

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD MEETING  
WEDNESDAY, FEBRUARY 7, 2018 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 January 3, 2018
- b. Board Executive Session Meeting Minutes of January 3, 2018
- c. 2018 Organizational Meeting Minutes of January 3, 2018

**4. AUTHORITY MATTERS**

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

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

- a. Approval of Award - Owner Controlled Insurance Program (OCIP IV)
- b. Contract Management System Software and Implementation Services Award - Clarification

**6. 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 (*no report*)
  - xi. Monthly Financial Report (*no report*)
  - xii. Design Contract De-Obligations Report (*no activity*)

**7. PUBLIC COMMENTS**

**8. EXECUTIVE SESSION**

- a. Camden School District - Cramer Elementary School – Emergent Project – Additional Scope Needed – **Informational**
- b. Plainfield School District – New Woodland Elementary School – Temporary Classroom Units – **Informational**

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

**9. ADJOURNMENT**

**APPROVAL OF MEETING MINUTES**

**JANUARY 3, 2018 OPEN SESSION**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, JANUARY 3, 2018**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, January 3, 2018 at 9:15 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)  
Shannon McManus (Treasury)  
Loren Lemelle  
Lester Lewis-Powder  
Michael Maloney  
Robert Nixon  
Mario Vargas

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

At the Chairman's request, Charles McKenna, chief executive officer, Andrew Yosha, executive vice president; Jane F. Kelly, vice president and assistant secretary; Donald Guarriello, vice president and chief financial officer; Manuel Da Silva, vice president; and Albert Barnes, chief counsel, of the SDA, participated in the meeting. Tyler Yingling 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.

### ***Authority Matters***

#### ***CEO Report***

The Chairman asked Mr. McKenna for the Report of the Chief Executive Officer. Mr. McKenna began 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 said that the final building design was submitted to Department of Community Affairs (DCA) for release. He added that interior rough-in HVAC, fire suppression, electric, plumbing and framing is ongoing. He said that the school is making great headway and that the work areas have been enclosed.

Mr. McKenna said that, for the Camden HS project, USA Environmental had completed abatement of the annex and circular buildings the previous month and demolition activities are ongoing at those buildings. He added that abatement activities continue in the 1916 building and SDA staff anticipates completion later this month. He said that lawsuits filed in connection with the project have been addressed and the project is moving forward. With regard to the East Orange George Washington Carver ES project, he advised that Dobco Inc., the design-builder, is preparing footings, foundations and structural steel design documents for submission to DCA.

He said that SDA staff advertised for construction management (CM) services the previous month.

With respect to the Elizabeth New ES project, Mr. McKenna informed the Members that Torcon, the design-builder, continues to address punch-list items and closeout activities. He reported that, for the Garfield James Madison ES No. 10 project, Brockwell & Carrington continues with rough interior finish work. He said that the selection of furniture, fixtures and technology is ongoing and all construction activities and trades continue to progress well.

Concerning the Harrison New ES project, Mr. McKenna informed the Members that design phase services continue. He said that SDA staff issued design-builder Brockwell & Carrington the limited notice-to-proceed (NTP) with footings, foundations and under-slab utilities the previous month and construction activities are ongoing.

Mr. McKenna said that, for the Irvington Madison Avenue ES project, Ernest Bock & Sons, Inc. (Bock), the design-builder, continues with design phase services. He added that footings work is complete and foundation work is nearing completion. For the Keansburg Port Monmouth Road ES project, he reported that LAN Associates continues with design phase services there.

Next, Mr. McKenna gave an update on the addition and renovation project at the Millville HS. He said that Hall Construction Co. Inc., the design-builder, continues with design phase services. He added that Phase I abatement is complete and construction documents for Phase I are under review by DCA. For the New Brunswick Paul Robeson ES project, he reported that site work, masonry, HVAC, electrical and plumbing work is ongoing. He noted that structural repairs to the existing building are complete and associated finish work is ongoing.

He reminded the Members that the Board had approved this work when problems were identified at the school as construction activities progressed.

Mr. McKenna said that, for the Newark South Street ES project, interior partitions, painting, final electrical, plumbing, and grading work is ongoing, along with ceiling grid installation, flooring and bathroom partition installation work. He said the school is getting close to completion. Concerning both the Orange Cleveland ES and Orange HS projects, he reported that design phase services continue.

Turning to projects in the Passaic School District, Mr. McKenna reported that, for the Leonard Place ES project, building enclosure and interior rough finish work is ongoing. With regard to the Dayton Avenue Educational Campus project, he reported that the state Supreme Court denied Bock's request for a Stay of the Authority's decision denying its bid protest. He advised the Members that Bock filed a Motion for Emergent Relief and Accelerated Schedule with the Appellate Division. He noted that SDA's outside counsel has filed papers in opposition to this motion with the court. He added that SDA staff issued a design phase NTP to Terminal Construction the previous day, January 2. The Board then engaged in a brief discussion regarding the frequency with which unsuccessful contractors have been filing bid protests.

With respect to the Paterson Union Avenue MS project (former site of Don Bosco Academy), Mr. McKenna reported that abatement work is complete and demolition of all structures on the site is ongoing. He said that the SDA design studio continues with development of bridging documents for a design-build procurement for the new school facility.

Mr. McKenna informed the Members that, for the Pemberton Denbo-Crichton ES project, DCA is currently reviewing the permit package for demolition of the existing Crichton ES. He said that SDA-managed work for needed swing space was completed and the space was turned

over to the district. He noted that a recommendation of award for design-build services for the new ES is on the meeting agenda.

Mr. McKenna reported that, for the Perth Amboy Seaman Avenue ES project, Epic Management, Inc., the design-builder, continues with design phase services. He said that footings, foundation, site utility and curb installation work is ongoing and structural steel erection has begun. With respect to the Salem MS project, he said that the school has been completed and turned over to the district.

With regard to the Vineland New MS project, Mr. McKenna said that final electrical, rough plumbing, HVAC and site work is ongoing. He added that masonry, steel erection, roofing and window installation is complete; that ceiling grid installation has begun; and interior painting is ongoing.

Reporting on the Authority's procurement activities, Mr. McKenna said that, later in the meeting, management would be presenting a design-build services award for the Pemberton Denbo-Crichton ES project and a professional services award for OCIP IV administration services. He said that other activity currently underway includes a procurement for CM services for the East Orange George Washington Carver ES project.

Turning to Authority events, outreach and other activities, Mr. McKenna reported that Communications staff is working to schedule a groundbreaking ceremony in Harrison and a demolition event in Pemberton later in the month.

In concluding, Mr. McKenna informed the Members that the previous day SDA lost another Member of the organization, Lorraine Peterson. He said that Lorraine lost her life following a 14-month battle with lung cancer. He advised the Board that Lorraine was a

paralegal in the Authority's legal department and that she will be sorely missed by the entirety of the organization.

### ***Approval of Meeting Minutes***

Mr. Walsh presented for consideration and approval the minutes of the Board's December 6, 2017 Open and Executive Session meetings. A copy of both meetings' minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the December 6, 2017 Open and Executive Session meeting minutes were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 3a/3b***.

### ***Audit Committee***

#### ***Approval of Award – Owner Controlled Insurance Program (OCIP) Enrollment Administration Services GP-0246-R01***

Mr. Nixon said that the Audit Committee met on December 18, 2017 at which time management provided the Committee with the November 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 \$2.2 million during the reporting period due to reductions in state share for grant projects nearing completion.

Mr. Nixon then presented the proposed award for Owner Controlled Insurance Program (OCIP IV) Enrollment Administration Services. Referencing material that staff previously had distributed for Board review, he advised that the current OCIP (III) contract would expire March 1, 2018. He explained that the recommended awardee would provide a full range of services including enrollments, insurance certificates, bid cost and change orders, payroll tracking,

closeout and reporting. He said that the Authority advertised the RFP on September 14, 2017. Mr. Nixon advised that the level of effort attendant to the required services conservatively is expected to involve enrollment of approximately 13 capital projects with an aggregate construction cost estimate (CCE) of approximately \$845 million, plus another \$25-\$50 million in emergent project work. He reported that the top ranked firm at the completion of the process was Aon Risk Services Northeast, Inc. (Aon). He said that management is seeking approval to award a contract for OCIP IV enrollment administration services to Aon for a not-to-exceed fee amount of \$550,000 inclusive of contingency to address potential CCE increases (up to \$1 billion in total CCE) over the 3-year term of the agreement. He explained that there is an initial upfront payment of \$100,000. He also advised the Board that the enrollment administration services fee is completely adjustable based upon a rate of \$0.55 per \$1,000 of construction value — including the \$100,000 initial upfront payment.

Following discussion, upon motion duly made by Mr. Luckie and seconded by Mr. Vargas, the Board approved the contract award to Aon Risk Services Northeast, Inc. for OCIP IV Enrollment Administration Services with its unanimous vote in favor of ***Resolution 5a***.

Next, Mr. Nixon reported that SDA's outside consultant, Smolin Lupin & Co., P.A., provided the Committee with the results of one real-time construction audit. He said that the results of the audit were consistent with statutory requirements. He advised the Board that the Committee had engaged in an informative discussion regarding SDA processes and procedures relevant to the audit's findings.

In continuing, Mr. Nixon said that, for informational purposes, management also had provided the Committee with the Authority's 2018 Capital Spending Forecast. He explained that the forecast is based on the Treasury Updated Spending Models which help to ensure that there is

an optimum level of cash on hand, and that additional funds are appropriately obtained within the State's bonding schedule. He reported that the forecast anticipates expenditures of approximately \$383 million for school facilities projects, representing an increase of approximately \$28 million over the estimated actual spending in 2017.

Mr. Nixon then provided the Board with the November 2017 Monthly Financial report. He advised the Board that Year-to-Date Authority Operating Expenses (Actual vs. Budget) at \$18.1 million, are down \$3.1 million as compared to the operating budget for the corresponding period. He explained that this is largely attributable to 44 fewer than anticipated full time employees. In continuing, Mr. Nixon said that year-to-date school facilities project expenditures, at \$327.3 million, are \$4.1 million lower as compared to the capital spending forecast for the corresponding period. He said that project expenditures (Actual vs. Prior Year Actual) have decreased by \$26 million as compared to the corresponding prior year. He explained that this variance is due to decreased spending in construction related activity, school furniture, fixtures and equipment and lower project insurance costs offset by a \$14.4 million spending increase in grants. In concluding his report, Mr. Nixon said that, currently, SDA has disbursed 79.8% 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 Design-Build Award and Final Project Charter – Pemberton School District – Denbo-Crichton Elementary School***

Mr. Walsh asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review Committee met on December 18, 2017. He said that the

Committee is recommending Board approval of a design-build award and final project charter for the Denbo-Crichton ES project (the Project) in the Pemberton School District. Mr. Luckie reported that, in January 2014, the SDA Board approved an Amendment to the Authority's Capital Plan Portfolio authorizing advancement of a project for the Denbo-Crichton ES (the Project). He explained that inclusion of this project in the Capital Plan Portfolio was based upon the Department of Education (DOE's) 2013 Educational Facilities Needs Assessment identifying Facilities Efficiency Standard Compliance needs in the district. Mr. Luckie said that the Project involves construction of an approximately 126,000 square foot facility on the District-owned school site to educate 846 students in grades Pre-K through five. He added that the Project also includes demolition of the two existing school structures on the site—the Alexander Denbo ES and the Aletta Crichton ES. He informed the Members that management advertised a package for design-build services on September 13, 2017 with “price” weighted as 60% of the overall weight and all “non-price factors” having a combined weight of 40%. He said that, upon completion of the competitive procurement process, management recommends award of a \$43,185,000 contract for design-build services to Bock for the Project. He noted that Bock has confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. Mr. Luckie said that, along with the contract award, management also is recommending that the Board approve the project's final charter.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Maloney, the design-build award and final charter for the Pemberton Denbo-Crichton ES project was approved with the Board's unanimous vote in favor of ***Resolution 6a***.

### *Public Comments*

The Chairman then opened the Public Comments portion of the meeting. At the invitation of the Chairman, Mr. Frank Faras addressed the Board. Mr. Faras began by indicating that he is known to the Board Members. He said that, during his lifetime, he has gone to many board and city council meetings. He said that he has noticed something similar about those bodies' meetings that differs from SDA Board meetings. He said that in all of his time attending SDA Board meetings, he has never heard a dissenting vote, i.e. that no one has ever voted "no". He said that he finds this strange. He said that, with the other bodies, someone always has a question or disagrees. Mr. Faras said that he finds this particularly strange since he has brought the SDA Board videos and pictures that show that what is being done (on the TCHS project site) is wrong. He said that this shows, at best, "indifference" and, at worst, "puppetry". He asked that the Board Members consider this in the future and take the citizens into account. Mr. Maloney took strong exception to Mr. Faras' characterization of the Members as "puppets" simply because they don't agree with him. He said that Mr. Faras was being disrespectful. Mr. Faras said that he has been treated with disrespect. Mr. Walsh took issue with Mr. Faras' statement. He reminded Mr. Faras that the Board has received his comments each month without a time limitation. He also advised Mr. Faras that the matters brought before the Members for a vote already have been considered in Committee meetings held prior to the Board meetings. He said that, in those meetings, the Members ask questions of staff, deliberate and consider the issues. He said that the matters raised by Mr. Faras are not matters that are not subject to Board vote. Mr. Maloney said that Mr. Faras owes the Board an apology. Mr. Faras said that SDA owes him and the citizens of Trenton an apology.

Mr. McKenna said that in the three years that SDA has been building the new TCHS, Mr. Faras seems to have been on an island in that he is the only person who has come to SDA Board meetings to object. He suggested that this is because no one else agrees with Mr. Faras. Mr. Faras took issue with this. Mr. McKenna acknowledged that the Members of the Board do not agree with Mr. Faras. He said that this does not make them “puppets” or instrumentalities of some governmental force that he (Mr. Faras) does not like but, rather, thinking people who understand that the education of the children of Trenton is far more important than his (Mr. Faras’) own singular and jealously guarded house. Mr. Walsh noted that Mr. Faras continually brings up the demolition process on the TCHS site. He said that the demolition is over and done with and asked if Mr. Faras might have some constructive input to provide regarding, e.g. the school’s labs, athletic fields or something else with which he might help. Mr. Faras then referenced what the Authority is now “doing to the City of Camden”. He said that SDA is cheating the students. He criticized the temporary facilities that the SDA provided for the TCHS students. He said that, if it involved his child, he would pursue a class action lawsuit against SDA. Mr. McKenna reminded Mr. Faras that, on many occasions, he has encouraged Mr. Faras to sue the Authority. He said that this would provide SDA a forum in which to disprove to an independent third party Mr. Faras’ “cockamamie” ideas regarding what the law requires, and to demonstrate that SDA is fully complying with what is legally required.

Next, at the Chairman’s request, Mr. Jerrell Blakeley of the Healthy Schools Now (HSN) Coalition addressed the Board. Mr. Blakeley said that he has been coming to SDA Board meetings to question, implore and advocate for healthy schools for all of the children in the state of New Jersey. He stressed the importance of a new TCHS, a view, he said, that is shared by the over 50 organizations that make up the HSN Coalition. He recalled his experience as a former

TCHS student—the embarrassment of having visitors and other students to the school and the degraded condition of the school. He said that the school was “state of the art” in 1929 but not in the current day and expressed support for demolition of the school. He said that if the condition of Camden HS is anything like TCHS was, “tear it down”. He said that there are other schools across the state that are in bad condition and that he believes that students in those schools would support construction of new school facilities in which they could learn. He said that the SDA’s mission is an extremely important mission. He said that students who walked into the old TCHS building felt as if the state did not care about them. He added that this would not be the case when students enter the new TCHS. He stressed that he and Mr. McKenna have disagreed on issues and that he has publicly criticized Mr. McKenna at times. However, he said that, in his view, Mr. McKenna’s tenure at SDA has been successful. He noted the funding and practical challenges facing the SDA going forward.

Mr. Blakeley then inquired as to the status of the emergent project resubmissions by districts whose projects previously were denied. Mr. Yosha said that resubmissions have come in but that he would have to check with DOE on the current status of that process. Mr. McKenna asked Mr. Blakeley to check back with SDA in two weeks for additional information.

Mr. Walsh said that, in his view, a significant concern is why the TCHS project did not advance years ago. At this point Mr. Maloney exited the meeting. Mr. Luckie noted the lack of cohesion in the community as contributing to the delay. Mr. Blakeley said that Governor Christie’s suspension of the school construction program also contributed to the delay. Mr. Blakeley said that disagreement among community members in general is a concern and can be an impediment to project advancement.

Mr. Walsh then announced that the Board would be adjourning into Executive Session. Ms. Kelly said that the Board would be considering two items in Executive Session: the first, a temporary facilities lease for the Orange Cleveland ES project; and the second, SDA's potential exercise of an option to extend the lease for the TCHS temporary facilities. She said that the Board's vote would proceed upon its return to Open Session.

Thereafter, upon motion by the Chairman and with unanimous consent, the meeting adjourned into Executive Session.

Following discussion in Executive Session, the Board returned to Open Session.

Mr. Vargas said that the Committee recommends Board approval of the proposed lease of temporary facilities in connection with the Orange Cleveland Elementary School project. Upon motion duly made by Mr. Luckie and seconded by Ms. Lemelle, the Board approved the Committee's recommendation in this matter with its unanimous vote in favor of ***Resolution A1***.

### ***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 January 3, 2018 meeting.

*/s/ Jane F. Kelly*  
Assistant Secretary

***Resolution—3a./3b.*****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 January 3, 2018 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on January 5, 2018.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's January 3, 2018 Open and Executive Session meetings are hereby approved.

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

Dated: February 7, 2018

**2018 ORGANIZATIONAL MEETING**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
2018 ORGANIZATIONAL BOARD OF DIRECTORS MEETING  
WEDNESDAY, JANUARY 3, 2018**

The Annual Organizational meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, January 3, 2018 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)  
Shannon McManus (Treasury)  
Loren Lemelle  
Lester Lewis-Powder  
Michael Maloney  
Robert Nixon  
Mario Vargas

being a quorum of the Board. Ms. Lemelle, Mr. Lewis-Powder, Mr. McManus and Mr. Piaia participated in the meeting by telephone conference.

At the Chairman's request, Charles McKenna, chief executive officer, Andrew Yosha, executive vice president; Jane F. Kelly, vice president & assistant secretary; Donald Guarriello, vice president & chief financial officer; Manuel Da Silva, vice president; and Albert Barnes, chief counsel, of the SDA participated in the meeting. Tyler Yingling 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 a meeting notice 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.

Mr. Walsh welcomed the Members, SDA staff and the public to the SDA's 2018 Annual Organizational meeting. He then presented the matters on the agenda for Board consideration. Referencing the Organizational Meeting materials that staff provided to the Board in advance of the meeting, Mr. Walsh announced that the first matter requiring Board approval pertains to the election of the Authority's Officers for 2018. At the Chairman's request, Ms. Kelly announced the names of the individuals put forward for Board consideration to serve in the following positions: Vice Chairperson—Robert Nixon; Treasurer—Ford M. Scudder; Secretary—Michael Maloney; Chief Executive Officer—Charles B. McKenna; Assistant Treasurer—Donald Guarriello; and Assistant Secretary—Jane F. Kelly. As was noted in the materials provided to the Board, the position of Assistant Secretary also is responsible for all corporate governance and compliance responsibilities of the Authority.

Mr. Walsh requested a motion to elect as the officers of the Authority those individuals whose names were set forth in the meeting materials and just announced. Upon motion duly made by Mr. Luckie and seconded by Mr. Vargas, the Board approved the slate of SDA Officers proposed for 2018. The resolution approved by the Board is attached hereto as **Resolution 3a**.

Mr. Walsh then advised the Board that Ms. Kelly would identify those Board Members that he is appointing to serve as Committee Chairs and Members for 2018. He advised that there would be no changes in the composition of the Committees or their Chairs. He said that he would anticipate that the incoming Administration would make changes moving forward but that it made sense to maintain the *status quo* particularly as all Board Committees currently are functioning extremely well. Ms. Kelly then listed the following individuals as having been appointed by the Chairman to serve as Chairs and Members of the Authority's Audit, Real Estate and School Review Committees respectively:

Audit Committee

1. **Robert Nixon, Chairperson** (Public Member)
2. State Treasurer (or designee, as permitted by Section 2.7 of the By-Laws)
3. Michael Capelli (Public Member)
4. Loren Lemelle (Public Member)
5. Edward Walsh (Public Member)

Real Estate Committee

1. **Mario Vargas, Chairperson** (Public Member)
2. Commissioner of the New Jersey Department of Community Affairs (or designee, as permitted by Section 2.7 of the By-Laws)
3. Kevin Egan (Public Member)
4. Lester Lewis-Powder (Public Member)

School Review Committee

1. **Kevin Luckie, Chairperson** (New Jersey Department of Community Affairs designee, as permitted by Section 2.7 of the By-Laws)
2. Chief Executive Officer of the New Jersey Economic Development Authority (or designee as permitted by Section 2.7 of the By-Laws)
3. Commissioner of the New Jersey Department of Education (or designee, as permitted by Section 2.7 of the By-Laws)
4. Michael Maloney (Public Member)
5. Edward Walsh (Public Member)

Mr. Walsh then reminded the Board that the Audit Committee Charter requires that at least one member of the Audit Committee be designated by the Board as the Committee's financial expert. He said that his recommendation for Audit Committee financial expert is Loren Lemelle, Public Member. Mr. Walsh then requested a motion to approve the nomination of Ms. Lemelle to serve as the Audit Committee's financial expert for 2018. Upon motion duly made by Mr. Nixon and seconded by Mr. Vargas, the Board approved the nomination of Loren Lemelle to serve as the Audit Committee's financial expert. The resolution approved by the Board is attached hereto as **Resolution 3bi**.

Mr. Walsh next stated that a proposed 2018 Board meeting schedule, to be operative until the Authority's next Annual Organizational meeting, was included in the meeting materials as **Exhibit E**. Mr. Walsh requested a motion to adopt the Board meeting schedule as proposed. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the Board approved the Board meeting schedule for 2018 as proposed. The resolution approved by the Board is attached hereto as **Resolution 3c**.

**PUBLIC COMMENT**

Mr. Walsh then asked if any member of the public wished to address the Board regarding organizational-related issues. He asked Mr. Frank Faras, a resident of the City of Trenton, to step forward and address the Board. Mr. Faras reminded the Members that, at the Authority's last Organizational meeting in January 2017, he had questioned Mr. McKenna's fitness and qualifications to serve as the Authority's Chief Executive Officer. He said that, since then, he has continually reported to the Board regarding early construction crew arrivals at the TCHS project site and the spewing of carcinogenics into the neighborhood. He said that Mr. McKenna has done nothing to address these issues. Mr. Faras expressed the view that Mr. McKenna remains inappropriate for the position of SDA Chief Executive Officer.

**ADJOURNMENT**

There being no further business to come before the Board, Mr. Walsh asked for a motion to adjourn the 2018 Annual Organizational meeting and open the regular Public Meeting of the Board.

Upon motion made by Mr. Vargas, seconded by Mr. Luckie and with unanimous consent, the SDA's Annual Organizational 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 2018 Annual Organizational meeting held January 3, 2018.

*/s/ Jane F. Kelly*  
Assistant Secretary

**RESOLUTION—3c.****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 January 3, 2018 Organizational Meeting of the New Jersey Schools Development Authority were forwarded to the Governor on January 5, 2018.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's January 3, 2018 Organizational Meeting are hereby approved.

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

Dated: February 7, 2018

## **AUTHORITY MATTERS**

**CEO REPORT (*ORAL*)**

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

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

**APPROVAL OF AWARD - OWNER CONTROLLED INSURANCE PROGRAM (OCIP IV)**



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

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### MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds  
Director, Risk Management and Vendor Services

DATE: February 7, 2018

SUBJECT: Owner Controlled Insurance Program (OCIP IV)

Management is requesting the Board's approval to purchase various wrap-up policies to continue the Owner Controlled Insurance Program ("OCIP IV" or "Program"). The new OCIP IV will have an initial three (3) year term to enroll eligible projects commencing construction on or after the Program effective date of March 1, 2018. All enrolled OCIP IV projects would be expected to reach construction completion within five (5) years of the Program effective date. Thereafter, all enrolled projects would have completed operations coverage for an additional ten (10) years, the statute of repose for construction projects in New Jersey, commencing with the time the project is put to its intended use. Among the wrap-up policies included in OCIP IV are workers' compensation, general liability (including completed operations liability) and excess liability. Another wrap-up policy, builder's risk (i.e., property) coverage was previously purchased and remains in effect through March 1, 2020. Similarly, Owner's Protective Professional Indemnity and Liability remains in effect through December 31, 2019. Pursuant to the "Operating Authority By Level" adopted by the Board on December 1, 2010, as amended March 7, 2012, approval is required by the Members of the Authority for the award of Goods and Services contracts greater than \$500,000.

### DESCRIPTION

In 2003, the Authority implemented its first OCIP ("OCIP I") that "wrapped up" multiple types of insurance coverage into one program. OCIP I, which became effective on December 31, 2003, provided workers' compensation, general liability and excess liability coverage for eligible contractors working in the School Construction Program. Subsequently, the Authority purchased OCIP II in 2009 and OCIP III in 2015. OCIP IV, if approved by the Board, would effectively continue the Owner Controlled Insurance Program for the Authority's managed school facilities projects anticipated to commence construction during the period from March 1, 2018 through March 1, 2021.

The Authority has a rolling capital program consisting of various types of school facilities projects, including: new construction; addition and/or renovation projects; and emergent projects. Emergent projects typically involve the repair or replacement of roofs, windows and exterior masonry to address water infiltration issues, heating and cooling systems, as well as plumbing,

*Members of the Authority*  
*February 7, 2018*  
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electrical, mechanical and security systems. Based upon planning and/or preliminary project schedules, it is expected that up to thirteen (13) currently approved school facilities projects identified in the Authority's capital program will enter construction during the contemplated 3-year enrollment period beginning March 1, 2018; however, the precise number of school facilities projects expected to proceed to construction phase during the three-year enrollment period is uncertain.

### OCIP IV MARKETING PROCESS

In September 2017, the Board approved the award for OCIP Broker Services to Willis Towers Watson/Willis of New York, Inc. ("Willis"). Willis was tasked with obtaining competitive quotations from insurers for the new OCIP IV that would conservatively be expected to enroll a minimum of thirteen (13) capital and seventeen (17) emergent projects with an aggregate construction cost estimate (CCE) of approximately \$903 million.

Accordingly, following the issuance of the notice to proceed to Willis, the Division of Risk Management ("RMU") and Willis began development of a comprehensive submission package that Willis ultimately disseminated to the insurance marketplace seeking quotations for a new OCIP IV. The insurers and their responses are summarized as follows:

- ACE/Chubb declined to offer a \$250,000 per occurrence deductible and indicated their rates at a \$500,000 deductible level could not compete with the current program rates.
- Arch declined to offer a \$250,000 per occurrence deductible and indicated their rates at a \$500,000 deductible level could not compete with the current program rates.
- Hartford presented a complete proposal.
- Liberty Mutual presented a complete proposal.
- Travelers declined to participate.
- XL Catlin declined to participate.
- Zurich declined to participate.

On December 19, 2017, Willis presented the Authority with a preliminary presentation of two competitive quotations received from Liberty Mutual Insurance ("Liberty Mutual") and The Hartford. Each of the insurers continued to refine and clarify their proposals during the subsequent weeks to make their programs more competitive. Coverages and limits proposed by the two insurers are included in the table below; nevertheless, both options include a \$250,000 deductible amount per loss occurrence or a \$350,000 clash deductible. A clash deductible is advantageous to the Authority if a workers compensation claim subsequently also develops into a general liability claim; in these cases, instead of having to pay the full \$250,000 deductible on each claim (i.e., both the workers compensation claim and general liability claim) up to \$500,000 in total, the Authority's deductible is capped at \$350,000.

### ANALYSIS

The proposed new Program was priced by the two insurers based upon an estimated construction value of \$903 million, as provided by the Authority. Among other things, pricing is also based

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upon coverage, limits and the Authority's actual prior claims experience. The following table provides a comparison of the Program primary coverages and limits proposed by the two insurers, as compared to the current OCIP III Program:

|   | Current Program<br>Liberty Mutual   | Proposal by<br>Liberty Mutual | Proposal by<br>The Hartford |
|---|---|-------------------------------|-----------------------------|
| <b>Primary Insurance:</b>                     |   |                               |                             |
| Policy Limits: (Per Occurrence / Per Project) |   |                               |                             |
| Workers Compensation                          | \$1M / \$1M   | \$1M / \$1M                   | \$1M / \$1M                 |
| General Liability                             | \$2M / \$4M   | \$2M / \$4M                   | \$2M / \$4M                 |
| Deductible Per Claim                          | \$250,000   | \$250,000                     | \$250,000                   |
| Clash Deductible                              | \$350,000   | \$350,000                     | \$350,000                   |
| Minimum Earned Premium                        | 70%   | 50%                           | 75%                         |
| <b>Coverage Exclusions:</b>                   | Professional Services Consultants; lead, asbestos, and hazardous materials abatement; blasting contractors; truckers/haulers; suppliers and materials dealers; off-site fabricators or manufacturers; janitorial, guard and security services; any contractor or other person or organization that does not have dedicated payroll for employees at the "project site" for the "designated project" |                               |                             |

The minimum earned premium is the least amount of premium an insurance company is willing to accept for writing an insurance policy in the event an owner decides to cancel a policy before its expiration date or, in the case of a rolling OCIP, the enrollment level (i.e., the aggregate construction value of enrolled projects) falls below the expected level the policies were priced on. For example, based upon Hartford's proposed 75% minimum earned premium, the Authority would be obligated to pay minimum premiums based upon a construction value of approximately \$677 million (\$903 million times 0.75), even if the actual construction value is less than this amount.

The following table provides a comparison of the Program costs, exclusive of excess liability coverage discussed below, proposed by the two insurers based upon an estimated construction value of \$903 million:

|  | Proposal by<br>Liberty Mutual | Proposal by<br>The Hartford |
|--|-------------------------------|-----------------------------|
| <b>Primary Insurance Costs: *</b>              |                               |                             |
| Premiums:                                      |                               |                             |
| Workers Compensation ("WC") Insurance          | \$3,583,289                   | \$2,539,322                 |
| General Liability ("GL") Insurance             | \$1,444,620                   | \$1,286,388                 |
| Other Fees:                                    |                               |                             |
| Clash Deductible and Completed Operations Tail | \$300,000                     | Included                    |
| Risk Control                                   | \$77,500                      | Included                    |

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|   | Proposal by<br>Liberty Mutual | Proposal by<br>The Hartford |
|---|-------------------------------|-----------------------------|
| WC Surcharges and Assessments                         | \$789,090                     | \$819,613                   |
| WC Catastrophe  | Included                      | \$14,771                    |
| WC Terrorism  | \$27,622                      | \$44,313                    |
| GL Surcharges   | \$11,847                      | \$7,796                     |
| GL Terrorism  | \$78,850                      | \$12,864                    |
| <b>Total Primary Insurance Costs</b>                  | <b>\$6,312,818</b>            | <b>\$4,725,067</b>          |
| <b>Estimated Losses: (Incl. Claims Handling Fees)</b> |                               |                             |
| Expected Claim Costs at \$903M Construction Value     | \$7,800,946                   | \$7,800,946                 |
| Maximum Claim Costs at \$903M Construction Value      | \$9,000,000                   | \$9,900,000                 |
| <b>Total Primary Insurance Costs at Expected</b>      | <b>\$14,113,764</b>           | <b>\$12,526,013</b>         |
| <b>Total Primary Insurance Costs at Maximum</b>       | <b>\$15,312,818</b>           | <b>\$14,625,067</b>         |

\* Costs are adjustable based upon actual construction values and losses within the applicable deductible.

As discussed above, in addition to the cost of insurance premiums and other fees, the Authority is responsible for the cost of all workers compensation and general liability claims costs, capped at a \$250,000 deductible for any one claim (or \$350,000 clash deductible for any one claim that develops into both a workers compensation and general liability claim). Based upon the Authority's claims history during the last 13 years, expected losses are estimated at \$7.8 million on \$903 million of construction value; however, both Liberty Mutual and The Hartford have estimated these losses at lesser values due to favorable trend analysis. Consequently, Liberty Mutual has losses estimated at \$4.6 million, while The Hartford is estimating losses at \$4.5 million.

Insurers usually require that claim costs be collateralized to a certain extent to cover the applicable deductibles based upon the insurers' calculation of expected losses, which differ from carrier to carrier. This ensures that escrow monies are available to pay for claim costs, inclusive of legal fees, during the term of the program. Liberty Mutual is requiring an escrow loss fund of just over \$4.6 million and The Hartford is requiring \$4.5 million. With Liberty Mutual, the escrow monies would be funded quarterly over 30 months, and with The Hartford annually over three (3) years. Both insurers have accounted for estimated accrued interest in the lower rate structure proposed by each insurer.

To limit the Authority's financial exposure to fund claim costs, Liberty Mutual has offered to cap the maximum aggregate claim costs at \$9 million and The Hartford at \$9.9 million.

On January 11, 2018, Liberty Mutual offered a third alternative known as an incurred retrospective rating plan. Retrospective rating plans adjust the final premiums at the end of the policy period based on the current loss experience during the policy period. Retrospective rating plans can offer advantages for the insured, but it can also have disadvantages. Notably, under this type of program, claims, and just as importantly, claim handling by the carrier, have a significant effect on the premiums an insured will ultimately pay at the end of the policy period. Liberty Mutual has offered an incurred retrospective rating plan for workers compensation and

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general liability that at maximum cost level is approximately \$100,000 less than The Hartford's proposal, and each incurred claim would be subject to a \$25,000 deductible instead of \$250,000 (or \$350,000 clash deductible); however, the fixed costs under this plan are significantly higher. Further, at lower projected incurred loss levels consistent with the Authority's historical positive loss trend (and recognized by both insurers' actuaries), the Authority would have the potential to reap cost savings far greater than \$100,000 if it selected The Hartford proposal.

After evaluating all the terms and conditions each proposal was subject to, it was determined The Hartford proposal offered the most cost-effective program at the \$250,000 deductible level (clash of \$350,000) and a 75% minimum earned premium. As a result, the Excess Liability program was then structured over The Hartford primary program.

### EXCESS LIABILITY

The Excess Liability limits in the OCIP II and the current OCIP III are for a maximum of \$200 million. The limits purchased under OCIP I had been \$300 million based upon a projected construction value of \$3.6 billion. The proposed Excess Liability insurance program has been structured in four (4) layers with the first layer adjustable based upon actual construction values and the second, third and fourth layers are flat.

The cost for each layer of excess liability coverage based upon an aggregate construction value of \$903 million is as follows:

| Coverage Limits                               | Insurer   | Cost               |
|---|---|--------------------|
| \$25,000,000 Lead Primary Excess              | Allied World Assurance Company  | \$1,131,750        |
| \$25,000,000 Excess of \$25,000,000           | Endurance American Insurance Co.  | \$ 326,950         |
| \$50,000,000 Excess of \$50,000,000           | Quota share between two (2) insurers<br>Allianz Global Risks US Insurance<br>Ohio Casualty Insurance  | \$ 326,950         |
| \$100,000,000 Excess of \$100,000,000         | Quota share between four (4) insurers<br>ACE Property and Casualty<br>North American Specialty<br>Navigators Insurance<br>Ironshore Specialty Insurance | \$ 326,950*        |
| <b>Total Excess Liability = \$200,000,000</b> |   | <b>\$2,112,600</b> |

\* Risk Management has benchmarked Excess Liability limits maintained in various rolling school construction programs throughout the country. The LAUSD has maintained \$100 million over three OCIPs with an aggregate construction value of almost \$10 billion. The NYSCA has maintained \$200 million for a construction program that is consistently in excess of \$1 billion annually. The Authority is recommending at this time purchasing Excess Liability limits of \$200 million.

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In summary, the all-in cost for primary and excess insurance under the proposed OCIP IV Program, excluding claim costs, represents an approximately 38% rate reduction as compared to the current OCIP, when both programs are priced based upon an aggregate construction value of \$903 million.

#### RECOMMENDATION

Based upon the information presented in this memorandum and the detailed OCIP proposal package gathered by NJSDA's Broker, the Authority is recommending that the Board of Directors approve the purchase of various OCIP wrap-up policies from The Hartford and other insurers for Excess Liability coverage, at a cost not to exceed \$18,438,516, as shown in the table below for the higher aggregate construction value of \$1 billion and maximum estimated claim costs. The new OCIP IV will have an initial three (3) year term to enroll eligible projects commencing construction on or after the Program effective date of March 1, 2018. All enrolled OCIP IV projects would be expected to reach construction completion within five (5) years of the Program effective date of March 1, 2018. Thereafter, all enrolled projects would have completed operations coverage for an additional ten (10) years, the statute of repose for construction projects in New Jersey, commencing with the time the project is put to its intended use.

/s/ Karon Simmonds

Karon Simmonds, Director, Risk Management and Vendor Services

Reviewed and recommended by:

Donald Guarriello, Vice President and Chief Financial Officer

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|  | Insurer   | Aggregate Construction Value |                     |
|--|---|------------------------------|---------------------|
|  |   | \$903 Million                | \$1 Billion         |
| <b>OCIP IV Program Highlights:</b>                                 |   |                              |                     |
| Limits: (Per Occurrence / Per Project)                             |   |                              |                     |
| Workers Compensation   |   | \$1M / \$1M                  | \$1M / \$1M         |
| General Liability  |   | \$2M / \$4M                  | \$2M / \$4M         |
| Excess Liability   |   | \$200M                       | \$200M              |
| Deductible Per Claim   |   | \$250,000                    | \$250,000           |
| Clash Deductible   |   | \$350,000                    | \$350,000           |
| Minimum Earned Premium   |   | 75%                          | 75%                 |
| <b>OCIP IV Program Costs:</b>                                      |   |                              |                     |
| Primary OCIP Insurance Costs                                       | The Hartford  | \$4,725,067                  | \$5,239,841         |
| Excess Liability Insurance Costs:                                  |   |                              |                     |
| \$25,000,000 Lead Primary Excess                                   | Allied World Assurance Company  | \$1,131,750                  | \$1,253,000         |
| \$25,000,000 Excess of \$25,000,000                                | Endurance American Insurance  | \$ 326,950                   | \$ 326,950          |
| \$50,000,000 Excess of \$50,000,000                                | Allianz Global Risks US Insurance   | \$ 326,950                   | \$ 326,950          |
| Quota share between two (2) insurers<br>(i.e., \$25 million each)  | Ohio Casualty Insurance   |                              |                     |
| \$100,000,000 Excess of \$100,000,000                              | ACE Property and Casualty   | \$ 326,950                   | \$ 326,950          |
| Quota share between four (4) insurers<br>(i.e., \$25 million each) | North American Specialty<br>Navigators Insurance<br>Ironshore Specialty Insurance |                              |                     |
| <b>Total Insurance Costs</b>                                       |   | <b>\$6,837,667</b>           | <b>\$7,473,691</b>  |
| Expected Claim Costs   |   | \$7,800,946                  | \$8,640,000         |
| Maximum Claim Costs  |   | \$9,900,000                  | \$10,964,825        |
| <b>Total Program Costs at Expected</b>                             |   | <b>\$14,638,613</b>          | <b>\$16,113,691</b> |
| <b>Total Program Costs at Maximum</b>                              |   | <b>\$16,737,667</b>          | <b>\$18,438,516</b> |

**Resolution—5a.**

Approval to Continue Owner Controlled Insurance Program (OCIP IV)

**Resolution**

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

**WHEREAS**, since 2003, the Authority has implemented an Owner Controlled Insurance Program (OCIP I through OCIP III) to wrap-up multiple types of insurance coverage into one program; and

**WHEREAS**, the SDA's OCIP III's enrollment term will expire March 1, 2018 and management recommends that the Members of the Authority authorize SDA to continue the Owner Controlled Insurance Program (the Program) for the Authority's managed school facilities projects anticipated to commence construction during the period from the effective Program date of March 1, 2018 through March 1, 2021 (OCIP IV); and

**WHEREAS**, as proposed, the new OCIP IV will have an initial three (3) year term to enroll eligible projects commencing construction on or after the Program effective date of March 1, 2018; and

**WHEREAS**, among the wrap-up policies included in OCIP IV are workers' compensation, general liability and excess liability; and

**WHEREAS**, a comprehensive description of the Authority's capital program and of the proposed OCIP IV program along with details of the procurement process followed in connection therewith are set forth in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, the memorandum presented to the Board further provides an analysis of the proposals received and a discussion of the Authority's excess liability coverage needs; and

**WHEREAS**, the Members of the Authority have reviewed management's recommendation for the purchase of various OCIP wrap-up policies from The Hartford and other insurers for excess liability coverage along with a description of the terms proposed and concur with that recommendation.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve SDA's purchase of various OCIP wrap-up policies from The Hartford and other insurers for excess liability coverage, at a cost not-to-exceed \$18,438,516 for the higher aggregate construction value of \$1 billion and maximum estimated claim costs.

**BE IT FURTHER RESOLVED**, that the new OCIP IV will have an initial three (3) year term to enroll eligible projects commencing construction on or after the Program effective date of March 1, 2018, with all enrolled OCIP IV projects expected to reach construction completion within five (5) years of the Program effective date of March 1, 2018.

**BE IT FURTHER RESOLVED**, that, thereafter, all enrolled projects would have completed operations coverage for an additional ten (10) years commencing with the time the project is put to its intended use.

**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, Owner Controlled Insurance Program (OCIP IV), dated February 7, 2018

Dated: February 7, 2018

**CONTRACT MANAGEMENT SYSTEM SOFTWARE AND IMPLEMENTATION  
SERVICES AWARD - CLARIFICATION**

**MEMORANDUM**

**TO:** Members of the Authority

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

**SUBJECT:** Contract Management System Software and Implementation Services Award - Clarification

**DATE:** February 7, 2018

We are writing to provide clarification regarding a recommendation that supported an action taken by the SDA Board of Directors at its December 6, 2017 meeting. We are also seeking Board approval of a technical revision to that action.

On December 6, 2017, the Members unanimously adopted Resolution 5a, approving contract awards to PMWeb and Critical Business Analysis, Inc. (CBA) for contract management system software and implementation services respectively. This Board action followed management's recommendation that the Authority purchase new contract management software system. The cost for the same was included within the 2018 SDA Operating Budget, also approved by the Board on December 6, 2017.

As stated in the December 6 Board memorandum, PMWeb and Critical Business Analysis, Inc. (CBA) will be providing the software and services. However, it should be made clear that the contract vehicle through which SDA technically would procure the software and services is GSA Schedule GS-35F-0074S, which is currently awarded to Winvale Group, Inc. (Winvale). PM Web and CBA operate as sub-consultants under the Winvale contract, with Winvale serving solely as the "bundler" of the goods and services. Accordingly, all contracts, purchase orders and invoicing will proceed directly through Winvale. All other aspects of the engagement remain consistent with the provisions of the December 6 Board memorandum, including those related to cost.

As the Members will recall, through this engagement we will obtain a replacement for the current Contract Management Software system (Oracle Primavera Contract Management or Primavera CM), necessary for effective and timely project delivery, contract management, project accounting (i.e. schedule of values apportioning of the contract sum for accurate invoicing), project scheduling and communications.

**Recommendation:** Management recommends that the Members of the Authority approve a technical amendment to its previous action clarifying that GSA Schedule GS-35F-0074S, currently awarded to Winvale Group, Inc., is the contract vehicle through which the Authority will procure CM System software and services from PMWeb and CBA Group, Inc.

*Members of the Authority*  
*Award of Contracts for Contract Management Software System*  
*February 7, 2018*  
*Page 2 of 2*

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—5b.*****Contract Management System Software and Implementation Services--Clarification****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**, on December 6, 2017, upon conclusion of the CMSEP process and upon management's recommendation, the Members of the Authority approved contract awards to PMWeb and Critical Business Analysis, Inc. respectively for the provision of contract management system software and implementation services; and

**WHEREAS**, it is necessary to make a technical revision to the Board's December 6, 2017 approval to clarify that SDA will not contract directly with PMWeb and CBA but, rather, GSA Schedule GS-35F-0074S, currently awarded to Winvale Group, Inc., is the contract vehicle through which the Authority will obtain the CM System software and services; and

**WHEREAS**, in all other respects, the Board's December 6, 2017 approval in this matter remains the same.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve a technical amendment to its December 6, 2017 approval of contract awards for construction management software and implementation services to clarify that the contract vehicle through which SDA will obtain the software and services from PMWeb and Critical Business Analysis, Inc. is GSA Schedule GS-35F-0074S, currently awarded to Winvale Group, Inc.

**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, Clarification of Contract Management System Software and  
Implementation Services, dated February 7, 2018  
Dated: February 7, 2018

**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: February 7, 2018

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 1/3/18

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<br>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<br>2/25/13                         |
| Jersey City   | PS 20                                   | K-5             | 628          | 698           | \$49.3                          | Existing Design            | School occupied Sep. 2016. (Dobco, Inc.)           | 4/17/12<br>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<br>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<br>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<br>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<br>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 1/3/18

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<br>6/27/13                        |
| Keansburg       | Port Monmouth Road School | PK              | 318          | 318           | \$25.8                          | Design-Bid-Build                                | Revised Planning Charter approved Aug. 2017 Board.   | 2 QTR 18                                   |
| 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<br>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.



2011 & 2012 Portfolio Projects Activities Summary

as of 1/3/18

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<br>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<br>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<br>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<br>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<br>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<br>9/13/17                          |
| Perth Amboy | High School                      | HS              | 2,800        | 3,304         | \$234.4                         | Design-Build               | Preliminary Charter approved Jun. 2016 Board.                      | 2 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<br>TBD                            |
| 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 1/3/18

**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.<br>ROA for Demolition approved Aug.-17 Board. | 6/9/17<br>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<br>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.<br>(Terminal)                                       | 12/19/14<br>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.

**6**



## Active Project Status Report Status as of 1/1/2018

### 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  | Garfield      | New James Madison ES                   | New Construction    | Construction              | 2Q 2018                | On-target                     | Sep-18         | On-target                | \$ 29,650,092                |
| 3  | Harrison      | New Elementary School                  | New Construction    | Construction              | 2Q 2019                | On-target                     | Sep-19         | On-target                | \$ 36,115,640                |
| 4  | Irvington     | New Madison Ave ES                     | New Construction    | Construction              | 2Q 2019                | On-target                     | Sep-19         | On-target                | \$ 38,589,795                |
| 5  | Millville     | Millville Senior High School           | Addition/Renovation | Design-Build Design Phase | 3Q 2022                | On-target                     | Phased         | On-target                | \$ 137,503,832               |
| 6  | New Brunswick | Paul Robeson Community ES              | Addition/Renovation | Construction              | 3Q 2018                | On-target                     | Sep-18         | On-target                | \$ 48,553,199                |
| 7  | Newark        | South Street ES                        | New Construction    | Construction              | 2Q 2018                | On-target                     | Sep-18         | On-target                | \$ 69,876,694                |
| 8  | Passaic City  | New ES at Leonard Place                | New Construction    | Construction              | 3Q 2018                | On-target                     | Sep-18         | On-target                | \$ 55,884,039                |
| 9  | Perth Amboy   | New Seaman Ave ES                      | New Construction    | Construction              | 1Q 2019                | On-target                     | Sep-19         | On-target                | \$ 56,435,971                |
| 10 | Trenton       | New Central HS                         | New Construction    | Construction              | 2Q 2019                | On-target                     | Sep-19         | On-target                | \$ 155,404,000               |
| 11 | Vineland      | Lincoln Road MS<br>(New Middle School) | New Construction    | Construction              | 2Q 2018                | On-target                     | Sep-18         | On-target                | \$ 49,787,025                |



**Active Project Status Report  
Status as of 1/1/2018**

**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 | Nov-17                 | Acheved                       | 1Q 2018          | 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 | Dec-17                 | Achieved                      | 1Q 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: February 7, 2018

Subject: Project Close-Out Status Report

The attached report, provided by the Special Projects Division, shows a listing of all SDA managed Capital and Emergent projects which have achieved school occupancy but have not yet been contractually and administratively closed. The listing further details projects which have achieved project transfer to the district yet have outstanding open contracts, and a running total of all school facilities projects, health and safety contracts, and suspended design contracts which have been closed.

We continue to advance projects and contracts through the close-out process. The following projects have been transferred and/or closed since the last Board Meeting:

| Year of Occupancy | Project #        | Project Type | District    | School                  | Status      |
|-------------------|------------------|--------------|-------------|-------------------------|-------------|
| 2017              | 2390-X03-01-0587 | Capital Plan | Jersey City | New Public School #3    | Transferred |
| N/A               | 3970-050-12-0ADZ | Emergent     | Passaic     | Passaic High School #12 | Closed      |


**SPECIAL PROJECTS DIVISION**  
**PROJECT STATUS REPORT - As of January 1, 2018**

| 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 January 1, 2018</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<br>(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<br>(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)  |
| 2017   | 2390-X03-01-0587  | Patricia M. Noonan ES (New PS #3)                                    | Project Transferred | 12/14/17                     | Open contract(s)  |
| 2007   | 2390-N03-99-0147  | Heights Middle School #7   |                     |                              |   |
| <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 January 1, 2018</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>30</b>            |                              |   |
|   |                  |   | <b>Legal Matter</b>  | <b>13</b>                    |   |
|   |                  |   | <b>Pending Audit</b> | <b>6</b>                     |   |
|   |                  |   | <b>Miscellaneous</b> | <b>11</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>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>70</b>            |                              |   |
| <b>Emergent Projects Closed</b>   |                  |   | <b>65</b>            |                              |   |
| <b>Emergent Projects Not Closed</b>                                       |                  |   | <b>5</b>             |                              |   |
| <b>Emergent Projects Not Closed but Transferred</b>                       |                  |   | <b>1</b>             |                              |   |
| <b>Health and Safety Contract Totals</b>                                  |                  |   |                      |                              |   |
| <b>Total Contracts</b>  |                  |   | <b>399</b>           |                              |   |
| <b># of Contracts Closed</b>  |                  |   | <b>393</b>           |                              |   |
| <b># of Open Contracts</b>  |                  |   | <b>6</b>             |                              |   |

| <b>SPECIAL PROJECTS DIVISION</b>                     |              |               |                    |                              |   |
|--|--------------|---------------|--------------------|------------------------------|---|
| <b>PROJECT STATUS REPORT - As of January 1, 2018</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>Open Design Contracts</b>                         |              |               |                    |                              |   |
| <b>Total Contracts</b>                               |              |               | <b>109</b>         |                              |   |
| <b># of Contracts Closed</b>                         |              |               | <b>98</b>          |                              |   |
| <b># of Open Contracts</b>                           |              |               | <b>11</b>          |                              |   |

**PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Program Operations

DATE: February 7, 2018

SUBJECT: Executive Summary – Monthly Project Status Reports

---

**MONTHLY PROJECT STATUS REPORT**

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

No activity during the reporting period

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

No activity during the reporting period

**Revisions to Project Charters:**

No activity during the reporting period



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

Reporting Period: Jan. 1, 2008 to December 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 |
|----------|---------|--|--------------------------------|------------------------------------|-------------------------------------|----------------------|----------|----------------|
|----------|---------|--|--------------------------------|------------------------------------|-------------------------------------|----------------------|----------|----------------|

**In Construction**

|               |                           |             |             |     |        |     |  |   |
|---------------|---------------------------|-------------|-------------|-----|--------|-----|--|---|
| New Brunswick | Paul Robeson Community ES | \$1,599,650 | \$2,180,000 | \$0 | 100.0% | 75% | 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. |
|---------------|---------------------------|-------------|-------------|-----|--------|-----|--|---|

**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<br>2. Unforeseen asbestos abatement.<br>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<br>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<br>2. Structural repairs to interior walls<br>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, amendment;



**Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy**

Reporting Period: December 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 |
|---|------------|----------|---------|---|-------------------------------|----------------------------------|---------------------------|----------|----------------|
|---|------------|----------|---------|---|-------------------------------|----------------------------------|---------------------------|----------|----------------|

No Activity During the Reporting Period



### Revisions to Project Charters

Reporting Period: December 2017

| # | District | Project | Financial & Schedule Impacts | Additional Funds Approved | Additional Funds as % of Total Project Budget | Operating Authority Approval Requirement | Description of Revision |
|---|----------|---------|------------------------------|---------------------------|---|--|-------------------------|
|---|----------|---------|------------------------------|---------------------------|---|--|-------------------------|

No Activity During the Reporting Period

**CONTRACTS EXECUTED REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: February 7, 2018

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 December 1 through December 31, 2017.

**Noteworthy Items during the reporting period:**

- No noteworthy items during the reporting period.

**Amendments & Change Orders Report**

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

**Noteworthy Items during the reporting period:**

- Execution of 3 Professional Service Amendments totaling a credit of \$601, of the 3 executed amendments none required board approval.
- Execution of 9 Construction Services Change Orders totaling \$182k, of the 8 executed change orders 1 required board approval totaling \$300k.

**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: 12/1/2017 through: 12/31/2017

| 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>   |                                     |              |               |                 |   |               |                       |                         |                |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q01     | Columbia Manufacturing Inc.                     |               | \$37,566              | 12/01/2017              | -              |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q02     | Grafco  |               | \$17,300              | 12/01/2017              | -              |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q03     | Krueger International, Inc.                     |               | \$93,366              | 12/06/2017              | -              |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q04     | Wenger Corporation                              |               | \$24,090              | 12/06/2017              | -              |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q05     | Community Products LLC dba Community Playthings |               | \$37,157              | 12/07/2017              | -              |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q06     | Brodart Co                                      |               | \$105,454             | 12/18/2017              | -              |           |                                |
| Garfield  | James Madison Elementary School #10 | New          | FFE           | NT-0014-Q07     | School Specialty, Inc.                          |               | \$46,772              | 12/18/2017              | -              |           |                                |
| Newark  | South Street E.S.                   | New          | FFE           | NE-0003-Q08     | School Specialty, Inc.                          |               | \$120,910             | 12/08/2017              | -              |           |                                |
| Newark  | South Street E.S.                   | New          | FFE           | NE-0003-Q09     | Wenger Corporation                              |               | \$48,771              | 12/08/2017              | -              |           |                                |
| Newark  | South Street E.S.                   | New          | FFE           | NE-0003-Q10     | Krueger International, Inc.                     |               | \$88,998              | 12/12/2017              | -              |           |                                |
| Newark  | South Street E.S.                   | New          | FFE           | NE-0003-Q11     | Krueger International, Inc.                     |               | \$109,361             | 12/12/2017              | -              |           |                                |
| Newark  | South Street E.S.                   | New          | FFE           | NE-0003-Q12     | Krueger International, Inc.                     |               | \$123,612             | 12/12/2017              | -              |           |                                |
| <b>Part 4. Other Contracts &amp; Services</b>                         |                                     |              |               |                 |   |               | <b>\$853,356</b>      |                         |                |           |                                |
| <b>Grand Totals - Professional and Construction Services Combined</b> |                                     |              |               |                 |   |               | <b>\$853,356</b>      |                         |                | <b>12</b> | <b>Total Contracts Awarded</b> |

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



## Contracts Executed Report

Reporting Period: 12/1/2017 through: 12/31/2017

### 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



**Amendments & Change Orders Report**

Reporting Period: 12/1/2017 through: 12/31/2017

| District                     | School Name(s)                      | Contract Number | Contract Execution Date | CO # | Vendor Name                                    | CO Execution Date | Contract Award Amount | Prior CO's (cumulative) | Current CO Amount | Board Approval Required | Board Approval Date | Revised Contract Amount | Cumulative CO % |  |
|------------------------------|-------------------------------------|-----------------|-------------------------|------|--|-------------------|-----------------------|-------------------------|-------------------|-------------------------|---------------------|-------------------------|-----------------|--|
| <b>Professional Services</b> |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
| <b>Design Consultant</b>     |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
| City Of Orange               | Orange M.S.                         | EP-0061-A01     | 8/15/2013               | 4    | Schrader Group Architecture, LLC               | 12/20/2017        | \$144,713             | (\$26,162)              | (\$1,639)         |                         |                     | \$116,912               | -19.21%         |  |
| Garfield                     | James Madison Elementary School #10 | NT-0014-A01     | 5/28/2003               | 16   | Faridy Veisz Fraytak, P.C. Architects/Planners | 12/15/2017        | \$1,139,765           | \$1,387,474             | \$5,000           |                         |                     | \$2,532,239             | 122.17%         |  |
| Newark                       | Chancellor Avenue E.S.              | EP-0069-A01     | 4/1/2014                | 1    | NV5, Inc.                                      | 12/20/2017        | \$123,810             | \$0                     | (\$3,962)         |                         |                     | \$119,848               | -3.20%          |  |
| <b>Design Consultant</b>     |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
| <b>Professional Services</b> |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
|                              |                                     |                 |                         |      |  |                   |                       |                         | (\$601)           |                         |                     |                         |                 |  |

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**Amendments & Change Orders Report**

Reporting Period: 12/1/2017 through: 12/31/2017

| District                     | School Name(s)                      | Contract Number | Contract Execution Date | CO # | Vendor Name                                    | CO Execution Date | Contract Award Amount | Prior CO's (cumulative) | Current CO Amount | Board Approval Required | Board Approval Date | Revised Contract Amount | Cumulative CO % |  |
|------------------------------|-------------------------------------|-----------------|-------------------------|------|--|-------------------|-----------------------|-------------------------|-------------------|-------------------------|---------------------|-------------------------|-----------------|--|
| <b>Construction Services</b> |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
| <b>Contractor</b>            |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
| Burlington City              | Burlington City H.S.                | EP-0095-C01     | 6/15/2015               | 2    | Levy Construction Company, Inc.                | 12/22/2017        | \$440,550             | \$984,535               | (\$112,791)       |                         |                     | \$1,312,294             | 197.87%         |  |
| Egg Harbor City              | New Middle School                   | ET-0097-C02     | 8/21/2015               | 7    | I.E.W. Construction Group, Inc.                | 12/21/2017        | \$389,789             | \$1,128,171             | \$3,446           |                         |                     | \$1,521,407             | 290.31%         |  |
| Egg Harbor Township          | Egg Harbor Township H.S.            | ET-0087-C03     | 4/3/2017                | 2    | Delric Construction Co., Inc.                  | 12/18/2017        | \$1,141,371           | \$160,213               | (\$5,714)         |                         |                     | \$1,295,871             | 13.53%          |  |
| Garfield                     | James Madison Elementary School #10 | NT-0014-C03     | 12/3/2015               | 8    | Brockwell & Carrington Contractors, Inc.       | 12/6/2017         | \$16,725,000          | \$136,464               | \$2,469           |                         |                     | \$16,863,933            | 0.83%           |  |
| Paterson                     | New Union Avenue Middle School      | PA-0011-C01     | 6/21/2016               | 5    | Intercontinental Construction Contracting Inc. | 12/15/2017        | \$568,680             | \$27,656                | (\$12,935)        |                         |                     | \$583,401               | 2.58%           |  |
| Pemberton Township           | Alexander Denbo E.S.                | WT-0023-N01     | 6/12/2017               | 4    | Tricon Enterprises, Inc.                       | 12/7/2017         | \$1,299,900           | \$30,689                | \$300,000         | Y                       | 11/15/2017          | \$1,630,589             | 25.43%          |  |
| Phillipsburg                 | New HS (-x01)                       | NT-0003-C02     | 6/6/2013                | 117  | Epic Management, Inc.                          | 1/2/2018          | \$80,490,000          | \$4,948,506             | \$1,487           |                         |                     | \$85,439,993            | 6.14%           |  |
| Trenton                      | Hedgepeth-Williams M.S.             | EP-0073-C03     | 7/1/2016                | 9    | D&K Construction Co., Inc.                     | 12/6/2017         | \$1,287,000           | \$72,048                | (\$2,585)         |                         |                     | \$1,356,463             | 5.39%           |  |
| Perth Amboy                  | Seaman Avenue School                | ET-0031-B01     | 8/15/2016               | 1    | Epic Management, Inc.                          | 12/22/2017        | \$43,570,000          | \$0                     | \$8,306           |                         |                     | \$43,578,306            | 0.01%           |  |
| <b>Contractor</b>            |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
| <b>Construction Services</b> |                                     |                 |                         |      |  |                   |                       |                         |                   |                         |                     |                         |                 |  |
|                              |                                     |                 |                         |      |  |                   |                       |                         | <b>\$181,683</b>  |                         |                     |                         |                 |  |

|                     |                                   |                            |
|---------------------|-----------------------------------|----------------------------|
| <b>Grand Totals</b> | <b>Total Change Order Summary</b> | <b>Total Change Orders</b> |
|                     | <b>\$181,082</b>                  | <b>12</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 |

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**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: February 7, 2018

SUBJECT: Contractor and Workforce Compliance Monthly Update for November 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 November 30, 2017 was \$128,715,504. 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 39.45% of all SDA contracts.

| Type of Business Enterprise               | Contract Amount      | % of Total SDA Contracts |
|---|----------------------|--------------------------|
| Small Business Enterprises                | \$ 41,828,766        | 32.50%                   |
| Small/ Minority Business Enterprises      | \$ 125,000           | 0.10%                    |
| Small/Women Business Enterprises          | \$ 8,827,510         | 6.86%                    |
| 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>39.46%</b>            |

Members of the Authority  
 Contractor and Workforce Compliance Monthly Update  
 February 7, 2018  
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### **Ethnic Breakdown**

Through the month of November 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 November 2017, there was a contractor workforce of 979 on SDA projects. This represents a total of 120,005 contractor workforce hours as follows:

| <b>Contractor Workforce Breakdown<br/>(All Trades/Districts/Counties)</b> |                        |                              |                                   |
|---|------------------------|------------------------------|-----------------------------------|
| <b>Ethnicity</b>  | <b>Total Workforce</b> | <b>Total Workforce Hours</b> | <b>Workforce Hours Percentage</b> |
| Black   | 105                    | 12,062                       | 10.05%                            |
| Hispanic  | 154                    | 14,506                       | 12.09%                            |
| American Indian   | 3                      | 124                          | 0.10%                             |
| Asian   | 5                      | 576                          | 0.48%                             |
| <b>Total Minority Participation</b>                                       | <b>267</b>             | <b>27,268</b>                | <b>22.72%</b>                     |
| Total Non-Minority Participation  | 712                    | 92,737                       | 77.28%                            |

Members of the Authority  
 Contractor and Workforce Compliance Monthly Update  
 February 7, 2018  
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There was a contractor workforce of 788,987 total workforce hours and 7,275 total female workforce hours on SDA projects for the period of January 1, 2017 through November 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                                 | 788,987                | 100.00%           |
| <b>*Total Local County Workforce Hours</b>             | <b>61,135</b>          | <b>7.75%</b>      |
| <b>Total Local County Non-Minority Workforce Hours</b> | <b>35,745</b>          | <b>4.53%</b>      |
| <b>Total Local County Female Workforce Hours</b>       | <b>549</b>             | <b>0.07%</b>      |
|  |                        |                   |
| <b>Total Local County Minority Workforce Hours</b>     | <b>25,390</b>          | <b>3.22%</b>      |
| <b>**Local County Workforce Hours by Ethnicity:</b>    |                        |                   |
| Black  | 15,395                 | 1.95%             |
| Hispanic   | 9,291                  | 1.18%             |
| American Indian  | 0                      | 0.00%             |
| Asian  | 704                    | 0.09%             |

\*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  
 February 7, 2018  
 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 November 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> |               |
|------------------------------------|------------------------------|--|---------------|--|---------------|
| Elizabeth, New Elementary School   | 132,526                      | 35,678   | <b>26.92%</b> | 0  | <b>0.00%</b>  |
| Garfield, James Madison ES         | 43,764                       | 8,578  | <b>19.60%</b> | 0  | <b>0.00%</b>  |
| Harrison ES                        | 933                          | 532  | <b>57.02%</b> | 0  | <b>0.00%</b>  |
| Irvington, Madison Avenue          | 2,133                        | 447  | <b>20.96%</b> | 277  | <b>12.99%</b> |
| Millville, High School             | 2,782                        | 1,424  | <b>51.19%</b> | 281  | <b>10.10%</b> |
| New Brunswick, Paul Robeson School | 76,712                       | 16,588   | <b>21.62%</b> | 4,899  | <b>6.39%</b>  |
| Newark, South Street ES            | 39,522                       | 10,897   | <b>27.57%</b> | 2,121  | <b>5.37%</b>  |
| Passaic, Leonard Place ES          | 110,995                      | 28,933   | <b>26.07%</b> | 13,817   | <b>12.45%</b> |
| Perth Amboy, Seaman Avenue         | 10,412                       | 1,641  | <b>15.76%</b> | 1,281  | <b>12.30%</b> |
| Trenton HS                         | 253,542                      | 78,601   | <b>31.00%</b> | 32,629   | <b>12.87%</b> |
| Vineland, Lincoln Ave MS           | 70,180                       | 11,363   | <b>16.19%</b> | 3,698  | <b>5.27%</b>  |
| Emergent Projects                  | 11,669                       | 4,191  | <b>35.92%</b> | 1,331  | <b>11.41%</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: February 7, 2018

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

**Monthly Update:**

- No grants were offered during the reporting period.
- No grants were executed during the reporting period.
- 22 grants impacting 5 districts were closed out during the reporting period representing \$12.5M in total project costs and state share of \$6.9M.
- 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  
 December 2017

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| ROD Grant Summary Since Program Inception |                      |                  |                  |                  |
|---|----------------------|------------------|------------------|------------------|
|   | Offered <sup>1</sup> | Executed         | Closed-Out       | Active           |
| Districts Impacted                        | 14                   | 524              | 513              | 205              |
| Number of Grant Projects                  | 33                   | 5,402            | 4,544            | 858              |
| Total Project Cost Estimate               | \$ 17,885,648        | \$ 9,141,861,284 | \$ 8,056,677,932 | \$ 1,085,183,353 |
| Grant Amount                              | \$ 7,465,551         | \$ 3,023,739,882 | \$ 2,632,629,546 | \$ 391,110,336   |
| Amount Disbursed                          | N/A                  | \$ 2,772,668,634 | \$ 2,632,629,546 | \$ 140,039,088   |

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

|  |               |
|--|---------------|
| Total ROD Grant Funding remaining for new Grant Projects | \$ 69,806,842 |
|--|---------------|

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                 | -        | 5             |
| Number of Grant Projects           | -        | 22            |
| Total Project Cost Estimate        | \$ -     | \$ 12,545,708 |
| Grant Amount                       | \$ -     | \$ 6,884,790  |
| Amount Disbursed                   | NA       | \$ 6,884,790  |

\* 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.

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

**COMMUNICATIONS MONTHLY REPORT** (*no report*)

**MONTHLY FINANCIAL REPORT** *(no report)*

**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.**