

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, APRIL 4, 2018 AT 9:15 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 February 7, 2018
- b. Board Executive Session Meeting Minutes of February 7, 2018
- c. Board Open Session Meeting Minutes of March 12, 2018

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

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

- a. COMPANY NAME: Precision Building Construction
DISTRICT: Newark School District
CONTRACT NO: NE-0001-C02
PMF/CM: NJSDA Self-Managed
SCHOOL NAME: Science Park High School
CHANGE ORDER NO.: 3
REASON: Revised Scope of Corrective Work –Removal of Control Dampers and Replacement with Smoke Dampers and Time Extension
AMOUNT: \$375,000 (Not-to-Exceed)
TIME EXTENSION: 350 Days
CONTRACT STATUS: 93.2 % Paid to Date against the Current Contract Value
OCCUPANCY DATE: November 13, 2006
Approval of Change Order No. 3, Approval of Release of Funds from Program Contingency Reserve, Approval of Revised Final Charter and Approval to Reestablish Adjusted Construction Contract Value – Newark School District – Science Park High School
- b. Award for Temporary Classroom Units and Revised Preliminary Project Charter – Plainfield School District – New Woodland Elementary School – Temporary Space at Frederick W. Cook Elementary School

6. REPORT AND RECOMMENDATION OF THE REAL ESTATE COMMITTEE (CHAIRMAN'S REPORT)

- a. Term Agreements for Appraisal Services – Package No. GP-0250-R01

7. AUTHORITY MATTERS

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

8. MONTHLY REPORTS

- a. *For Informational Purposes*
 - i. Active Projects Report
 - ii. Project Close Out Status Report

- iii. Project Status Reports
- iv. Contracts Executed Report/Amendments & Change Orders Executed Report
- v. Contract Terminations Report (*no activity*)
- vi. Settlement Activities Report (*no activity*)
- vii. Contractor and Workforce Compliance Report
- viii. Regular Operating District Grant Activity Report
- ix. Notification of Amendments to Goods and Services Contracts Not Exceeding \$100,000 or 10% of the Contract Value (*no activity*)
- x. Communications Report
- xi. Monthly Financial Report
- xii. Design Contract De-Obligations Report (*no activity*)

9. PUBLIC COMMENTS

10. EXECUTIVE SESSION

- a. Exercise of an Option to Extend a Lease for the Trenton Central High School Temporary Facilities
- b. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
CCD Report (*no activity*)

11. ADJOURNMENT

APPROVAL OF MEETING MINUTES

FEBRUARY 7, 2018 OPEN SESSION

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 7, 2018**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, February 7, 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)

David Moore (Treasury)

Kevin Egan

Richard Elbert

Michael Maloney

Robert Nixon

Mario Vargas

being a quorum of the Board. Ms. Hassett, Mr. Moore, Mr. Piaia and Mr. Walsh participated in the meeting by teleconference.

At the Chairman's request, Charles McKenna, chief executive officer (by teleconference), Albert Alvarez; chief of staff; 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 and Karon Simmonds, director of the SDA, participated in the meeting. Adam Sternbach 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.

Mr. Walsh began the meeting by introducing SDA's newest Board Member Richard Elbert. He said that Mr. Elbert is an architect and an attorney. He welcomed him to the Board.

Approval of Meeting Minutes

Mr. Walsh then presented for consideration and approval the Minutes of the January 3, 2018 Open and Executive Session meetings. A copy of both sets of minutes and a resolution were provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Egan, and seconded by Mr. Piaia, the Open and Executive Session minutes of the January 3, 2018 meeting were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 3a/3b***.

Next, Mr. Walsh presented the January 3, 2018 minutes of the Authority's Annual Organizational Board meeting. A copy of the minutes and a resolution were provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Maloney, the January 3, 2018 Organizational Board meeting minutes of the SDA Board of Directors were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 3c***.

Authority Matters

CEO Report

The Chairman asked Mr. McKenna for the Report of the Chief Executive Officer. Mr. McKenna began his report by introducing Al Alvarez, SDA's new chief of staff. At Mr. McKenna's request, Mr. Alvarez provided the Board with a brief overview of his background and experience. He said that he is excited to be at the Authority and is looking forward to working with the SDA Board and staff.

Mr. McKenna then gave an update on the Trenton Central HS (TCHS) project. He said that roofing, exterior sheathing and concrete masonry unit installation work is ongoing. He added that SDA staff is awaiting final building design release from the Department of Community Affairs (DCA). He also reported that interior rough-in HVAC, fire suppression, electric, plumbing and framing is ongoing.

With respect to the Camden HS project, Mr. McKenna reported that USA Environmental completed abatement of the annex and circular buildings in December 2017 and demolition activities are ongoing at those buildings. He said that abatement activities in the main building (built in 1916) are completed and the permit application was submitted to DCA. With regard to the East Orange George Washington Carver ES project, he advised that footings, foundations, under-slab utilities, structural steel and masonry design documents are now with DCA for review and release. He added that the team is preparing for site mobilization and that construction management (CM) proposals are due February 19.

Mr. McKenna said that for the Elizabeth New ES project, Torcon, the design-builder, continues to address punch-list and closeout items. For the Garfield James Madison ES No. 10

project, he reported that design-builder Brockwell & Carrington continues with rough interior finish work. He added that the selection of furniture, fixtures and technology is ongoing and all construction activities and trades continue to progress well toward a September school opening.

Mr. McKenna reported that for the Harrison New ES project, design phase services continue. He informed the Members that SDA staff issued design-builder Brockwell & Carrington the limited notice-to-proceed (NTP) with footings, foundations and under-slab utilities in December and construction activities are ongoing. He noted that SDA staff should be breaking ground there next month (March).

Concerning the Irvington Madison Avenue ES project, Mr. McKenna said that Ernest Bock & Sons, Inc. (Bock), the design-builder, continues with design phase services. He reported that footing work is complete, foundation work is nearing completion, and under-slab utility work is ongoing. For the Keansburg Port Monmouth Road ES project, Mr. McKenna reported that LAN Associates continues with design phase services.

Mr. McKenna reported that, for the addition and renovation project at the Millville HS, Hall Construction, 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.

With respect to the New Brunswick Paul Robeson ES project, Mr. McKenna said that site work, HVAC, electrical, plumbing, and interior finish work is ongoing. He said staff is anticipating a September school opening there. For the Newark South Street ES project, he reported that interior partitions, painting, final electrical, plumbing, and grading work is ongoing. He added that ceiling grid installation and flooring and bathroom partition installation work is ongoing. He noted that staff expects a September school opening there. Concerning the Orange

Cleveland ES and Orange HS projects, he advised that design phase services continue on both projects.

Turning to projects in the Passaic School District, Mr. McKenna reported that, for the Leonard Place ES project, exterior masonry work and interior mechanical, electrical and plumbing (MEP) work is ongoing. For the Dayton Avenue Educational Campus, he said that staff held the kick-off meeting on January 23. He noted that the design phase NTP was issued to Terminal Construction last month (January) and the design is underway.

Mr. McKenna informed the Members that for the Paterson Union Avenue MS (former site of Don Bosco Academy), 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. He provided the Board with an overview of the impact that the site's location below the flood zone is having. He said that the Authority might have to seek and obtain a Department of Environmental Protection (DEP) waiver as part of the process.

Mr. McKenna reported that the previous day (February 6) the Authority held a demolition event at the Pemberton Denbo Crichton ES project site. He thanked Board Member Mario Vargas for joining staff and district officials at the event. He added that DCA had issued the demolition permit and that the notice of award (NOA) was issued to Bock on January 23. With regard to the Perth Amboy Seaman Avenue ES project, he said that Epic Management, the design-builder, continues with design phase services. He said that structural steel erection, footings, foundation, site utility and curb installation work is ongoing. He added that SDA staff expects completion of the steel work soon and a steel erection event will be held there in the near future.

With respect to the Vineland New MS project, Mr. McKenna said that final electrical, rough plumbing, HVAC, site work, ceiling grid installation and interior painting is underway.

Reporting on the Authority's procurement activities, Mr. McKenna reported that, later in the meeting, management would be presenting a recommendation to approve the cost of insurance for OCIP IV. He reminded the Members that they had already approved the contracts for Broker and Administration Services.

Mr. McKenna said that other activity currently underway includes procurements for CM services for the East Orange George Washington Carver ES and Passaic Dayton Avenue Educational Campus projects.

Turning to Authority events, outreach and other activities, Mr. McKenna reported that Communications staff held a community meeting in Camden the previous week to speak to those residing near the school. He said that SDA staff members were there to explain to the Camden residents what the demolition process will entail and how it will affect them.

Mr. McKenna again noted that, yesterday, SDA staff held a demolition event in Pemberton to highlight the start of work for the new Denbo-Crichton ES. He also said that SDA staff would look to schedule a groundbreaking event for the new elementary school in Harrison and a beam-signing event for the Perth Amboy Seaman Avenue ES.

Audit Committee

Owner Controlled Insurance Program (OCIP IV); Contract Management System Software and Implementation Services Award - Clarification

At the Chairman's request, Mr. Nixon said that the Audit Committee met on January 18, 2018 at which time management provided the Committee with the December 2017 New Funding Allocation and Capital Plan Update. He advised the Board that the only SDA District Reserve

Balance that experienced a change was the Planning Reserve Balance due to an increase in commitments of \$11.2 million following the Board's approval of a final project charter for the Passaic Dayton Avenue Educational Campus. He reported that the reserve balance for the Regular Operating Districts (RODs) increased by \$1.6 million during the reporting period due to reductions in state share for grant projects nearing completion.

Mr. Nixon said that the first item the Committee considered was management's recommendation for Board approval of a contract for the continuation of SDA's Owner Controlled Insurance Program (OCIP). He said that since 2003, the Authority has implemented an Owner Controlled Insurance Program to wrap-up multiple types of insurance coverage into one program. He reported that OCIP III's enrollment term will expire March 1, 2018 and management recommends that the Board authorize SDA to continue the OCIP Program for Authority-managed school facilities projects that will begin construction during the period from the effective date of March 1, 2018 through March 1, 2021. He said that the new OCIP IV would have an initial three (3) year term within which to enroll eligible projects starting construction on or after March 1, 2018. He explained that among the wrap-up policies included in OCIP IV are workers' compensation, general liability and excess liability. He advised that management is recommending that the Board authorize the purchase of various OCIP wrap-up policies from The Hartford and other insurers for excess liability coverage. Mr. Nixon then presented the Committee's recommendation that the Board 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. He explained that the new OCIP IV would have an initial three (3) year term within which to enroll eligible projects that will begin 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 effective date of March 1, 2018. Finally, Mr. Nixon advised that, as proposed, 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. Ms. Simmonds responded to Member questions and provided additional details. The Chairman and Mr. Nixon commended Ms. Simmonds on her handling of the negotiation process, which resulted in a favorable cost impact.

Following discussion, upon motion duly made by Mr. Vargas and seconded by Mr. Luckie, the Board approved the purchase of Owner Controlled Insurance Program IV with its unanimous vote in favor of ***Resolution 5a***.

Next, Mr. Nixon advised that management is seeking Board approval to make a technical clarification to a previous Board approval. He reminded the Members that, in December 2017, the Board had authorized management to contract with two companies, PMWeb and CBA, Inc. to purchase Contract Management System Software and Implementation Services (the System). He said that the System is central to effective and timely project and contract management; and serves as a filing, project tracking and communication system for SDA and its contractors.

He explained that nothing has changed about the procurement from what the Board previously approved except that the Authority technically will be contracting with Winvale Group, Inc. for the product and services and not directly with PMWeb and CBA. He said that Winvale “bundles” the product and services of sub-consultants and is the contract vehicle whereby the Authority can obtain the same. He said that, while the change is purely technical and does not alter the Board’s previous approval in any substantive way, it is prudent to make the

technical change to avoid any confusion and satisfy any future audit.

Following discussion, upon motion duly made by Mr. Vargas and seconded by Mr. Maloney, the Board approved a technical amendment to its prior action regarding the contract management system software and implementation services award with its unanimous vote in favor of *Resolution 5b*.

Public Comments

The Chairman opened the Public Comments portion of the meeting. At his request, Ms. Kelly asked Mr. Frank Faras to address the Board. Mr. Faras said that he resides directly across the street from the TCHS project site. He said that his house looks like all the other houses in the neighborhood, a row house. He said that he wanted to address a comment made by Mr. McKenna at the previous month's Board meeting that he lives in a "pathetic house". He said that as his house looks like all the other houses, he must live in a "pathetic neighborhood" (Note: At the January 2018 Board meeting Mr. McKenna referred to Mr. Faras' house as "jealously guarded"). He cited this as an example of what the SDA administration thinks of the residents. He said that he has come before the Board month after month over the last three years and advised the Board that the SDA has broken laws on many things and attacked the neighbors who live near the site. He said that SDA has failed to do studies regarding "restoration vs. new construction; "cost the taxpayers millions; and spewed toxic materials across the street onto neighboring houses in violation of state law. He said that he has brought manufacturer safety sheets to the Board for review that showed the carcinogenic nature of the material. He advised the Board that SDA has excluded the neighbors from meetings and failed to attend local Planning Board meetings despite requests that the agency do so. He said that, because of the latter, the hospital and firehouse located in close proximity to the TCHS site have had traffic

problems. He noted that he has continually brought this to the Board and Mr. McKenna's attention and the Board has done nothing about it. In continuing, Mr. Faras said that the SDA has cheated thousands of students out of a normal high school experience where they have not had gym facilities or labs (e.g., chemistry, biology) as required by law. He noted that the students were spread all over the city. He said that the SDA should be ashamed of itself.

The Chairman asked Mr. Jerrell Blakeley to address the Board. Mr. Blakeley introduced himself as a community organizer for the Healthy Schools Now Coalition (HSN) and Work Environment Council (WEC). He said that HSN is dedicated to the simple idea that all students deserve safe and healthy schools. He said that he is excited to work with the Murphy Administration to this end. He advised the Board that his organization would be embarking on an initiative to obtain new bond funding for the SDA program. He said that, as a former TCHS student and teacher, he is sensitive to the unhealthy conditions that existed at the school. He advised the Board that when he attended TCHS the conditions of the school would "shock the conscience". He said that it was possible to smell dead mice in the walls and that when it rained outside, it rained inside. He said that this affected all of the students. Mr. Blakeley said that he is thankful that change is coming and that the students of the TCHS facility will not have to endure those conditions. He said that he is looking forward to working with Mr. Alvarez and will be meeting with Mr. Alvarez and Mr. McKenna on Monday (February 12). He said that his organization is looking forward to the future. In concluding, Mr. Blakeley said that, while he was no fan of former Governor Christie, the SDA was a bright light in the former Governor's administration. He said that SDA staff is trying to do what is best with limited resources. He said that his organization wants to ensure that SDA has the resources it needs to do its job. He said that it is very hard to solve a \$100 billion problem with \$5 or \$10 billion. He conceded that

while you cannot make everyone happy, with more resources you can make more people happy.

Mr. Blakely concluded by saying that HSN is looking forward to seeking more funding for the SDA program and to a different relationship with Governor Murphy and the Board.

Mr. Walsh then announced that the Board would be adjourning into Executive Session. Ms. Kelly explained that in Executive Session the Board would be discussing a matter pertaining to window repairs at the Camden Cramer ES. She noted that this is an informational matter not requiring a Board vote.

Thereafter, upon a 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.

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 February 7, 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 February 7, 2018 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on February 8, 2018.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's February 7, 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: April 4, 2018

MARCH 12, 2018 OPEN SESSION

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
MONDAY, MARCH 12, 2018**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Monday, March 12, 2018 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Vice Chairman

Juan Burgos (EDA)

Kevin Luckie (DCA)

Bernard Piaia (DOE)

Michael Kanef (Treasury)

Kevin Egan

Michael Maloney

Loren Lemelle

being a quorum of the Board. Mr. Egan, Mr. Kanef, Mr. Piaia and Ms. Lemelle participated in the meeting by teleconference.

At the Vice Chairman's request, Charles McKenna, chief executive officer, Albert Alvarez; chief of staff; 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. Amanda Schultz of the Department of Education (DOE) participated in the meeting and Adam Sternbach of the Governor's Authorities Unit also participated in the meeting.

The meeting was called to order by the Vice Chairman of the Board, Mr. Nixon, who requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the

meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and had been duly posted on the Secretary of State's bulletin board at 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

Mr. Nixon asked Mr. McKenna for the Report of the Chief Executive Officer. Mr. McKenna opened his report with an update on the Trenton Central HS (TCHS) project. He said that roofing, exterior sheathing and concrete masonry unit installation work is ongoing there. He reported that the remainder of building release was issued by Department of Community Affairs (DCA). He added that interior rough-in HVAC, fire suppression, electric, plumbing and framing is ongoing.

Mr. McKenna informed the Members that for the Camden HS project, USA Environmental completed abatement of the 1916 Building and the demolition permit application is under review by DCA. He said that demolition of the gym/annex is complete. With regard to the East Orange George Washington Carver ES project, Mr. McKenna reported that DCA is reviewing design documents for footings, foundations, under slab utilities, structural steel and masonry. He said that the team is preparing for site mobilization later in the current month. He noted that SDA staff has engaged STV to provide construction management (CM) services.

With respect to the Elizabeth New ES, Mr. McKenna reported that Torcon, the design-builder, continues to address punch-list and closeout activities. For the Garfield James Madison ES No. 10 project, he advised that design-builder Brockwell & Carrington continues with rough

interior finish work. He said that all construction activities and trades continue to progress well with a school opening in September.

Mr. McKenna reported that design phase services for the Harrison New ES project. He said that Brockwell & Carrington has mobilized and construction activities have begun. For the Irvington Madison Avenue ES project, he informed the Members that Ernest Bock & Sons, Inc., the design-builder, continues with design phase services. He said that structural steel erection is ongoing. He added that SDA joined Irvington students and officials at a beam signing ceremony for the new Madison Avenue ES. He thanked Board Member Lester Lewis-Powder for joining staff at the event.

With respect to the Keansburg Port Monmouth Road ES project, Mr. McKenna said that LAN Associates continues with design phase services. For the addition and renovation project at the Millville HS, he reported that Hall Construction, the design-builder, continues with design phase services. He said that construction documents for Phase I and Phase II (demolition) are under review by DCA and that construction trailer installation and fit-out has begun.

Mr. McKenna reported that site work, and interior finish work is ongoing for the New Brunswick Paul Robeson ES project. He added that DCA inspections also are underway. For the Newark South Street ES project, he said that interior partitions, painting, final electrical, plumbing, and grading work is ongoing. He noted that ceiling grid installation, flooring and finish work and elevator installation also is ongoing. He said that SDA anticipates a September school opening.

Turning to projects in the Orange School District, Mr. McKenna advised that for the Cleveland ES project, SDA staff anticipates submission of construction documents to DCA in the current month. For the Orange HS project, he said that design phase services continue.

Next, Mr. McKenna gave an update on projects in the Passaic School District. He said that for the Leonard Place ES project, exterior masonry work is 95% complete and window installation and interior mechanical, electrical and plumbing work is ongoing. He reported that for the Dayton Avenue Educational Campus project, design phase services have begun. Mr. McKenna informed the Members that SDA staff cancelled the solicitation for CM services for the project to enhance and clarify language in the RFP regarding staffing experience. He noted that staff had re-advertised the solicitation the previous week.

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

With respect to the Pemberton Denbo Crichton ES project, Mr. McKenna reported that demolition is ongoing. He said that staff participated in a design-build kick-off meeting the previous month and design phase services are ongoing. For the Perth Amboy Seaman Avenue ES project, he informed the Members that Epic Management, Inc., the design-builder, continues with design phase services. He said that structural steel erection, footings, foundation, site utility and curb installation work is ongoing.

Mr. McKenna said that for the Vineland New MS project, final electrical, plumbing, HVAC and site work is ongoing. He added that ceiling grid installation, interior painting and vinyl composition tile floor installation is underway. He said that site work is nearing completion.

Turning next to ongoing procurement activity, Mr. McKenna said that, later in the meeting, management would be presenting a construction management services award for the

East Orange George Washington Carver ES project. He said that other activity currently underway includes procurements for CM services for the Pemberton Denbo Crichton ES project and Real Estate Appraisal Services.

Reporting on events, outreach and other SDA activities, Mr. McKenna said that a groundbreaking ceremony for the new Harrison ES is scheduled for Friday, March 9.

Approval of Meeting Minutes

The Vice Chairman then presented for consideration and approval the Minutes of the February 7, 2018 Open and Executive Session meetings. Staff had provided a copy of both sets of minutes and a resolution to the Members for review in advance of the meeting. Upon motion duly made by Mr. Maloney, seconded by Ms. Lemelle, and with Mr. Burgos abstaining, the Board voted on the Open and Executive Session meeting minutes of the February 7, 2018 meeting. With Mr. Burgos' abstention, however, the necessary eight (8) Member quorum for approval of the Minutes was not present. As a result, the Minutes will receive re-consideration at the Board's April 4, 2018 meeting.

Audit Committee

The Vice Chairman then provided the report of the Audit Committee. He said that the Committee met on February 20, 2018 at which time management provided the January 2018 New Funding Allocation and Capital Plan Update. He reported that there were no changes during the reporting period in any of the SDA District reserve balances. He also reported that the reserve balance for the Regular Operating Districts (RODs) increased by \$200,000 during the reporting period due to reductions in state share for grant projects nearing completion.

Next, Mr. Nixon reported that management had provided the Committee with the results of the Authority's Prompt Payment Compliance Act Audit (the Audit). He said that, as part of

the Audit, a sample of ninety-two (92) paid invoices for construction-related contracts was selected from the period between July 1, 2016 and June 30, 2017. He advised the Board that the Audit revealed no instances of untimely payments. He said that the Audit demonstrated that the SDA is complying with the requirements of the Prompt Payment Act.

Mr. Nixon then advised the Board that, for informational purposes, management had discussed a proposed Memorandum of Understanding (MOU) between the SDA and the DOE pertaining to the Long Range Facilities Plan System. He explained that the MOU also was to be presented to the School Review Committee (SRC) for advancement later that same day. He said that Mr. Luckie would be discussing the matter with the Board when he provides the report of the SRC.

Mr. Nixon then provided the preliminary December 2017 Monthly Financial Report. He explained that the December figures are expected to be updated in late spring upon the Authority's receipt of its Government Accounting Standards Board (GASB) No. 68 pension liability figures.

Next, Mr. Nixon advised the Committee that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$15.8 million, which is down \$3 million as compared to the budget for the corresponding period. He explained that this decrease is mainly attributable to the fact that there are 46 fewer than anticipated full time employees (FTEs) on staff. Mr. Nixon said that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period totaled \$356 million--\$7.3 million lower as compared to the capital spending forecast for the corresponding period. He advised the Board that this variance is due to lower project insurance costs (\$9.7 million OCIP II insurance refund), project acquisitions, school furniture, fixtures and equipment and other project related costs. He noted that the decreased

spending was offset by an increase in construction costs (\$13.1 million). Mr. Nixon then reported that project expenditures (Actual vs. Prior Year Actual), at \$356 million, have decreased by \$35.2 million as compared to the corresponding prior year period. He explained that the variance is due to decreased spending in construction related activity, school furniture, fixtures and equipment and lower project insurance costs. He said that this decreased spending was offset by an increase in grants (\$.6 million).

Mr. Nixon reported that, since program inception, approximately 80.1% of the funds authorized for SDA districts have been disbursed. Additionally, he said that, since program inception, 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated value of current school facilities project activity is approximately \$2.2 billion.

School Review Committee

Construction Manager Award – East Orange School District – George Washington Carver Elementary School; Credit Change Order – Santorini Construction; Change Order – T.N. Ward, Approval of Release of Funds from Emergent Reserve and Revised Final Charter – Camden School District – Cramer Elementary School; Memorandum of Understanding (MOU) Between the New Jersey Schools Development Authority (SDA) and the New Jersey Department of Education (DOE)

Mr. Nixon asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review Committee met on February 20, 2018. He said that the Committee is recommending Board approval of a CM award for the East Orange George Washington Carver ES project (the Project) in the East Orange School District. He informed the Members that the Project will involve construction of an approximately 77,000 square foot facility on district-owned property to educate approximately 470 students in grades Pre-K through 5. He reminded the Members that, in January 2014, the Board approved an amendment

to the Capital Plan Portfolio which authorized a project for the Carver ES after DOE identified Facilities Efficiency Standard Compliance needs in the district. Mr. Luckie said that SDA, district and DOE discussions determined that demolition of the vacant Carver ES and construction of a new educationally appropriate facility on its site would allow students who are currently housed in the district's Glenwood Avenue School to be relocated to the new facility. He said that the Board had approved a preliminary charter for the project in May 2015 and bridging documents were developed to support procurement of a design-builder. He added that, in August 2016, Site Enterprises was issued a Notice-to-Proceed (NTP) with demolition of the existing facility, which work was substantially completed in August 2017. Mr. Luckie explained that, in June 2017, the Board approved the final project charter and award of a design-build construction contract to Dobco Inc. (Dobco) in the amount of \$26.9 million and Dobco was issued a Notice-of-Award for construction of the new school. He said that in July 2017, Dobco received the NTP for the design phase of the project and management now is seeking Board approval to enter into a contract for CM services. He said that a package for CM services was advertised as a "price" 40% and "other factors" 60% solicitation beginning December 2017. Mr. Luckie added that following the procurement process, management is recommending approval of a contract award to STV Construction in the amount of \$1,369,425.70 for CM services for the Project.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Piaia and seconded by Mr. Maloney, the construction manager award for the East Orange George Washington Carver ES project was approved with the Board's unanimous vote in favor of ***Resolution 6a.***

Next, Mr. Luckie said that that the Committee is also recommending approval of a credit change order for Santorini Construction (Santorini) for the Salem MS project. He said that the Salem MS is a 101,800 square foot school facility educating 432 students in grades 3 through 8. He explained that in September 2016, a suspended acoustical ceiling system, associated lighting and an original plaster ceiling collapsed in classroom C11 of the School. He advised the Board that in January 2017 the DOE issued pre-construction approval for an emergent project to address the ceiling conditions. Mr. Luckie advised that in June 2017, the Board approved the release of funds from the SDA Program Reserve to address the ceiling conditions along with the award of a General Construction Task Order (GCTO) contract to Santorini in the Not-to-Exceed (NTE) amount of \$1,684,660. He reported that in July 2017, Santorini was issued a NTP with both design and construction services to address the emergent condition on a NTE time and material basis. He added that the contract was later converted to a lump sum value, after the scope of the work was further defined. He noted that all required work, repairs and refurbishments were completed and a certificate of occupancy was issued in December 2017. Mr. Luckie explained that the credit change order before the Board recognizes the adjustment from the original NTE value to the lump sum value through a credit totaling \$220,635 and is necessary in order for the release of final payment, to advance contract closeout activities and to de-obligate the funds.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion by Mr. Burgos and seconded by Mr. Maloney, the Board approved the proposed Credit Change Order No. 1 in the amount of \$220,635 with its unanimous vote in favor of ***Resolution 6b.***

In continuing, Mr. Luckie said that the Committee is recommending approval of a Change Order, a release of funds from the emergent reserve and a revised final charter for the Camden Cramer ES (Cramer School) project. He advised the Board that the Cramer ES is a 108,769 square foot facility educating 550 students in grades Pre-K through eight. He informed the Members that the SDA and DOE have identified emergent conditions at the Cramer School and an emergent project is advancing to address structural repairs, and/or to repair or replace various masonry, lintels, and windows. He said that SDA engaged Heritage Architecture (Heritage) to assess the identified emergent conditions associated with water infiltration and to submit a report with recommended options to address each of the identified conditions. Mr. Luckie explained that, informed by the Heritage report, the SDA determined that the most appropriate, efficient and timely approach for addressing the emergent condition (while recognizing the needs of the school calendar) was to advance the project through SDA's GCTO contract. He reported that in May 2017, with Board approval, SDA engaged T. N. Ward to address water infiltration and the work has progressed well. He said that during performance of the work, safety and certain other window conditions were identified and addressed and SDA authorized a review of the remaining windows at the school. He advised the Board that the scope of work included in Change Order No. 1 would address the entirety of the safety concerns associated with the remaining windows and provide new, operable windows to replace all existing windows. Mr. Luckie said that management believes that the value inclusive of Change Order No. 1 represents the true value of the emergent scope of work necessary to address the conditions and recommends that the contract value be re-established so that the adjusted value inclusive of Change Order No. 1 is the appropriate baseline for ongoing application of Operating Authority requirements.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Piaia and seconded by Mr. Burgos, the proposed Change Order No. 1, release of funds from the program emergent reserve and revised final charter for the Camden Cramer ES project were approved with the Board's unanimous vote in favor of ***Resolution 6c.***

Finally, Mr. Luckie said that the Committee is recommending approval of a Memorandum of Understanding (MOU) between the SDA and the DOE. He explained that the Long Range Facilities Plan (LRFP) System (the System), initially developed in 2005, is a web-based system of hardware and database software designed to collect, manage and maintain LRFP data for all school districts throughout the state, inclusive of the SDA districts. He advised that the System is used jointly by SDA and DOE to support SDA Capital Plan development for SDA districts as well as DOE evaluations of proposed school facilities projects. Mr. Luckie said that the current System requires upgrades and modifications to address significant needs in terms of user interface, data access, reporting, document storage, and LRFP and project coordination. He added that changes to educational laws and regulations, review standards, and school facilities funding since the design of the 2005 system have further increased the need for an improved LRFP system with an integrated project application component. He reminded the Members that in October 2016, the Board had approved execution of an MOU between the SDA and the DOE whereby SDA would provide funding in the amount of \$300,000 to support activities necessary to complete development of the System. Mr. Luckie informed the Members that this MOU expired on December 31, 2017 with \$95,573 of the authorized funding unexpended. He noted that, at the same time, additional development and implementation efforts are required to complete the new System. He said that management recommends that the Board authorize

execution of the proposed MOU in order that the unexpended funds remaining from the amount the Board authorized in 2016 can continue to fund DOE's development and completion of the new System. He explained that funding to support the Calendar Year 2018 costs, although not specifically included in the SDA 2018 Operating Budget, would be made available within the budget by utilizing funds from other information systems-related budget line items. He noted that, once the remaining funds are depleted, DOE would fund development of the System until it is completed.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Luckie, the MOU between the SDA and DOE was approved with the Board's unanimous vote in favor of ***Resolution 6d.***

Real Estate Committee

Extension of State-Wide Property Management and Maintenance Services Contract – (GP-0218-R01)

Mr. Nixon asked Mr. Luckie to provide the report of the Real Estate Committee. Mr. Luckie advised that management is seeking Board approval of a one-year extension of the State-Wide Property Management and Maintenance Services Contract. Referencing materials that previously were provided for Board review, he said that, at the May, 2015 Board meeting, the Members authorized management to enter into its existing contact with Bluegrass Hydro-Seed LLC in the NTE amount of \$2,165,000. He noted that the contract is due to expire on May 31, 2018. He informed the Members that, to date, approximately 41.5 million of the \$2.1 million has been expended. He explained that, currently, property management and maintenance services are required on sixteen (16) SDA-owned project sites. He said that four (4) of the sixteen (16) sites

have standing structures. Mr. Luckie advised that the proposed one-year extension is in the NTE amount of \$700,000, including a \$50,000 lump sum contingency for occasional support of current SDA Capital Projects on an as-needed basis. He advised that, with Board approval, the proposed agreement would commence June 1, 2018 and terminate May 31, 2019.

Following discussion, upon motion duly made by Mr. Burgos and seconded by Mr. Maloney, the Board approved a one-year Extension of the State-Wide Property Management and Maintenance Services Contract with its unanimous vote in favor of *Resolution 7a*.

Public Comments

The Chairman asked Mr. Frank Faras to address the Board. Mr. Faras said that he lives across the street from the TCHS project site. He said that it was good to see that the LRFP system is being updated because when the determination was made to demolish TCHS, there was no valid LRFP in place for the Trenton District. He questioned why SDA was updating the LRFP when it does not adhere to what it is supposed to under the LRFP.

Mr. Faras then presented his second point. He said that now that the façade of the new TCHS building is up, he would like to point out that it looks like a cross between an amusement park ride and a prison. He said that the old building looked like part of a university type campus. He suggested that, the next time, SDA get a real architect rather than getting the design off the internet. He also suggested that SDA allow the neighborhood to participate in the design of the building. Mr. Nixon reminded Mr. Faras that the neighborhood was very involved in the design of the building. He emphasized that the design that was ultimately selected was selected by the Trenton Board of Education (TBOE). He expressed regret that Mr. Faras is not happy with the aesthetics of the building. Mr. McKenna also noted that the TBOE selected the design. Mr. Faras suggested that SDA should have replaced the building with a building that is aesthetically

consistent with the surrounding neighborhood and that if SDA had had an architect involved the architect would have gone to the Planning Board. Mr. McKenna emphasized that SDA is not legally required to appear before local Planning Boards and, as a matter of practice, does not do so. He said that Mr. Faras is entitled to his own opinion but he is not entitled to his own facts.

Adjournment

There being no further matters to come before the Board, upon motion of the Vice Chairman and with unanimous consent, the meeting was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its March 12, 2018 meeting.

/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 March 12, 2018 Board meeting of the New Jersey Schools Development Authority, for the Open Session were forwarded to the Governor on March 13, 2018.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's March 12, 2018 Open Session meeting is hereby approved.

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

Dated: April 4, 2018

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

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

APPROVAL OF CHANGE ORDER NO. 3, APPROVAL OF RELEASE OF FUNDS FROM PROGRAM CONTINGENCY RESERVE, APPROVAL OF REVISED FINAL CHARTER AND APPROVAL TO REESTABLISH ADJUSTED CONSTRUCTION CONTRACT VALUE - NEWARK SCHOOL DISTRICT - SCIENCE PARK HIGH SCHOOL



MEMORANDUM

5

TO: Members of the Authority

FROM: C. Aidita Milsted
Program Director, Program Operations

DATE: April 4, 2018

SUBJECT: Newark-Science Park: Corrective Work for Smoke Control System Modifications, MEP, and Other Repairs
Approval of Change Order No. 3
Approval of Release of Funds from Program Contingency Reserve
Approval of the Revised Final Charter
Approval to Reestablish Adjusted Construction Contract Value

| | |
|-------------------|--------------------------------------------------------------------------------------------------------------------|
| COMPANY NAME: | Precision Building Construction |
| DISTRICT: | Newark School District |
| CONTRACT NO: | NE-0001-C02 |
| PMF/CM: | NJSDA Self-Managed |
| SCHOOL NAME: | Science Park High School |
| CHANGE ORDER NO.: | 3 |
| REASON: | Revised Scope of Corrective Work –Removal of Control Dampers and Replacement with Smoke Dampers and Time Extension |
| AMOUNT: | \$375,000 (Not to Exceed) |
| TIME EXTENSION: | 350 Days |
| CONTRACT STATUS: | 93.2 % Paid to Date against the Current Contract Value |
| OCCUPANCY DATE: | November 13, 2006 |

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of three (3) related actions due to a necessary modification to the scope of the corrective work for Smoke Control System Modifications (SCS), MEP, and other repairs at Science Park High School in the Newark Public Schools (District):

1. The approval of Change Order (CO) No. 3 on a time and materials basis (T&M) for the not-to-exceed (NTE) amount of \$375,000. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a change order which singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. CO No. 3 exceeds 10% of the contract value.
2. The approval of the release of monies from the Program Contingency Reserve in the amount of \$444,705, a sum representing 16% of the most recent Board-approved Project Charter. As discussed in more detail below, the funds sought from the Program Contingency represent the total needed to address the revised scope of work (and the resulting adjusted construction Contract value), construction contingency, and NJSDA staff costs. NJSDA staff shall continue to provide Construction Management for the entirety of the project. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, Board approval is required for the release of monies from the Program Reserve for unforeseen project

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events when the funds to be released singularly or in the aggregate exceed 10% of the most recent Board-approved Project Charter estimate or final project budget. This release of additional monies exceeds 10% of the most recent Board-approved Project Charter.

3. The approval of the revised Final Project Charter (copy attached). The revised Final Project Charter recognizes revision to the scope of corrective work, as well as an adjusted Project Budget reflecting adjusted values for construction services, and construction contingency, along with NJSDA staff costs. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a revision to a Project Budget which singularly exceeds 10% of the most recent Board-approved Project Charter requires approval by the Members of the Authority. The revised Project Budget represents an increase of 16% to the Final Project Charter approved by the Members on May 3, 2017.

I am also requesting approval from the Members of the Authority to establish the adjusted construction contract value as the baseline construction contract value for the purpose of the application of ongoing operating authority requirements. The reestablished value for this purpose shall be the contract value inclusive of CO No. 3.

BACKGROUND

Initial Project History

Science Park High School is a 275,000 square foot technology magnet high school educating 1,200 students in grades Seven (7) to Twelve (12). The New Jersey Economic Development Authority (NJEDA) initiated delivery of Science Park High School in 2002. The NJEDA assumed the design contract with Einhorn Yaffee Prescott Architecture & Engineering, P.C. (EYP) from NPS. The construction contract for the new school was awarded to Hunt Construction and a Notice to Proceed was issued in December 2004. The project achieved Substantial Completion and received a Temporary Certificate of Occupancy (TCO) on November 13, 2006.

During the construction of the school, the DCA realized that the Smoke Control System (SCS) was not in compliance with International Building Code (IBC). Consequently, a TCO was issued by DCA, allowing the school to be occupied. A Certificate of Occupancy (CO) will not be issued until modifications are implemented and all identified DCA deficiencies are remedied.

Modification of the school's SCS is the primary element necessary for the completion of the Science Park High School project, issuance of the CO and final transfer of the school facility to Newark Public Schools.

Pursuit of Certificate of Occupancy

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

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

Following completion of the SCS retrofit, the NJSDA engaged Triad Fire Protection Engineering Corporation (Triad) on September 11, 2011 to perform an inspection and determine functionality of the and compliance with applicable codes. The Triad inspection report stated that the retrofit to the SCS did not fully comply with the International Building Code (IBC) requirements.

The contract with GPC was terminated for convenience. The NJSDA determined that development of a design solution by a different design consultant was at this point the best approach to deliver an appropriate retrofit of the SCS that would fully comply with code requirements and remedy the deficiencies.

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

Triad has continued to provide additional required consulting services, including additional testing and inspections needed to certify modification of the existing Smoke Control System, fire alarm system, emergency power supply system, electrical system, and fire protection system at the Newark Science Park High School.

On June 2, 2017 Precision Building and Construction (PBC) was awarded a construction contract to address required corrective work related to Smoke Control System Modifications, MEP and Other Repairs identified through USA Architects' design efforts.

PBC has completed the scope of corrective work for the SCS, MEP and other repairs. However, the existing ductwork which interacts with the SCS did not pass the required pressure test due to factors involving the original project, unrelated to PBC's scope of work. CO No. 1 was issued to PBC to investigate and repair the issue that resulted in the failure of the existing SCS ductwork pressure test.

Following PBC's repairs to the ductwork, it was determined that the repairs would not fully address the required ductwork system pressurization issues. During the ongoing investigation and repairs to the ductwork system, thirty one (31) dampers were inspected. It was identified that the control dampers do not meet code conformance because they do not have required approved UL rating.

REASON FOR CHANGE

This Change Order is necessary to provide a fully operational, code compliant SCS and interactive components inclusive of the smoke dampers. The Change Order requires that the corrective work satisfactorily pass final SCS Special Inspection in order to obtain a Certificate of Occupancy.

The NJSDA authorized USA Architects to perform the needed Design Work, the timing of which is tightly connected to replacement of the smoke dampers and Summer 2018 installation.

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The Change Order's value of \$375,000 represents a T&M NTE amount to perform the Corrective Work, a value that shall be finalized upon completion of the Design Work. Upon completion of design, the NJSDA shall review and validate the final projected cost and schedule for the scope of work for CO No. 3. This review shall result in a determination to either advance the construction work on a time and material basis, or to establish a fixed cost for the scope of work defined in the construction documents. The dollar value includes costs for general conditions and extended general conditions as well as resequencing and/or acceleration of performance to maintain the schedule to ensure these activities are completed during the summer while the school is unoccupied.

This Change Order serves to extend the Contract Time by 350 calendar days, adjusting the Substantial and Final Completion dates from September 11, 2017 to August 24, 2018 and from November 06, 2017 to October 22, 2018, respectively (the "Contract Time Change"). In addition, the Change Order serves to memorialize a delivery of the corrective work during summer 2018 school recess with completion required on or before August 24, 2018. Modification of the school's SCS, inclusive of the damper replacement, is the primary element necessary for the completion of the Science Park High School project, issuance of the Certificate of Occupancy and final transfer of the school facility to Newark Public Schools.

SUMMARY OF CHANGE

CO No. 3 is for the removal of the control dampers and replacement with smoke dampers in accordance with USA Architects' design services for the verification and approval of the correct, code compliant smoke dampers. The appropriate scope of work to address the conditions through CO No. 3 is as follows:

1. Removal of sixty eight (68) control dampers and replacement with smoke dampers, actuators and end switches.
2. Upon installation of the smoke dampers throughout the system, PBC shall perform a pressure test of the system to ensure full functionality and code compliance of the SCS.

CO No. 3 also establishes an allowance of \$50,000 to address unforeseen miscellaneous equipment repair/replacement in the event that such work is required for the SCS and controls system to conform to design standards.

The above items are required to be fully operational and code compliant, and to satisfactorily pass final SCS Special Inspection to obtain a Certificate of Occupancy at the Newark Science Park High School.

All documents supporting this change order have been reviewed by the associated NJSDA Project Team members as well as the Program Director, Deputy Program Director of Program Operations and the Contract Management Division (CMD) for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members, including CMD, have determined that the change order is justified and that the amount is reasonable and appropriate.

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CALCULATIONS

| | | | |
|----|-----------------------------------------------------------------------------------------------|----|-----------|
| a. | Original Contract Amount inclusive of allowance | \$ | 1,450,353 |
| b. | Change Orders to Date (excluding proposed change order) | \$ | 106,831 |
| c. | Proposed Change Order Amount | \$ | 375,000 |
| d. | Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.)) | \$ | 481,831 |
| e. | Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.)) | | 33% |
| f. | Proposed Adjusted Contract Price (Line (a.) plus Line (d.)) | \$ | 1,932,184 |

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

REASON FOR RE-ESTABLISHING CONTRACT VALUE

As detailed above, this Project has encountered a significant change in the scope of corrective work after completion of an investigation and repairs of the duct system, resulting in the need for significant alterations to system components including identification of replacement of smoke dampers, actuators and end switches. We believe that the value inclusive of CO No. 3 represents the true value of the corrective scope of work necessary to address the conditions. Therefore, we recommend that the adjusted value inclusive of CO No. 3 is the appropriate baseline for ongoing application of Operating Authority requirements.

If approved, management will again seek Board approval should future change orders individually exceed \$500,000, or singularly or in the aggregate exceed 10% of the reestablished Contract amount as set forth above.

RECOMMENDATION

The Members of the Authority are requested to approve the following actions:

1. The approval of Change Order No. 3 on a T&M basis for the NTE amount of \$375,000.
2. Release of monies from the Program Contingency Reserve in the amount of \$444,705
3. The approval of the revised Final Project Charter (copy attached). The revised Final Project Charter recognizes a modification to the scope of corrective work, as well as an adjusted Project Budget reflecting adjusted values for construction services, and construction contingency, along with NJSDA staff costs.

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4. Reestablishment of the adjusted construction Contract value as the baseline construction Contract value for the purpose of the application of ongoing Operating Authority requirements. The reestablished value for this purpose shall be the contract value inclusive of Change Order No. 3.

/s/ C. Aidita Milsted

C. Aidita Milsted, Program Director, Program Operations

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

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

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

Reviewed and Recommended by: Steve Wendling, Deputy Director, Program Operations

Reviewed and Recommended by: Ronald Dworkis, Program Officer, Program Operations

Prepared and Recommended by: Katherine Gallo, Deputy Director, Program Operations

New Jersey Schools Development Authority Project Charter - Summary

Region: Northern
District: Newark
Project Name: Science Park High School
School Type: High School
DOE # / Project #: 3570-X01-01-0617
Project Type (New/Add/Reno): Smoke Control System Modification/Punchlist Repairs
Project Location: 260 Norfolk Street, Newark, NJ
Number of Students 1,200

| |
|-------------------------------------|
| Charter Date |
| 04/04/18 |
| Supersedes Charter Dated |
| 05/03/17 |

Land Acquisition Required? Yes No
Temporary Space Required? Yes No

| |
|-----------------------------------|
| Funding Source |
| Project Budget Program Reserve |

Project Budget: \$ 3,197,452
Anticipated Substantial Completion Date 08/24/18
Anticipated School Occupancy Date Occupied

| |
|--------------------------|
| Funding Allocated |
| \$ 3,197,452 |

Project Team Leader: C. Aidita Milsted
Project Initiation Date: March-12
SDA Board - Project Charter Approval Date: 04/04/18

| |
|-----------------------------|
| District Local Share |
| \$0.00 |

| Charter Version and Date | | Project Summary |
|-------------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Planning | | The project consists of modification to the Atrium smoke evacuation system and the completion of corrective work to remedy DCA identified deficiencies at Science Park HS necessary to obtain a Certificate of Occupancy. The scope of the project has been modified to include removal of control dampers and replacement with smoke dampers. |
| <input type="checkbox"/> Preliminary | 05/04/11 | |
| <input checked="" type="checkbox"/> Final | 05/03/17 | |
| | | Purpose for Advancement of Current/Revised Project Charter |
| Revision # and Date | | To establish the revised budget and schedule for the corrective project that recognizes revision to the scope of corrective work, as well as an adjusted Project Budget reflecting adjusted values for construction services, and construction contingency, along with NJSDA staff costs. |
| <input checked="" type="checkbox"/> One | 04/04/18 | |
| <input type="checkbox"/> Two | | District Project Goals |
| <input type="checkbox"/> Three | | |
| <input type="checkbox"/> Four | | |
| <input type="checkbox"/> Five | | |
| <input type="checkbox"/> Six | | |
| | | Complete corrective work and obtain a Certificate of Occupancy for the building. |

Recommendation

| | | | |
|-------------------------------------------------------------------|------|----------------------------------------------------------------|------|
| Program Director - Program Operations <u>C. Aidita Milsted</u> | Date | Managing Director - Capital Planning <u>Gregory Voronov</u> | Date |
| Vice President - Construction Operations <u>Manuel DaSilva</u> | Date | EVP- Prog. Ops. and Strategic Planning <u>Andrew Yosha</u> | Date |

Approval

Chief Executive Officer Date
Charles McKenna

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

| |
|---------------------|
| Charter Date |
| 04/04/18 |

| | |
|---------------------------------|-----------------------------------|
| District / Project Name: | Newark / Science Park High School |
| DOE # / Project #: | 3570-X01-01-0617 |

| | |
|---------------------------|-------------|
| Project Milestones | Date |
| School Occupancy Date | Occupied |

| | |
|------------------------|-------------------------|
| DELIVERY METHOD | Design/Bid/Build |
|------------------------|-------------------------|

| <u>Real Estate Services</u> | Start | Est. | Act. | Finish | Est. | Act. |
|--------------------------------|-------|--------------------------|--------------------------|--------|--------------------------|--------------------------|
| Feasibility | _____ | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Site Investigations | _____ | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Site Acquisition | _____ | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Relocation | _____ | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Demolition | _____ | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Remediation | _____ | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Deed Restriction Required? | _____ | Date | | | | |
| District Notified? | _____ | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| Classification Exception Area? | _____ | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| District Notified? | _____ | <input type="checkbox"/> | <input type="checkbox"/> | | | |

Special Considerations

| <u>Design:</u> | Date | Est. | Act. | Start | Est. | Act. | Finish | Est. | Act. |
|--------------------------------|----------|--------------------------|-------------------------------------|-------|------|------|----------|--------------------------|-------------------------------------|
| Design Start (NTP) | 07/30/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | | | |
| Design Restart (if applicable) | _____ | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | |
| Program Concept Phase | | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | |
| Schematic Design Phase | 07/30/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | 09/30/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Design Development Phase | 10/01/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | | <input type="checkbox"/> | <input type="checkbox"/> |
| Construction Documents Phase | 10/28/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | 11/24/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| DCA Review | 12/17/15 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | 02/17/17 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Bid and Award | 12/27/16 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | | 06/01/17 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Special Considerations

The design schedule above is reflective of corrective work for Smoke Control System Modifications, MEP, and other repairs. The new school project achieved substantial completion in November 2006.

| <u>Construction:</u> | Date | Est. | Act. |
|------------------------------|----------|-------------------------------------|-------------------------------------|
| Construction Start (NTP) | 06/02/17 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Substantial Completion (TCO) | 08/24/18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| School Occupancy Date | Occupied | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Title Transfer | N/A | <input type="checkbox"/> | <input type="checkbox"/> |
| Final Completion (C of O) | 10/22/18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Post Occupancy Walk Through | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Project Close-Out | 11/19/18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Special Considerations

The construction schedule above is reflective of the corrective work for Smoke Control System Modifications, MEP, and other repairs and is inclusive of the revised schedule to address the replacement of the control dampers with smoke dampers. The new school project achieved substantial completion in November 2006.

| New Jersey Schools Development Authority Project Charter - Project Budget | | Charter Date |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|
| | | 04/04/18 |
| District / Project Name: Newark / Science Park High School | | |
| DOE # / Project #: 3570-X01-01-0617 | | |
| Funding Allocated | \$ | 3,197,452 |
| Special Considerations: | | |
| <p>The revised value of the project budget has been adjusted to address the following: Change Order (CO) No. 3 - for additional construction activities related to removal of control dampers and replacement with smoke dampers, replenishment of construction contingency and allowance, along with SDA staff costs. There are (2) construction allowance established in the original contract : 1) \$50,000 for Smoke Control System additional programming, testing, balancing, and related activities, and has a remaining balance of \$37,563; and 2) \$20,000 for unidentified impacted soils. The NTE value of CO No. 3 also establishes an allowance of \$50,000 to address unforeseen miscellaneous equipment repair/replacement in the event that it is required for the SCS and controls system to conform to design standards. The project budget represented below is inclusive of the actual dollar values for the award of the general construction contract, change order work, replenishment of construction contingency, and allowances. Additionally, the budget is inclusive of costs committed related to design services, prior completed corrective work and NJSDA Staff Costs.</p> | | |
| Project Budget: | | |
| Gross Building Area (GSF): | | Grossing Factor: |
| New Addition | 275,000 | N/A |
| Renovation | _____ | |
| Total Gross Building Area (GSF): | 275,000 | |
| Estimated Building Cost / GSF (unescalated) | | |
| New Construction Cost/GSF | N/A | |
| Renovation Cost/GSF | N/A | |
| Construction Costs | | |
| Precision Building Construction - Current Contract | \$1,555,343 | |
| Change Order # 3 - Damper Replacement | \$375,000 | |
| Prior Completed Corrective Work - Grafas | \$247,109 | |
| Design Contingency | \$0 | |
| Construction Contingency | \$185,000 | |
| Total Construction Costs | \$2,362,452 | |
| Pre-Development Costs: | | |
| Consultant Services | \$0 | |
| Early Site Package (Demolition/Remediation) | \$0 | |
| Land Acquisition | \$0 | |
| Relocation | \$0 | |
| Property Maintenance/Carry Costs | \$0 | |
| Total Pre-Development Costs | \$0 | |
| Other Costs: | | |
| Design | \$412,000 | |
| Project Management (SDA Staff) | \$350,000 | |
| PMF/CM | \$0 | |
| FF&E | \$0 | |
| Technology | \$0 | |
| Commissioning | \$0 | |
| Temporary Space | \$0 | |
| Other Costs | \$73,000 | |
| Total Other Costs | \$835,000 | |
| Other Funding Sources | | |
| Rebates & Refunds | \$0 | |
| District Local Share Funds | \$0 | |
| Total Other Funding Sources | \$0 | |
| Total Project Budget | \$3,197,452 | |
| Funding from Prior Allocation | \$2,752,747 | |
| Funding from Current Capital Plans | \$444,705 | |

**New Jersey Schools Development Authority
Project Charter - Budget Variance**

Charter Date

04/04/18

District / Project Name: Newark / Science Park High School
DOE # / Project #: 3570-X01-01-0617

Project Budget:

| | Final Charter 5/3/17 | Current Budget | VARIANCE Fav/(Unfav) |
|---------------------------------------------|---------------------------------|---------------------------|---------------------------------|
| Grossing Factor: | N/A | N/A | |
| Gross Building Area (GSF): | | | |
| New | 275,000 | 275,000 | 0 |
| Addition | | | |
| Renovation | | | |
| Total Gross Area (GSF): | 275,000 | 275,000 | 0 |
| Construction Costs | | | |
| Precision Building Construction | \$1,450,343 | \$1,555,343 | (\$105,000) |
| Change Order #3 - Damper Replacement | \$0 | \$375,000 | (\$375,000) |
| Prior Completed Corrective Work - Grafas | \$249,404 | \$247,109 | \$2,295 |
| Design Contingency | \$0 | \$0 | \$0 |
| Construction Contingency | \$290,000 | \$185,000 | \$105,000 |
| Total Construction Costs | \$1,989,747 | \$2,362,452 | (\$372,705) |
| Pre-Development Costs: | | | |
| Consultant Services | \$0 | \$0 | \$0 |
| Early Site Package (Demolition/Remediation) | \$0 | \$0 | \$0 |
| Land Acquisition | \$0 | \$0 | \$0 |
| Relocation | \$0 | \$0 | \$0 |
| Property Maintenance/Carry Costs | \$0 | \$0 | \$0 |
| Total Pre-Development Costs | \$0 | \$0 | \$0 |
| Other Costs: | | | |
| Design Services | \$412,000 | \$412,000 | \$0 |
| Project Management (SDA Staff) | \$278,000 | \$350,000 | (\$72,000) |
| PMF/CM | \$0 | \$0 | \$0 |
| FF&E | \$0 | \$0 | \$0 |
| Technology | \$0 | \$0 | \$0 |
| Commissioning | \$0 | \$0 | \$0 |
| Temporary Space | \$0 | \$0 | \$0 |
| Other Costs | \$73,000 | \$73,000 | \$0 |
| Total Other Costs | \$763,000 | \$835,000 | (\$72,000) |
| Other Funding Sources | | | |
| Rebates & Refunds | \$0 | \$0 | \$0 |
| District Local Share Funds | \$0 | \$0 | \$0 |
| Total Other Funding Sources | \$0 | \$0 | \$0 |
| Total Project Budget | \$2,752,747 | \$3,197,452 | (\$444,705) |
| Funding from Prior Allocation | \$2,752,747 | \$2,752,747 | \$0 |
| Funding from Current Capital Plans | \$0 | \$444,705 | (\$444,705) |

Budget Variance Analysis:

The project budget of \$3.2 million represents an increase of \$444,705 from the Board approved Final Project Charter. The revised Final Project Charter recognizes revision to the scope of corrective work, as well as an adjusted Project Budget reflecting adjusted values for construction services, and construction contingency, along with NJSDA staff costs, and other costs.

Schedule Variance Analysis:

This Change Order also serves to extend the Contract Time by 350 calendar days and to change the Substantial and Final Completion dates from September 11, 2017 to August 24, 2018 and from November 06, 2017 to October 22, 2018 respectively (the "Contract Time Change").

Resolution—5a.

Change Order No. 3; Release of Funds from Program Contingency Reserve; Revised Final Charter and Reestablish Adjusted Construction Contract Value

| | |
|-------------------|--------------------------------------------------------------------------------------------------------------------|
| COMPANY NAME: | Precision Building Construction |
| DISTRICT: | Newark School District |
| CONTRACT NO: | NE-0001-C02 |
| PMF/CM: | NJSDA Self-Managed |
| SCHOOL NAME: | Science Park High School |
| CHANGE ORDER NO.: | 3 |
| REASON: | Revised Scope of Corrective Work –Removal of Control Dampers and Replacement with Smoke Dampers and Time Extension |
| AMOUNT: | \$375,000 (Not-to-Exceed) |
| TIME EXTENSION: | 350 Days |
| CONTRACT STATUS: | 93.2 % Paid to Date against the Current Contract Value |
| OCCUPANCY DATE: | November 13, 2006 |

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve a change order which singularly exceeds \$250,000, or is greater than 10% of the contract value and revisions to final project charters; and

WHEREAS, the SDA Operating Authority further requires that the Members of the Authority approve the release of funds from the program contingency reserve when the funds to be released, singularly or in the aggregate, exceed 10% of the most recent Board-approved project charter estimate or final project budget; and

WHEREAS, the Science Park High School (High School), in the Newark Public School District, is a 275,000 square foot technology magnet high school educating 1,200 students in grades 7 to 12; and

WHEREAS, the New Jersey Economic Development Authority initiated delivery of the High School in 2002, a construction contract for the High School project was awarded to Hunt Construction, and a notice-to-proceed for the same was issued in December 2004; and

WHEREAS, the High School project achieved substantial completion and received a Temporary Certificate of Occupancy (TCO) on November 13, 2006; and

WHEREAS, during the construction of the High School, the Department of Community Affairs (DCA) determined that the Smoke Control System (SCS) was not in compliance with the International Building Code; and

WHEREAS, the High School is occupied pursuant to a TCO but a Certificate of Occupancy (CO) will not be issued until modifications are implemented and identified all DCA deficiencies are remedied; and

WHEREAS, modification of the High School's SCS is the primary element necessary for the completion of the Science Park project, issuance of the CO and final transfer of the school facility to Newark Public Schools; and

WHEREAS, the steps taken by SDA to remedy deficiencies with the High School's SCS are described in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the project background, a summary of the change, reason for the change, and basis for reestablishing the contract value are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, Change Order No. 3, in the not-to-exceed amount of \$375,000, exceeds 10% of the contract value, the release of additional monies in the amount of \$444,705, exceeds 10% of the most recent Board-approved project charter and the revised project budget represents an increase of 16% to the final project charter approved by the Members on May 3, 2017 thus necessitating Board approval; and

WHEREAS, this change order will be forwarded to the SDA Special Projects Division for determination of potential cost recovery; and

WHEREAS, for the reasons set forth in the memorandum presented to the Board, management recommends that the Members of the Authority approve Change Order No. 3, the release of funds from the program contingency reserve, the revised final project charter as proposed and reestablish the adjusted construction contract value for the Newark High School project.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve Change Order No. 3 in the not-to-exceed amount of \$375,000 for the Newark Science Park High School project and the release of monies from the program contingency reserve in the amount of \$444,705.

BE IT FURTHER RESOLVED, that the Members of the Authority approve the revised final charter for the Newark Science Park High School project as presented to the Board on this date and representing a 16% increase from the most recently approved final charter, recognizing a modification to the scope of corrective work, as well as an adjusted Project Budget reflecting adjusted values for construction services and construction contingency, along with SDA staff costs.

BE IT FURTHER RESOLVED, that the Members of the Authority hereby authorize and approve reestablishment of the adjusted construction contract value as the baseline construction contract value for the purpose of the application of ongoing Operating Authority requirements with the reestablished value for this purpose being the contract value inclusive of Change Order No. 3.

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, Change Order No. 3, Release of Funds from Program Contingency Reserve, Approval of Revised Final Project Charter and Reestablish Adjusted Construction Contract Value - Newark School District – Science Park High School Project – Revised Scope of Work of Corrective Work, dated, April 4, 2018

Dated: April 4, 2018

**AWARD FOR TEMPORARY CLASSROOM UNITS AND REVISED PRELIMINARY
PROJECT CHARTER - PLAINFIELD SCHOOL DISTRICT - NEW WOODLAND
ELEMENTARY SCHOOL - TEMPORARY SPACE AT FREDERICK W. COOK
ELEMENTARY SCHOOL**



TO: Members of the Authority

FROM: Sean Murphy, Procurement Director
Thomas Schrum, Managing Director, Program Operations
Gregory Voronov, Managing Director, Program Operations

RE: District: Plainfield School District
School: New Woodland Elementary School – Temporary Space at
Frederick W. Cook Elementary School
Description: Temporary Classroom Units for District Occupancy
Cost: \$ 700,000 (Not To Exceed)
CM: NJSDA Self-Managed

DATE: April 4, 2018

SUBJECT: Award for Temporary Classroom Units
Revised Preliminary Project Charter

INTRODUCTION

We are writing to advise the Members of the Authority of a change in project scope, budget and schedule required due to the identification of flood plain concerns that have served to require revisions to the scope and sequence of project activities for the construction of the New Woodland Elementary School (New Woodland ES) in the Plainfield School District. These changes necessitate revision to the Preliminary Project Charter approved by the Members in September 2016. Specifically, the charter revision includes the costs of Temporary Facilities necessary to support project advancement, as well as budgetary impacts resulting from the change in project sequencing.

Additionally, we are writing to recommend approval by the Members to enter into a lease for Temporary Classroom Units (TCUs) to be installed on the site of the District-owned Frederick W. Cook Elementary School facility (Cook ES), to be used as Temporary Space during the demolition of the existing Woodland Elementary School and construction of the New Woodland ES. The TCUs and related services are to be provided by Vanguard Modular. We are seeking approval from the Members for the Not-To-Exceed (NTE) amount of \$700,000 representing costs for the fabrication, delivery, placement, lease and subsequent removal of TCUs and inclusive of a contingency for unforeseen conditions.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended on March 7, 2012, approval by the Members is required to enter into leases with a value exceeding \$1,000,000 and/or for a term exceeding three (3) years. The proposed lease will be for a four year term.

Members of the Authority
Approval of TCU Construction Contract Award & Revised Preliminary Project Charter
Plainfield School District
New Woodland Elementary School – Temporary Space
April 4, 2018
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BACKGROUND

At the September 7, 2016 Board Meeting the Members approved the Preliminary Project Charter for a new two-story school facility on the District-owned Woodland ES site. The project includes the construction of a new approximately 121,000 square foot facility to educate 756 students in grades Kindergarten to Five to serve as a replacement facility for the existing Woodland and Cook Elementary Schools. At the time the Preliminary Project Charter was advanced for approval, the contemplated sequence of project activities provided for construction of the new school on open space available on the Woodland ES site, followed by demolition of the existing Woodland ES and site work to provide necessary physical education space and parking. Based upon the originally planned sequence of project activities, students were expected to remain in the existing Woodland ES until completion of the new school. Therefore, it was not anticipated that temporary facilities would be necessary to support project advancement.

Based upon flood plain concerns identified in July 2017 related to the portion of the site planned for the new school, the sequence of project activities must be adjusted such that demolition of the existing Woodland ES must occur first to allow for the new school to be located outside of the flood plain.

To allow for the demolition to proceed, the District will therefore need to vacate the current Woodland ES after completion of the 2017/18 school year. A review of potential temporary facilities options was undertaken. These options included a review of existing District facilities, City-owned properties, and privately owned facilities. The results of this review determined that there were no available, appropriate City- or privately-owned facilities and that consolidation of the Woodland ES students with the students at Cook ES would provide the best solution to address the temporary space needs. The students from both these schools will ultimately be educated in the New Woodland ES when complete.

To accommodate all the students from the existing Woodland ES facility, eight additional classrooms will be required at the Cook ES, which will be provided through the installation of leased TCUs adjacent to the school facility on the basketball court.

PROCUREMENT PROCESS

NJSDA staff contacted two companies with NJSDA-accessible cooperative purchasing agreements pertaining to leasing of TCUs: Vanguard Modular Building Systems and Modular (Mod) Genius. Each company was requested to provide proposals based upon the following scope of work:

- Fabrication, Delivery, Installation and Obtaining a Certificate of Occupancy for the TCUs
- Leasing of the TCUs for 48 months, which represents the duration required to complete the New Woodland ES project
- Subsequent removal of the TCUs from the Cook ES site and site restoration after the students move to the new Woodland ES.

Members of the Authority
 Approval of TCU Construction Contract Award & Revised Preliminary Project Charter
 Plainfield School District
 New Woodland Elementary School – Temporary Space
 April 4, 2018
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Each firm provided the following price proposals for the scope of work, with each aspect priced as a NTE value as there are details of site conditions and regulatory and code requirements to be confirmed during completion of the design and review by the NJ Department of Education (NJDOE) and New Jersey Department of Community Affairs (NJCA):

| Company | Design | Lease | Install | Removal | Total |
|------------|----------|-----------|-----------|----------|-----------|
| Vanguard | \$25,000 | \$261,600 | \$272,369 | \$69,480 | \$628,449 |
| Mod Genius | \$25,000 | \$338,803 | \$242,616 | \$53,070 | \$659,489 |

During NJSDA review of the proposals' terms, conditions, schedules, and cost, each firm acknowledged the scope of work and confirmed that the proposed cost recognized the schedule requirements.

Upon conclusion of the review of the proposals and schedule, the NJSDA determined that Vanguard's proposal was responsive and the most cost effective.

This package will be awarded pursuant to NJSDA's utilization of the Keystone Procurement Network (KPN), a competitively bid cooperative purchasing program contract for products and services. Through the KPN contract, NJSDA will engage Vanguard Modular for the lease of needed TCUs and related work at the Cook ES site.

SCOPE OF WORK

This TCU package is being advanced in two phases:

- Phase 1: The initial phase of the work is for the design of the TCUs. This initial phase is critical to advancement of Phase 2 of the work. Consistent with the Operating Authority, Vanguard Modular was issued an award for these services on March 29, 2018, in the not-to-exceed (NTE) amount of \$25,000. Vanguard Modular is developing site drawings, including the location of the TCUs, ramps and other supporting site considerations to be advanced for review by the NJDOE and NJCA.
- Phase 2: The second phase includes the fabrication and installation of the leased TCUs, with removal to follow consistent with the schedule discussed herein.

The second phase scope of work for the TCUs at the Cook ES site will include:

- Fabrication, Delivery, Installation and Obtaining a Certificate of Occupancy for the TCU units
- Leasing of the TCUs for 48 months, which represents the duration required to complete the New Woodland ES project
- Subsequent removal of the TCUs from the Cook ES site after the students move to the new Woodland ES. This includes TCU removal and site restoration.

Members of the Authority
 Approval of TCU Construction Contract Award & Revised Preliminary Project Charter
 Plainfield School District
 New Woodland Elementary School – Temporary Space
 April 4, 2018
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Occupancy of the TCUs is projected for the start of the school year in September 2018. With the lease period of 48 months, occupancy of the TCUs will continue until the conclusion of the 2021/2022 school year.

The cost for the lease of the units is recommended at \$5,450 per month, or a total of \$261,600 for the full 48 months of the lease. The total NTE value for Phase 2 scope is \$603,449. Upon completion of the design by Vanguard and review by NJDOE and NJDCA, Vanguard will provide a finalized cost proposal for negotiation and conversion of the NTE value to a defined lump sum value.

The total NTE value listed below also includes a contingency for unforeseen conditions that might arise during installation of the TCUs.

Cost Breakdown for Phase 2 Scope (NTE Values)

| | |
|-------------------------------------------------------|------------|
| TCU Fabrication, Delivery, Installation, Obtaining CO | \$ 272,369 |
| TCU Lease (48 months) | \$ 261,600 |
| TCU Removal and Site Restoration | \$ 69,480 |
| SUBTOTAL | \$ 603,449 |
| Contingency | \$ 96,551 |
| TOTAL | \$ 700,000 |

Revised Preliminary Project Charter

The revised Preliminary Project Charter represents an increase of \$5.1 million from the Preliminary Project Charter approved by the Members in September 2016. The increased costs are due to the impacts of cost escalation and the inclusion of costs associated with temporary facilities, both resulting from the change in the sequencing of project activities.

Members of the Authority
Approval of TCU Construction Contract Award & Revised Preliminary Project Charter
Plainfield School District
New Woodland Elementary School – Temporary Space
April 4, 2018
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RECOMMENDATION

The Members of the Authority are requested to approve the contract award for the lease of Temporary Classroom Units from Vanguard Modular for a lease term not exceeding four years. We are also seeking approval from the Members for a not-to-exceed value in the amount of \$700,000 representing costs for the fabrication, delivery, placement, lease and subsequent removal of TCUs and inclusive of a contingency for unforeseen conditions. Additionally, the Members are requested to approve the revised Preliminary Project Charter for the New Woodland ES.

/s/ Sean Murphy
Sean Murphy, Procurement Director

/s/ Thomas Schrum
Thomas Schrum, Managing Director, Program Operations

/s/ Gregory Voronov
Gregory Voronov, Managing Director, Program Operations

Reviewed and Recommended by: Andrew Yosha, EVP, Program Operations and Strategic Planning
Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer
Reviewed and Recommended by: Manuel Da Silva, Vice President – Construction Operations
Reviewed and Recommended by: Joseph Lucarelli, Deputy Program Director, Program Operations
Reviewed and Recommended by: Tony Sassine, Program Officer, Program Operations
Prepared and Recommended by: Jeannette Thannikary, Program Officer, Program Operations

| New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method | | | | | | Charter Date | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------|-------------------------------------|-------------------------------------|---------------|-------------------------------------|-------------------------------------|
| | | | | | | 04/04/18 | |
| District / Project Name: | | Plainfield / New Woodland Elementary School | | | | | |
| DOE # / Project #: | | 4160-N07-17-0AEP | | | | | |
| Project Milestones | | | | | | Date | |
| School Occupancy Date | | | | | | TBD | |
| DELIVERY METHOD | | | | Design/Build | | | |
| Real Estate Services | | Start | Est. | Act. | Finish | Est. | Act. |
| Feasibility | | 05/01/16 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 07/21/16 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Site Investigations | | 10/01/16 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 07/01/19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Site Acquisition | | N/A | <input type="checkbox"/> | <input type="checkbox"/> | N/A | <input type="checkbox"/> | <input type="checkbox"/> |
| Relocation | | N/A | <input type="checkbox"/> | <input type="checkbox"/> | N/A | <input type="checkbox"/> | <input type="checkbox"/> |
| ESP - Existing School Demolition | | 07/24/18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 06/10/19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Deed Restriction Required? | | TBD | Date | | | | |
| District Notified? | | | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| Classification Exception Area? | | TBD | | | | | |
| District Notified? | | | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| Special Considerations | | | | | | | |
| <p>The project scope has been resequenced due to flood plain considerations related to the project site. The sequence of activities has been modified from that anticipated at the time the Preliminary Project Charter was approved in September 2016 such that demolition of the existing Woodland School must advance prior to construction of the new school.</p> | | | | | | | |
| Design: | | Date | Est. | Act. | | | |
| Design Start (NTP) | | 09/07/16 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | | |
| Design Restart (if applicable) | | NA | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| | | Start | Est. | Act. | Finish | Est. | Act. |
| Program Concept Phase | | 09/07/16 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 02/02/17 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Schematic Design | | 02/03/17 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 05/03/19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Bridging Documents | | 11/27/18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 03/13/19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Design-Build Bid/Award | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Design-Build NTP | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Final Design | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Special Considerations | | | | | | | |
| | | | | | | | |
| Construction: | | Date | Est. | Act. | | | |
| Construction Start (NTP) | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| Substantial Completion (TCO) | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| School Occupancy Date | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| Title Transfer | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| Final Completion (C of O) | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| Post Occupancy Walk Through | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| Project Close-Out | | TBD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | | |
| Special Considerations | | | | | | | |
| | | | | | | | |

| New Jersey Schools Development Authority Project Charter - Project Budget | | Charter Date |
|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------|
| | | 04/04/18 |
| District / Project Name: | Plainfield / New Woodland Elementary School | |
| DOE # / Project #: | 4160-N07-17-0AEP | |
| 2012 Capital Plan Funding Allocation | \$ | 61,995,000 |
| Special Considerations: | | |
| The project budget represented below is based upon the application of planning estimates to the current anticipated project scope. | | |
| Project Budget: | | |
| Gross Building Area (GSF): | | Grossing Factor: |
| New | 121,000 | 1.55 |
| Addition | 0 | |
| Renovation | 0 | |
| Total Gross Building Area (GSF): | 121,000 | |
| Estimated Building Cost / GSF | | |
| New Construction Cost/GSF | \$311.00 | |
| Renovation Cost/GSF | | |
| Design-Builder Costs | | |
| Design | \$1,900,000 | |
| Building Costs | \$33,000,000 | |
| Site Development Costs | \$3,000,000 | |
| Demolition | \$0 | |
| E-Rate (If separately bid) | \$0 | |
| Cost Escalation 43 months at 5 % per year | \$6,600,000 | |
| Design Contingency | \$3,700,000 | |
| Construction Contingency | \$2,200,000 | |
| Total Construction Costs | \$50,400,000 | |
| Pre-Development Costs: | | |
| Consultant Services | \$990,000 | |
| Woodland School Demolition & Site Work | \$1,200,000 | |
| Land Acquisition | \$0 | |
| Relocation | \$0 | |
| Property Maintenance/Carry Costs | \$0 | |
| Total Pre-Development Costs | \$2,190,000 | |
| Other Costs: % | | |
| Design | | |
| In-House Design | \$760,000 | |
| Project Management (SDA Staff) | \$1,300,000 | |
| PMF/CM | \$1,600,000 | |
| FF&E | \$2,100,000 | |
| Technology | \$2,100,000 | |
| Commissioning | (Included in DB Scope) | |
| Temporary Space | \$725,000 | |
| Other Costs | \$820,000 | |
| Total Other Costs | \$9,405,000 | |
| Other Funding Sources | | |
| Rebates & Refunds | \$0 | |
| District Local Share Funds | \$0 | |
| Total Other Funding Sources | \$0 | |
| Total Project Budget | \$61,995,000 | |
| Funding from Prior Allocation | \$0 | |
| Funding from 2012 Capital Plan | \$61,995,000 | |

**New Jersey Schools Development Authority
Project Charter - Budget Variance**

Charter Date

04/04/18

District / Project Name: Plainfield / New Woodland Elementary School
DOE # / Project #: 4160-N07-17-0AEP

Project Budget:

| | Preliminary Charter 9/7/16 | Current Budget | VARIANCE Fav/(Unfav) |
|----------------------------------------|---------------------------------------|------------------------|---------------------------------|
| Grossing Factor: | 1.55 | 1.55 | 0.00 |
| Gross Building Area (GSF): | | | |
| New | 121,000 | 121,000 | 0 |
| Addition | 0 | 0 | 0 |
| Renovation | 0 | 0 | 0 |
| Total Gross Area (GSF): | 121,000 | 121,000 | 0 |
| Design-Builder Costs | | | |
| Design | \$1,900,000 | \$1,900,000 | \$0 |
| Building Costs | \$33,000,000 | \$33,000,000 | \$0 |
| Site Development Costs | \$3,000,000 | \$3,000,000 | \$0 |
| Demolition | \$0 | \$0 | \$0 |
| E-Rate (If separately bid) | \$0 | \$0 | \$0 |
| Cost Escalation | \$2,900,000 | \$6,600,000 | \$3,700,000 |
| Design Contingency | \$3,700,000 | \$3,700,000 | \$0 |
| Construction Contingency | \$2,000,000 | \$2,200,000 | \$200,000 |
| Total Construction Costs | \$46,500,000 | \$50,400,000 | \$3,900,000 |
| Pre-Development Costs: | | | |
| Consultant Services | \$990,000 | \$990,000 | \$0 |
| Woodland School Demolition & Site Work | \$1,200,000 | \$1,200,000 | \$0 |
| Land Acquisition | \$0 | \$0 | \$0 |
| Relocation | \$0 | \$0 | \$0 |
| Property Maintenance/Carry Costs | \$0 | \$0 | \$0 |
| Total Pre-Development Costs | \$2,190,000 | \$2,190,000 | \$0 |
| Other Costs: | | | |
| Design | | | |
| In-House Design | \$760,000 | \$760,000 | \$0 |
| Project Management (SDA Staff) | \$1,100,000 | \$1,300,000 | \$200,000 |
| PMF/CM | \$1,600,000 | \$1,600,000 | \$0 |
| FF&E | \$1,900,000 | \$2,100,000 | \$200,000 |
| Technology | \$2,000,000 | \$2,100,000 | \$100,000 |
| Commissioning | (Included in DB Scope) | (Included in DB Scope) | \$0 |
| Temporary Space | \$0 | \$725,000 | \$725,000 |
| Other Costs | \$820,000 | \$820,000 | \$0 |
| Total Other Costs | \$8,180,000 | \$9,405,000 | \$1,225,000 |
| Other Funding Sources | | | |
| Rebates & Refunds | \$0 | \$0 | \$0 |
| District Local Share Funds | \$0 | \$0 | \$0 |
| Total Other Funding Sources | \$0 | \$0 | \$0 |
| Total Project Budget | \$56,870,000 | \$61,995,000 | \$5,125,000 |
| Funding from Prior Allocation | \$0 | \$0 | \$0 |
| Funding from 2012 Capital Plan | \$56,870,000 | \$61,995,000 | \$5,125,000 |

Budget Variance Analysis:

Budget increase is due to the impacts of cost escalation and the inclusion of costs associated with temporary facilities resulting from the change in the sequencing of project activities due to flood plain considerations.

Schedule Variance Analysis:

Resolution—5b.

Award for Temporary Classroom Units and Revised Preliminary Project Charter

District: Plainfield School District
 School: New Woodland Elementary School – Temporary Space at
 Frederick W. Cook Elementary School
 Description: Temporary Classroom Units for District Occupancy
 Cost: \$700,000 (Not-To-Exceed)
 CM: NJSDA Self-Managed

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 SDA’s execution of any lease for a term exceeding three (3) years in duration and revisions to project charters; and

WHEREAS, on September 7, 2016, the Members approved the preliminary project charter for a new two-story school facility (the project) on the Plainfield School District-owned Woodland Elementary School (Woodland ES) site; and

WHEREAS, the project includes the construction of a new approximately 121,000 square foot facility to educate 756 students in grades Kindergarten to Five to serve as a replacement facility for the existing Woodland and Frederick W. Cook Elementary Schools; and

WHEREAS, as proposed, the preliminary project charter reflected construction of the new school on open space available on the Woodland ES site, followed by demolition of the existing Woodland ES, allowing students to remain in the existing Woodland ES until completion of the new school; and

WHEREAS, flood plain concerns identified in July 2017 and relating to the portion of the site planned for the new school, required that the sequence of project activities be adjusted such that demolition of the existing Woodland ES must occur first to allow for the new school to be located outside of the flood plain; and

WHEREAS, this change in sequence necessitates changes in the project’s scope, budget and schedule as well as the utilization of temporary classroom units (TCUs) as temporary space during the demolition of the existing Woodland ES and construction of the New Woodland ES; and

WHEREAS, these changes require revisions to the preliminary project charter approved by the Members in September 2016 to include the costs of the TCUs and to address the budgetary impacts resulting from the change in project sequencing; and

WHEREAS, management recommends that the Members of the Authority approve SDA’s purchase of the TCUs, utilizing the Keystone Procurement Network program, from Vanguard Modular Building Systems (Vanguard) for the not-to-exceed (NTE) amount of \$700,000 representing costs for the TCUs’ fabrication, delivery, placement, lease and subsequent removal, and inclusive of a contingency for unforeseen conditions; and

WHEREAS, the Project's background, a description of the procurement process followed by management to secure the TCUs, and the temporary facilities' budget are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, SDA management recommends that the Members of the Authority approve the revised preliminary project charter as presented for the New Woodland ES project.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the contract award, through utilization of the Keystone Procurement Network, for the lease of Temporary Classroom Units from Vanguard Modular Building Systems for the Plainfield New Woodland Elementary School project for the not-to-exceed amount of \$700,000 representing costs for the fabrication, delivery, placement, lease and subsequent removal of the TCUs and inclusive of a contingency for unforeseen conditions.

BE IT FURTHER RESOLVED, that the Members of the Authority approve the revised preliminary project charter for the New Woodland Elementary School as presented to the Board on this date.

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, Award for Temporary Classroom Units and Revised Preliminary Project Charter, Plainfield School District, New Woodland Elementary School, Temporary Space at Frederick W. Cook Elementary School, dated April 4, 2018

Dated: April 4, 2018

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

TERM AGREEMENTS FOR APPRAISAL SERVICES - PACKAGE NO. GP-0250-R01



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

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

TO: Members of the Authority

FROM: Sean Murphy
Director, Procurement

Paul Hamilton
Director, Program Planning

DATE: April 4, 2018

SUBJECT: Approval of Awards
Package No. GP-0250-R01
Term Agreements for Appraisal Services

INTRODUCTION

The NJSDA utilizes the services of real estate appraisers in connection with land acquisition activities. Such services also will be required in connection with the divestiture of land that may be deemed surplus by NJSDA. NJSDA Management is seeking to enter into term contracts with twenty-seven (27) real estate appraisal firms.

The NJSDA's engagement of appraisers is governed by the rules set forth at N.J.A.C. 19:38C-9.1 et seq. These rules provide for the NJSDA to establish and maintain a master list of appraisers (the "Master List"). According to the procedures set forth at N.J.A.C. 19:38C-9.2, the Master List shall be created from both the list of appraisers maintained by the New Jersey Department of Transportation and the list of appraisers previously engaged by the NJSDA. Firms may request to be included on the Master List by submitting a statement of qualifications, which evaluation by NJSDA staff will determine if a firm possesses the relevant experience and qualifications to successfully perform the required appraisal services. Pursuant to N.J.A.C. 19:38C-9.4, the NJSDA is required to extend an offer to contract with all firms on the Master List. Additionally, the term agreement shall not exceed three (3) years and is subject to a fixed schedule of hourly rates and schedule of lump sum fees, as appropriate, with the contract value over the term subject to a predetermined stated ceiling.

TERM AGREEMENTS

The NJSDA previously procured real estate appraisal services in 2003, 2006, 2009, and 2015. Because the prior real estate appraisal services contracts have since expired, management is seeking to establish a new pool of firms with relevant experience and qualifications to successfully perform the required appraisal services. Accordingly, the Members of the Authority are requested to approve the award of term contracts to twenty-seven (27) real estate appraisal firms. Specific work assignments under the contracts will be made by way of "task order" on an as needed basis. The term of these contracts is three (3) years; however, for any assignment(s) accepted during the three-year contract term, the firm(s) will be allowed to complete the particular assignment(s), even if extending beyond the contract term. Each engaged firm must agree to provide services in accordance with a fixed schedule of hourly rates and schedule of lump sum fees, as appropriate, developed by the NJSDA (see attached Appendices E and F of the term agreement). These hourly rates and lump sum fees are the same as those utilized for the 2015 appraisal services contracts. Each of the twenty-seven (27) contracts will individually have a not-to-exceed amount of \$50,000.

It is within the NJSDA's discretion to issue any number of task orders to an appraiser during the term of the

Members of the Authority
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Term Agreements for Appraisal Services
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agreement. Task orders will be awarded pursuant to rotational assignment to pool members with consideration given to the firms': (1) licensing status; (2) professional designations; (3) previous experience on similar projects; (4) geographic proximity to the school facilities project or projects; (5) present capacity of the firm to provide the required services; and (6) to the extent practicable, equitable allocation of task order assignments among all appraisers engaged by the NJSDA under the term agreements.

PROCUREMENT PROCESS

This solicitation was advertised beginning February 28, 2018 on the NJSDA website, the NJ State website, and in selected newspapers for eligible firms to participate in the procurement process. In addition, as provided for by N.J.A.C. 19:38C-9.4, the NJSDA issued term agreement offer packages to all eighty (80) firms on the Master List. The twenty-seven (27) firms listed in Table 1 below have submitted the required documentation to enter into a term agreement with the NJSDA for real estate appraisal services:

TABLE 1

| Firm | Comments |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Aspen Valuation Group, LLC | Included on the Master List. |
| Bettina Durmaskin Sholk Real Estate Appraisal | Included on the Master List. |
| Carroll-McIlhinney, Inc. | Included on the Master List. |
| Federal Appraisal & Consulting, LLC | Included on the Master List. |
| Gagliano & Company | Included on the Master List. |
| Heil Appraisals | Included on the Master List. |
| Integra Realty Resources, Coastal NJ | Included on the Master List. |
| J. McHale & Associates, Inc. | Included on the Master List. |
| Lasser Sussman Associates, LLC | Included on the Master List. |
| Market Appraisers, Inc. | Included on the Master List. |
| Mason-Helmstetter Associates, LLC | Included on the Master List. |
| McCullough MAI CPA, LLC | Added to the Master List after NJSDA staff review of statement of qualifications. |
| Miller-Rinaldi & Associates | Included on the Master List. |
| Molinari & Associates, P.C. | Included on the Master List. |
| Moore Appraisal Group, Inc. | Included on the Master List. |
| New Jersey Realty Advisory Group, LLC | Included on the Master List. |
| Newmark Knight Frank Valuation & Advisory, LLC | Included on the Master List. |
| R.A. Hagel & Associates | Included on the Master List. |
| Ronald A. Curini Appraisal Company, Inc. | Included on the Master List. |
| Sockler Realty Services Group, Inc. | Included on the Master List. |
| Stanley Jay Appraisal Associates, LLC | Included on the Master List. |
| StarMark Appraisals, LLC | Added to the Master List after NJSDA staff review of statement of qualifications. |
| Sterling DiSanto & Associates | Included on the Master List. |
| Steven W. Bartelt | Included on the Master List. |
| Tony Kamand Realty Company | Included on the Master List. |
| Value Research Group, LLC d/b/a Integra Realty Resources - Northern NJ | Included on the Master List. |
| Wade Appraisal, LLC | Added to the Master List after NJSDA staff review of statement of qualifications. |

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Approval of Awards
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RECOMMENDATION

The Members of the Authority are requested to approve the NJSDA contracting with the twenty-seven (27) real estate appraisal firms listed in Table 1 at the hourly rates and lump sum fees, as appropriate, set forth in the attached Appendices E and F of the term agreement. Each firm would enter into a contract for a not-to-exceed amount of \$50,000 during the three-year term. Prior to execution of each contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

/s/ Sean Murphy
Sean Murphy
Director, Procurement

/s/ Paul Hamilton
Paul Hamilton
Director, Program Planning

Reviewed and Recommended by: Andrew Yosha, EVP, Program Operations and Strategic Planning
Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer
Reviewed and Recommended by: Gregory Voronov, Managing Director, Program Operations

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APPENDIX E

SCHEDULE OF FEES

E.1 In General. This Schedule of Fees shall apply to all Services related to an Appraisal Report, including submission of the Appraisal Report. Categories are by type of use of the Property, and, for commercial structures, by total square feet of interior space associated with that use (including space for supporting utilities, maintenance, storage, office, etc.). The fee is for an Appraisal Report that covers all such space and all vacant land and parking space on the same Property. Normally a “property” is one tax lot, or a combination of tax lots which are under common ownership and which are occupied by the same use; from time to time an Appraisal Order may define a Property as consisting of only a portion of one or more tax lots.

LUMP SUM FEE PER PROPERTY TYPE AND TYPE OF APPRAISAL ORDER

| | Appraisal Report | Restricted Use | Review |
|----------------------------------------|-------------------------|-----------------------|---------------|
| <u>A. Residential</u> | | | |
| Vacant Land (1-2 Lots) | \$1,000 | \$500 | \$300 |
| Single Family Dwelling | \$1,500 | \$1,000 | \$500 |
| 2-4 Family Dwelling | \$2,000 | \$1,500 | \$750 |
| 5-10 Family Dwelling | \$3,000 | \$2,000 | \$750 |
| <u>B. Commercial/Industrial</u> | | | |
| Vacant Land | | | |
| Up to 20,000 SF | \$2,000 | \$1,000 | \$300 |
| 20,000-50,000 SF | \$3,000 | \$1,500 | \$500 |
| Improved Commercial/Industrial | | | |
| 1-4 units ≤ 25,000 SF | \$5,000 | \$3,000 | \$750 |
| Larger /Complex Properties | Negotiable | Negotiable | Negotiable |

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- E.2 Fee Negotiation for Other Categories; Expedited Delivery; Volume Discount.** For all categories of property not listed above, Appraisal Report fees shall be negotiated. Fees may also be negotiated in the event expedited delivery is required. Where the number of Properties addressed in an Appraisal Order exceeds 10, the NJSDA reserves the right to require a volume discount off any applicable charges in the Schedule of Fees, with the percentage of any such discount subject to good faith negotiation by and between the NJSDA and the Appraiser.
- E.3 Mixed-Use Properties.** If more than one of the uses listed in E.1 occupies the same Property, the Appraiser shall provide an Appraisal Report for the property at a fee not to exceed the sum of the above fees for the individual uses.
- E.4 Uses Not Specified.** Notwithstanding E.3, In the event any of the Properties contains any use not listed above, or if the NJSDA and the Appraiser cannot agree as to which fee category applies, then the NJSDA may negotiate a new fee with the Appraiser for an Appraisal Report for the property.
- E.5 Change of Use.** If the Appraiser determines that the highest and best use of a Property is other than its existing use, or otherwise bases its valuation of a property on a use other than the property's existing use, then the fee for the Appraisal Report shall be the fee for such other use, if such is included on the Schedule of Fees, and otherwise it shall be negotiated.
- E.6 Partial Acquisitions.** The fees set forth in the Schedule of Fees shall apply to all Properties, even if the Property defined in the Appraisal Order includes only a portion of one or more tax lots and/or the acquisition of the Property would result in damaging the property owner's use of the remainder of his property. In any such case of a "partial" acquisition, if the Appraiser asserts that the fee for the Appraisal Report should be greater than provided in the Schedule of Fees, then the Appraiser must submit a request for a new price to the Program Manager within 10 Days of the issuance of the Appraisal Order, otherwise the Schedule of Fees shall be deemed to apply. In requesting such a new fee, the Appraiser must satisfy the NJSDA that significantly more work is necessary to value the property than was contemplated in the establishment of the Schedule of Fees. If the NJSDA agrees to the request, then the NJSDA shall negotiate a new fee with the Appraiser.
- E.7 Loaded Fees.** Fees shall include all overhead and expenses. The NJSDA shall not accept billings for mileage, travel time and expenses, meals, lodging, accommodations, equipment rental, postage, copying, or other expenses.
- E.8 Trial Exhibits.** Production or reproduction costs for large scale exhibits or other materials intended for use as evidence at a condemnation trial prepared by the Appraiser at NJSDA's request are eligible reimbursable items at cost with no administrative overhead or markup to be added by the Appraiser.

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Approval of Awards
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APPENDIX F

SCHEDULE OF HOURLY RATES

F.1 Hourly Rates

| <u>TITLE</u> | <u>HOURLY RATE</u> |
|---------------------|---------------------------|
| Principal | \$200.00 |
| Associate | \$150.00 |

F.2 Loaded Rates. Hourly Rates shall include all overhead and expenses. The NJSDA shall not accept billings for mileage, travel time and expenses, meals, lodging, accommodations, equipment rental, postage, copying, or other expenses.

Resolution—6a.

Approval of
Package No. GP-0250-R01
Term Agreements for Appraisal Services

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA) requires that the Members of the Authority approve the award of task order contracts for consultants and/or contractors; and

WHEREAS, SDA utilizes the services of real estate appraisers in connection with land acquisition activities and in connection with the divestiture of SDA-owned land that is deemed surplus; and

WHEREAS, SDA previously procured real estate appraisal services in 2003, 2006, 2009 and 2015; and

WHEREAS, the prior real estate appraisal services contracts have since expired, and SDA is proposing to establish a new pool of real estate appraisal firms with relevant experience and qualifications to successfully perform the required appraisal services; and

WHEREAS, the Authority's engagement of appraisers is governed by the rules set forth at N.J.A.C. 19:38C-9.1 et seq. that require SDA to establish and maintain a master list of appraisers (the Master List); and

WHEREAS, SDA also is required to extend an offer to contract with all firms on the Master List for a term agreement not to exceed three (3) years and is subject to a fixed schedule of hourly rates and schedule of lump sum fees, as appropriate, with the contract value over the term subject to a predetermined stated ceiling; and

WHEREAS, specific work assignments under the contracts would be made by way of "task order" on an as needed basis; and

WHEREAS, the terms of these contracts would be three (3) years and each of the contracts would individually have a not-to-exceed amount of \$50,000; and

WHEREAS, prior to execution of each contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel; and

WHEREAS, the terms of the agreements to be awarded, the details of the procurement process employed and the methodology to be followed in award of the task orders are comprehensively set forth in the memorandum and appendices presented to the Board on this date and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the SDA contracting with those real estate appraisal firms listed in the memorandum presented to the Board on this date that are able to fully satisfy all SDA requirements at the hourly rates and lump sum fees, as appropriate, set forth in the appendices of the term agreement.

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

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

Attached: Memorandum, Package No. GP-0250-R01, Term Agreements for Appraisal Services,
dated April 4, 2018

Dated: April 4, 2018

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

MONTHLY REPORTS
(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT



STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: April 4, 2018

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

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

The 2nd part of the report displays project completion milestones for all other active major capital projects and emergent projects for which a contract for construction has been awarded.



2011 & 2012 Portfolio Projects Activities Summary

as of 3/20/18

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 7/11/12 |
| Jersey City | Patricia M. Noonan ES (ES 3) | PK-5 | 778 | 848 | \$54.0 | Kit of Parts/ Design-Build | School occupied Sep. 2017. (Dobco, Inc.) | 6/25/12 2/25/13 |
| Jersey City | PS 20 | K-5 | 628 | 698 | \$49.3 | Existing Design | School occupied Sep. 2016. (Dobco, Inc.) | 4/17/12 3/6/13 |
| Long Branch | Catrambone ES | PK-5 | 794 | 867 | \$40.0 | Existing Design | School occupied Sep. 2014. (Terminal Construction) | 12/20/11 |
| New Brunswick | Redshaw ES | PK-5 | 906 | 990 | \$51.2 | Kit of Parts/ Design-Build | School occupied Jan. 2015. (Hall Construction) | 5/29/12 |
| Newark | Oliver St. ES | PK-8 | 848 | 932 | \$73.6 | Kit of Parts/ Design-Build | School occupied May 2016. (Epic Management) | 6/27/12 11/29/12 |
| Paterson | Dr. Hani Awadallah ES (Marshall St. ES) | K-8 | 650 | 722 | \$55.2 | Existing Design | School occupied Sep. 2016. (Dobco, Inc.) | 6/13/12 2/12/13 |
| Paterson | PS 16 | PK-8 | 641 | 705 | \$62.4 | Kit of Parts/ Design-Build | School occupied Sep. 2016. (Hall Construction) | 3/27/12 8/28/13 |
| West New York | Harry L. Bain PS 6 | PK-6 | 736 | 814 | \$16.8 | Design-Bid-Build | School occupied Sep. 2017. (Paul Otto) | 2/27/12 12/29/15 |

*PLEASE NOTE - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.
 NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions.
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

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2011 & 2012 Portfolio Projects Activities Summary

as of 3/20/18

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 6/27/13 |
| Keansburg | Port Monmouth Road School | PK | 318 | 318 | \$25.8 | Design-Bid-Build | Revised Planning Charter approved Aug. 2017 Board. | 1 QTR 19 |
| New Brunswick | Robeson ES | PK-5 | 823 | 893 | \$48.5 | Kit of Parts/ Design-Build | Award for D-B approved Sep. 2015 Board. (Hall Construction) | 4/22/15 |
| Newark | Elliot Street ES | PK-8 | 848 | 932 | \$46.7 | Kit of Parts/ Design-Build | School occupied Jan. 2016. (Hall Construction) | 12/27/12 |
| Newark | South Street ES | PK-8 | 597 | 657 | \$69.9 | Kit of Parts/ Design-Build | Award for D-B approved Oct. 2015 Board. (Bock) | 6/28/13 6/29/15 |
| Passaic | Dayton Ave. Campus | PK-8 | 2,760 | 3,020 | \$240.9 | Kit of Parts/ Design-Build | Award for D-B approved Nov. 2017 Board. (Terminal) | 6/13/17 |
| Phillipsburg | High School | 9-12 | 1,846 | 2,172 | \$127.5 | Existing Design | School occupied Sep. 2016. (Epic Management) | 9/27/12 |
| West New York | Memorial HS | 9-12 | 1,859 | 2,194 | \$16.0 | Alternative Delivery (acquisition) & Renovation | Acquisition of Existing St. Joseph's HS complete. Renovation work delegated to District via Grant. | n/a |

***PLEASE NOTE** - Dates in the Past are ACTUAL. Includes Advertisement dates for Early Site Preparation Construction & School Construction where applicable.
NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions. Recommendations of DOE/SDA/District Working Groups may impact this information in the future.

8



2011 & 2012 Portfolio Projects Activities Summary

as of 3/20/18

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 1/20/17 |
| Elizabeth | New ES @ Halloran PS #22 ES Site | 2-8 | 860 | 956 | \$55.3 | Kit of Parts/ Design-Build | School occupied Sep. 2017. (Torcon) | 6/9/14 |
| Garfield | James Madison ES | K-5 | 275 | 305 | \$29.7 | Existing Design | Award for GC approved Oct. 2015 Board. (Brockwell & Carrington) | 2/19/14 6/30/15 |
| Harrison | New ES | PK - 1 | 392 | 432 | \$36.1 | Kit of Parts/ Design-Build | Award for D-B approved Nov. 2016 Board. (Brockwell and Carrington) | 11/10/15 7/13/16 |
| Irvington | Madison Avenue ES | PK-5 | 463 | 504 | \$35.4 | Kit of Parts/ Design-Build | Award for D-B approved Dec. 2016 Board. (Bock) | 11/19/15 8/16/16 |
| Millville | Senior HS Addition/Renovation | HS | 2,026 | 2,391 | \$110.0 | Design-Build | Award for D-B approved Apr. 2017 Board. (Hall Construction) | 9/30/16 |
| Passaic | New ES @ Leonard Place | K-5 | 628 | 698 | \$55.9 | Kit of Parts/ Design-Build | Award for D-B approved Dec. 2015 Board. (Dobco, Inc.) | 8/13/15 |
| Paterson | New MS @ Union Ave. | 6-8 | 996 | 1107 | \$112.9 | Design-Build | Preliminary Charter approved Apr. 2015 Board. | 3/2/17 3/28/18 |
| Pemberton | Denbo-Crichton ES | PK-5 | 846 | 930 | \$58.7 | Design-Build | Award for D-B approved Jan. 2018 Board. (Bock) | 3/1/17 9/13/17 |
| Perth Amboy | High School | HS | 2,800 | 3,304 | \$234.4 | Design-Build | Preliminary Charter approved Jun. 2016 Board. | TBD |
| 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. | 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. | TBD |
| 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 |

8

*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 3/20/18

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. ROA for Demolition approved Aug. 2017 Board. | 6/9/17 3/29/18 |
| 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 2 QTR 18 |
| Orange | High School | 9-12 | 1,440 | 1,694 | \$46.2 | Design-Bid-Build | Preliminary Charter approved Oct. 2017 Board. | 3 QTR 18 |
| Trenton | Central HS | 9-12 | 1,850 | 2,176 | \$155.4 | Design-Build | Award for D-B approved Mar. 2016 Board. (Terminal) | 12/19/14 9/29/15 |

***PLEASE NOTE -** Projected Construction Advertisement Date reflects the first construction activity for the Project. Dates in the Past are ACTUAL.
NOTE # 1 - Estimated Costs, Grade Alignment and Capacity are based upon approved Project Charters where applicable. For projects without an approved charter, Estimated Costs, Grade Alignment and Capacity are based upon Planning Assumptions.
 Recommendations of DOE/SDA/District Working Groups may impact this information in the future.



Active Project Status Report Status as of 3/1/2018

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 | Passaic City | New Dayton Avenue Educational Campus | New Construction | Design-Build Design Phase | 2Q 2022 | On-target | Sep-22 | On-target | \$ 240,923,270 |
| 10 | Perth Amboy | New Seaman Ave ES | New Construction | Construction | 1Q 2019 | On-target | Sep-19 | On-target | \$ 56,435,971 |
| 11 | Pemberton | New Denbo ES | New Construction | Design-Build Design Phase | 2Q 2020 | On-target | Sep-20 | On-target | \$ 58,703,414 |
| 12 | Trenton | New Central HS | New Construction | Construction | 2Q 2019 | On-target | Sep-19 | On-target | \$ 155,404,000 |
| 13 | Vineland | Lincoln Road MS (New Middle School) | New Construction | Construction | 2Q 2018 | On-target | Sep-18 | On-target | \$ 49,787,025 |



Active Project Status Report Status as of 3/1/2018

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 - Complete Window Replacement - On-Going | GC TO w/ Design | 3Q 2018 | On-Target | 4Q 2018 | On-Target | \$ 3,854,429 |
| 2 | Paterson | New Roberto Clemente | HVAC & Corrective Work | GC TO w/ Design | 1Q 2019 | On-Target | 2Q 2019 | On-Target | \$ 2,528,884 |

PROJECT CLOSEOUT STATUS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY32 EAST FRONT STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-858-5395

To: Members of the Authority

From: /s/ Ayisha Cooper, Research Specialist

Date: April 4, 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 closed and/or transferred since the last Board Meeting:

| Year of Occupancy | Project # | Project Type | District | School | Status |
|-------------------|------------------|--------------|-----------|---------------------------|-------------|
| N/A | 2330-050-10-00CH | Emergent | Irvington | Irvington High School | Closed |
| N/A | 5210-080-12-0ABZ | Emergent | Trenton | Hedgepeth-Williams School | Transferred |



| SPECIAL PROJECTS DIVISION | | | | | |
|----------------------------------------------------|------------------|-------------------------------------------------------------------------|---------------------|------------------------------|---------------------------------------------------------|
| PROJECT STATUS REPORT - As of March 1, 2018 | | | | | |
| Year of Occupancy | DOE # | School | Disposition | Project Transfer Date | Outstanding Issues Preventing Complete Close-out |
| Bridgeton | | | | | |
| 2016 | 0540-050-13-0ACN | Buckshutem Road Elementary School | | | |
| 2017 | 0540-100-13-0ACO | Quarter Mile Lane Elementary School | | | |
| Burlington City | | | | | |
| 2007 | 0600-020-01-0957 | New High School | Project Transferred | 12/29/11 | Open contract(s) - Legal matter pending |
| Camden | | | | | |
| 2007 | 0680-140-01-0939 | Octavius V. Catto Community School - Demonstration Project | Project Transferred | 01/09/12 | Open contract(s) - Pending audit completion |
| 2009 | 0680-350-01-0938 | HB Wilson Elementary School | Project Transferred | 04/14/10 | Open contract(s) |
| 2009 | 0680-190-01-0927 | Dudley Elementary School | Project Transferred | 02/06/12 | Open contract(s) |
| 2011 | 0680-245-01-0930 | Morgan Village Academy | Project Transferred | 02/25/13 | |
| Cumberland | | | | | |
| 2009 | 0997-030-02-0926 | Cumberland Regional High School | Project Transferred | 06/25/10 | Open contract(s) - Legal matter pending |
| East Orange | | | | | |
| 2009 | 1210-150-01-1178 | Cicely Tyson School of Performing and Fine Arts - Demonstration Project | Project Transferred | 12/01/09 | Open contract(s) - Pending audit completion |
| Egg Harbor City | | | | | |
| 2010 | 1300-X01-04-0ADY | New Middle School | Project Transferred | 01/01/12 | Open contract(s) |
| Egg Harbor Township | | | | | |
| 2011 | 1310-005-04-0AEB | Egg Harbor Township High School | | | |
| Elizabeth | | | | | |
| Legacy | 1320-X06-01-0866 | #30 Ronald Reagan Academy | Project Transferred | 07/09/12 | Open contract(s) - Legal matter pending |
| 2013 | 1320-240-03-0339 | Victor Mravlag Elementary School # 21 | | | |
| 2016 | 1320-x07-01-0867 | Frank J. Cicarell Academy (New Academic HS) | | | |
| 2017 | 1320-N20-13-0AEG | Halloran Elementary School | | | |
| Garfield | | | | | |
| 2007 | 1700-N01-02-0114 | Garfield Middle School | Project Transferred | 06/25/09 | Open contract(s) - Legal matter pending |
| Gloucester City | | | | | |
| Legacy | 1770-160-01-0245 | Cold Springs Elementary School | Project Transferred | 06/05/09 | Open contract(s) |
| 2017 | 1770-N01-03-0188 | Gloucester City Middle School | | | |
| Harrison | | | | | |
| 2007 | 2060-X01-01-0832 | New Harrison High School | Project Transferred | 10/23/12 | Open contract(s) |

| SPECIAL PROJECTS DIVISION | | | | | |
|----------------------------------------------------|-------------------|---------------------------------------------------------------------|---------------------|------------------------------|---------------------------------------------------------|
| PROJECT STATUS REPORT - As of March 1, 2018 | | | | | |
| Year of Occupancy | DOE # | School | Disposition | Project Transfer Date | Outstanding Issues Preventing Complete Close-out |
| Jersey City | | | | | |
| Legacy | 2390-N01-99-0227 | New Elementary School #3 (Frank R. Conwell ES #3) | Project Transferred | 12/19/15 | Open contract(s) - Legal matter pending |
| Legacy | 2390-N02-99-0228 | Jersey City Middle School # 4 (Frank R. Conwell MS #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 | | | |
| Keansburg | | | | | |
| 2016 | 2400-E01-02-0116 | New Caruso Elementary School | | | |
| Long Branch | | | | | |
| 2008 | 2770-X03-01-0635 | Long Branch High School & Athletic Fields | Project Transferred | 12/07/12 | Open contract(s) - Legal matter pending |
| New Brunswick | | | | | |
| 2010 | 3530-N05-03-0791 | New Brunswick High School - Demonstration Project | Project Transferred | 08/19/11 | Open contract(s) - Pending audit completion |
| Newark | | | | | |
| Legacy | 3570-X01-01-0617 | Science Park | Project Transferred | 05/03/13 | Open contract(s) - Legal matter pending |
| 2008 | 3570-X03-01-0665 | Central High School | Project Transferred | 03/28/12 | Open contract(s) - Legal matter pending |
| 2010 | 3570-X07-01-0693 | Speedway Elementary School | Project Transferred | 10/21/15 | Open contract(s) |
| 2016 | 3570-390-04-00BJ | Elliott Street Elementary School | Project Transferred | 01/31/17 | |
| 2016 | 3570-590-02-0315 | Oliver Street Elementary School | Project Transferred | 05/18/17 | Open contract(s) |
| Passaic | | | | | |
| 2015 | 3970-X01-01-X760 | New Henry Street Elementary School | | | |
| Paterson | | | | | |
| Legacy | 4010-N02-02-0393 | Roberto Clemente Elementary School | Project Transferred | 04/12/13 | Unable to close due to upcoming repairs. |
| 2016 | 4010-N09-04-00HP | New Public School #16 | Project Transferred | 07/31/17 | Open Contract(s) |
| 2008 | 4010 -S01-02-0101 | International High School | | | |
| 2008 | 4010-270-02-0608 | #24 Elementary School | | | |
| 2016 | 4010-N01-02-0169 | Dr. Hami Awadallah School (New Marshall Street ES) | | | |
| Pemberton | | | | | |
| 2011 | 4050-E01-02-0082 | Pemberton Early Childhood Education Center | Project Transferred | 02/01/13 | Open contract(s) |
| Phillipsburg | | | | | |
| 2016 | 4100-X01-99-0464 | New High School | | | |
| Trenton | | | | | |
| 2008 | 5210-N02-01-0912 | Daylight/Twilight Alternative School - Demonstration Project | Project Transferred | 12/01/08 | Open contract(s) - Pending audit completion |
| Union City | | | | | |
| 2009 | 5240-X07-01-0571 | Union City High School and Athletic Complex - Demonstration Project | Project Transferred | 10/27/11 | Open contract(s) - Pending audit completion |
| 2012 | 5240-N03-02-0397 | Columbus Elementary School | Project Transferred | 02/24/15 | Open contract(s) - Legal matter pending |

| SPECIAL PROJECTS DIVISION | | | | | |
|---------------------------------------------------------------------------|------------------|-------------------------------------------------------------|----------------------|------------------------------|---------------------------------------------------------|
| PROJECT STATUS REPORT - As of March 1, 2018 | | | | | |
| Year of Occupancy | DOE # | School | Disposition | Project Transfer Date | Outstanding Issues Preventing Complete Close-out |
| Vineland | | | | | |
| 2007 | 5390-N05-04-000C | Gloria M. Sabater Elementary School - Demonstration Project | Project Transferred | 05/06/11 | Open contract(s) - Pending audit completion |
| West New York | | | | | |
| 2009 | 5670-065-01-0559 | Elementary School #2 | Project Transferred | 05/14/13 | Open contract(s) - Legal matter pending |
| 2012 | 5670-070-01-0556 | West New York #3 | Project Transferred | 01/29/14 | Open contract(s) - Legal matter pending |
| 2017 | 5670-100-12-0AEE | Harry L. Bain E.S. | | | |
| Capital and Demonstration Projects Totals | | | | | |
| Total Capital and Demonstration | | | 147 | | |
| Closed Capital and Demonstration Projects | | | 100 | | |
| Capital and Demonstration Projects Not Closed | | | 47 | | |
| Capital and Demonstration Projects Not Closed, Project Transferred | | | 30 | | |
| | | | Legal Matter | 12 | |
| | | | Pending Audit | 6 | |
| | | | Miscellaneous | 12 | |
| Emergent Projects | | | | | |
| Camden | | | | | |
| | 0680-170-12-0ACF | Cramer Elementary School | | | |
| Irvington | | | | | |
| | 2330-090-12-0ACT | Chancellor Avenue Elementary School | | | |
| Salem | | | | | |
| | 4630-090-17-0AEQ | Salem Middle School | | | |
| Trenton | | | | | |
| | 5210-080-12-0ABZ | Hedgepeth-Williams School | Project Transferred | 03/01/18 | |
| Vineland | | | | | |
| | 5390-050-12-0ACK | Vineland High School South | | | |
| Emergent Project Totals | | | | | |
| Total Emergent Projects | | | 72 | | |
| Emergent Projects Closed | | | 67 | | |
| Emergent Projects Not Closed | | | 5 | | |
| Emergent Projects Not Closed but Transferred | | | 1 | | |
| Health and Safety Contract Totals | | | | | |
| Total Contracts | | | 399 | | |
| # of Contracts Closed | | | 393 | | |
| # of Open Contracts | | | 6 | | |
| Open Design Contracts | | | | | |
| Total Contracts | | | 109 | | |
| # of Contracts Closed | | | 98 | | |
| # of Open Contracts | | | 11 | | |

PROJECT STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: April 4, 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 February 28, 2018

| District | Project | Board Approved Project Charter Contingency | Contingency Expended/Committed | Contingency Remaining ¹ | % 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% | 90% | 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 2018 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 2. Unforeseen asbestos abatement. 3. Unforeseen HVAC corrective work | Project complete and building occupied. Working towards project close-out. |
| Camden | Dudley E.S. | \$3,215,000 | \$2,615,168 | \$599,832 | 81.3% | 99% | 1. Installation of IT/AV systems | Project complete and building occupied. Working towards project close-out. |
| East Orange | Mildred B. Garvin E.S. | \$1,429,632 | \$1,305,993 | \$123,639 | 91.4% | 99% | 1. Unforeseen soil remediation 2. Modifications to security system | Project complete and building occupied. Working towards project close-out. |
| Newark | Speedway Avenue E.S. | \$1,826,000 | \$1,754,119 | \$71,881 | 96.1% | 99% | 1. Removal of unforeseen impacted materials | Project complete and building occupied. Working towards project close-out. |
| Orange | Lincoln Ave E.S. | \$5,615,000 | \$4,906,339 | \$708,661 | 87.4% | 99% | 1. Unforeseen asbestos abatement 2. Structural repairs to interior walls 3. Extended general conditions | Project complete and building occupied. Working towards project close-out. |
| Orange | Park Avenue E.S. | \$3,360,000 | \$3,275,103 | \$84,897 | 97.5% | 99% | 1. Unforeseen asbestos abatement | Project complete and building occupied. Working towards project close-out. |
| Paterson | E.S. #24 | \$4,616,120 | \$4,313,389 | \$302,731 | 93.4% | 99% | 1. Unforeseen soil remediation and clean fill. | Project complete and building occupied. Working towards project close-out. |
| West New York | West New York P.S. #2 | \$2,708,883 | \$2,708,883 | \$0 | 100.0% | 99% | 1. Unforeseen site foundation issues | Project complete and building occupied. Working towards project close-out. |

¹ 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: February 2018

| # | 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: February 2018

| # | 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: April 4, 2018

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

Contracts Executed Report

This report contains the activity of Contracts executed during the period February 1 through February 28, 2018.

Noteworthy Items during the reporting period:

- Execution of 1 contract for Design-Build services for the Pemberton New Denbo ES to Ernest Bock and Sons for \$43,185,000.
- Execution of 1 general construction task order contract to Epic Management for the Newark Luiz Munoz Marin School emergent project for \$143,847.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period February 1 through February 28, 2018.

Noteworthy Items during the reporting period:

- Execution of 2 Professional Service Amendments totaling a credit of \$133k, of the 2 executed amendments none required board approval.
- Execution of 5 Construction Services Change Orders totaling a credit of \$101k, of the 5 executed change orders none required board approval.

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

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

- No Activity to Report



Contracts Executed Report

Reporting Period: 2/1/2018 through: 2/28/2018

| District | School Name(s) | Project Type | Contract Type | Contract Number | Vendor | MWSBE Cert(s) | Contract Award Amount | Contract Execution Date | Per School CCE | Total CCE | |
|--------------------------------------|-------------------------|--------------|---------------|-----------------|--------------------------|---------------|-----------------------|-------------------------|----------------|--------------|--|
| Part 2. Construction Services | | | | | | | | | | | |
| Contractor | | | | | | | | | | | |
| Newark | Luiz Munoz Marin School | Reno | GC Task Order | EP-0102-C01 | Epic Management, Inc. | | \$143,847 | 02/21/2018 | - | | |
| Pemberton | Alexander Denbo E.S. | New | DB | WT-0023-B01 | Ernest Bock & Sons, Inc. | | \$43,185,000 | 02/14/2018 | | \$46,500,000 | |
| Contractor | | | | | | | | | | | |
| Part 2. Construction Services | | | | | | | \$43,328,847 | | | | |



Contracts Executed Report

Reporting Period: 2/1/2018 through: 2/28/2018

| District | School Name(s) | Project Type | Contract Type | Contract Number | Vendor | MWSBE Cert(s) | Contract Award Amount | Contract Execution Date | Per School CCE | Total CCE | |
|-----------------------------------------------------------------------|-------------------------------------|--------------|---------------|-----------------|-----------------------------------|---------------|-----------------------|-----------------------------|----------------|--------------------------------|--|
| Part 4. Other Contracts & Services | | | | | | | | | | | |
| Others | | | | | | | | | | | |
| Elizabeth | New Academic HS | New | FFE | EL-0006-K18 | Keyboard Consultants | | \$20,859 | 02/15/2018 | - | | |
| Elizabeth | New ES | New | FFE | EL-0042-K32 | Keyboard Consultants | | \$21,784 | 02/26/2018 | - | | |
| Garfield | James Madison Elementary School #10 | New | FFE | NT-0014-K02 | Washington Computer Services | | \$23,664 | 02/02/2018 | - | | |
| Garfield | James Madison Elementary School #10 | New | FFE | NT-0014-K03 | Keyboard Consultants | | \$150,110 | 02/05/2018 | - | | |
| Multi-District, Project, or Newark | OCIP ADMINISTRATIVE SERVICES | NA | General | GP-0246-R01 | Aon Risk Services Northeast, Inc. | | \$550,000 | 02/23/2018 | - | | |
| Newark | South Street E.S. | New | FFE | NE-0003-Q14 | Krueger International, Inc. | | \$27,486 | 02/08/2018 | - | | |
| Newark | South Street E.S. | New | FFE | NE-0003-Q15 | Wenger Corporation | | \$26,550 | 02/12/2018 | - | | |
| Newark | South Street E.S. | New | FFE | NE-0003-Q16 | Krueger International, Inc. | | \$22,769 | 02/13/2018 | - | | |
| Newark | South Street E.S. | New | FFE | NE-0003-Q17 | Krueger International, Inc. | | \$272,076 | 02/13/2018 | - | | |
| Vineland City | Lincoln Ave Middle School | New | FFE | ST-0017-F04 | Washington Computer Services | | \$18,846 | 02/14/2018 | - | | |
| Vineland City | Lincoln Ave Middle School | New | FFE | ST-0017-K01 | Apple Computer Inc. | | \$912,114 | 02/15/2018 | - | | |
| Others | | | | | | | | | | | |
| Part 4. Other Contracts & Services | | | | | | | | \$2,046,257 | | | |
| | | | | | | | | Total Contract Award | | Total Contracts Awarded | |
| Grand Totals - Professional and Construction Services Combined | | | | | | | | \$45,375,104 | | 13 | |

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



Contracts Executed Report

Reporting Period: 2/1/2018 through: 2/28/2018

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: 2/1/2018 through: 2/28/2018

| District | School Name(s) | Contract Number | Contract Execution Date | CO # | Vendor Name | CO Execution Date | Contract Award Amount | Prior CO's (cumulative) | Current CO Amount | Board Approval Required | Board Approval Date | Revised Contract Amount | Cumulative CO % | |
|----------------------------------|-----------------------------|-----------------|--------------------------------------------------------------------------------------------------------|------|-----------------------------|-------------------|-----------------------|-------------------------|-------------------|---------------------------|---------------------|----------------------------|-----------------|--|
| Professional Services | | | | | | | | | | | | | | |
| Design Consultant | | | | | | | | | | | | | | |
| Jersey City | Number 20 E.S. | JE-0010-A01 | 10/3/2003 | 20 | SSP Architects | 2/27/2018 | \$1,665,000 | \$2,047,130 | (\$9,861) | | | \$3,702,268 | 122.35% | |
| Design Consultant | | | | | | | | | | | | | | |
| CMF / PMF Contracts | | | | | | | | | | | | | | |
| Phillipsburg | New HS | PM-0019-P01 | 12/5/2002 | 10 | Heery International, Inc. | 2/8/2018 | \$2,795,197 | \$82,900 | (\$123,566) | | | \$2,754,531 | -1.45% | |
| CMF / PMF Contracts | | | | | | | | | | | | | | |
| Professional Services | | | | | | | | | | | | | | |
| | | | | | | | | | (\$133,427) | | | | | |
| Construction Services | | | | | | | | | | | | | | |
| Contractor | | | | | | | | | | | | | | |
| City Of Orange Township | Cleveland Street E.S. | ES-0043-N01 | 6/5/2017 | 3 | Yannuzzi Group, Inc. | 2/28/2018 | \$393,515 | \$21,715 | (\$75,000) | | | \$340,230 | -13.54% | |
| City Of Orange Township | Cleveland Street E.S. | ES-0043-N01 | 6/5/2017 | 4 | Yannuzzi Group, Inc. | 2/28/2018 | \$393,515 | (\$53,285) | (\$50,000) | | | \$290,230 | -26.24% | |
| Irvington Township | Irvington H.S. | EP-0083-C01 | 5/22/2015 | 10 | Bennett Company, Inc. (The) | 2/8/2018 | \$4,917,000 | \$7,334 | (\$6,297) | | | \$4,918,037 | 0.02% | |
| New Brunswick | Paul Robeson Community E.S. | ET-0073-B01 | 10/14/2015 | 5 | Hall Construction Co., Inc. | 2/28/2018 | \$31,993,000 | \$2,156,207 | (\$37,392) | | | \$34,111,815 | 6.62% | |
| Passaic City | New ES at Henry St. (-x01) | NT-0019-B01 | 4/9/2013 | 7 | Dobco, Inc. | 2/13/2018 | \$28,900,000 | \$133,903 | \$67,868 | | | \$29,101,771 | 0.69% | |
| Contractor | | | | | | | | | | | | | | |
| Construction Services | | | | | | | | | | | | | | |
| | | | | | | | | | (\$100,821) | | | | | |
| Grand Totals | | | | | | | | | | Total Change Order | | Total Change Orders | | |
| | | | | | | | | | | (\$234,248) | | 7 | | |
| Column Description Legend | | | | | | | | | | | | | | |
| CO Execution Date | | | Date the Change Order was entered into the SIMS system | | | | | | | | | | | |
| Revised Contract Amount | | | Current value of the contract (excluding additional assignments) including current change order | | | | | | | | | | | |

CONTRACT TERMINATIONS REPORT *(no activity)*

SETTLEMENT CLAIMS *(no activity)*

CONTRACTOR AND WORKFORCE COMPLIANCE REPORT



MEMORANDUM

TO: Members of the Authority

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

DATE: April 4, 2018

SUBJECT: Contractor and Workforce Compliance Monthly Update for January 2018

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 January 31, 2018 was \$8,655,900. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total contract dollars awarded to all SBE contractors was \$3,335,500 (including minorities and women). This represents 38.53% of all SDA contracts.

| Type of Business Enterprise | Contract Amount | % of Total SDA Contracts |
|-------------------------------------------|------------------------|---------------------------------|
| Small Business Enterprises | \$ 3,335,500 | 38.53% |
| Small/ Minority Business Enterprises | \$ -0- | 0.00% |
| Small/Women Business Enterprises | \$ -0- | 0.00% |
| Small/Veteran Owned Business Enterprises | \$ -0- | 0.00% |
| Small/Minority/Women Business Enterprises | \$ -0- | 0.00% |
| TOTAL SBE CONTRACTS | \$ 3,335,500 | 38.53% |

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 April 4, 2018
 Page 2 of 4

Ethnic Breakdown

Through the month of January 31, 2018 the total SBE contracts awarded with minority participation was 0.00%.

| Ethnicity | Contract Amount | Percentage |
|------------------|------------------------|-------------------|
| American Indian | \$ -0- | 0.00% |
| Asian | \$ -0- | 0.00% |
| Black | \$ -0- | 0.00% |
| Hispanic | \$ -0- | 0.00% |
| Total | \$ -0- | 0.00% |

WORKFORCE COMPLIANCE MONITORING

For the month of January 2018, there was a contractor workforce of 718 on SDA projects. This represents a total of 61,515 contractor workforce hours as follows:

| Contractor Workforce Breakdown (All Trades/Districts/Counties) | | | |
|---------------------------------------------------------------------------|------------------------|------------------------------|-----------------------------------|
| Ethnicity | Total Workforce | Total Workforce Hours | Workforce Hours Percentage |
| Black | 73 | 7,942 | 12.91% |
| Hispanic | 110 | 5,834 | 9.48% |
| American Indian | 2 | 362 | 0.59% |
| Asian | 1 | 93 | 0.15% |
| Total Minority Participation | 186 | 14,231 | 23.13% |
| Total Non-Minority Participation | 532 | 47,284 | 76.87% |

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 April 4, 2018
 Page 3 of 4

There was a contractor workforce of 61,515 total workforce hours and 607 total female workforce hours on SDA projects for the period of January 1, 2018 through January 31, 2018. The following table highlights the *Local County Contractor Workforce* participation for that period:

| Local County Workforce Participation | Workforce Hours | Percentage |
|--------------------------------------------------------|------------------------|-------------------|
| *Total Workforce Hours | 61,515 | 100.00% |
| *Total Local County Workforce Hours | 5,424 | 8.81% |
| Total Local County Non-Minority Workforce Hours | 2,874 | 4.67% |
| Total Local County Female Workforce Hours | 0 | 0.00% |
| | | |
| Total Local County Minority Workforce Hours | 2,550 | 4.14% |
| **Local County Workforce Hours by Ethnicity: | | |
| Black | 2,024 | 3.29% |
| Hispanic | 526 | 0.85% |
| American Indian | 0 | 0.00% |
| Asian | 0 | 0.00% |

*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
 April 4, 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, 2018 through January 31, 2018.

| SDA Managed Project | Total Workforce Hours | Minority Workforce Hours & Percentage | | Local County Workforce Hours & Percentage | |
|------------------------------------|------------------------------|--------------------------------------------------|---------------|------------------------------------------------------|---------------|
| Garfield, James Madison ES | 5,275 | 1,026 | 19.45% | 0 | 40.00% |
| Harrison ES | 0 | 0 | 0.00% | 0 | 0.00% |
| Irvington, Madison Avenue | 2,783 | 926 | 33.27% | 586 | 21.06% |
| Millville, High School | 8 | 0 | 0.00% | 0 | 0.00% |
| New Brunswick, Paul Robeson School | 3,540 | 595 | 16.81% | 8 | 0.23% |
| Newark, South Street ES | 5,745 | 2,313 | 40.26% | 628 | 10.93% |
| Passaic, Leonard Place ES | 6,813 | 1,720 | 25.25% | 1,282 | 18.82% |
| Perth Amboy, Seaman Avenue | 3,144 | 324 | 10.31% | 0 | 0.00% |
| Trenton HS | 26,808 | 6,608 | 24.65% | 2,920 | 10.89% |
| Vineland, Lincoln Ave MS | 6,783 | 382 | 5.63% | 0 | 0.00% |
| Emergent Projects | 612 | 337 | 55.07% | 0 | 0.00% |

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: April 4, 2018

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

This report summarizes the Regular Operating District Grant activity from inception to date and for the month of February 2018. 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.
- 1 grant impacting 1 district was executed during the reporting period representing \$1.2M in total project costs and state share of \$0.5M.
- 21 grants impacting 12 districts were closed out during the reporting period representing \$11.2M in total project costs and state share of \$4.4M.
- Since inception, over \$2.7B has been disbursed to 524 regular operating districts through the grant program.
- Since inception over \$3.3B in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.


STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY
 Monthly Regular Operating District Grant Report - Summary
 February 2018

| ROD Grant Summary Since Program Inception | | | | |
|-------------------------------------------|----------------------|------------------|------------------|------------------|
| | Offered ¹ | Executed | Closed-Out | Active |
| Districts Impacted | 10 | 524 | 513 | 196 |
| Number of Grant Projects | 22 | 5,408 | 4,593 | 815 |
| Total Project Cost Estimate | \$ 14,788,219 | \$ 9,142,865,986 | \$ 8,081,145,176 | \$ 1,061,720,811 |
| Grant Amount | \$ 6,226,579 | \$ 3,023,554,488 | \$ 2,642,396,053 | \$ 381,158,435 |
| Amount Disbursed | N/A | \$ 2,782,629,934 | \$ 2,642,396,053 | \$ 140,233,881 |

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

| | |
|----------------------------------------------------------|---------------|
| Total ROD Grant Funding remaining for new Grant Projects | \$ 70,437,165 |
|----------------------------------------------------------|---------------|

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 | 1 | 12 |
| Number of Grant Projects | 1 | 21 |
| Total Project Cost Estimate | \$ 1,214,526 | \$ 11,228,256 |
| Grant Amount | \$ 485,810 | \$ 4,398,683 |
| Amount Disbursed | NA | \$ 4,398,683 |

* Report is inclusive of all Regular Operating Districts grants (including vocational school districts).

** Total Project Cost Estimate and Grant Amount may be adjusted as the projects advance. Grant Amount is capped at the value approved in the DOE Final Eligible Cost Approval.

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Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

February 2018

| County | District | School Name | Total Project Cost Estimate | Grant Amount | Project Description |
|--------------------|----------|----------------------------|-----------------------------|-------------------|----------------------------------|
| Monmouth | Red Bank | Red Bank Primary | \$ 1,214,526 | \$ 485,810 | HVAC replacement throughout bldg |
| Grand Total | | Grants Executed - 1 | \$ 1,214,526 | \$ 485,810 | |

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

COMMUNICATIONS MONTHLY REPORT

MEMORANDUM

TO: Members of the Authority

FROM: /s/ Kristen MacLean, Director of Communications

DATE: April 4, 2018

SUBJECT: Monthly Communications Report

SDA Breaks Ground for Kennedy Avenue Elementary School in Harrison



On Friday, March 9, the SDA joined Harrison School District students and local officials to break ground for the new Kennedy Elementary School. Once completed, the school will be the third new facility built by the SDA in Harrison.

The new 65,500 square-foot Kennedy Elementary School will provide the Harrison School District with space to educate 392 students in grades Pre-K to one. The school will include 20 general classrooms, two self-contained special education classrooms, as well as a cafetorium, gymnasium, and necessary support spaces.

Reviewed by: Jane F. Kelly

MONTHLY FINANCIAL REPORT

MEMORANDUM

TO: Members of the Authority

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

DATE: April 4, 2018

SUBJECT: Monthly Financial Report – February 2018

The Office of the Chief Financial Officer is providing the attached monthly financial report to the Members of the Authority for their information. Included on pages 1 and 2 of this report is a “Financial Summary” of the Authority’s activities for the year. On pages, 3 and 4 of the report is a summary of the Authority’s operating expenditures. Page 5 contains a breakdown of the Authority’s headcount information by department. The basic financial statements follow on pages 6 and 7.

Fund Reporting Operating Expenses (Year-to-Date Actual vs. Budget)

For February 2018 year to date, Authority operating expenses, **\$2.7 million**, are higher by **\$4 thousand** as compared to the operating budget for the corresponding period.

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

For February 2018 year to date, Authority operating expenses, **\$2.7 million**, are **\$132K** higher as compared to the corresponding prior year, due primarily to:

- The offsetting combination of 16 Fewer FTE’s (\$177K) and the increased salary and benefit expense allocation charged to project cost \$258K;
- Higher capital expenditures **\$54K** versus prior year due to the purchase of 3 automobiles.

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

For February 2018 year to date, project expenditures, **\$42.7 million**, are lower by **\$21.7 million** as compared to the capital-spending forecast for the *corresponding period*. The variance is due to lower construction costs **\$13.8M** as well as spending decreases in the grants program **\$3.7M** and school furniture, fixtures and equipment **\$2.3M**.

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

For February 2018 year to date, project expenditures, **\$42.7 million**, have decreased by **\$7.6 million** as compared to the *corresponding prior year*. The variance is due to reduced spending activity in the grants program **\$5.6M**, and school furniture, fixtures

Members of the Authority
April 4, 2018
Page 2

and equipment **\$3.0M**. Offsetting these cost reductions are spending increases in construction costs **\$1.4M**.

Other

Since program inception, 80.5% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception 96% of all SDA disbursements relate to school facilities projects and 4% relate to operating expense.

The *estimated value* of active school facilities projects is approximately \$2.2B.

Attachment

**New Jersey Schools Development Authority
Preliminary Monthly Financial Report
February 2018
(Unaudited)**

New Jersey Schools Development Authority Overview of Financial Position February 28, 2018

To: The Audit Committee

From: Sherman E. Cole, Controller

The information contained in this monthly financial report is for the period as of, and for the year-to-date ending, February 28, 2018.

► Overall **Cash and Cash Equivalents** have decreased by \$44.8 million to \$495.1 million, as follows:

| | |
|-----------------------------------------------------|-----------------|
| ■ Receipt of bond and note proceeds (Issued by EDA) | \$ - |
| ■ Investment earnings | 1,103,205 |
| ■ Miscellaneous revenue | 30 |
| ■ Project costs | (42,732,630) |
| ■ SDA operating expenses | (3,092,631) |
| ■ SDA capital expenditures | (53,997) |
| ■ Deposits (primarily district local shares) | (7,982) |
| Net Change in Cash | \$ (44,784,005) |

► **Prepaid Expenses** total \$612,687 as follows:

- Prepaid insurance of \$353,224.
- Prepaid rents of \$123,321 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$101,943.
- Other prepaids of \$34,199.

► **Capital Assets** total \$542,447 (net of accumulated depreciation of \$6,831,683), consisting of leasehold improvements (SDA offices), and capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is generally calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$53,997 and **Depreciation Expense** is \$34,465.

► **Accrued Liabilities** total \$138.3 million, as follows:

- Accrued project costs of \$24.5 million consisting of unpaid invoices (\$6.4 million); and retainage (\$18.1 million).
- Accrued net pension liability of \$74.2 million (**excludes year-end GASB 68 pension entries**).
- Annual accrued pension payable of \$2.4 million.
- Post-employment benefits obligation of \$25.7 million.
- Accrued OPEB payable of \$0.3 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$2.0 million (PRO liability \$4.0 million, offset by expected cost recoveries of \$2.0 million).
- Estimated liability for loss contingencies totaling \$7.3 million.
- Payroll related liabilities of \$1.8 million.
- Other accrued liabilities of \$0.1 million.

► **Deposits** total \$3.4 million, as follows:

- \$3.3 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$372.6 million.

New Jersey Schools Development Authority School Facilities Project Expenditures & Funding Allocation February 28, 2018

► School Facilities Construction Bond / Note Proceeds & Project Expenditures

- During the current year to date, the SDA has received \$0 million bond and note proceeds. The total amount of proceeds received since program inception is \$10.798 billion.
- Project expenditures for the month and year-to-date periods total \$15.5 million and \$42.7 million, respectively, as follows:

| <u>Category</u> | <u>Current Month</u> | <u>Current Year-To-Date</u> | <u>Since Program Inception</u> |
|---------------------------------------------|--------------------------|---------------------------------|------------------------------------|
| Construction | \$ 9,062,206 | \$ 23,382,897 | \$ 4,698,203,789 |
| Design Services | 194,134 | 485,170 | 412,845,676 |
| PMF/CM Services | 122,772 | 725,822 | 451,818,111 |
| SDA Project Management | 711,933 | 1,773,006 | 73,413,231 |
| Property Acquisition, Relocation & Enviro | 295,116 | 545,153 | 581,981,969 |
| School Furniture, Fixtures & Equipment | 30,199 | 320,266 | 154,705,251 |
| Project Insurance | - | 66,191 | 99,394,375 |
| NJ State Inter-Agency Transfers | - | 166,367 | 49,804,438 |
| SDA District Grant & Funding Agreements | 678,729 | 5,265,895 | 852,521,364 |
| Regular Operating District Grant Agreements | 4,239,617 | 9,402,048 | 2,791,477,906 |
| Real-Time Project Audits | - | - | 468,867 |
| Property Management, Maintenance & Utils | 43,457 | 68,846 | 16,446,954 |
| Outside Legal & Claims Resolution Services | 92,287 | 211,332 | 8,802,268 |
| Other Project Costs | 57,508 | 319,637 | 64,271,280 |
| Project Credits | - | - | (54,902,944) |
| Total Project Expenditures | 15,527,958 | 42,732,630 | 10,201,252,535 |
| Less: Local Share Contributions | - | - | (182,958,444) |
| Project Expenditures (State Share) | \$ 15,527,958 | \$ 42,732,630 | \$ 10,018,294,091 |
| 2017 Capital Spending Forecast | \$ 31,818,240 | \$ 64,386,478 | |

Allocations Since Program Inception

► Program Funding & Expenditures

- SDA Districts
- Regular Operating Districts
- Vocational Schools
- Total - State Share

| | <u>Bonding Caps</u> ¹ | <u>Total Funding</u> ² | <u>Paid to Date</u> ³ |
|-----------------------------|----------------------------------|-----------------------------------|----------------------------------|
| SDA Districts | \$ 8,900,000,000 | \$ 9,014,141,043 | \$ 7,254,251,063 |
| Regular Operating Districts | 3,450,000,000 | 3,494,949,498 | 3,099,193,970 |
| Vocational Schools | 150,000,000 | 151,796,118 | 113,478,312 |
| Total - State Share | \$ 12,500,000,000 | \$ 12,660,886,659 | \$ 10,466,923,345 |

► Percentage of Total Funding Paid to Date

- SDA Districts 80.5%
- Regular Operating Districts 88.7%
- Vocational Schools 74.8%
- Total - State Share 82.7%

1 Of the \$12.5 billion authorized for the school construction program, \$10,797,702,648 principal amount of bond and note proceeds have been received to date.

2 Includes bonding cap amounts and other income and miscellaneous revenue earned to date (i.e., interest income on invested funds and State appropriations).

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$448,629,254.

New Jersey Schools Development Authority Fund Reporting Operating Expenses vs Budget February 28, 2018

| <u>Category</u> | <u>Actual Year-To-Date</u> | <u>Budget Year-To-Date</u> | <u>Increase/ (Decrease)</u> |
|-----------------------------------------------------------------------------|--------------------------------|--------------------------------|---------------------------------|
| Personnel Expenses: | | | |
| Employee Salaries | \$ 2,889,748 | \$ 3,099,084 | \$ (209,336) |
| Employee Benefits | 791,859 | 887,542 | (95,683) |
| Direct Hire Temporary Employee Costs | 16,180 | 48,440 | (32,260) |
| Total Employee Salaries & Benefits Costs | 3,697,787 | 4,035,066 | (337,279) |
| Less: Employee Salaries & Benefits Costs Charged to Projects | | | |
| | 1,773,006 | 2,449,814 | (676,808) |
| Salaries & Benefits Charged to Operating Expense | 1,924,781 | 1,585,252 | 339,529 |
| Temporary Staffing Services | (619) | 25,000 | (25,619) |
| Travel & Expense Reimbursements | 1,222 | 5,602 | (4,380) |
| Training & Professional Development | 9,857 | 21,620 | (11,763) |
| Total Personnel Expenses | 1,935,241 | 1,637,474 | 297,767 |
| Non-Personnel Operating Expenses: | | | |
| Facilities & General Office Expenses | 416,808 | 443,640 | (26,832) |
| Information Systems | 245,269 | 185,900 | 59,369 |
| Professional & Other Contracted Services | 15,678 | 124,734 | (109,056) |
| Property & Casualty Insurance | 55,963 | 57,166 | (1,203) |
| SDA-Owned Automobiles | 10,516 | 19,166 | (8,650) |
| Communications & Outreach | - | 168 | (168) |
| Reserve for Unforeseen Events & New Initiatives | - | 8,334 | (8,334) |
| Total Operating Expenses (Non-Capital) | 2,679,475 | 2,476,582 | 202,893 |
| Capitalized Operating Expenses | 53,997 | 252,666 | (198,669) |
| Total Authority Operating Expenses | \$ 2,733,472 | \$ 2,729,248 | \$ 4,224 |

2018 Annual Operating Budget

\$ 19,282,271

New Jersey Schools Development Authority
Fund Reporting Operating Expenses vs Prior Year
February 28, 2018

| <u>Category</u> | <u>Actual</u> <u>Year-To-Date</u> | <u>2017</u> <u>Year-To-Date</u> | <u>Increase/</u> <u>(Decrease)</u> |
|-----------------------------------------------------|--------------------------------------|------------------------------------|---------------------------------------|
| Personnel Expenses: | | | |
| Employee Salaries | \$ 2,889,748 | \$ 2,988,319 | \$ (98,571) |
| Employee Benefits | 791,859 | 854,664 | (62,805) |
| Direct Hire Temporary Employee Costs | 16,180 | 31,741 | (15,561) |
| Total Employee Salaries & Benefits Costs | 3,697,787 | 3,874,724 | (176,937) |
| Less: Employee Salaries & Benefits Costs | | | |
| Charged to Projects | 1,773,006 | 2,031,426 | (258,420) |
| Salaries & Benefits Charged to Operating Expense | 1,924,781 | 1,843,298 | 81,483 |
| Temporary Staffing Services | (619) | 16,829 | (17,448) |
| Travel & Expense Reimbursements | 1,222 | 372 | 850 |
| Training & Professional Development | 9,857 | 8,570 | 1,287 |
| Total Personnel Expenses | 1,935,241 | 1,869,069 | 66,172 |
| Non-Personnel Operating Expenses: | | | |
| Facilities & General Office Expenses | 416,808 | 388,692 | 28,116 |
| Information Systems | 245,269 | 243,421 | 1,848 |
| Professional & Other Contracted Services | 15,678 | 20,672 | (4,994) |
| Property & Casualty Insurance | 55,963 | 67,346 | (11,383) |
| SDA-Owned Automobiles | 10,516 | 12,361 | (1,845) |
| Communications & Outreach | - | - | - |
| Reserve for Unforeseen Events & New Initiatives | - | - | - |
| Total Operating Expenses (Non-Capital) | 2,679,475 | 2,601,561 | 77,914 |
| Capitalized Operating Expenses | 53,997 | - | 53,997 |
| Total Authority Operating Expenses | \$ 2,733,472 | \$ 2,601,561 | \$ 131,911 |

New Jersey Schools Development Authority

Employee Headcount

February 28, 2018

| <u>SDA Department</u> | <u>Current Month End</u> | <u>Budget</u> | <u>Increase/ (Decrease)</u> |
|---------------------------------------------------------|-------------------------------------|----------------------|----------------------------------------|
| Office of Chief Executive Officer (CEO) | 3 | 2 | 1 |
| CEO, Contract Management | 8 | 11 | -3 |
| COS, Program Assessment & Development | 6 | 7 | -1 |
| COS, Special Projects | 10 | 10 | 0 |
| Program Operations, Executive | 4 | 5 | -1 |
| Program Operations, Capital Planning & Grants Admin. | 23 | 24 | -1 |
| Program Operations, Safety | 8 | 8 | 0 |
| Program Operations - Design Studio | 17 | 16 | 1 |
| Program Operations, Project Teams | 47 | 48 | -1 |
| Corp Governance & Operations, Executive | 3 | 3 | 0 |
| Corporate Governance & Operations, Human Resources | 5 | 6 | -1 |
| Corporate Governance & Operations, Chief Counsel | 12 | 13 | -1 |
| Corporate Governance & Operations, Information Systems | 15 | 16 | -1 |
| Corporate Governance & Operations, Facilities | 5 | 4 | 1 |
| Corporate Governance & Operations, Communications | 7 | 7 | 0 |
| Financial Operations, Executive | 5 | 5 | 0 |
| Financial Operations, Controller | 13 | 12 | 1 |
| Financial Operations, Real Estate Services | 4 | 5 | -1 |
| Financial Operations, Procurement & Contract Services | 8 | 9 | -1 |
| Financial Operations, Risk Management & Vendor Services | <u>9</u> | <u>11</u> | <u>-2</u> |
| Total Full-Time Employees | <u>212</u> | <u>222</u> | <u>-10</u> |

New Jersey Schools Development Authority

Statement of Net Position

February 28, 2018

8

| | <u>Current Month End</u> | <u>2017 Year End</u> | <u>Increase/ (Decrease)</u> |
|--------------------------------------------------------------------------------|------------------------------|------------------------------|---------------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 495,055,618 | \$ 539,839,623 | \$ (44,784,005) |
| Receivables | 28,317 | 37,536 | (9,219) |
| Prepaid Expenses | 612,687 | 266,426 | 346,261 |
| Capital Assets (Net of Accumulated Depr.) | 542,447 | 522,915 | 19,532 |
| Total Assets | <u>496,239,069</u> | <u>540,666,500</u> | <u>(44,427,431)</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Amount for Pensions & OPEB | <u>22,487,940</u> | <u>22,487,940</u> | <u>-</u> |
| TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES | | | |
| | <u>\$ 518,727,009</u> | <u>\$ 563,154,440</u> | <u>\$ (44,427,431)</u> |
| LIABILITIES | | | |
| Accrued Project Costs | \$ 33,800,760 | \$ 58,170,720 | \$ (24,369,960) |
| Net Pension Liability | 74,169,359 | 74,169,359 | - |
| Accrued Other Post-Employment Benefits | 25,653,785 | 25,290,074 | 363,711 |
| Other Accrued Liabilities | 4,654,096 | 4,724,965 | (70,869) |
| Deposits | 3,389,656 | 3,397,638 | (7,982) |
| Total Liabilities | <u>141,667,656</u> | <u>165,752,756</u> | <u>(24,085,100)</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Amount for Pensions & OPEB | <u>4,445,549</u> | <u>4,445,549</u> | <u>-</u> |
| NET POSITION | | | |
| Invested in Capital Assets | 542,447 | 522,915 | 19,532 |
| Restricted for Schools Construction: | | | |
| Special Revenue Fund | <u>372,071,357</u> | <u>392,433,220</u> | <u>(20,361,863)</u> |
| Net Position | <u>372,613,804</u> | <u>392,956,135</u> | <u>(20,342,331)</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION | | | |
| | <u>\$ 518,727,009</u> | <u>\$ 563,154,440</u> | <u>\$ (44,427,431)</u> |

New Jersey Schools Development Authority
Statement of Activities
February 28, 2018

8

| | <u>Current Year-To Date</u> | <u>2017 Year-To Date</u> | <u>Increase/ (Decrease)</u> |
|----------------------------------------|---------------------------------|------------------------------|---------------------------------|
| REVENUES | | | |
| Program Revenues: | | | |
| Bond and Note Proceeds (Issued by EDA) | \$ - | \$ - | - |
| Bidding Fees-Plans & Specs | - | - | - |
| General Revenues: | | | |
| Investment Earnings | 1,103,205 | 476,283 | 626,922 |
| Rental Income | - | 10,008 | (10,008) |
| Other Revenue-OPRA | 30 | 20 | 10 |
| Total Revenues | <u>1,103,235</u> | <u>486,311</u> | <u>616,924</u> |
| EXPENSES | | | |
| Administrative & General Expenses | 3,043,186 | 2,965,827 | 77,359 |
| Capital Depreciation | 34,465 | 34,651 | (186) |
| School Facilities Project Costs | 18,367,915 | 23,902,379 | (5,534,464) |
| Total Expenses | <u>21,445,566</u> | <u>26,902,857</u> | <u>(5,457,291)</u> |
| CHANGE IN NET POSITION | (20,342,331) | (26,416,546) | 6,074,215 |
| Beginning of Period Net Position | <u>392,956,135</u> | <u>400,406,844</u> | <u>(7,450,709)</u> |
| NET POSITION END OF PERIOD | <u>\$ 372,613,804</u> | <u>\$ 373,990,298</u> | <u>\$ (1,376,494)</u> |

DESIGN CONTRACT DE-OBLIGATIONS REPORT *(no activity)*

PUBLIC COMMENT STATEMENT

We will now begin the Public Comment Portion of the Meeting consistent with the New Jersey Open Public Meetings Act.

We would ask that any member of the public who wishes to address the Board limit their comments to 3 minutes. If there are multiple individuals from the same organization or district who wish to address the Board on the same matter, we would ask that you come up together to offer your remarks.

Please keep in mind that public comment is to afford citizens the opportunity to comment on matters pertinent to the Authority's business. Should you seek answers to questions on any topic, please contact the Authority at 609-943-4585 at your convenience.