

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS TELECONFERENCE MEETING
WEDNESDAY, FEBRUARY 1, 2017**

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, February 1, 2017 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman
Maureen Hassett (EDA)
Kevin Luckie (DCA)
Bernard Piaia (DOE)
Kevin Egan
Loren Lemelle
Lester Lewis-Powder
Michael Maloney
Robert Nixon
Mario Vargas

being a quorum of the Board. Mr. Egan and Mr. Luckie participated in the meeting in person.

At the Chairman's request, Charles McKenna, chief executive officer (by teleconference); Jason Ballard, chief of staff; Andrew Yosha, executive vice president; Jane F. Kelly, vice president and assistant secretary (by teleconference); Donald Guarriello, vice president and chief financial officer; Raymond Arcario, vice president; Albert Barnes, chief counsel; Manuel Da Silva, director; and Kristen MacLean, director, of the SDA participated in the meeting. Labinot Berlajolli of the Governor's Authorities Unit also participated in the meeting by teleconference.

The meeting was called to order by the Chairman of the Board, Mr. Walsh, who requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members was present.

Mr. Walsh opened the meeting by acknowledging the passing of the former SDA Board Chairwoman, Caren Franzini. He asked for a moment of silence in memory of Ms. Franzini. Mr. Walsh then offered additional words of remembrance.

Approval of Meeting Minutes

Mr. Walsh then presented for consideration and approval the Minutes of the January 4, 2017 Open and Executive Session meetings. A copy of both sets of minutes and a resolution had been provided to the Members for review in advance of the meeting. Mr. Vargas raised a concern as to whether the resolution associated with the real estate matter considered by the Board in January was captured in the minutes. Ms. Kelly responded that staff would confirm and supplement the record if need be. On the basis that staff would confirm the inclusion of the real estate resolution therein, upon motion duly made by Mr. Vargas, and seconded by Mr. Egan, the Open and Executive Session minutes of the January 4, 2017 meeting were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 3a/3b***.

Next, Mr. Walsh presented the January 4, 2017 minutes of the Authority's Annual Organizational Board meeting. A copy of the minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Luckie and

seconded by Ms. Hassett, the January 4, 2017 Organizational Board meeting minutes of the SDA Board of Directors were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Resolution 3c*.

Authority Matters

CEO Report

The Chairman asked Mr. McKenna to provide the report of the Chief Executive Officer. Mr. McKenna also acknowledged Ms. Franzini's passing, expressing appreciation for her dedication to the State of New Jersey.

Mr. McKenna began his report by offering an update on the Trenton Central HS (TCHS) project. He reported that footings, foundations, and under slab utility work is ongoing. He said that design-builder Terminal Construction continues with the design services phase.

Mr. McKenna gave an update on projects in the Bridgeton School District. He said that for the Buckshutem Road ES project, the playground surface coating installation will be completed as soon as the weather permits and, when it's complete, SDA will pursue a certificate of occupancy. In regard to the Quarter Mile Lane ES project, he said that the work is ongoing.

Mr. McKenna reported that for the Camden HS project, environmental consultant Brinkerhoff Environmental is actively performing additional investigative work. With respect to the East Orange George Washington Carver ES project, he said that the contractor is proceeding with building demolition. He added that SDA staff had advertised for design-build services the previous month.

Mr. McKenna then gave an update on the Elizabeth New ES project. He reported that major site-work activities are moving forward. He said that the finished façade masonry

installation work is ongoing. He noted that electrical, mechanical, and plumbing rough-in work is ongoing and progressing well.

Mr. McKenna said that for the Garfield James Madison ES No. 10 project, structural steel erection is complete and masonry work and major site-work activities are continuing. In regard to the Gloucester ES/MS project, he reported that a temporary certificate occupancy (TCO) had been issued the previous month. He said that Terminal Construction has completed all work necessary for substantial completion.

Mr. McKenna said that Brockwell & Carrington continues work on design phase services for the Harrison New ES project. For the Irvington Madison Avenue ES project, he reported that, on January 19, a notice to proceed (NTP) was issued to Ernest Bock & Sons, Inc. (EBS) for design-build services. In regard to the Keansburg Port Monmouth Road ES project, he said that LAN Associates has commenced schematic design phase services.

Mr. McKenna said that SDA staff is moving forward for an April 2017 opening for the Jersey City ES No. 3 project. With respect to the addition and renovation project at the Millville HS, he informed the Board that price and technical proposals for design-build services are scheduled to be received February 8.

In regard to the New Brunswick Paul Robeson ES project, Mr. McKenna said that structural steel erection, masonry, and site work are ongoing. He added that the final design phase is complete and has been released by the Department of Community Affairs (DCA). For the Newark South Street project, he said that design-builder EBS is actively working on the final design phase. He said that structural steel erection is complete and the contractor is installing the metal decking there.

Turning to projects in the Orange School District, Mr. McKenna informed the Board that an early site package for demolition of three residential properties and associated site work was advertised in January for the Orange Cleveland ES. He added that the pre-bid meeting was held on January 20 and bids are due on February 14. Mr. McKenna reminded the Board that the Orange HS project's planning charter was approved at the Board meeting the previous month. He said that the design consultant, Kliment Halsband Architects, was issued a NTP with the design services phase.

Mr. McKenna said that footings, foundation and underground work is well underway for the Passaic Leonard Place ES project. He added that design package #2 for structural steel was submitted to DCA and is under review. With respect to the Pemberton Denbo Crichton ES project, he reported that the early site package is in development in anticipation of advertising during the first quarter of the current year. He said that the SDA Design Studio continues development of the bridging design.

Mr. McKenna reported that design services by the design-builder, Epic Management, Inc., are ongoing for the Perth Amboy Seaman Avenue ES project. For the Vineland New MS project, he said that design-builder EBS continues with the design services phase. He noted that footings, foundations, and under slab utility work are ongoing. With respect to the West New York Harry L. Bain PS No. 6 project, he said that courtyard masonry repair work is complete and being reviewed for punch list. He added that window installation work is ongoing and ceiling, HVAC and electrical work continues.

Turning next to ongoing procurement activity, Mr. McKenna said that procurements for design-build services for the Millville HS and the East Orange George Washington Carver ES projects and demolition services for the Orange Cleveland ES project are currently underway.

Reporting on events, outreach and other SDA activities, Mr. McKenna informed the Board that on Thursday, January 26, he joined Governor Christie and TCHS Principal Hope Grant at Trenton's 9th Grade Academy to speak with some of the students about their futures. He said that TCHS students are bright students who value their future and are motivated to succeed.

Mr. McKenna advised the Board that the beam signing ceremony for the addition/renovation project at the Paul Robeson Community School for the Arts that was originally scheduled for the previous week but canceled due to inclement weather, has been rescheduled for February 8 at 10 AM.

Mr. McKenna said that, on February 11, he will attend the New Jersey Alliance for Action's "New Jersey's Leading Infrastructure Projects" award program to accept, on behalf of the Board and staff, the New Jersey's Leading Infrastructure Project award in honor of SDA's work on the TCHS project. He advised the Board that information regarding the award/event would be provided to the Members.

School Review Committee

Credit Change Order - Ernest Bock & Sons, Inc.; Ambient Group, LLC; Credit Amendment - STV Architects, Inc.

The Chairman asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie said that the Committee met on January 17, 2017 and considered three matters. He said that the first matter was a credit change order for EBS in connection with the Elizabeth Victor Mravlag ES No. 21 project. Mr. Luckie said that, in November 2006, SDA awarded a construction contract to EBS in the amount of \$20,587,000 for the addition and renovation of the existing Victor Mravlag ES project. He explained that, in July 2009, the Board approved a

revised project charter for the project which changed its scope from addition/renovation to new construction. He advised the Board that, at the time, it was expected that the general contractor (EBS) would provide additional services in connection with this scope change. Mr. Luckie said that the work is now complete and the district is occupying the school which has received a final certificate of occupancy. He said that the \$553,960.08 credit change order before the Board represents the remaining balance of unused allowance funds and change order work that was deemed unnecessary and was not performed. He explained that this credit change order is necessary for the de-obligation of the unused contract funds to advance contract close-out and Board approval is required since the amount of the credit change order exceeds \$500,000. He noted that all documents supporting this credit change order have been reviewed by SDA staff and it has been determined that it is justified and that the amount is reasonable and appropriate.

Following discussion, Mr. Luckie said that the Committee recommends that the Board approve the award of the proposed change order for Ernest Bock & Sons, Inc. in the amount of \$533,960.08. Upon motion by Mr. Egan and seconded by Mr. Piaia, the Board approved the proposed credit change order for Ernest Bock and Sons, Inc. with its unanimous vote in favor of ***Resolution 5a.***

Next, Mr. Luckie said that the Committee had considered a credit change order for Ambient Group, LLC (Ambient) in connection with the Harrison New ES project. He reminded the Board that, in February 2016, the Board approved the award of an early site preparation contract to Ambient in the amount of \$1,047,685.00 for the Harrison New ES project. He said that Ambient was issued a NTP to prepare the site for construction and all contract work was completed in October 2016. Mr. Luckie explained that the \$215,540.95 credit change order before the Board is based upon the accounting of all requisitions, the completion and inspection

of the early site work, and DCA's issuance of the certificate of acceptance. He said that as the credit change order exceeds 10% of the contract value, Board approval is required in order to deobligate the unused contract balances in the credit amount. He noted that staff has reviewed all documents supporting this credit change order and determined that it is justified and the amount is reasonable and appropriate.

Following discussion, Mr. Luckie said that the Committee recommends that the Board approve the award of a credit change order for Ambient Group, LLC in the amount of \$215,540.95. Upon motion by Ms. Hassett and seconded by Mr. Nixon, the Board approved the proposed credit change order for Ambient Group, LLC with its unanimous vote in favor of ***Resolution 5b.***

Next, Mr. Luckie presented a credit amendment for STV Architects, Inc. (STV) for the West New York New Harry L. Bain ES/Warminster project. He advised the Board that, in October 2003, STV was engaged by the Authority to provide design consultant services for a new Harry L. Bain ES in the West New York School District. He explained that the new Bain project was placed on hold in 2005 and suspended in 2008. He advised the Board that, prior to the project's suspension, STV had performed contractual services including completion of construction documents, receipt of DCA release and development of demolition plans and specifications. He said that STV also had provided construction administration services for the demolition of a structure on the site that had been identified for the new Bain project. Mr. Luckie said that a project for the Bain ES was later included in the SDA's 2011 Capital Plan but that, thereafter, in 2013, it was decided that a renovation of the existing facility (instead of new construction) would meet the educational needs of the students. He said that the Bain renovation project is now in the construction phase and scheduled for completion for student occupancy in

September, 2017. He advised the Board that this credit amendment is necessary for the de-obligation of the unused contract funds in order to close-out STV's contract for the new Bain project. He said that those unused funds represent fees associated with construction administration and unused allowances. He said that all documents supporting this credit amendment have been reviewed by SDA staff who have determined that it is justified and that the amount is correct. He advised the Board that since the credit amendment singularly exceeds \$100,000 and 10% of the contract value, Board approval is required.

Following discussion, Mr. Luckie said that the Committee recommends that the Board approve the award of the proposed credit amendment for STV Architects, Inc. in the amount of \$417,610.61. Upon motion by Mr. Piaia and seconded by Ms. Hassett, the Board approved the proposed credit amendment for STV Architects, Inc. with its unanimous vote in favor of *Resolution 5c*.

Public Comments

The Chairman announced the opening of the Public Comments portion of the Board Meeting. He asked Mr. Frank Faras of the City of Trenton to address the Board. Mr. Faras said that at previous Board meetings he had asked the Chairman to look into providing him with a copy of a feasibility study for the TCHS project as he had not been able to obtain it through an Open Public Records Act (OPRA) request. Ms. MacLean responded that the SDA had not received an OPRA request from Mr. Faras regarding a feasibility study for the TCHS project. She said that Mr. Faras, in fact, had been provided a feasibility study for the school's Building A. Mr. Faras said he had submitted an OPRA request for the feasibility study to the Department of Education (DOE). Mr. McKenna advised Mr. Faras that the SDA does not respond to OPRA

requests sent to the DOE. Ms. MacLean then gave Mr. Faras an OPRA form to assist him in submitting a request to the SDA should he wish to do so.

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 February 1, 2017 meeting.

/s/ Jane F. Kelly
Assistant Secretary