017 meeting the Audit Committee reviewed and discussed the FY 2018 budget proposal; and

**WHEREAS**, pursuant to Article VII A.1 of the Audit Committee Charter and following deliberations, the Audit Committee recommends for approval by the Members of the Authority the budget proposal recommended by SDA management for FY 2018 and it is so presented in the attachment hereto.

**NOW THEREFORE BE IT RESOLVED**, that the Board hereby approves the attached FY 2018 Annual Operating Budget for staffing, general and administrative expenses and capital expenditures in support of SDA operations totaling \$19.3 million and authorizes the Chief Executive Officer to expend funds on behalf of the Authority pursuant to this budget as required.

**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: Proposed FY 2018 Annual Operating Budget Memorandum and Attachment, dated  
December 6, 2017

Dated: December 6, 2017

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

**RELEASE OF FUNDS FROM PROGRAM RESERVE - NEWARK PUBLIC SCHOOLS  
DISTRICT - MALCOLM X. SHABAZZ HIGH SCHOOL - EMERGENT PROJECT -  
BUILDING ENVELOPE EXTERIOR MASONRY, ROOF AND COURTYARD  
DRAINAGE**





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

## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Gregory Voronov, Managing Director, Program Operations

**RE:** District: Newark Public Schools District  
 School: Malcolm X. Shabazz High School  
 Description: Emergent Project – Building Envelope Exterior Masonry, Roof and Courtyard Drainage  
 Funding Requested: \$7,295,174

**SUBJECT:** Release of Funds from Program Reserve  
 Newark Public Schools District – Malcolm X. Shabazz High School  
 Emergent Project – Building Envelope Exterior Masonry, Roof and Courtyard Drainage

**DATE:** December 6, 2017

### INTRODUCTION:

I am writing to recommend approval of the release of funds from the Program Reserve maintained for emergent projects and emergency situations to address an emergent condition at the Newark Malcolm X. Shabazz High School in Newark. This project is being advanced pursuant to NJSDA delegation for District management consistent with statutory and regulatory provisions. The release of funding requested is \$7,295,174.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010 as amended on March 7, 2012, Board approval is required for the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000. The funding requested to address the emergent project at this school exceeds \$500,000.

### BACKGROUND:

The Malcolm X. Shabazz High School, built in 1914, is an approximately 280,000 square foot facility that educates approximately 600 students in grades 9 to 12. As a result of joint NJSDA and NJDOE site visits conducted in the Newark School District to review potential emergent conditions within the district, the NJDOE issued Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to the building's exterior masonry, roofing system and courtyard drainage resulting in water infiltration in the building. Considerations supporting the decision to delegate included the District's successful prior management of similar emergent projects and recognition of the lack of complexity of this project.

After receipt of Pre-Construction Approval from the NJDOE, the NJSDA issued a grant offer to the District to allow for the advancement of the project. Upon receipt of necessary documentation from the District the grant agreement was executed on March 18, 2013. Subsequent to the execution of the grant

Members of the Authority  
 Release of Program Reserve  
 Newark School District – Malcolm X. Shabazz – Emergent Project  
 December 6, 2017  
 Page 2

the project was placed on hold pending the District resolution of the planned future use for the facility as it undertook District-wide assessment of its buildings and potential consolidation of facilities. Upon the completion of that review the District informed SDA in May, 2016 that the Malcolm X. Shabazz High School would continue to be utilized as a school facility for the foreseeable future and the masonry, roof and courtyard drainage needed to be addressed for the continued operation of the school.

The District engaged Heritage Architecture to review the emergent condition and develop a scope of work to address the exterior masonry, roofing system and courtyard drainage to prevent water infiltration in the building. Due to the age and deteriorated condition of the building's exterior masonry, roof and courtyard drainage system, the architect's recommended scope calls for extensive repairs to the exterior masonry over the entire building, replacement of the existing roofing system and repairs and improvements to the existing courtyard drainage system to prevent further water infiltration into the building. The scope has been reviewed by NJSDA staff to ensure it adequately addresses the identified condition and does not include work above that required to remedy the condition. Based upon the construction bids received and estimated costs for professional services and other costs that have been reviewed by the NJSDA, the cost of the project including appropriate contingency is \$7,295,174:

Budget Summary

▪ Construction Costs	\$ 5,529,522
▪ Construction Contingency (10%)	\$ 552,952
▪ Design Costs	\$ 596,700
▪ Construction Administration/Management	\$ 450,000
▪ <u>Other Costs</u>	<u>\$ 166,000</u>
▪ Total	\$ 7,295,174

RECOMMENDATION:

The Members are requested to approve the release of \$7,295,174 from the Program Reserve to address the emergent exterior masonry, roofing and courtyard drainage repair project at the Newark Public Schools District Malcolm X. Shabazz High School.

/s/ Gregory Voronov

Gregory Voronov, Managing Director, Program Operations

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

**Resolution—6a.****Release of Funds from Program Reserve**

District:	Newark Public Schools District
School:	Malcolm X. Shabazz High School
Description:	Emergent Project – Building Envelope Exterior Masonry, Roof and Courtyard Drainage
Funding Requested:	\$7,295,174

6

**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 release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

**WHEREAS**, the Malcolm X. Shabazz High School, built in 1914, is an approximately 280,000 square foot facility that educates approximately 600 students in grades 9 to 12 in the Newark Public Schools District (District); and

**WHEREAS**, following joint site visits conducted by SDA and State Department of Education (DOE) staff to review potential emergent conditions in the District, the DOE issued pre-construction approval in July 2012 for an emergent project to address conditions related to the building's exterior masonry, roofing system and courtyard drainage resulting in water infiltration in the building (the Project); and

**WHEREAS**, after receipt of pre-construction approval from the DOE, SDA issued a grant offer to allow for advancement of the Project through delegation to the District and a grant agreement was executed for the same in March 2013; and

**WHEREAS**, subsequent to the execution of the grant agreement, the Project was placed on hold pending the results of a District-wide assessment of its buildings and potential consolidation of facilities; and

**WHEREAS**, upon the completion of the assessment, the District informed SDA in May, 2016 that the Malcolm X. Shabazz High School would continue to be utilized as a school facility for the foreseeable future and that the Project needed to advance for the continued operation of the school; and

**WHEREAS**, the Project's scope has been reviewed by SDA staff to ensure that it adequately addresses the identified conditions and does not include work above that required to remedy the condition; and

**WHEREAS**, based upon the construction cost estimate and estimated costs for professional services and other costs that have been reviewed by the SDA, the cost of the Project, including appropriate contingency, is \$7,295,174; and

**WHEREAS**, the Project's background, scope and budget are described in detail in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, the funding requested to address the Project, at \$7,295,174, exceeds \$500,000 and thus necessitates Board approval; and

**WHEREAS**, executive management and associated program staff recommend Board approval of the release of \$7,295,174 from the program reserve to address the emergent exterior masonry, roofing and courtyard drainage repair project at the Malcolm X. Shabazz High School in the Newark Public Schools District.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members hereby authorize and approve the release of \$7,295,174 from the Program Reserve to address the emergent exterior masonry, roofing and courtyard drainage repair project at the Newark Public Schools District's Malcolm X. Shabazz High School.

**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, Release of Funds from Program Reserve - Newark Public Schools District – Malcolm X. Shabazz High School, Emergent Project – Building Envelope Exterior Masonry, Roof and Courtyard Drainage, dated, December 6, 2017

**Dated:** December 6, 2017

**RELEASE OF FUNDS FROM PROGRAM RESERVE - NEWARK PUBLIC SCHOOLS  
DISTRICT - VOCATIONAL HIGH SCHOOL - EMERGENT PROJECT - BUILDING  
ENVELOPE EXTERIOR MASONRY, ROOF AND WINDOW REPLACEMENT**



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

## MEMORANDUM

6

TO: Members of the Authority

FROM: Gregory Voronov, Managing Director, Program Operations

RE: District: Newark Public Schools District  
 School: Vocational High School  
 Description: Emergent Project – Building Envelope Exterior Masonry, Roof and Window Replacement  
 Funding Requested: \$9,004,400

SUBJECT: Release of Funds from Program Reserve  
 Newark Public Schools District – Vocational High School  
 Emergent Project – Building Envelope Exterior Masonry, Roof and Window Replacement

DATE: December 6, 2017

### INTRODUCTION:

I am writing to recommend approval of the release of funds from the Program Reserve maintained for emergent projects and emergency situations to address an emergent condition at the Newark Vocational High School in Newark. This project is being advanced pursuant to NJSDA delegation for District management consistent with statutory and regulatory provisions. The release of funding requested is \$9,004,400.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010 as amended on March 7, 2012, Board approval is required for the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000. The funding requested to address the emergent project at this school exceeds \$500,000.

### BACKGROUND:

The Vocational High School, built in 1957, is an approximately 148,000 square foot facility that houses the Newark Leadership Academy program that educates approximately 100 students in grades 9 to 12. As a result of joint NJSDA and NJDOE site visits conducted in the Newark School District to review potential emergent conditions within the district, the NJDOE issued Pre-Construction Approval on July 18, 2012 for an emergent project to address conditions related to the building's exterior masonry, roofing system and windows resulting in water infiltration in the building. Considerations supporting the decision to delegate included the District's successful prior management of similar emergent projects and recognition of the lack of complexity of this project.

After receipt of Pre-Construction Approval from the NJDOE, the NJSDA issued a grant offer to the District to allow for the advancement of the project. Upon receipt of necessary documentation from the

Members of the Authority  
 Release of Program Reserve  
 Newark School District – Vocational High School – Emergent Project  
 December 6, 2017  
 Page 2

District the grant agreement was executed on March 18, 2013. Subsequent to the execution of the grant the project was placed on hold pending the District resolution of the planned future use for the facility as it undertook District-wide assessment of its buildings and potential consolidation of facilities. Upon the completion of that review the District informed SDA in May, 2016 that the Vocational High School would continue to be utilized as a school facility for the foreseeable future and the masonry, roof and windows needed to be addressed for the continued operation of the school.

The District engaged Heritage Architecture to review the emergent condition and develop a scope of work to address the exterior masonry, roofing system and windows. Due to the age and deteriorated condition of the building's exterior masonry, roof and windows, the architect's recommended scope calls for extensive repairs to the exterior masonry over the entire building, replacement of the existing roofing system and replacement of approximately 100 exterior windows to prevent further water infiltration into the building. The scope has been reviewed by NJSDA staff to ensure it adequately addresses the identified condition and does not include work above that required to remedy the condition. Based upon the construction bids received and estimated costs for professional services and other costs that have been reviewed by the NJSDA, the cost of the project including appropriate contingency is \$9,004,400:

Budget Summary

▪ Construction Costs	\$ 7,000,000
▪ Construction Contingency (10%)	\$ 700,000
▪ Design Costs	\$ 664,400
▪ Construction Administration/Management	\$ 430,000
▪ <u>Other Costs</u>	<u>\$ 210,000</u>
▪ Total	\$ 9,004,400

RECOMMENDATION:

The Members are requested to approve the release of \$9,004,400 from the Program Reserve to address the emergent exterior masonry, roofing and window project at the Newark Public Schools District Vocational High School.

/s/ Gregory Voronov

Gregory Voronov, Managing Director, Program Operations

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

**Resolution—6b.****Release of Funds from Program Reserve**

District:	Newark Public Schools District
School:	Vocational High School
Description:	Emergent Project – Building Envelope Exterior Masonry, Roof and Window Replacement
Funding Requested:	\$9,004,400

6

**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 release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

**WHEREAS**, the Newark Public Schools District (District) Vocational High School (the Vocational School), built in 1957, is an approximately 148,000 square foot facility that educates 100 students in grades 9 to 12; and

**WHEREAS**, following joint site visits conducted by SDA and State Department of Education (DOE) staff to review potential emergent conditions in the District, the DOE issued pre-construction approval in July 2012 for an emergent project to address conditions related to the building's exterior masonry, roofing system and windows resulting in water infiltration in the building (the Project); and

**WHEREAS**, in March 2013, after receipt of pre-construction approval, SDA issued a grant offer and executed a grant with the District to allow for the advancement of the Project; and

**WHEREAS**, subsequent to the execution of the grant the Project was placed on hold pending the District's review of its buildings for potential consolidation of facilities; and

**WHEREAS**, upon completion of this review, the District advised the Authority that the Vocational School would continue to be utilized as a school facility for the foreseeable future and the Project needed to advance for the continued operation of the school; and

**WHEREAS**, SDA determined that the Project would advance pursuant to SDA delegation for district management consistent with statutory and regulatory provisions; and

**WHEREAS**, the Project's scope has been reviewed by SDA staff to ensure that it adequately addresses the identified condition and does not include work above that required to remedy the condition; and

**WHEREAS**, based upon the construction cost estimate and estimated costs for professional services and other costs that have been reviewed by the SDA, the cost of the Project including appropriate contingency is \$9,004,400; and

**WHEREAS**, the Project's background, scope and budget are described in detail in the memorandum presented to the Board on this date and incorporated herein; and



**WHEREAS**, the funding requested to address the Project, at \$9,004,400, exceeds \$500,000 and thus requires Board approval; and

**WHEREAS**, executive management and associated program staff recommend Board approval of the release of \$9,004,400 from the Program Reserve to address the emergent exterior masonry, roofing and window project at the Vocational School.

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**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize approve the release of \$9,004,400 from the Program Reserve to address the emergent exterior masonry, roofing and window project at the Newark Public Schools District's Vocational High School.

**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, Release of Funds from Program Reserve - Newark Pubic Schools District – Vocational High School, Emergent Project – Building Envelope, Exterior Masonry, Roof and Window Replacement, dated, December 6, 2017

**Dated:** December 6, 2017

**CREDIT AMENDMENT - HEERY INTERNATIONAL**



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: December 6, 2017

SUBJECT: Phillipsburg – Phillipsburg High School  
Heery International  
De-Obligation of Unused Contract Funds

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COMPANY NAME:	Heery International
DISTRICT:	Phillipsburg
CONTRACT NO.:	PM-0019-P01
PMF/CM:	Heery International
SCHOOL NAME:	Phillipsburg High School
AMENDMENT NO.:	10
REASON:	De-Obligation of Unused Contract Funds
AMOUNT:	(\$123,566.44)
CONTRACT STATUS:	95% Paid to Date against the Current Contract Value
OCCUPANCY DATE:	July 2016

### INTRODUCTION

I am writing to recommend approval by the Members of the Authority of Amendment No. 10 to Heery International (Heery), in the credit amount of \$123,566.44. The dollar value of the credit is the remaining balance of Contract No. PM-0019-P01 and represents unused Professional Services not required to be performed by Heery. A Credit Amendment is the accounting mechanism by which the NJSDA de-obligates a contract's unused funds.

Execution of this amendment is necessary for the release of final payment and to advance contract closeout, as well as closeout activities for the Phillipsburg High School (Phillipsburg HS) project.

In accordance with the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a Credit Amendment which singularly exceeds \$100,000 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.

Phillipsburg School District - Phillipsburg High School  
 Heery International (PM-0019-P01)  
 Amendment No. 10  
 December 6, 2017  
 Page 2 of 3

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## BACKGROUND

The NJSDA engaged Heery through contract PM-0019-P01 on December 5, 2002 to provide Project Management Firm (PMF) services, and assigned several projects to Heery during that engagement, including a project for Phillipsburg High School.

The new Phillipsburg HS delivered by the NJSDA in September 2016 was approved to advance as part of the Authority's 2012 Capital Plan, after several project suspensions in the intervening period that followed the initial PMF assignment to Heery. With the project's inclusion in the 2012 Capital Plan, the NJSDA converted Heery's scope of services from those of a PMF to a Construction Manager (CM).

Over the course of the Phillipsburg HS project, the NJSDA issued several amendments modifying the contract with Heery, including Amendment No. 5 that added Total Building Commissioning Services scope for a value of \$300,000. These services included the review of all HVAC submissions, coordination drawings, automatic temperature control systems, testing of systems for code and function and training of the school staff.

## REASON FOR CHANGE

The NJSDA determined to revise needed commissioning services from Total Building Commissioning to commissioning services for Mechanical Electrical Plumbing (MEP) Systems, reducing Heery's fee for commissioning services from \$300,000 to \$176,433.56. Amendment No. 10 is to credit the unused balance of funds remaining in the contract that are not required. The other projects assigned to Heery during the PMF engagement were closed out previously.

## SUMMARY OF CHANGE

Amendment No. 10 is to credit the unused balance of funds remaining in the contract that are not required. These remaining funds were provided under Amendment No. 5 for commissioning services and total \$123,566.44.

Cost breakdown is as follows:

Commissioning Services under Amendment # 5	\$ 300,000.00
Commissioning Services Expended To Date	\$ 176,433.56
Remaining Unused Balance for Commissioning Services	\$ 123,566.44

All documents supporting this amendment have been reviewed by the associated NJSDA project team members as well as the Managing Director, Deputy Program Director and Contract Management Department (CMD) for adherence to current NJSDA policy and procedures. All

Phillipsburg School District - Phillipsburg High School  
 Heery International (PM-0019-P01)  
 Amendment No. 10  
 December 6, 2017  
 Page 3 of 3

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reviewing NJSDA staff members, including CMD, have determined that the items included in the amendment are justified and that the amount is reasonable and appropriate.

#### CALCULATIONS\*

a. Original Contract Amount	\$ 8,750,420.00
b. Amendments to Date (excluding proposed amendment)	\$ 2,191,048.32
c. Proposed Amendment Amount	(\$ 123,566.44)
d. Total Amendments to Date including this Amendment (Total of Line (b.) and Line (c.))	\$ 2,067,481.88
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	23.6%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$ 10,817,901.88

\* Contract calculations values are inclusive of the entire Project Management Firm contract for multiple projects including Phillipsburg High School.

#### RECOMMENDATION

The Members of the Authority are requested to approve Amendment No. 10 in the credit amount of \$123,566.44. 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 credit amendment that exceeds \$100,000. This amendment exceeds \$100,000.

/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: Aruna Reddy, Program Officer, Program Operations

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

**Resolution—6c.**De-Obligation of Unused Contract Funds – Credit Amendment  
Heery International, Phillipsburg High School

6

COMPANY NAME: Heery International  
 DISTRICT: Phillipsburg  
 CONTRACT NO.: PM-0019-P01  
 PMF/CM: Heery International  
 SCHOOL NAME: Phillipsburg High School  
 AMENDMENT NO.: 10  
 REASON: De-Obligation of Unused Contract Funds  
 AMOUNT: (\$123,566.44)  
 CONTRACT STATUS: 95% Paid to Date against the Current Contract Value  
 OCCUPANCY DATE: July 2016

**Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that a credit amendment that singularly exceeds \$100,000 or 10% of the contract value requires approval by the Members of the Authority; and

**WHEREAS**, a credit amendment is the accounting mechanism whereby the SDA de-obligates a contract's unused funds such as where unused professional services result in the same; and

**WHEREAS**, in December 2002, the SDA engaged Heery International (Heery) to provide project management firm (PMF) services, and assigned several projects to Heery during that engagement, including a project for a new Phillipsburg High School (PHS); and

**WHEREAS**, the new PHS, delivered by the SDA in September 2016, was approved to advance as part of the Authority's 2012 Capital Plan after several project suspensions in the intervening period that followed the initial PMF assignment to Heery; and

**WHEREAS**, with the PHS project's inclusion in the 2012 Capital Plan, the SDA converted Heery's scope of services from those of a PMF to a construction manager; and

**WHEREAS**, over the course of the PHS project, the SDA issued several amendments modifying the contract with Heery, including Amendment No. 5 that added total building commissioning services scope for a value of \$300,000; and

**WHEREAS**, the Authority determined to revise the needed commissioning services from total building commissioning to commissioning services for mechanical electrical plumbing (MEP) systems, reducing Heery's fee for commissioning services from \$300,000 to \$176,433.56; and

**WHEREAS**, Amendment No. 10 in the amount of \$123,566.44 would credit the unused balance of funds remaining in the contract that are not required and its execution is necessary for the release of final payment and to advance contract closeout, as well as closeout activities for the PHS project; and

**WHEREAS**, this credit amendment singularly exceeds \$100,000 and thus its issuance requires approval by the Members of the Authority; and

**WHEREAS**, the project's background and details as to the reason for the change are set forth in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, all documents supporting this amendment have been reviewed by the associated SDA project team members as well as the managing director, program director and deputy director and the contract management division for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that the items included in the amendment 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 Amendment No. 10 for Heery International in the credit amount of \$123,566.44 for the Phillipsburg High School project consistent with the memorandum presented to the Board on this date and incorporated herein.

**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, Credit Amendment 10, De-Obligation of Unused Contract Funds  
Heery International (Contract No. PM-0019-P01), Phillipsburg School District -  
Phillipsburg High School, dated December 6, 2017

Dated: December 6, 2017

**AMENDMENT NO. 2 - TRIAD FIRE PROTECTION ENGINEERING CORPORATION**





## MEMORANDUM

6

TO: Members of the Authority

FROM: C. Aidita Milsted  
Program Director, Program Operations

DATE: December 6, 2017

SUBJECT: Amendment No. 2 – Triad Fire Protection Engineering Corporation

COMPANY NAME:	Triad Fire Protection Engineering Corporation
DISTRICT:	Newark
CONTRACT NO:	NE-0001-Y01
PMF/CM:	NJSDA Self-Managed
SCHOOL NAME:	Science Park High School
AMENDMENT NO:	2
REASON:	Additional Consulting Services
AMOUNT:	\$20,000
CONTRACT STATUS:	79.9% Paid to Date against the Current Contract Value
ORIGINAL OCCUPANCY DATE:	November 13, 2006

### INTRODUCTION

I am writing this memorandum seeking approval by the Members of the Authority of a contract amendment to Triad Fire Protection Engineering Corporation (Triad) in the amount of \$20,000.00. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an amendment valued in excess of \$100,000 or 10% of the contract value, requires approval by the Members of the Authority. This amendment exceeds 10% of the contract value. Funding for the amendment for consulting services related to Smoke Control System Modifications is available within the Project Budget.

This school facility was delivered to Newark Public in November 2006, and is presently occupied pursuant to a Temporary Certificate of Occupancy. Issuance of the Certificate of Occupancy is dependent upon needed remedial action to the Smoke Control System, work which is nearing completion.

### BACKGROUND

Science Park High School is a technology magnet high school in the Newark Public Schools (NPS) District. The school encompasses 275,000 square feet, educating 1,200 students in grades Seven (7) through Twelve (12).

Members of the Authority  
Amendment No. 2 - Triad Fire Protection Engineering Corporation  
Newark- Science Park High School  
December 6, 2017  
Page 2 of 4

The New Jersey Economic Development Authority (EDA) initiated the Science Park High School project in 2002, utilizing a design contract with Einhorn Yaffee Prescott Architecture & Engineering, P.C. (EYP) that was assumed by the EDA from NPS. The construction contract for the new school was awarded to Hunt Construction and a Notice to Proceed was issued in December 2004. The project achieved Substantial Completion and received a TCO on November 13, 2006, excluding the Smoke Control System (SCS) which was determined at the time to be non-compliant with International Building Code (IBC) requirements.

Modification of the school's SCS is the primary element necessary for the completion of the Science Park High School project, issuance of the CO and final transfer of the school facility to NPS. While the school is operating under a TCO, the safety of the students and staff is ensured by the facility's fire alarm system, emergency power system, and a NPS-provided fire watch during and after school hours.

Following the test of the SCS performed in the fall of 2006, the NJSDA directed EYP to design a retrofit for the SCS to address deficiencies. There were several design iterations necessary in order to achieve release of the plans and specifications by the DCA in 2011.

Based on the EYP-developed construction documents, a construction contract was awarded to Grafas Painting Contractors, Incorporated (GPC) and a Notice to Proceed was issued on June 29, 2011 to retrofit the SCS.

Following completion of the SCS retrofit, the NJSDA engaged Triad Fire Protection Engineering Corporation (Triad) on September 11, 2011 to perform an inspection and determine that the SCS will function properly and comply with applicable codes. The Triad inspection report states that the retrofit to the SCS did not fully comply with the IBC code requirements. The contract with GPC was terminated for convenience. The NJSDA determined that development of a design solution by a different design consultant was at this point the best approach to deliver an appropriate retrofit of the SCS that would fully comply with code requirements and remedy the deficiencies.

On March 26, 2014, a Limited Notice of Proceed was issued to USA Architects for Pre-Design Services, authorizing USA Architects to conduct detailed investigations and provide a complete definition of the scope of work and associated budget necessary to address code compliance and operational deficiencies. Upon completion of Pre-Design activities, USA Architects was authorized to proceed with Design Services on July 30, 2015.

On June 2, 2017 Precision Building and Construction, LLC (Precision) was awarded a construction contract to address required corrective work identified as part of USA Architects' design efforts. Scope of work under Precision's contract is now nearly complete.

Members of the Authority  
Amendment No. 2 - Triad Fire Protection Engineering Corporation  
Newark- Science Park High School  
December 6, 2017  
Page 3 of 4

### REASON FOR CHANGE

This Amendment is for additional consulting services required, including additional testing and inspections, needed to certify the modifications and functionality of the existing Smoke Control System including coordination with the building's fire alarm system, emergency power supply system, electrical system, and fire protection system at the Newark Science Park High School.

Amendment No. 2 is required to provide additional consulting services, including additional testing and inspections needed to certify to the DCA that the Smoke Control System at the Newark Science Park High School is satisfactory, fully operational and code compliant.

Precision completed the remedial work and Triad initiated testing to confirm that the remedial work performed to the Smoke Control System was in accordance with the DCA released plans on November 9, 2017. The testing included performance of a pressure test to the ductwork by Triad. The ductwork failed the pressure test at the second and third floor levels of the school facility. In order to address the issue, Precision will investigate the ductwork to identify the source of the air leak and perform the repair. Once the repair work is completed by Precision, this Amendment will allow Triad to perform Special Inspection and Testing Services inclusive of another pressure test of the system, to confirm code compliance.

This Amendment will be forwarded to the NJSDA Special Projects Division for determination of potential cost recovery.

### SUMMARY OF CHANGE

Triad submitted an estimate in the not-to-exceed time and material amount of \$14,750 to provide the additional Special Inspection and Testing Services at the conclusion of the ductwork repair. NJSDA Staff is requesting approval of a not-to-exceed time and material amount of \$20,000, providing contingency funding beyond Triad's proposed amount should additional services be required beyond what is currently anticipated. Board approval is being sought at the December meeting so that the funding is in place to authorize Triad's additional services as soon as Precision completes the repair work. Acting now will minimize any potential extended general condition costs from Precision and its subcontractors. The additional funding being requested is available in the Project Charter Budget.

All documents supporting this Amendment have been reviewed by the associated project team members as well as the Program Director, Deputy Director and the NJSDA Contract Management Division (CMD) for adherence to current NJSDA policy and procedure. All reviewing NJSDA staff members, including CMD, have determined that the amendment is justified and that the amount is reasonable and appropriate. With advice from Division of Chief Counsel, we are recommending approval of the amendment.

Members of the Authority  
 Amendment No. 2 - Triad Fire Protection Engineering Corporation  
 Newark- Science Park High School  
 December 6, 2017  
 Page 4 of 4

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### CALCULATIONS

a.	Original Contract Amount	\$	19,900
b.	Amendments to Date (excluding proposed Amendment)	\$	48,700
c.	Proposed Amendment Amount	\$	20,000
d.	Total Amendments to Date including this Amendment (Total of Line (b.) and Line (c.))	\$	68,700
e.	Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))		345%
f.	Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$	88,600

### RECOMMENDATION

The Members of the Authority are requested to approve the amendment in the not-to-exceed time and material amount of \$20,000. In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012 any amendment which exceeds \$100,000 or 10% of the contract value requires approval by the Members of the Authority. This amendment exceeds 10% of the contract value.

/s/ Aidita Milsted  
 C. Aidita Milsted, 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: Gregory Voronov, Managing Director, Program Operations  
 Reviewed and Recommended by: Katherine Gallo, Deputy Director, Program Operations  
 Reviewed and Recommended by: Ronald Dworkis, Program Officer, Program Operations

**Resolution—6d.**

Amendment No. 2 – Triad Fire Protection Engineering Corporation  
Science Park High School, Newark Public Schools District

COMPANY NAME:	Triad Fire Protection Engineering Corporation
DISTRICT:	Newark
CONTRACT NO:	NE-0001-Y01
PMF/CM:	NJSDA Self-Managed
SCHOOL NAME:	Science Park High School
AMENDMENT NO:	2
REASON:	Additional Consulting Services
AMOUNT:	\$20,000
CONTRACT STATUS:	79.9% Paid to Date against the Current Contract Value
ORIGINAL OCCUPANCY DATE:	November 13, 2006

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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 authorize and approve contract amendments in an amount exceeding \$100,000 or 10% of the contract value; and

**WHEREAS**, the Science Park High School (the School) was delivered by the Authority to the Newark Public Schools District (District) in 2006 and currently is occupied by the District pursuant to a Temporary Certificate of Occupancy; and

**WHEREAS**, the Authority is currently addressing necessary remedial action related to the School's smoke control system in pursuit of a full Certificate of Occupancy; and

**WHEREAS**, Triad Fire Protection Engineering Corporation (Triad) was engaged to perform the requisite third-party special inspection and testing services in connection with the re-design and performance of the remedial work; and

**WHEREAS**, an initial re-design effort, previously reviewed by Triad, failed to fully address the needed remedial activity; and

**WHEREAS**, the original contract value with Triad in the amount of \$19,900 was depleted during Triad's evaluation of the initial re-design work; and

**WHEREAS**, management engaged a separate design consultant to provide an appropriate resolution and engaged a contractor to perform the needed construction work; and

**WHEREAS**, on March 26, 2014, a Limited Notice of Proceed was issued to USA Architects for pre-design services; and

**WHEREAS**, upon completion of pre-design activities, USA Architects was authorized to proceed with design services on July 30, 2015; and

**WHEREAS**, on June 2, 2017 Precision Building and Construction, LLC (Precision) was awarded a construction contract to address required corrective work identified as part of USA Architects' design efforts and the scope of work under Precision's contract is now nearly complete; and

**WHEREAS**, Amendment No. 2 is required to provide additional consulting services by Triad, including additional testing and inspections needed to certify to the Department Community Affairs that the smoke control system at the Newark Science Park High School is satisfactory, fully operational and code compliant; and

**WHEREAS**, this proposed contract amendment, in the not-to-exceed time and materials amount of \$20,000, provides contingency funding beyond Triad's proposed amount should additional services be required beyond what is currently anticipated; and

**WHEREAS**, Amendment No. 2 exceeds 10% of the contract value thus requiring Board approval; and

**WHEREAS**, all documents supporting Amendment No. 2 have been reviewed by the associated project team members as well as the program director, deputy director and the SDA contract management division for adherence to current SDA policy and procedure and all reviewing SDA staff members have determined that the amendment is justified and that the amount is reasonable and appropriate; and

**WHEREAS**, management recommends Board approval at this time so that the funding is in place to authorize Triad's additional services as soon as the repair work is completed in order to avoid potential extended general condition costs; and

**WHEREAS**, the additional funding being requested is available in the project charter budget; and

**WHEREAS**, upon the advice of the Division of Chief Counsel, management recommends approval of Amendment No. 2 for Triad in connection with the Newark Science Park High School project.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve Amendment No. 2 in the not-to-exceed amount of \$20,000 to Triad Fire Protection Engineering Corporation for additional consulting and testing services consistent with the memorandum presented to the Board on this date for the Science Park High School project in the Newark Public Schools District.

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

Attached: Memorandum, Contract Amendment No. 2, Triad Fire Protection Engineering Corporation (Contract No. NE-0001-Y01), Newark Public Schools District, Science Park High School, dated December 6, 2017  
Dated: December 6, 2017

**MONTHLY REPORTS**  
**(For Informational Purposes)**

**ACTIVE PROJECTS STATUS REPORT**





STATE OF NEW JERSEY  
**SCHOOLS DEVELOPMENT AUTHORITY**

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**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director

DATE: December 6, 2017

SUBJECT: Active Project Status Report  
(For Informational Purposes Only)

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The 1<sup>st</sup> section of the report includes an Activities Summary of projects identified for advancement in the Authority's Capital Plans.

The 2<sup>nd</sup> 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 11/20/17

2011 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Bridgeton	Buckshutem ES	K-8	581	645	\$23.3	Kit of Parts/ Design-Build	School occupied Sep. 2016. (Bock)	5/31/13
Bridgeton	Quarter Mile Lane ES	PK-8	731	795	\$39.0	Kit of Parts/ Design-Build	Award for D-B approved Oct. 2013 Board. (Bock)	5/31/13
Elizabeth	Frank J. Cicarell Academy (Academic HS)	9-12	1,091	1,284	\$64.1	Existing Design	School occupied Sep. 2016. (Patock)	12/8/11 7/11/12
Jersey City	Patricia M. Noonan ES (ES 3)	PK-5	778	848	\$54.0	Kit of Parts/ Design-Build	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 11/20/17

2012 Portfolio Projects - sorted by District

1

District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Gloucester City	Elementary/Middle School	4-8	687	763	\$65.3	Kit of Parts/ Design-Build	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	2,760	3,020	\$240.9	Kit of Parts/ Design-Build	Award for D-B approved Nov. 2017 Board. (Terminal)	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.

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2011 & 2012 Portfolio Projects Activities Summary

as of 11/20/17

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

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

**2012 Portfolio Projects (Facilities Deficiencies) - sorted by District**

1								
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Design Status	Advancement Status	Projected Construction Advertisement Date*
Camden	High School	9-12	1,244	1,468	\$132.7	Design-Build	Preliminary Charter approved Oct. 2016 Board. ROA for Demolition approved Aug.-17 Board.	6/9/17 TBD
Hoboken	Demarest ES	ES	TBD	TBD	TBD	TBD	Substitution of Demarest ES approved Jul. 2017 Board.	TBD
Orange	Cleveland St. ES	PK-6	306	336	\$24.3	Design-Bid-Build	Preliminary Charter approved Mar. 2017 Board.	2/21/17 TBD
Orange	High School	9-12	1,440	1,694	\$46.2	Design-Bid-Build	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 11/1/2017

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

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**Active Project Status Report  
Status as of 11/1/2017**

**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

**PROJECT CLOSEOUT STATUS REPORT**





STATE OF NEW JERSEY

# SCHOOLS DEVELOPMENT AUTHORITY

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

To: Members of the Authority  
From: /s/ Ayisha Cooper, Research Specialist  
Date: December 6, 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.

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



SPECIAL PROJECTS DIVISION					
PROJECT STATUS REPORT - As of November 1, 2017					
Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
<b>Bridgeton</b>					
2016	0540-050-13-0ACN	Buckshutem Road Elementary School			
2017	0540-100-13-0ACO	Quarter Mile Lane Elementary School			
<b>Burlington City</b>					
2007	0600-020-01-0957	New High School	Project Transferred	12/29/11	Open contract(s) - Legal matter pending
<b>Camden</b>					
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
<b>Cumberland</b>					
2009	0997-030-02-0926	Cumberland Regional High School	Project Transferred	06/25/10	Open contract(s) - Legal matter pending
<b>East Orange</b>					
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
<b>Egg Harbor City</b>					
2010	1300-X01-04-0ADY	New Middle School	Project Transferred	01/01/12	Open contract(s)
<b>Egg Harbor Township</b>					
2011	1310-005-04-0AEB	Egg Harbor Township High School			
<b>Elizabeth</b>					
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			
<b>Garfield</b>					
2007	1700-N01-02-0114	Garfield Middle School	Project Transferred	06/25/09	Open contract(s) - Legal matter pending
<b>Gloucester City</b>					
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			
<b>Harrison</b>					
2007	2060-X01-01-0832	New Harrison High School	Project Transferred	10/23/12	Open contract(s)

<b>SPECIAL PROJECTS DIVISION</b>					
<b>PROJECT STATUS REPORT - As of November 1, 2017</b>					
<b>Year of Occupancy</b>	<b>DOE #</b>	<b>School</b>	<b>Disposition</b>	<b>Project Transfer Date</b>	<b>Outstanding Issues Preventing Complete Close-out</b>
<b>Jersey City</b>					
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			
<b>Keansburg</b>					
2016	2400-E01-02-0116	New Caruso Elementary School			
<b>Long Branch</b>					
2008	2770-X03-01-0635	Long Branch High School & Athletic Fields	Project Transferred	12/07/12	Open contract(s) - Legal matter pending
<b>New Brunswick</b>					
2010	3530-N05-03-0791	New Brunswick High School - Demonstration Project	Project Transferred	08/19/11	Open contract(s) - Pending audit completion
<b>Newark</b>					
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)
<b>Passaic</b>					
2015	3970-X01-01-X760	New Henry Street Elementary School			
<b>Paterson</b>					
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)			
<b>Pemberton</b>					
2011	4050-E01-02-0082	Pemberton Early Childhood Education Center	Project Transferred	02/01/13	Open contract(s)
<b>Phillipsburg</b>					
2016	4100-X01-99-0464	New High School			
<b>Trenton</b>					
2008	5210-N02-01-0912	Daylight/Twilight Alternative School - Demonstration Project	Project Transferred	12/01/08	Open contract(s) - Pending audit completion

<b>SPECIAL PROJECTS DIVISION</b>					
<b>PROJECT STATUS REPORT - As of November 1, 2017</b>					
<b>Year of Occupancy</b>	<b>DOE #</b>	<b>School</b>	<b>Disposition</b>	<b>Project Transfer Date</b>	<b>Outstanding Issues Preventing Complete Close-out</b>
<b>Union City</b>					
2009	5240-X07-01-0571	Union City High School and Athletic Complex - Demonstration Project	Project Transferred	10/27/11	Open contract(s) - Pending audit completion
2012	5240-N03-02-0397	Columbus Elementary School	Project Transferred	02/24/15	Open contract(s) - Legal matter pending
<b>Vineland</b>					
2007	5390-N05-04-000C	Gloria M. Sabater Elementary School - Demonstration Project	Project Transferred	05/06/11	Open contract(s) - Pending audit completion
<b>West New York</b>					
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.			
<b>Capital and Demonstration Projects Totals</b>					
<b>Total Capital and Demonstration</b>			<b>147</b>		
<b>Closed Capital and Demonstration Projects</b>			<b>100</b>		
<b>Capital and Demonstration Projects Not Closed</b>			<b>47</b>		
<b>Capital and Demonstration Projects Not Closed, Project Transferred</b>			<b>29</b>		
			<b>Legal Matter</b>	<b>13</b>	
			<b>Pending Audit</b>	<b>6</b>	
			<b>Miscellaneous</b>	<b>10</b>	
<b>Emergent Projects</b>					
<b>Irvington</b>					
	2330-090-12-0ACT	Chancellor Avenue Elementary School			
	2330-050-10-00CH	Irvington High School - Roof, HVAC, Bathroom			
<b>Orange</b>					
	3880-115-10-00CM	Orange Middle School (Orange Preparatory Academy)	Project Transferred	09/05/17	Open contract(s)
<b>Passaic</b>					
	3970-050-12-0ADZ	Passaic City High School			
<b>Trenton</b>					
	5210-080-12-0ABZ	Hedgepeth-Williams School			
<b>Vineland</b>					
	5390-050-12-0ACK	Vineland High School South			
<b>Emergent Project Totals</b>					
<b>Total Emergent Projects</b>			<b>71</b>		
<b>Emergent Projects Closed</b>			<b>64</b>		
<b>Emergent Projects Not Closed</b>			<b>7</b>		
<b>Emergent Projects Not Closed but Transferred</b>			<b>1</b>		

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

Year of Occupancy	DOE #	School	Disposition	Project Transfer Date	Outstanding Issues Preventing Complete Close-out
<b>Health and Safety Contract Totals</b>					
<b>Total Contracts</b>			399		
<b># of Contracts Closed</b>			393		
<b># of Open Contracts</b>			6		
<b>Open Design Contracts</b>					
<b>Total Contracts</b>			109		
<b># of Contracts Closed</b>			98		
<b># of Open Contracts</b>			11		

**PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Program Operations

DATE: December 6, 2017

SUBJECT: Executive Summary – Monthly Project Status Reports

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**MONTHLY PROJECT STATUS REPORT**

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

New Brunswick Robeson – Board approval of Change Order No. 1 representing design and construction work to address structural deficiencies throughout the existing building served to fully exhaust the contingency contained within the Board Approved Final Project Charter.

**Projects Greater than 90 Days Behind Schedule:**

No activity during the reporting period

**Revisions to Project Charters:**

Elizabeth New Elementary School – Revised Final Project Charter – Budget Reallocation to transfer budget funds from the Project Management (SDA staff) budget line item to the technology budget line item.

Millville High School – Revised Final Project Charter – Budget increase to reflect the award value for Construction Management services and appropriate contingency.

New Brunswick Paul Robeson ES – Revised Final Project Charter – Budget increase to provide additional funding for Board approved Change Order No. 1 and to provide additional contingency for the remainder of the project.



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

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

District	Project	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining <sup>1</sup>	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
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**In Construction**

New Brunswick	Paul Robeson Community ES	\$1,599,650	\$2,180,000	\$0	100.0%	70%	Unforeseen structural repairs. On Oct. 4, 2017 Change Order No. 1 for the value of \$2,180,000 was approved by the Member to address unforeseen structural repairs to the existing Robeson ES which served to fully exhaust the project contingency.	The project schedule for a September 2017 occupancy by the school district has been maintained. A revised project charter has been approved by the CEO, consistent with the Operating Authority, to provide necessary funding for the approved Change Order No. 1 and additional contingency through the completion of the project.
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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 complete and building occupied. Working towards project close-out.
Camden	Dudley E.S.	\$3,215,000	\$2,615,168	\$599,832	81.3%	99%	1. Installation of IT/AV systems	Project complete and building occupied. 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.

<sup>1</sup> 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: October 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: October 2017

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
1	Elizabeth	New ES	Budget Reallocation	\$ -	0.00%	CEO Approval	Charter revision to reallocate funds from the Project Management (SDA Staff) budget line item to the technology budget line item to provide sufficient funding for additional IT integration services.
2	Millville	High School Addition/Renovation	Budget Increase	\$ 318,000	0.23%	Board Approved	Budget increase to reflect the award amount for CM services and appropriate contingency.
3	New Brunswick	Paul Robeson Community ES	Budget Increase	\$ 1,540,350	3.28%	CEO Approval	Budget increase to provide additional funding for Board approved Change Order No. 1 and to provide additional contingency for the remainder of the project.

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**CONTRACTS EXECUTED REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: December 6, 2017

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

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**Contracts Executed Report**

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

**Noteworthy Items during the reporting period:**

- Execution of 1 contract for Owner Controlled Insurance Program Broker services to Willis of New York, Inc. for \$398,315.

**Amendments & Change Orders Report**

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

**Noteworthy Items during the reporting period:**

- Execution of 7 Design Services Amendments totaling a credit of \$25k, of the 7 executed amendments none required board approval.
- Execution of 8 Construction Services Change Orders totaling a credit of \$206k, of the 8 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: 10/1/2017 through: 10/31/2017

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE	
<b>Part 4. Other Contracts &amp; Services</b>											
<b>Others</b>											
Bridgeton	Quarter Mile Lane E.S.	RenoAdd	FFE	ST-0044-K46	Core BTS, Inc.		\$40,679	10/13/2017	N/A	N/A	
Elizabeth	New ES	New	FFE	EL-0042-K31	Diversant		\$114,400	10/26/2017	N/A	N/A	
Program Wide	OCIP BROKER SERVICES		General	GP-0244-R01	Willis of New York, Inc.		\$398,315	10/6/2017	N/A	N/A	
<b>Others</b>											
<b>Part 4. Other Contracts &amp; Services</b>							<b>\$553,394</b>				
							<b>Total Contract Award</b>	<b>Total Contracts Awarded</b>			
<b>Grand Totals</b>							<b>\$553,394</b>	<b>3</b>			

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

**Project Types Legend**

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

**Contract Types Legend**

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

**MWSBE CERTIFICATIONS**

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



Reporting Period: 10/1/2017 through: 11/2/2017

**Amendments & Change Orders Report**

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Current CO Amount	Board Approval Required	Board Apporoval Date	Revised Contract Amount	Cumulative CO %
<b>Professional Services</b>													
<b>Design Consultant</b>													
Irvington Township	Irvington H.S.	EP-0083-A01	11/14/2013	2	Gibson Tarquini Group, Inc. (The)	10/30/2017	\$357,985	\$0	(\$87,250)			\$270,735	-24.37%
Millville	High School	ST-0046-A01	5/1/2014	3	RSC Architects	10/10/2017	\$2,057,060	\$880	\$52,500			\$2,110,440	2.59%
Millville	Lakeside M.S.	ST-0046-A01	5/1/2014	4	RSC Architects	10/31/2017	\$341,440	\$550	(\$47,825)			\$294,165	-13.85%
Millville	High School	ST-0046-A01	5/1/2014	5	RSC Architects	10/31/2017	\$2,057,060	\$53,380	\$47,825			\$2,158,265	4.92%
Millville	High School	ST-0046-A01	5/1/2014	6	RSC Architects	10/31/2017	\$2,057,060	\$101,205	\$62,154			\$2,220,419	7.94%
Phillipsburg	New HS (-x01)	NT-0003-A01	3/22/2004	17	Design Ideas Group	10/17/2017	\$5,781,326	\$3,007,047	(\$38,300)			\$8,750,073	51.35%
Phillipsburg	New HS (-x01)	NT-0003-A01	3/22/2004	18	Design Ideas Group	10/23/2017	\$5,781,326	\$2,968,747	(\$14,255)			\$8,735,818	51.10%
<b>Design Consultant</b>													
<b>Professional Services</b>													
										<b>(\$25,151)</b>			
<b>Construction Services</b>													
<b>Contractor</b>													
Camden City	Morgan Village M.S.	CA-0010-C01	1/14/2009	59	Chanree Construction Co Inc	10/26/2017	\$20,997,000	\$2,318,627	(\$150,000)			\$23,165,627	10.32%
Egg Harbor City	New Middle School	ET-0097-C02	8/21/2015	6	I.E.W. Construction Group, Inc.	10/23/2017	\$389,789	\$1,116,816	\$11,355			\$1,517,960	289.43%
Irvington Township	Irvington H.S.	EP-0083-C01	5/22/2015	9	Bennett Company, Inc. (The)	10/13/2017	\$4,917,000	\$46,289	(\$58,955)			\$4,904,334	-0.25%
Long Branch	Gregory E.S.	ET-0043-C02	12/13/2016	1	Bismark Construction Corp.	10/17/2017	\$475,000	\$0	(\$25,000)			\$450,000	-5.26%
Paterson	New Union Avenue Middle School	PA-0011-C01	6/21/2016	4	Intercontinental Construction Contracting Inc.	10/31/2017	\$568,680	\$29,162	(\$1,506)			\$596,336	4.86%
Pemberton Township	Alexander Denbo E.S.	WT-0023-N01	6/12/2017	3	Tricon Enterprises, Inc.	10/19/2017	\$1,299,900	\$0	\$3,163			\$1,303,063	0.24%
Pemberton Township	Pemberton ECC #1	EP-0099-C01	7/19/2016	1	Pravco, Inc.	10/18/2017	\$58,258	\$0	(\$14,558)			\$43,700	-24.98%
Phillipsburg	New HS (-x01)	NT-0003-C02	6/6/2013	114	Epic Management, Inc.	10/18/2017	\$80,490,000	\$4,866,513	\$29,523			\$85,386,036	6.08%
<b>Contractor</b>													
<b>Construction Services</b>													
										<b>(\$205,978)</b>			
										<b>Total Change Order Summary</b>		<b>Total Change Orders</b>	
										<b>(\$231,129)</b>		<b>15</b>	
<b>Grand Totals</b>													

Column Description Legend	
CO Execution Date	Date the Change Order was entered into the SIMS system
Revised Contract Amount	Current value of the contract (excluding additional assignments) including current change order

**CONTRACT TERMINATIONS REPORT** *(no activity)*

**SETTLEMENT CLAIMS** *(no activity)*



**CONTRACTOR AND WORKFORCE COMPLIANCE REPORT**



### MEMORANDUM

TO: Members of the Authority

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

DATE: December 6, 2017

SUBJECT: Contractor and Workforce Compliance Monthly Update for September 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 September 30, 2017 was \$128,220,504. The figures below demonstrate compliance with this requirement.

#### **SBE Breakdown**

The total contract dollars awarded to all SBE contractors was \$50,781,276 (including minorities and women). This represents 39.60% of all SDA contracts.

<b>Type of Business Enterprise</b>	<b>Contract Amount</b>	<b>% of Total SDA Contracts</b>
Small Business Enterprises	\$ 41,828,766	32.62%
Small/ Minority Business Enterprises	\$ 125,000	0.10%
Small/Women Business Enterprises	\$ 8,827,510	6.88%
Small/Veteran Owned Business Enterprises	\$ -0-	0.00%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
<b>TOTAL SBE CONTRACTS</b>	<b>\$ 50,781,276</b>	<b>39.60%</b>

Members of the Authority  
 Contractor and Workforce Compliance Monthly Update  
 December 6, 2017  
 Page 2 of 4

### **Ethnic Breakdown**

Through the month of September 30, 2017 the total SBE contracts awarded with minority participation was 0.25%.

<b>Ethnicity</b>	<b>Contract Amount</b>	<b>Percentage</b>
American Indian	\$ -0-	0.00%
Asian	\$ 125,000	0.25%
Black	\$ -0-	0.00%
Hispanic	\$ -0-	0.00%
<b>Total</b>	<b>\$ 125,000</b>	<b>0.25%</b>

### **WORKFORCE COMPLIANCE MONITORING**

For the month of September 2017, there was a contractor workforce of 911 on SDA projects. This represents a total of 108,052 contractor workforce hours as follows:

<b>Contractor Workforce Breakdown (All Trades/Districts/Counties)</b>			
<b>Ethnicity</b>	<b>Total Workforce</b>	<b>Total Workforce Hours</b>	<b>Workforce Hours Percentage</b>
Black	102	13,622	12.60%
Hispanic	113	16,539	15.31%
American Indian	1	40	0.04%
Asian	3	132	0.12%
<b>Total Minority Participation</b>	<b>219</b>	<b>30,333</b>	<b>28.07%</b>
Total Non-Minority Participation	692	77,719	71.93%

Members of the Authority  
 Contractor and Workforce Compliance Monthly Update  
 December 6, 2017  
 Page 3 of 4

There was a contractor workforce of 572,822 total workforce hours and 5,053 total female workforce hours on SDA projects for the period of January 1, 2017 through September 30, 2017. The following table highlights the *Local County Contractor Workforce* participation for that period:

<b>Local County Workforce Participation</b>	<b>Workforce Hours</b>	<b>Percentage</b>
*Total Workforce Hours	572,822	100.00%
<b>*Total Local County Workforce Hours</b>	<b>43,752</b>	<b>7.64%</b>
<b>Total Local County Non-Minority Workforce Hours</b>	<b>25,100</b>	<b>4.39%</b>
<b>Total Local County Female Workforce Hours</b>	<b>204</b>	<b>0.04%</b>
<b>Total Local County Minority Workforce Hours</b>	<b>18,652</b>	<b>3.26%</b>
<b>**Local County Workforce Hours by Ethnicity:</b>		
Black	12,675	2.21%
Hispanic	5,273	0.92%
American Indian	0	0.00%
Asian	704	0.12%

\*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  
 December 6, 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 September 30, 2017.

<b>SDA Managed Project</b>	<b>Total Workforce Hours</b>	<b>Minority Workforce Hours &amp; Percentage</b>		<b>Local County Workforce Hours &amp; Percentage</b>	
Bridgeton, Quarter Mile Lane ES	5,480	721	<b>13.16%</b>	0	<b>0.00%</b>
Elizabeth, New Elementary School	130,735	35,530	<b>27.18%</b>	0	<b>0.00%</b>
Garfield, James Madison ES	32,078	6,121	<b>19.08%</b>	0	<b>0.00%</b>
Gloucester, New MS	2,295	240	<b>10.46%</b>	65	<b>2.83%</b>
Harrison ES	905	520	<b>57.46%</b>	0	<b>0.00%</b>
Jersey City, ES #3	2,420	368	<b>15.21%</b>	32	<b>1.32%</b>
New Brunswick, Paul Robeson School	61,126	12,686	<b>20.75%</b>	4,487	<b>7.34%</b>
Newark, South Street ES	21,164	6,029	<b>28.49%</b>	1,195	<b>5.65%</b>
Passaic, Leonard Place ES	50,905	15,996	<b>31.42%</b>	7,757	<b>12.69%</b>
Perth Amboy, Seaman Avenue	4,557	0	<b>0.00%</b>	611	<b>13.41%</b>
Phillipsburg HS	163	0	<b>0.00%</b>	57	<b>34.97%</b>
Trenton HS	175,478	54,936	<b>31.31%</b>	23,782	<b>13.55%</b>
Vineland, Lincoln Ave MS	53,228	9,853	<b>18.51%</b>	3,443	<b>6.47%</b>
West New York, Harry L. Bain ES	23,459	12,830	<b>54.69%</b>	0	<b>0.00%</b>
Emergent Projects	8,829	2,314	<b>26.21%</b>	1,331	<b>15.08%</b>

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: December 6, 2017

SUBJECT: Regular Operating District Grant Activity Report  
(For Informational Purposes Only)

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This report summarizes the Regular Operating District Grant activity from inception to date and for the month of October 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.
- 5 grants impacting 2 districts were executed during the reporting period representing 8.9M in total project costs and state share of \$4.6M..
- 28 grants impacting 16 districts were closed out during the reporting period representing \$26.3M in total project costs and state share of \$9.8M.
- 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

October 2017

ROD Grant Summary Since Program Inception				
	Offered <sup>1</sup>	Executed	Closed-Out	Active
Districts Impacted	23	524	513	219
Number of Grant Projects	73	5,401	4,456	945
Total Project Cost Estimate	\$ 62,031,575	\$ 9,153,653,524	\$ 7,953,553,968	\$ 1,200,099,556
Grant Amount	\$ 26,163,720	\$ 3,027,438,027	\$ 2,598,533,934	\$ 428,904,092
Amount Disbursed	N/A	\$ 2,758,731,195	\$ 2,598,533,934	\$ 160,197,260

Total Funding Offered to School Districts via Grant Program	\$ 3,342,209,450
Total ROD Grant Funding remaining for new Grant Projects	\$ 59,039,805

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	16
Number of Grant Projects	5	28
Total Project Cost Estimate	\$ 8,903,117	\$ 26,278,573
Grant Amount	\$ 4,636,095	\$ 9,809,730
Amount Disbursed	NA	\$ 9,809,730

\* 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

October 2017

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Bergen	Rutherford	Rutherford H.S.	\$ 388,265	\$ 155,306	Gym roof replacement
Bergen	Rutherford	Sylvan E.S.	\$ 451,475	\$ 180,590	electrical service upgrades
Hudson	Hudson County Vocational School District	HCST Jersey City Center	\$ 3,568,299	\$ 1,902,974	Roof replacement
Hudson	Hudson County Vocational School District	HCST Jersey City Center	\$ 1,957,052	\$ 1,043,696	HVAC upgrades
Hudson	Hudson County Vocational School District	HCST North Hudson Center	\$ 2,538,026	\$ 1,353,529	Roof replacement
<b>Grand Total</b>		<b>Grants Executed - 5</b>	<b>\$ 8,903,117</b>	<b>\$ 4,636,095</b>	

**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: December 6, 2017

SUBJECT: Monthly Communications Report

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**SDA Celebrates Dedication of the New William F. Halloran School No. 22  
in Elizabeth, NJ**



On November 2, SDA joined Elizabeth students, as well as state and local representatives to mark the dedication of the new William F. Halloran School No. 22, one of five new or renovated facilities the SDA opened this year.

The 140,000-square-foot, four-story school was designed to educate 880 students in grades two through eight. The school provides 34 general education classrooms, six science labs, small group instruction classrooms, a multi-purpose room with stage, a cafeteria, a gymnasium, a computer lab, a dance studio, music rooms, and a media center.

Communications Report  
December 6, 2017  
Page 2 of 2

### **SDA Announces Demolition Activities in Paterson**



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On November 21, CEO Charles McKenna joined Paterson School District officials gathered to announce the start of demolition activities to make room for a new Union Avenue Middle School.

The new Union Avenue Middle School will be built on the site of a facility that served as swing space while the SDA constructed other new facilities in the District. The SDA will construct a new, approximately 161,000-square-foot, school facility that will be designed to educate up to 1,000 students in grades six through eight.

### **SDA Presents at Alliance for Action Annual Construction Forecast Seminar**

On November 1, Manuel DaSilva, SDA Vice President of Construction Operations and Gregory Voronov, Managing Director of Program Operations presented at the Alliance For Action's Annual Construction Forecast Seminar. They gave an overview of the SDA program and forecasted construction opportunities that will be available with the SDA in 2018.

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

**MONTHLY FINANCIAL REPORT**

**MEMORANDUM**

TO: Members of the Authority

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

DATE: December 6, 2017

SUBJECT: Monthly Financial Report – October 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 October 2017 year to date, Authority operating expenses, **\$16.5 million**, are **down \$2.8 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 **\$2.4M**. The Authority is currently 42 FTEs under budget. This variance is offset by the year to date allocation - of payroll expense to project cost - that is lower than projected, **(\$730K)**;
- Year to date spending reductions related to; MIS projects **\$323K**, Contract Services **\$211K** (including DAG Fees and Project Services), Facilities **\$186K** (lower utility consumption) and the timing factor for capital expenditures **\$186K** (CFR eDoc System and eDiscovery System).

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

For October 2017 year to date, Authority operating expenses, **\$16.5 million**, are **\$1.4M** higher as compared to the corresponding prior year:

- Higher employee benefit costs **\$1.2M**, primarily due to the impact of a non-cash accrual for pension expense liability recorded for GASB 68.

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

For October 2017 year to date, project expenditures, **\$301.5 million**, are **higher by \$1.9 million** as compared to the capital-spending forecast for the *corresponding period*. The variance is mainly due to increased activity in construction work **\$8.5M** and grants **\$4.3M**. This variance is offset by decreased spending in property acquisitions **\$4M**, School Furniture, Fixtures and Equipment **\$1.4M** project insurance **\$938K** and other project related costs **\$2.2M**.

Members of the Authority  
December 6, 2017  
Page 2

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

For October 2017 year to date, project expenditures, **\$301.5 million**, have **decreased** by **\$25 million** as compared to the *corresponding prior year*. The variance is primarily due to decreased spending in construction related activity **\$16.6M** and school furniture, fixtures and equipment **\$16.5M**. Offsetting these cost reductions are spending increases in grants **\$12.6M**.

**Other**

Since program inception, 79.6% 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**  
**October 2017**  
**(Unaudited)**

# New Jersey Schools Development Authority

## Overview of Financial Position

### October 31, 2017

**To:** The Audit Committee

**From:** Sherman E. Cole, Controller

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

► Overall **Cash and Cash Equivalents** have increased by \$37.5 million to \$595 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ 350,000,000
■ Investment earnings	2,718,913
■ Miscellaneous revenue	62,011
■ Project costs	(301,516,334)
■ SDA operating expenses	(13,209,897)
■ SDA capital expenditures	(6,180)
■ Deposits (primarily district local shares)	(565,702)
Net Change in Cash	\$ 37,482,811

► **Prepaid Expenses** total \$359,624 as follows:

- Prepaid insurance of \$88,855.
- Prepaid rents of \$122,431 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$115,127.
- Other prepaids of \$33,211.

► **Capital Assets** total \$538,450 (net of accumulated depreciation of \$6,763,164), 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 \$174,834.

► **Accrued Liabilities** total \$130.9 million, as follows:

- Accrued project costs of \$19.5 million consisting of unpaid invoices (\$2.4 million); and retainage (\$17.1 million).
- Accrued net pension liability of \$73.9 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$3.2 million (PRO liability \$5.1 million, offset by expected cost recoveries of \$1.9 million).
- Estimated liability for loss contingencies totaling \$2.1 million (contractor claims \$2.1 million).
- Estimated liability for loss contingencies totaling \$4.3 million (Cumberland HS \$4.3 million).
- Payroll related liabilities of \$1.5 million.
- Post-employment benefits obligation of \$26.3 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 \$478.7 million.

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

► **School Facilities Construction Bond / Note Proceeds & Project Expenditures**

- During the current year to date, the SDA has received \$350 million bond and note proceeds. The total amount of proceeds received since program inception is \$10.798 billion.
- Project expenditures for the month and year-to-date periods total \$27.2 million and \$301.5 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Current Year-To-Date</u>	<u>Since Program Inception</u>
Construction	\$ 17,844,446	\$ 169,499,516	\$ 4,632,566,884
Design Services	535,483	2,630,734	411,618,219
PMF/CM Services	625,342	5,019,788	450,270,895
SDA Project Management	1,164,419	11,950,394	69,323,803
Property Acquisition, Relocation & Enviro	779,364	3,357,429	580,678,370
School Furniture, Fixtures & Equipment	650,314	12,925,604	153,734,351
Project Insurance	26,586	1,422,282	109,033,863
NJ State Inter-Agency Transfers	-	237,530	48,924,230
SDA District Grant & Funding Agreements	62,658	15,468,152	846,566,419
Regular Operating District Grant Agreements	5,287,744	76,836,287	2,767,663,746
Real-Time Project Audits	-	30,349	468,867
Property Management, Maintenance & Utils	85,647	631,878	16,281,686
Outside Legal & Claims Resolution Services	65,353	596,202	8,139,738
Other Project Costs	93,688	1,337,802	63,637,261
Project Credits	-	-	(54,902,944)
<b>Total Project Expenditures</b>	<b>27,221,044</b>	<b>301,943,947</b>	<b>10,104,005,388</b>
Less: Local Share Contributions	(6,425)	(427,613)	(182,908,248)
<b>Project Expenditures (State Share)</b>	<b>\$ 27,214,619</b>	<b>\$ 301,516,334</b>	<b>\$ 9,921,097,140</b>
 2017 Capital Spending Forecast	 <b>\$ 34,282,384</b>	 <b>\$299,572,535</b>	

### Allocations Since Program Inception

► **Program Funding & Expenditures**

	<u>Bonding Caps</u> <sup>1</sup>	<u>Total Funding</u> <sup>2</sup>	<u>Paid to Date</u> <sup>3</sup>
■ SDA Districts	\$ 8,900,000,000	\$ 9,012,631,379	\$ 7,177,210,824
■ Regular Operating Districts	3,450,000,000	3,494,318,400	3,073,979,128
■ Vocational Schools	150,000,000	151,770,874	113,418,806
<b>Total - State Share</b>	<b>\$ 12,500,000,000</b>	<b>\$ 12,658,720,653</b>	<b>\$ 10,364,608,758</b>

► **Percentage of Total Funding Paid to Date**

■ SDA Districts	79.6%
■ Regular Operating Districts	88.0%
■ Vocational Schools	74.7%
<b>Total - State Share</b>	<b>81.9%</b>

1 Of the \$12.5 billion authorized for the school construction program, \$10,797,702,648 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 \$443,511,618.

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

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<u>Category</u>	<u>Actual Year-To-Date</u>	<u>Budget Year-To-Date</u>	<u>Increase/ (Decrease)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 15,047,049	\$ 16,443,357	\$ (1,396,308)
Employee Benefits	9,612,949	10,580,981	(968,032)
Direct Hire Temporary Employee Costs	180,413	242,220	(61,807)
Total Employee Salaries & Benefits Costs	24,840,411	27,266,558	(2,426,147)
<b>Less:</b> Employee Salaries & Benefits Costs			
Charged to Projects	11,950,394	12,680,094	(729,700)
Salaries & Benefits Charged to Operating Expense	12,890,017	14,586,464	(1,696,447)
Temporary Staffing Services	74,630	125,000	(50,370)
Travel & Expense Reimbursements	17,326	28,653	(11,327)
Training & Professional Development	32,257	112,402	(80,145)
Total Personnel Expenses	13,014,230	14,852,519	(1,838,289)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	2,013,051	2,199,450	(186,399)
Information Systems	912,549	1,235,820	(323,271)
Professional & Other Contracted Services	192,255	403,420	(211,165)
Property & Casualty Insurance	340,386	340,660	(274)
SDA-Owned Automobiles	65,583	95,830	(30,247)
Communications & Outreach	1,377	420	957
Reserve for Unforeseen Events & New Initiatives	-	41,670	(41,670)
<b>Total Operating Expenses (Non-Capital)</b>	<b>16,539,431</b>	<b>19,169,789</b>	<b>(2,630,358)</b>
<b>Capitalized Operating Expenses</b>	<b>6,180</b>	<b>192,500</b>	<b>(186,320)</b>
<b>Total Authority Operating Expenses</b>	<b>\$ 16,545,611</b>	<b>\$ 19,362,289</b>	<b>\$ (2,816,678)</b>
 <b>2017 Annual Operating Budget</b>		 <b>\$ 22,924,694</b>	

## New Jersey Schools Development Authority

### Operating Expenses vs Prior Year

### October 31, 2017

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2016</u> <u>Year-To-Date</u>	<u>Increase/</u> <u>(Decrease)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 15,047,049	\$ 15,344,413	\$ (297,364)
Employee Benefits	9,612,949	8,452,279	1,160,670
Direct Hire Temporary Employee Costs	180,413	169,075	11,338
Total Employee Salaries & Benefits Costs	24,840,411	23,965,767	874,644
<b>Less:</b> Employee Salaries & Benefits Costs Charged to Projects	11,950,394	12,437,067	(486,673)
Salaries & Benefits Charged to Operating Expense	12,890,017	11,528,700	1,361,317
Temporary Staffing Services	74,630	126,596	(51,966)
Travel & Expense Reimbursements	17,326	22,736	(5,410)
Training & Professional Development	32,257	48,789	(16,532)
Total Personnel Expenses	13,014,230	11,726,821	1,287,409
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	2,013,051	1,909,031	104,020
Information Systems	912,549	865,636	46,913
Professional & Other Contracted Services	192,255	154,222	38,033
Property & Casualty Insurance	340,386	340,296	90
SDA-Owned Automobiles	65,583	66,297	(714)
Communications & Outreach	1,377	240	1,137
Reserve for Unforseen Events & New Initiatives	-	-	-
<b>Total Operating Expenses (Non-Capital)</b>	<b>16,539,431</b>	<b>15,062,543</b>	<b>1,476,888</b>
<b>Capitalized Operating Expenses</b>	<b>6,180</b>	<b>88,185</b>	<b>(82,005)</b>
<b>Total Authority Operating Expenses</b>	<b>\$ 16,545,611</b>	<b>\$ 15,150,728</b>	<b>\$ 1,394,883</b>

# New Jersey Schools Development Authority

## Employee Headcount

### October 31, 2017

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<b><u>SDA Department</u></b>	<b><u>Current Month End</u></b>	<b><u>Budget</u></b>	<b><u>Increase/ (Decrease)</u></b>
Office of Chief Executive Officer (CEO)	2	3	-1
CEO, Contract Management	9	13	-4
COS, Program Assessment & Development	7	9	-2
COS, Special Projects	10	9	1
Program Operations, Executive	5	6	-1
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	66	-18
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	6	-2
Corporate Governance & Operations, Communications	7	10	-3
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	8	10	-2
Financial Operations, Risk Management & Vendor Services	<u>10</u>	<u>11</u>	<u>-1</u>
<b>Total Full-Time Employees</b>	<b><u>215</u></b>	<b><u>257</u></b>	<b><u>-42</u></b>

## New Jersey Schools Development Authority

### Statement of Net Position

### October 31, 2017

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	<u>Current</u> <u>Month End</u>	<u>2016</u> <u>Year End</u>	<u>Increase/</u> <u>(Decrease)</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 594,729,130	\$ 557,246,319	\$ 37,482,811
Receivables	188,948	201,378	(12,430)
Prepaid Expenses	359,624	850,418	(490,794)
Capital Assets (Net of Accumulated Depr.)	538,450	707,104	(168,654)
Total Assets	<u>595,816,152</u>	<u>559,005,219</u>	<u>36,810,933</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions	19,756,924	21,939,702	(2,182,778)
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>\$ 615,573,076</u>	<u>\$ 580,944,921</u>	<u>\$ 34,628,155</u>
<b>LIABILITIES</b>			
Accrued Project Costs	\$ 29,116,214	\$ 72,842,226	\$ (43,726,012)
Net Pension Liability	73,881,025	72,439,355	1,441,670
Accrued Other Post-Employment Benefits	26,277,368	24,500,963	1,776,405
Other Accrued Liabilities	1,641,275	4,200,487	(2,559,212)
Deposits	2,914,587	3,480,289	(565,702)
Total Liabilities	<u>133,830,469</u>	<u>177,463,320</u>	<u>(43,632,851)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions	3,074,757	3,074,757	-
<b>NET POSITION</b>			
Invested in Capital Assets	538,450	707,104	(168,654)
Restricted for Schools Construction:			
Special Revenue Fund	478,129,400	399,699,740	78,429,660
Net Position	<u>478,667,850</u>	<u>400,406,844</u>	<u>78,261,006</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>			
	<u>\$ 615,573,076</u>	<u>\$ 580,944,921</u>	<u>\$ 34,628,155</u>

**New Jersey Schools Development Authority**  
**Statement of Activities**  
**October 31, 2017**

7

	<u>Current Year-To Date</u>	<u>2016 Year-To Date</u>	<u>Increase/ (Decrease)</u>
<b>REVENUES</b>			
Program Revenues:			
Bond and Note Proceeds (Issued by EDA)	\$ 350,000,000	\$ -	\$ 350,000,000
Bidding Fees-Plans & Specs	-	-	-
General Revenues:			
Investment Earnings	2,718,913	1,421,607	1,297,306
Rental Income	46,004	797,734	(751,730)
Other Revenue-OPRA	16,007	92	15,915
Total Revenues	<u>352,780,924</u>	<u>2,219,433</u>	<u>350,561,491</u>
<b>EXPENSES</b>			
Administrative & General Expenses	16,539,431	15,062,543	1,476,888
Capital Depreciation	174,834	149,299	25,535
School Facilities Project Costs	257,805,653	284,315,270	(26,509,617)
Total Expenses	<u>274,519,918</u>	<u>299,527,112</u>	<u>(25,007,194)</u>
<b>CHANGE IN NET POSITION</b>	<b>78,261,006</b>	<b>(297,307,679)</b>	<b>375,568,685</b>
Beginning of Period Net Position	<u>400,406,844</u>	<u>470,012,063</u>	<u>(69,605,219)</u>
<b>NET POSITION END OF PERIOD</b>	<b><u>\$ 478,667,850</u></b>	<b><u>\$ 172,704,384</u></b>	<b><u>\$ 305,963,466</u></b>



**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.**