

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

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

Participating were:

Robert Nixon, Vice Chairman

Maureen Hassett (EDA)

Kevin Luckie (DCA)

Bernard Piaia (DOE)

Michael Capelli

Kevin Egan

Loren Lemelle

Michael Maloney

Matthew Spadaccini

Mario Vargas

Edward Walsh

being a quorum of the Board. Mr. Capelli, Mr. Egan, Ms. Hassett, Ms. Lemelle, Mr. Piaia, Mr. Spadaccini and Mr. Walsh participated in the meeting by teleconference.

At the Vice Chairman's request, Charles McKenna, chief executive officer; Jason Ballard, chief of staff; Andrew Yosha, executive vice president; Jane F. Kelly, vice president and assistant secretary; Donald Guarriello, vice president and chief financial officer; Raymond Arcario, vice president; Albert Barnes, chief counsel; Ritchard Sherman, managing director; Gregory Voronov, managing director; Manuel Da Silva, director; Corrado Minervini, director

(by teleconference) and Sean Murphy 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 Vice Chairman of the Board, Mr. Nixon, 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.

Approval of Meeting Minutes

Mr. Nixon presented for consideration and approval the minutes of the Board's February 1, 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. Capelli and seconded by Mr. Vargas, the February 1, 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

Mr. McKenna began his report by offering an update on the Trenton Central HS (TCHS) project. He reported that design work is advancing along with footings, foundations, and under slab utility work. He said that SDA staff anticipates commencement of steel erection within the next few weeks.

With respect to projects in the Bridgeton School District, Mr. McKenna said that the Buckshutem Road ES and Quarter Mile Lane ES projects are moving along. For the Camden HS

project, Mr. McKenna reported that the environmental consultant, Brinkerhoff Environmental, has completed the investigative work and SDA is reviewing their findings report. He added that the findings will inform the Authority's development of the school design.

In regard to the East Orange George Washington Carver ES project, he reported that the building demolition is progressing well. He informed the Members that SDA staff advertised for design-build services the previous month and that price and technical proposals are due on April 12.

Mr. McKenna said that work is progressing well for the Elizabeth New ES project. For the Garfield James Madison ES No. 10 project, he reported that masonry work is ongoing and that electrical, mechanical, and plumbing trades are progressing.

With respect to the Gloucester ES/MS project, Mr. McKenna advised the Members that the lawsuit filed against the SDA has concluded. He thanked Al Barnes for his legal work in connection with the matter and said that the SDA is in the process of turning over the building to the district. He noted that furniture, fixtures, technology and equipment work is progressing well there and SDA staff anticipates completion within the next week.

In regard to the Harrison New ES project, Mr. McKenna reported that Brockwell & Carrington is progressing well with design phase services. He said that a limited notice to proceed (NTP) was issued the previous month for asbestos abatement and demolition of existing structures. He informed the Members that SDA staff advertised for construction management (CM) services the previous month. He added that technical and price proposals are due March 10 and, following evaluation and ranking of the technical proposals, bids will be opened on April 5. He noted that this is a combined procurement together with the Irvington Madison Avenue ES project.

Mr. McKenna said that, for the Irvington Madison Avenue ES project, the design-builder, Ernest Bock & Sons, Inc. (EBS), continues with the design phase. He reported that CM services were advertised at the same time as Harrison New ES project. He advised the Members that technical and price proposals are due March 10 and will be opened on April 5.

Mr. McKenna reported that schematic design phase services are ongoing for the Keansburg Port Monmouth Road ES project. For the Jersey City ES No. 3 project, he said that the turnover of the school to the district is anticipated to take place in April. He added that the Department of Community Affairs (DCA) issued the temporary Certificate of Occupancy (TCO) in late January and the adjusted completion schedule meets district requirements.

With respect to the addition and renovation project for the Millville HS, Mr. McKenna said that price and technical proposals for design-build services were received February 8 and are being reviewed and evaluated by the selection committee. In regard to the New Brunswick Paul Robeson ES project, he reported that structural steel erection, masonry and site work are ongoing. He noted that a beam signing event was held the previous month.

Mr. McKenna reported that for the Newark South Street ES project, the DCA issued permits to EBS for the remainder of the building. He said that structural steel erection is complete and the contractor is continuing with installation of concrete on the metal decking. He then briefly discussed possible future plans for the old South Street facility.

Mr. McKenna next gave an update on projects in the Orange School District. In regard to the Cleveland ES project, he reported that the schematic design phase has been completed by LAN Associates. He informed the Members that bids for the early site package for demolition of three residential properties and associated site work were received the previous month. He noted that all four bids were unfortunately determined to be non-responsive and that the demolition

package was re-advertised on February 21 with bids due April 6. He noted that SDA staff does not anticipate that this rebidding will result in project delays. For the Orange HS project, he said that design consultant Kliment Halsband Architects continues with design phase services.

Mr. McKenna said that the Passaic Leonard Place ES project is moving along. He advised the Members that for the Pemberton Denbo Crichton ES project, the early site package for demolition of the Crichton School was advertised the previous month and bids are due April 11. He said that the SDA is developing a swing space package for the Haines School that will allow the Crichton School to be closed. He noted that the SDA Design Studio continues development of the bridging design.

Mr. McKenna reported that design services by the design-builder, Epic, are ongoing for the Perth Amboy Seaman Avenue ES project. For the Vineland New MS project, he said that DCA has issued permits to the design-builder for the remainder of the building. He added that footings, foundations, masonry and under slab utility work is ongoing. In regard to the West New York Harry L. Bain PS No. 6 project, Mr. McKenna said that window installation work is ongoing and ceiling, HVAC, and electrical work continues. He informed the Members that SDA staff is on schedule for phased turn-over of the school for September reopening by the district.

Turning next to ongoing procurement activity, Mr. McKenna said that, in addition to the construction services award for the Egg Harbor Township HS project that management will be presenting later in the meeting, other activity currently underway includes procurements for design-build services for the Millville HS and East Orange George Washington Carver ES projects; construction services for the Orange Cleveland ES project; and CM services for the Harrison New ES and Irvington Madison Avenue ES projects.

Reporting on events, outreach and other SDA activities, Mr. McKenna reported that, on February 8, SDA held a beam signing ceremony for the addition/renovation project at the New Brunswick Paul Robeson Community School for the Arts. He noted that Kevin Egan and Mario Vargas joined SDA staff for that event. He said that these events give the students an opportunity to sign a piece of steel that will be part of their future school.

Mr. McKenna advised the Members that on February 10, he attended the New Jersey Alliance for Action's "New Jersey's Leading Infrastructure Projects" award program to accept an award in honor of the Authority's work on the TCHS project.

In continuing, Mr. McKenna reported that on February 22, he joined representatives from Healthy Schools Now and the New Jersey Education Association on a tour of two schools in Jersey City – School 15 and School 20. He said that they were interested in showing him the conditions at these facilities.

Mr. McKenna then informed the Board that Jason Ballard who has been with the Authority since January 2010 will be leaving the SDA to work for Newark School District. He thanked Mr. Ballard for his hard work and dedication to the SDA and wished him the best in the next chapter of his life.

Mr. Vargas then encouraged the Members to attend the SDA's events. He said that seeing the expressions on the children's faces makes all the hard work, meetings, and efforts worthwhile.

Mr. Ballard said that leaving the SDA will be bittersweet. He thanked Gov. Chris Christie, former CEO Marc Larkins, CEO Charlie McKenna and the Members of the Board. He said that the SDA does the work for those who can't help themselves. He described the basis for his commitment to the Authority's mission and thanked his colleagues and staff. Several

members of the Board individually thanked and commended Mr. Ballard for his work and dedication to the Authority.

Audit Committee

Mr. Nixon then provided the report of the Audit Committee. He said that the Audit Committee met on February 13, 2017. He advised that management provided the January New Funding Allocation and Capital Plan update. He reported that there were no changes in any of the SDA District reserve balances. He advised the Board that the reserve balance for the Regular Operating Districts (“RODs”) decreased by \$25 million during the reporting period. He reported that the decrease was due to the issuance of two Section 15 Grant Offers to the Freehold Borough School District, approved by the DOE and totaling \$25.6 million for additions at the Freehold Learning Center and the Park Avenue Elementary School. He noted that the decrease is partially offset by the reduction in state share for grant projects nearing completion.

Mr. Nixon then provided the December 2016 Monthly Financial Report. He noted that the figures are pre-audit and may change slightly following receipt of pension allocation amounts from the Division of Pension & Benefits (GASB No. 68) requirements. He advised that the Authority’s operating expenses (Actual vs. Budget) for the year-to-date period totaled \$18.2 million, which was down \$3.1 million as compared to the budget for the corresponding period. He explained that the decrease is mainly attributable to staff vacancies. He said that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total \$391.2 million, down \$10.9 million as compared to the capital spending forecast for the corresponding period. He advised the Committee that this variance was due to lower than anticipated expenditures in construction activity, property acquisition, school furniture, equipment and technology and legal and claims resolution services. He advised that the decreased spending is

offset by an increase in grant activity (\$6.5 million). Mr. Nixon then reported that project expenditures (Actual vs. Prior Year Actual), at \$391.2 million, are \$35.9 million lower as compared to the corresponding prior year period. He explained that the variance is due to decreased spending on grant activity, property acquisitions and property insurance. He noted that this decreased spending was offset by increased spending in furniture, equipment & technology related to multiple school openings in August and September.

Mr. Nixon then reported that, since program inception, approximately 77.1% of the funds allocated for SDA districts have been disbursed. Additionally, he said that, since program inception, 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated value of current school facilities project activity is approximately \$2.2 billion.

Mr. Nixon reported that the Program Assessment and Development Division had provided the Committee with an informational memorandum regarding the status of various project audits.

School Review Committee

Change Order, Notification of Release of Funds from Program Reserve and Notification of Final Project Charter Revision - Levy Construction Company, Inc.; Award of Construction Contract – Egg Harbor Township School District – Egg Harbor Township High School – Remedial Work to Address a Roof Repair; Approval of Preliminary Project Charter – Orange Public School District – Cleveland Street ES – Addition and Renovation Project; Approval of Preliminary Project Charter – Union City School District - New Grade 7 to 9 School

Mr. Nixon asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie said that the Committee met on February 13, 2017 and considered four matters. He said that the first matter was a proposed change order for Levy Construction Company, Inc. in

connection with the Burlington City HS project. Mr. Luckie informed the Members that the Burlington City HS (the School) was built in 1967 and currently educates 725 students in grades 7 through 12. He said that a 2008 SDA addition/renovation project at the School included systems upgrades to the existing facility and a 149,000 square foot addition to accommodate the District's Junior and Senior HS students. He reported that a contract for construction of the 2008 project was awarded in 2004 with project construction documents that were less than 100% complete. Mr. Luckie said that the conformed construction documents that were later released by DCA represented a significant increase in project scope resulting in the issuance of change orders for time extensions; to address unforeseen abatement needs; and for the settlement of claims. He explained that, after conclusion of work by EBS, concerns were identified regarding the performance of the school's HVAC system in several locations and the Authority engaged Levy Construction Company, Inc. by General Construction Task Order (GCTO) to perform the corrective work for a not-to-exceed award amount of \$440,550.00. He said that SDA also took action to release \$604,655.00 from the program contingency reserve in support of issuance of the task order as well as other project costs, and executed a revised final project charter. He added that, once the corrective work is complete, staff will pursue issuance of a CO and final transfer of the school facility to the district. Mr. Luckie advised the Members that documents supporting this change order have been reviewed by staff and it has been determined that the change order is justified and that the amount is reasonable and appropriate. He said that in compliance with the SDA Operating Authority, management is also notifying the Board of 1) the release funds from the program contingency reserve in the amount of \$984,535.13 and 2) approval of the revised final project charter increasing the project budget for a total adjusted contract value of \$1,425,085.13.

Following discussion, Mr. Luckie said that the Committee recommends that the Board approve the award of the proposed change order for Levy Construction Company, Inc. in the amount of \$984,535.13. Upon motion by Mr. Vargas and seconded by Mr. Nixon, the Board approved the proposed credit change order for Ernest Bock and Sons, Inc. with its unanimous vote in favor of *Resolution 6a*.

At Mr. Nixon's request, Mr. Luckie then presented for Board consideration management's recommendation for advancement of a construction contract award for the Egg Harbor Township HS project. He reported that in May 2012, Sambe Construction Inc. (Sambe) completed a 115,000 square foot addition to the existing Egg Harbor Township HS (High School) which included the construction and installation of a standing seam metal roof. He said that, since that time, the ceilings of upper floor classrooms and other locations at the High School have exhibited moisture damage due to condensation. He advised the Members that the condensation problems were determined to be the result of design errors and omissions and construction defects with the result that litigation has been filed in connection with the matter. Mr. Luckie said that SDA determined to engage a contractor by GCTO to delineate the existing facilities conditions at the High School, to develop and assess corrective options and to advance the most appropriate scope of work for the correction of the deficiencies. He reported that in December 2016, SDA staff contacted Delric Construction Company (Delric) and confirmed its interest in the project. He said that in February 2017, Delric provided the SDA with a cost estimate to complete the entirety of the scope of work. Mr. Luckie explained that the recommended award in the not-to-exceed amount of \$1,141,371 represents Delric's cost proposal for the most extensive solution for the required corrective work to address the non-compliant condition related to the metal roof. Mr. Luckie said that staff has reviewed Delric's

cost proposal for the most extensive solution, determined it was reasonable for the elements included in the scope of work and recommends that a GCTO be issued to Delric for the evaluation, design and corrective work.

Following discussion, Mr. Luckie said that the Committee recommends that the Board approve the construction contract for Delric Construction Company, Inc. in the amount of \$1,141,371. Upon motion by Mr. Vargas, seconded by Mr. Piaia, and with Mr. Capelli abstaining, the Board approved the construction contract for Delric Construction Company, Inc. with its unanimous vote in favor of ***Resolution 6b***.

At this time Mr. Maloney left the meeting.

At Mr. Nixon's request, Mr. Luckie discussed the preliminary project charter for the Orange Cleveland Street ES addition and renovation project. He reported that the Orange Cleveland Street ES was built in 1898 and is a 41,400 square foot facility currently educating 306 students in grades K through 7. He said that in March 2012, the Board approved the SDA's 2012 Capital Plan which identified a project to address facilities conditions deficiencies and overcrowding at the elementary grade levels at the School. He reminded the Members that in September 2015 SDA issued LAN Associates (LAN) a NTP with predesign phase services to develop and analyze options for delivery of the project scope that would most effectively and efficiently address the facilities conditions deficiencies and educational program needs. He said that, based upon the results of completed predesign phase services, in August 2016, the Board approved a revised planning charter which detailed project advancement recommendations and included negotiated costs for the remaining design and construction administration phase services. He informed the Members that included within the design consultant scope of services are the design and construction administration phase services associated with demolition of

structures on the three adjacent properties acquired to support the project and associated site preparation. Mr. Luckie added that LAN was issued a NTP, has now completed all elements of the schematic phase services and is advancing with design development. He said that it is recommended that the Board approve the preliminary charter presented by management which details project advancement recommendations including estimated project costs for project completion.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Capelli and seconded by Mr. Vargas, the preliminary project charter for the Orange Cleveland Street ES addition and renovation project was approved with the Board's unanimous vote in favor of ***Resolution 6c***.

At Mr. Nixon's request, Mr. Luckie discussed the preliminary project charter for the Union City School District new grade 7 to 9 school project. He reported that the SDA's 2012 Capital Plan recognized overcrowding in all grade levels of the Union City School District and identified a Union City ES grade level project for validation and advancement. He said that the Department of Education's (DOE) 2013 Educational Facilities Needs Assessment and current updated enrollment projections also identified overcrowding at all levels throughout the district and revealed that the district lacked the capacity for over 1,800 students in grades pre-k to 12. He advised the Members that, following approval of the 2012 Capital Plan, SDA staff commenced review and validation activities which included a review of the district's long range facility plan and identification of existing and proposed school facilities included in the plan. Mr. Luckie said that the validation process also included a review of current and projected district enrollments and current district educational capacity. He added that a working group comprised of district, DOE and SDA staff convened to review and validate the district's

overcrowding needs and to identify and evaluate alternative project scopes which might address those needs. Mr. Luckie reported that the working group agreed that consideration should be given to the option of constructing a new approximately 125,000 SF, 756 student, grade 7 to 9 School on property being acquired by the district from the Union City Parking Authority. He advised that the working group has concluded that construction of a new grade 7 to 9 School will serve to help alleviate, though not eliminate, overcrowding at both the elementary and high school grade levels in the district. He said that management recommends that the new grade 7 to 9 School project proceed through design-build delivery utilizing in-house design staff. He explained that the estimated cost of \$64.2 million for the new grade 7 to 9 School is inclusive of all prior expenditures related to site investigation activities, as well as estimated future costs necessary for the advancement of the current project scope.

A resolution pertaining to this matter had been provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Piaia, the preliminary project charter for the Union City School District's new grade 7 to 9 school project was approved with the Board's unanimous vote in favor of ***Resolution 6d***.

Next, the Vice Chairman asked Mr. Yosha to discuss SDA's completed capital program projects. He noted that this report was prepared at the request of Chairman Walsh and previously had been shared with the School Review Committee. Prior to providing the presentation, Mr. Yosha shared some background information with the Board. He said that his presentation will discuss projects delivered as part of a capital plan portfolio approved by the Board. He explained that the presentation focuses on 12 projects in all. He said that 9 of the 12 projects were delivered in 2016 and those 9 projects represent 8,500 new seats and 1.25 million square feet of new construction. He said that he would also discuss other performance indicators

of interest to the Board—specifically regarding scheduling and budget along with a side by side comparison of design-bid-build and design-build projects.

He said that the 12 projects include 7 design-build projects and 5 design-bid-build projects. He informed the Committee that the presentation consists of budget, schedule, change order and constructability review information. He reminded that Committee that the constructability review process was a new process initiated with this capital plan portfolio and that it applies to design-bid-build projects, i.e. those projects that were 100% designed and then bid out for construction. Mr. Yosha said that the constructability review requires the awarded general contractor to perform a review of the bid documents—post award but before the onset of construction—to look for gaps, conflicts or coordination issues. He explained that, with the identification of those, the contractor is required to identify any sum of money to address them that is additional to the initial bid amount and then to certify that the contractor will not seek an additional change order for such things afterward. He said that the main goal was to support predictability and prevent surprises that could result in project schedule delays and associated costs. Mr. Yosha clarified that the constructability review was not intended to prevent all potential change orders and that there are design-bid-build projects that have experienced change orders due, for example, to changes in code requirements. However, he said that they are minimized. Mr. Yosha then provided a page by page overview of budgets, change orders, schedules and constructability reviews. He said that all 12 projects were delivered/completed within or under budget. He reported that, in terms of change orders, the average across all projects is 2.2% in change orders and 1.9% when excluding change orders related to school district initiated IT plan adjustments. Mr. McKenna noted that a significant amount of the change orders that the Board has had to deal with are IT related, adding that the real number,

from a construction related standpoint is 1.9%. Mr. Yosha said that the number in terms of design build projects is 0.5 %, and 4.0% on design-bid build projects or 3.3% if IT plan adjustments are excluded. In terms of schedule, Mr. Yosha said that 11 of 12 projects were delivered for school openings as originally projected or earlier and 4 projects were delivered ahead of schedule. Mr. Yosha said that for constructability reviews, a total of 3,444 Requests for Information (RFIs) were addressed on 5 projects, averaging 689 RFIs per project. He added that the duration of the constructability review processes ranged from 2.7 months to 8.4 months, i.e. an average of 6 months per project. He said that, given that, even with the constructability review process, all of those projects were delivered on schedule. For the 12 completed projects, Mr. Yosha then discussed the comparison of design-bid-build projects and design-build projects by total cost and schedule information. He said that the numbers are for the time period ending December 2016 and may require some adjustment moving forward. He noted that total project costs for design-build projects are at approximately \$334 million and at approximately \$362 million for design-bid-build projects.

Mr. Yosha then discussed project duration comparisons for design-build and design-bid-build projects. He said that overall duration for design-bid-build projects is 58 months vs. 43 months for design-build projects. He said that the overall procurement period for both project types is 5 months, however, there are two procurements for design-bid-build projects—design and construction. He said that looking at each comparatively, the differences are related to design aspects, phased advancements for design-build projects and the number of procurements.

Turning to change order information, Mr. Yosha said that, for design-bid-build projects, there are an average of 60 change orders per project with a \$1.68 million cost, i.e. 4%, and for design-build projects there are an average of 5 change orders per project with a \$158,000 cost,

i.e. 0.5% of construction value. In continuing, he said that for the 17 projects initiated between 2006 and 2009 the change order activity represented 12.2% of construction, while the 12 projects comprising SDA's Capital Program to date represents 2.2% of construction or 1.9% excluding IT adjustments.

Next Mr. Yosha provided detail regarding the 7 completed design-build projects—specifically, total cost and schedule information. Without going into each project line by line, Mr. Yosha said that the cost per square foot per project at bid numbers is noteworthy. He focused on the 4 projects that were delivered earlier than schedule and the one project delivered later in accordance with the district's wishes.

Mr. Yosha then provided detail regarding the completed design-bid-build projects—total cost and schedule information. He pointed out the cost per square foot at bid information and consistency with actual anticipated delivery dates. He then drew the Board's attention to information provided regarding change order detail of completed design bid-build projects—specifically, the funding expended for change orders and the number of change orders, both by category. He said that the IT category represents 18% of the total change order funding expended and 3% of the total number of change orders.

Turning to information regarding construction management firms and the fee award history on completed projects, Mr. Yosha said that project duration information is provided along with monthly fees paid to SDA's construction management firms. Mr. Yosha then concluded the presentation.

Mr. McKenna thanked Mr. Yosha, Mr. Voronov and Mr. Coonahan for preparing the presentation and noted that SDA has a good story to tell. He said that SDA has provided 8,500 seats for students which, extrapolated out over the next 50 years, equals 425,000 seats in 1.25

million square feet of school facility delivered last year. He said that these schools were delivered on time and on budget, with a change order rate that fell from 12.2% to 2.2%—or 0.5% on design- build projects. He said that this is the result of great work by the entire organization since 2010—through planning, design and management. He commended the Board and the staff.

Mr. Vargas echoed Mr. McKenna's comments regarding the SDA's success. He asked how the reported change order numbers compare with those of the private sector. Mr. Yosha responded that the standard in the industry is 10%, positioning the SDA's results very positively. Mr. Vargas also asked, given the results, if management has concluded that design-build is the preferred delivery methodology. Mr. McKenna said that SDA continues to employ both delivery methods. He said that while design-build appears to be preferable, it is important to continue to employ both for comparative purposes. Mr. Yosha said that staff determines which methodology to use on a project by project basis, focusing on the needed scope. He said that addition/renovation projects, for example are often more appropriate for the design-bid-build methodology. Mr. Vargas asked if there is one thing alone that has been central to the SDA's success. Mr. Yosha said that there are a few things that assist in ensuring predictability—early site package work being a major one. Mr. Luckie agreed and noted that in years past, prior to implementation of the early site package process, change orders were constantly coming before the Board resulting in a lot of the litigation that now comes before the Board. Mr. Yosha also cited the constructability review process on design-bid-build projects and the approach that SDA takes to its documents on design-build projects. Mr. Yosha noted the strong staff work that contributes to the positive results—design work, planning, management, project teams and the contribution of SDA Counsel's Office. Mr. Walsh commended the staff for the great results.

Mr. Nixon also noted the past prevalence of change orders and the commended success the Authority has now achieved. He thanked Mr. Yosha for an excellent report.

Mr. Ballard then advised the Board that the recently opened Elliott Street School has been transferred to the district.

Public Comments

Mr. Nixon then opened the Public Comments portion of the Board Meeting. He asked Mr. Frank Faras, a resident of the City of Trenton, to address the Board. Mr. Faras said that he lives across the street from TCHS. He reminded the Board that he has come before the Members in the past year seeking assistance with carcinogenic materials on the TCHS site. He said that these problems were reported in the Trenton Times and on ABC News. Mr. Faras then distributed a Department of Health (DOH) handout regarding the health impacts of the dry-cutting of concrete to the Members and staff. Mr. McKenna clarified that the DOH handout did not depict contamination on the TCHS site.

Mr. Faras described the ABC video which is accessible on YouTube as depicting contamination on the site. He said that silica results from the dry cutting of concrete which, he stated, is in violation of state and OSHA federal laws. He said that he had asked SDA to address the issue. Mr. McKenna said that the state Departments of Environmental Protection and Health have been to the site, advised that SDA's work is proper and that no violations have been reported. He encouraged Mr. Faras to call state and federal authorities and ask them to come to the site if he thinks violations are occurring. Mr. Faras then shared a photo that he said depicted a violation.

Mr. Faras proceeded to address individual Members of the Board and was asked by the Vice Chairman to present all questions through the Chair and not to address them to individual Members.

Mr. Faras said that the video he had referenced earlier shows the violation. He said that SDA shuts down construction at 3 PM and commences with the dry cutting of concrete after hours suggesting that they do it when they do not want anyone to see. He said that he can taste and smell the dust coming across the street. He said that he has called DCA inspectors but that they do not call him back. Mr. Nixon explained that SDA does not oversee the regulators. He said that these agencies who regulate SDA are the entities Mr. Faras should call if he believes there are violations. Mr. Faras said that SDA has oversight with respect to its contractors and that this is why he has been bringing this matter to the Board's attention. Mr. Nixon responded that this was the first time Mr. Faras has mentioned the afterhours dry-cutting of concrete to the Board. Mr. Faras asked the SDA to look into the issue. Mr. Nixon said that SDA has been so advised and thanked Mr. Faras for his comments.

Next, the Vice Chairman asked Mr. Lorenzo Richardson to address the Board. Mr. Richardson introduced himself as a Jersey City Board Member. He emphasized however, that that he is speaking to the Members today as a private citizen. Mr. Richardson noted his concerns regarding PS # 15. He said that his concerns involve reports of raw sewage and sewage waste coming into the cafeteria and other areas of the school. He stated that when he went to the school to investigate the issue a new floor already had been installed. He also noted that an email he viewed contained a picture of a garden hose attached to a machine that is used to pump water from the entranceway of the school out to the street. Mr. Richardson said that his concern is that the site has historically had chromium in and around the property. He asked if the city

health inspectors had looked at this area as the city is under state control. He said that there had been issues at the school the previous June with rats, other rodents and ants. He asked what the SDA could do regarding these issues—specifically, can SDA find out if there is chromium on the site? He said that, if the answer to that question is yes, the school should be rebuilt. Mr. Richardson then inquired about the change orders that had been referenced for PS #20 and ES #3. He noted the location of the two schools and asked if bottled water is currently used in either of the schools. He inquired as to the clean-up of the sites. Mr. McKenna said that both PS #20 and ES #3 had been the subject of review by Licensed Site Remediation Professionals and the Department of Environmental Protection and been approved. He advised that the District now mandates testing for lead levels and, depending on those results, the city will have to address any issues. He explained that the piping used by SDA in connection with the projects is new and is of no concern from a lead perspective; however, he said that he cannot speak to any issues that may exist with respect to pipes running from the reservoir through city piping before it connects to the new piping. Mr. McKenna stressed that the building envelopes of the schools are sound. He then addressed Mr. Richardson's concerns regarding PS #15. He noted that the school was built in 1974 and that the SDA and its predecessor were not involved with this school. He explained that he visited the school with Healthy Schools Now and the New Jersey Education Association for a walk-through regarding the maintenance problems. He advised that the pipe leading to the cafeteria has been fixed, noting that this was a district not an SDA issue. He further advised that he was informed that a broken drain pipe is causing the flooding described by Mr. Richardson. He outlined the process Mr. Richardson could pursue to have this brought to the attention of the DOE for potential emergent project consideration. Mr. McKenna then addressed Mr. Richardson's concerns about chromium. He said that the district could test for

chromium and, if appropriate, share their concerns with the state Department of Environmental Protection. Mr. Richardson asked if the SDA would be able to replace PS #15's stolen air conditioning unit. Mr. McKenna responded in the negative advising that this is a district issue. Mr. Richardson then inquired about the duration of the roof warranty at PS #20. Mr. Arcario and Mr. Minervini advised that the warranty is effective for a 20-year period. McKenna stressed that the roof must be maintained, however, to ensure the effectiveness of the warranty.

Adjournment

There being no further business to come before the Board, upon motion by the Vice 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 March 1, 2017 meeting.

/s/ Jane F. Kelly
Assistant Secretary