

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD MEETING  
WEDNESDAY, SEPTEMBER 5, 2018 AT 9:00 A.M.  
32 E. FRONT STREET, TRENTON, NJ  
BOARD ROOM**

**1. NOTICE OF PUBLIC MEETING**

**2. ROLL CALL**

**3. APPROVAL OF MEETING MINUTES**

- a. Board Open Session Meeting Minutes of August 1, 2018
- b. Board Executive Session Meeting Minutes of August 1, 2018

**4. AUTHORITY MATTERS**

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

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

- a. Release of Funds from Program Reserve, Award of Contract, and Final Project Charter – Newark Public School District – Hawkins Street and Wilson Annex Schools – Emergent Project – Chimney Repairs/Replacement
- b. Design-Build Award and Final Project Charter – Paterson School District – New Middle School at Union Avenue

**6. MONTHLY REPORTS**

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

**7. PUBLIC COMMENTS**

**8. EXECUTIVE SESSION**

- a. Recommendation for the Comprehensive Settlement of all Claims Asserted by Hall Construction Co. Inc. Relating to the Keansburg Joseph C. Caruso Elementary School and Paterson School No. 16 Projects
- b. Recommendation for Settlement of Outstanding Issues and Closeout of Demonstration Project Grant Agreements Relating to the Union City High School Demonstration Project
- c. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)  
CCD Report (*no activity*)

**9. ADJOURNMENT**

**APPROVAL OF MEETING MINUTES**

**AUGUST 1, 2018 OPEN SESSION**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, AUGUST 1, 2018**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, August 1, 2018 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Acting Chairman

Donna Sullivan (EDA)

Kevin Luckie (DCA)

Bernard Piaia (DOE)

Michael Kanef (Treasury)

Richard Elbert

Loren Lemelle

Michael Maloney

Mario Vargas

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

At the 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. Adam Sternbach of the Governor's Authorities Unit also participated in the meeting.

The meeting was called to order by 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.

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

The Chairman then presented for consideration and approval the Minutes of the June 6, 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 and seconded by Mr. Luckie, the Members unanimously approved the Open and Executive Session meeting minutes of the June 6, 2018 SDA Board meeting.

### ***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 interior rough-in HVAC, fire suppression, electric, plumbing and framing are all ongoing, along with site work and parking lot curb installation.

Mr. McKenna reported that for the Camden HS project, demolition of the 1916 building is complete and site leveling work is ongoing. He said that staff received proposals for design-build services last month and the recommendation for a contract award is on today's agenda. For the East Orange George Washington Carver ES project, he advised that the contractor completed footings and foundations last month and under slab utility work is ongoing. He added that steel is in fabrication and erection is projected for later this month.

Mr. McKenna reported that for the Elizabeth New ES project, Torcon, the design-builder, continues to address closeout activities. He said that the Garfield James Madison ES No. 10 will

open in September. He added that furniture installation and IT integration is ongoing. He noted that district move-in began the previous month. He reported that staff had applied for a temporary certificate of occupancy (TCO) the previous week.

Mr. McKenna informed the Members that for the Harrison New ES project, design phase services are complete and the design-builder has submitted the final design package for the remainder of the structure to the Department of Community Affairs (DCA) for review. He said that Brockwell & Carrington continues with the installation of footings, foundations and grade beams.

Mr. McKenna reported that for the Irvington Madison Avenue ES project, roofing installation work is ongoing, as is masonry work and exterior brick veneer work. For the Keansburg Port Monmouth Road ES project, he said that LAN Associates continues with design-phase services. He said that for the addition and renovation project at the Millville HS, Hall Construction, the design-builder, continues with design phase services. He added that demolition, renovation and temporary cafeteria installation work is ongoing.

Mr. McKenna advised that for the New Brunswick Paul Robeson ES project, furniture installation is complete and IT integration work is ongoing. He noted that district move-in commenced last month. He added that a certificate of occupancy (CO) was issued on July 27.

Mr. McKenna said that for the Newark South Street ES project, furniture installation is complete and IT integration is ongoing. He added that staff received a TCO on July 30. He noted that district move-in commenced the previous month.

Turning to the projects in the Orange School District, Mr. McKenna informed the Members that staff anticipates advertising for construction services in September for both the Cleveland ES and Orange HS projects.

Mr. McKenna then gave an update on projects in the Passaic School District. He said that for the Leonard Place ES project, the building is weather tight. He noted that interior finish, exterior building and site work is ongoing. For the Dayton Avenue Educational Campus project, he reported that Terminal Construction, the design-builder, continues with design phase services. He added that the design-builder is preparing for soil placement and bridge work.

Mr. McKenna advised the Members that for the Paterson Union Avenue MS project (former site of Don Bosco Academy), early site package work was completed the previous month. He said that the proposals are due this month in response to SDA's advertisement for design-build services. For the Pemberton Denbo Crichton ES project, he reported that Ernest Bock & Sons, Inc. (EBS), the design-builder, continues with design phase services. He said that footings, foundations, under slab utilities and structural steel work is all ongoing.

Mr. McKenna reported that for the Perth Amboy Seaman Avenue ES project, footings, foundation, exterior building metal framing installation, site utility and curb installation work is ongoing there, as is concrete masonry unit interior partition, ductwork and hollow-metal frame installation work. He added that electrical rough-in and stair installation also is ongoing.

Mr. McKenna informed the Members that for the Plainfield Woodland ES project, early site package bids were received and a recommendation for contract award is on today's agenda. He advised that the SDA-engaged contractor has initiated delivery of temporary classroom units that will serve as temporary space during advancement of the new Woodland ES project. For the Vineland New MS project, he said that furniture installation and IT integration work is complete and that district move-in started last month. He added that staff applied for the building TCO on July 29.

Mr. McKenna then briefly discussed the emergent projects at the Paterson International HS and the Newark Science Park HS and the efforts expended by staff in connection therewith.

Turning next to ongoing procurement activity, Mr. McKenna said that, later in the meeting, management will be presenting a design-build services award for the Camden HS project, a demolition and site preparation services award for the Plainfield Woodland ES project, and a construction services award for the Plainfield HS project. He said that other activity currently underway includes procurements for design-build services for the Paterson Union Avenue MS project; and the furniture, fixtures and equipment term contract.

Reporting on events, outreach and other SDA activities, Mr. McKenna reported that staff recently issued the SDA's Biannual Report. He said that he hopes that the Members all have had a chance to review the Report.

Mr. McKenna informed the Members that staff is working on scheduling ribbon cutting events for the new Lincoln Avenue MS in Vineland, the South Street ES in Newark, the James Madison ES in Garfield and the Robeson School in New Brunswick.

Mr. McKenna said that today marks the last time that he will be addressing the SDA Board. He then recapped many of the Authority's accomplishments during his tenure at the SDA. He said that this is a great organization with great people. He said that he knows that his successor will to a great job and he has total confidence that she will lead this organization as well as he has or better. He then thanked the Members for their dedication and great work.

### *Chairman's Report*

#### **Election of SDA Chief Executive Officer**

Mr. Nixon then provided the Chairman's Report. Referencing his memorandum that was provided to the Members in advance of the meeting, he said that before the Board is the

nomination of Lizette Delgado-Polanco to serve as the Authority's next CEO. He introduced Ms. Delgado-Polanco to the Board and staff and provided a brief description of her experience and credentials.

Following discussion, upon a motion by Mr. Maloney and seconded by Mr. Luckie, the Board approved the nomination of Lizette Delgado-Polanco to serve as the Authority's Chief Executive Officer with the Members' unanimous vote in favor of *Resolution 4b*.

### *School Review Committee*

#### **Design-Build Award and Approval of Final Project Charter - Camden School District – Camden High School; Demolition and Site Preparation Award – Plainfield School District – New Woodland Elementary School; Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Project Charter – Plainfield School District – Plainfield High School – Emergent Project – Stairway Structural Repairs**

Mr. Nixon asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review Committee met on July 16, 2018. He said that the first item for Board consideration is a design-build award and final project charter for the Camden HS project. He advised the Board that the new Camden HS project involves construction of an approximately 277,026 square foot building to educate approximately 1,200 students in grades 9 through 12 on the site of the prior Camden HS facility. He added that the new facility will consist of four (4) small learning communities, a main gymnasium, an auxiliary gymnasium, and an auditorium. He informed the Members that, in August 2015, the Board approved a recommendation of award to Design Ideas Group Architecture (DIG) for pre-design services to evaluate the existing Camden HS. Mr. Luckie said that, after completion of DIG's assessment, SDA Executive Leadership recommended replacement of the Camden HS with a new, modern, educationally appropriate facility. He advised the Members that, in October 2016, the Board approved a preliminary project charter, thereby authorizing 1) demolition of the existing Camden

HS facility utilizing an early site package; 2) construction of a new facility utilizing kit of parts design and a design-build delivery method; and 3) related site development work. He explained that abatement and demolition of the prior facility started in September 2017 and is scheduled for completion in September 2018. Mr. Luckie advised that SDA advertised a package for design-build services on March 23, 2018 with “price” weighted as 60% of the overall weight and “all non-price factors” having a combined weight of 40%. He said that, following the competitive procurement process, management is recommending award of a contract for design-build services in the amount of \$99,585,000 to EBS for the Project. He added that EBS has confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. Mr. Luckie noted that management also is recommending that the Board approve the final charter for the Project which represents all expended and projected funds necessary for completion of the Project.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the design-build award and final charter for the Camden HS project were approved with the Board’s unanimous vote in favor of ***Resolution 5a***.

Next, Mr. Luckie said that the Committee is recommending approval of a demolition and site preparation contractor award for the Plainfield New Woodland ES project (the Project). He reminded the Members that, at the April 2018 Board Meeting, the Board approved a revised preliminary project charter for a new two-story school facility on the Plainfield Public School District-owned Woodland ES site. He said that the Project scope includes the demolition of the existing Woodland ES and the construction of a new approximately 121,000 square foot facility to educate 756 students in grades Kindergarten to five. He explained that the new school will

serve as a replacement facility for both the existing Woodland ES and the Cook ES. Mr. Luckie advised the Members that the preliminary project charter revision incorporated several adjustments in order to address flood plain concerns identified in July 2017 related to a portion of the existing site. He said that the adjustments included the resequencing of Project activities such that construction of the new school would follow demolition of the existing Woodland ES, thereby allowing the new school to be constructed outside of the flood plain. He also said that the revised charter reflected the provision of temporary space at the existing Cook ES to allow the district to vacate the Woodland ES at the end of the 2017-2018 school year. Mr. Luckie reported that demolition and site preparation activities will begin after the existing Woodland ES facility has been vacated and SDA will provide eight (8) leased temporary classroom units to provide necessary temporary space beginning with the 2018-2019 school year. He advised that, following cancelation of a previous bid process, a solicitation for demolition and site improvement services was re-advertised beginning on May 23, 2018. He added that, upon completion of the competitive procurement process, management recommends award of the contract in the amount of \$1,644,444 to Two Brothers Contracting, Inc. (Two Brothers). He said that, at the time of review, Two Brothers confirmed that its price proposal is inclusive of all scope elements contained in the contract documents.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the demolition and site preparation contractor award for the Plainfield New Woodland HS project was approved with the Board's unanimous vote in favor of **Resolution 5b**.

In continuing, Mr. Luckie said that the Committee also is advancing for Board approval a release of funds from the program reserve, contract award and final charter for the Plainfield HS

(PHS) project. He said that the PHS, built in 1916 with several additions, is an approximately 365,000 square foot facility in the Plainfield Public School District educating approximately 1,600 students in grades 9 through 12. He reported that, in July 2008, the Board approved the 2008 SDA New Funding Allocation and Capital Plan which allocated \$97 million to fund emergent projects in the 31 SDA Districts. Mr. Luckie said that in March 2011, the Board approved the 2011 Capital Program which allocated \$100 million to fund emergent projects creating a total reserve of \$197 million to address emergent projects. He informed the Members that, in July 2016, the Department of Education (DOE) and SDA launched a third statewide effort to identify and evaluate potential emergent projects throughout the SDA Districts, resulting in the identification of an emergent project at Plainfield HS involving structural repairs or replacement stairs located in the 1916 portion of the building. Mr. Luckie reported that, in December 2016, the SDA and DOE performed a joint site visit and, thereafter, DOE issued preconstruction approval in June 2017 for the advancement of the Project. He said that SDA determined to advance the project by way of a rotational assignment to Catcord Construction Company, Inc. (Catcord) through the SDA's GC task order contract. He noted that Catcord has confirmed its interest in the project which will be awarded on a time and materials basis for the initial phases. Mr. Luckie informed the Members that, upon completion of design, the SDA will review and validate the final projected cost and schedule for the scope of work and determine whether to 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. He said that, following review by the contracts management division and program operations staff, management recommends that the Board authorize procurement staff to proceed with the issuance of a task order to Catcord in the not-to-exceed amount of \$897,774. He advised that management also recommends that

the Board approve the Project's final charter and the release of \$1,202,774 from the emergent program reserve which has funding available to advance the Project. Mr. Luckie noted that the Project's background and scope of work, along with details relevant to the procurement process followed and final project charter, are set forth in the Board memorandum.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Maloney and seconded by Mr. Vargas, a release of funds from the program reserve, contract award and final charter for the Plainfield HS project were approved with the Board's unanimous vote in favor of ***Resolution 5c***.

### ***Public Comments***

The Chairman asked Mr. Frank Faras to address the Board. Mr. Faras advised the Board that he resides across the street from the Trenton Central High School project site. He said that when the SDA was proposing construction of the new TCHS, Mr. McKenna had promised installation of an Olympic sized swimming pool for the school. Mr. McKenna responded that he had never promised an Olympic sized swimming pool.

Mr. Faras reiterated his contention that Mr. McKenna had promised the Olympic sized pool when speaking in front of the Trenton School Board at a meeting where he (Mr. Faras) was present. He said that what was promised is not what was delivered—an indication of the Authority's track record during the whole process. Mr. McKenna said that he and Mr. Faras would have to agree to disagree. The Chairman advised that, other than Mr. Faras, the Authority has received no complaints from either the Trenton School Board or the general public in this regard. Mr. Faras said that the pool that was promised was 50 yards in length vs. the 25 meter pool that is being installed. Mr. Sherman interjected that a 25 meter pool is the standard sized high school pool. He said that SDA typically does not provide pools and is doing so here as the old TCHS had a pool and SDA determined to provide a pool in this case for that reason. Mr.

Faras stated that the pool that is being provided is not what previously was in place—another example of SDA promises not kept.

Mr. Maloney said that over the past 4 ½ years, Mr. Faras has harassed Mr. McKenna and the Board. He said that no one else in the City of Trenton has complained except for Mr. Faras. He said that the City of Trenton is getting a new modern high school and that all Mr. Faras does is harass and that it is uncalled for. He said that Mr. Faras owes Mr. McKenna an apology. Mr. Faras indicated that he owed no one an apology. He complained that the Board has never questioned what Mr. McKenna was promising and what he was delivering. The Chairman assured Mr. Faras that when he (Mr. Faras) has raised issues, the Board has followed up on his concerns and has found them to be personal in nature and not based in the reality of what was being delivered. He said that SDA has received nothing but kudos from the residents of the City of Trenton and the School Board. He said that the new high school will be a resounding success for the City of Trenton. He said that Mr. Faras and the Authority will have to agree to disagree. Mr. Faras said others have come forward to complain to the Authority but have given up. He said that he lives down the street and that it is no problem for him to come forward to complain when the SDA “screws up”. Mr. Faras said that the pool size is a perfect example. Mr. Nixon said that he has nothing but faith in the staff. Mr. Faras said that he has no problem with the staff but, rather, he has a problem with management. He expressed his relief that Mr. McKenna is leaving the Authority.

Mr. Nixon then announced that the Board would be adjourning into Executive Session. Ms. Kelly said that the Board has resolved to adjourn into Executive Session to discuss a recommendation for determination of property value, declaration of surplus property and

authorization for the sale and conveyance of 711-729 Main Avenue in Passaic. She said that the Board's vote on this matter would take place upon its return to Open Session.

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

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

Mr. Vargas said that, following discussion in Executive Session, the Real Estate Committee recommends that the Board approve management's recommendation for a determination of property value, declaration of surplus property and authorization for the sale and conveyance of 711-729 Main Avenue in Passaic. Upon motion duly made by Mr. Luckie and seconded by Mr. Kanef, the Board approved the Committee's recommendation in this matter with its unanimous vote in favor of ***Resolution A1***.

### ***Adjournment***

There being no further business to come before the Board, upon motion by Chairman Nixon 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 August 1, 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 August 1, 2018 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were forwarded to the Governor on August 1, 2018.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's August 1, 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: September 5, 2018

## **AUTHORITY MATTERS**

**CEO REPORT (*ORAL*)**

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

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

**RELEASE OF FUNDS FROM PROGRAM RESERVE, AWARD OF CONTRACT, AND  
FINAL PROJECT CHARTERS - NEWARK PUBLIC SCHOOL DISTRICT - HAWKINS  
STREET AND WILSON ANNEX SCHOOLS - EMERGENT PROJECT - CHIMNEY  
REPAIRS AND/OR REPLACEMENT**



32 EAST FRONT STREET  
P.O. BOX 991  
TRENTON, NJ 08625-0991  
609-858-5325

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### MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy  
Director, Procurement

Paul Hamilton  
Program Planning Director, Program Operations

RE: District: Newark Public Schools  
Schools: Hawkins Street School  
Wilson School Annex

Description: Emergent Projects – Chimney Repairs/Replacement  
Package No.: EP-0106-C01  
Award: \$624,274 (Not-to-Exceed)  
CM: NJSDA Self-Managed

DATE: September 5, 2018

SUBJECT: Release of Funds from Program Reserve, Award of Contract, and Approval of the Final Project Charters  
Newark Public School District – Hawkins Street and Wilson Annex Schools  
Emergent Projects – Chimney Repairs and or Replacement

### INTRODUCTION

We are writing to recommend approval by the Members of three related actions to address emergent conditions at the Hawkins Street and Wilson Annex Schools in the Newark Public School District:

1. The release of funds from the NJSDA Program Reserve, maintained for emergent projects;
2. The award of a construction contract to Ernest Bock and Sons, Inc. in the Not-To-Exceed (N.T.E.) value of \$624,274; and
3. The Final Charters (copies attached) representing the project budgets inclusive of the N.T.E. dollar values for the award of construction, appropriate contingency, allowances, NJSDA staff costs and other costs.

As discussed below, the recommended actions represent N.T.E values to support development and implementation of the most appropriate, efficient and timely action to address the emergent conditions.

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 emergent projects or emergency situations exceeding \$500,000. Further, the Operating Authority requires Board approval of the award of construction contracts greater than \$500,000 as well as approval of a Final Project Charter. Both the construction award and the release of funds from the reserve exceed \$500,000.

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At the July 2008 Board meeting, the Members approved the 2008 New Funding Allocation and Capital Plan which allocated \$97 million to fund emergent projects in the 31 SDA Districts. Additionally, at the March 2, 2011 Board meeting, the Members approved the 2011 Capital Program which allocated an additional \$100 Million to fund emergent projects creating a total reserve of \$197 million to address emergent projects throughout the SDA Districts. Funding for the projects is available within the established reserves for emergent projects.

NJSDA staff shall provide Construction Management oversight for the projects.

### BACKGROUND

The Hawkins Street School (Hawkins), built in 1887 (with three additions), is an approximately 69,000 square foot facility in the Newark Public School District educating approximately 698 students in grades Pre-Kindergarten through 8. The Wilson School Annex, built in 1900 (Wilson), is an approximately 9,000 square foot facility in the Newark Public School District educating approximately 84 students in Pre-kindergarten and Kindergarten.

In July 2016 the NJDOE and NJSDA launched a third statewide effort to identify and evaluate potential emergent projects throughout the SDA Districts. This effort has resulted in the identification of conditions at Hawkins and Wilson for advancement as emergent projects: replacement and or repair of five chimneys in total.

On December 22, 2016, the NJSDA and NJDOE performed a joint site visit. Based upon the site visit observations and supporting documentation provided by the District, the NJDOE issued preconstruction approvals on June 22, 2017 for the advancement of emergent projects to provide for the replacement and or repair of four chimneys at the Hawkins Street School and one chimney at the Wilson School Annex.

### PROCUREMENT PROCESS

The construction task order assignment recommended for this project results from utilization of the NJSDA General Construction Services Task Order (GC Task Order) Contract.

At the August 3, 2016 Board Meeting, the Members of the Authority approved the use of the GC Task Order Contract. The GC Task Order Contract has been structured so that the Authority has a pool of contractors to perform certain work. Overall, no individual task order can exceed \$3 million and no individual firm can receive more than \$5 million of work per region during the duration of the Contract. Bidders were required to select a region (North, South, or both) for job order assignments. Bidders were also required to accept the defined cost multiplier of 1.10, as determined by the Authority, for use in establishing compensation for those task order rotational assignments to be performed, at least for the initial phases, on a time and materials basis. GC Task Order Contract work may also be assigned on a lump sum fee basis after competitive bidding among Task Order Contractors.

NJSDA determined to advance the projects by way of a rotational assignment. Due to the similarity of the work required at both schools in the same district, and the limited work required at the Wilson School Annex, it was determined to assign the work for both projects to one contractor. On April 17, 2018,

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Procurement staff contacted Ernest Bock and Sons, Inc. (EBS), the next firm on the contractor rotational list, and confirmed its interest in the project. This package will be awarded on a time and material basis for the initial phases.

### SCOPE OF WORK

Site visits were held with EBS on April 23, 2018 at Wilson and on May 3, 2018 at Hawkins to review and assess the condition of the chimneys in order to provide a cost estimate on the value of the corrective work. NJSDA staff instructed EBS to engage a design consultant and any sub-consultants necessary for developing a proposal, cost estimate and schedule that recognizes an approach to implementing appropriate action(s) to address the emergent condition related to repair and or replacement of the chimneys.

The scope of work for this engagement includes:

1. Design Services including:
  - Performance of field investigative activities necessary to develop options to address repair or replacement of the chimneys;
  - Based upon the NJSDA's selected option, preparation of all necessary plans, specifications and construction documents representing construction activities, inclusive of modifications to the existing structures;
  - Preparation of documents to secure construction permits; and
  - Preparation of record set drawings and plans at completion of each project.
2. The Construction Services is comprised of:
  - Implementation of the selected options to address the condition of the chimneys
3. Performance of hazardous material abatement activities as necessary to implement the above-described scope of work; and
4. Performance of any code or regulatory improvements which are necessitated by implementation of the above-described scope of work.

An allowance of \$60,000 has been established for additional investigative activities and hazardous material abatement.

On August 3, 2018, EBS provided the NJSDA with a cost estimate to complete the entirety of the work, inclusive of the assessment, design services and implementation of the scope of work proposed by NJSDA to remedy the emergent conditions. The above-mentioned assessment when completed will enable to NJSDA to select the most appropriate solution to address the identified condition. The recommended award in the N.T.E. amount of \$624,274 represents EBS's cost proposal for the most extensive solution including:

- Hawkins School – Demolition and reconstruction of 4 chimneys;
- Wilson School Annex – Demolition and reconstruction of 1 chimney;
- Any anticipated code improvements necessary to implement the above scope; and
- The allowance of \$60,000 for additional investigative activities and hazardous material abatement.

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Upon completion of design, the NJSDA shall review and validate the final projected cost and schedule for the scope of work. 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 Contract Management Division (CMD) and Program Operations reviewed EBS's cost proposal in the amount of \$624,274 and determined it was reasonable for the elements included in the Scope of Work. The Program Operations Managing Director, Program Planning Director and CMD recommend that Procurement proceed with the issuance of a task order to EBS.

### PROJECT BUDGETS

EBS's cost estimated provided a separate cost for the work at each school facility. The project budgets established in the attached charters represent the allocation of costs between the two schools and include appropriate contingency, SDA staff costs and other costs. These budget are:

<b>Cost Category</b>	<b>Hawkins School</b>	<b>Wilson School Annex</b>	<b>Combined Total</b>
Construction Costs (EBS Award)	\$489,888	\$134,386	\$624,274
Construction Contingency (15%)	\$73,000	\$20,000	\$93,000
Project Management (SDA Staff)	\$50,000	\$50,000	\$100,000
Other Costs (5%)	\$25,000	\$7,000	\$32,000
<b>Total Budget</b>	<b>\$637,888</b>	<b>\$211,386</b>	<b>\$849,274</b>

### RECOMMENDATION

The Members of the Authority are requested to approve:

1. The release of \$849,274 from the Program Reserve to address the emergent projects at the Hawkins School and Wilson School Annex in the Newark Public School District;
2. The award of the construction contract to EBS for a N.T.E. value of \$624,274; and
3. The Final Project Charters for the emergent projects at the Hawkins School and Wilson School Annex in the Newark Public School District.

/s/ Sean Murphy

Sean Murphy, Director, Procurement

/s/ Paul Hamilton

Paul Hamilton, Program Planning 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: Gregory Voronov, Managing Director, Program Operations

## New Jersey Schools Development Authority Emergent Project Charter - Summary

**Region:** Northern  
**District:** Newark  
**School Name:** Hawkins Street School  
**Project Type:** Emergent  
**DOE # / Project #:** 3570-460-17-0AEZ  
**Project Location:** 8 Hawkins St. Newark, NJ

<b>Charter Date</b>
09/05/18
<b>Supersedes Charter Dated</b>
N/A

**Project Budget:** \$ 637,888  
**Anticipated Construction NTP Date** TBD  
**Anticipated Final Completion Date** TBD  
**Project Initiation Date:** 04/17/18

<b>Funding Source</b>
2008 Emergent Reserve

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	09/05/18	Repair or replacement of 4 chimneys.
Revision # and Date		
<input type="checkbox"/> One		
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		
		<b>Purpose for Advancement of Emergent Charter</b>
		To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, allowances, NJSDA staff costs, and estimated other costs.

### Recommendation

Program Director - Project	Date	Managing Director - Program Operations	Date
Paul Hamilton		Gregory Voronov	
VP - Construction Operations	Date	EVP - Prog. Ops. And Strategic Planning	Date
Manuel Da Silva		Andrew Yosha	

### Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer	Date
Lizette Delgado-Polanco	

## New Jersey Schools Development Authority Emergent Project Charter Project Budget

<b>District / Project Name:</b>	Newark/Hawkins Street School
<b>DOE # / Project #:</b>	3570-460-17-0AEZ
<b>Charter Date:</b>	09/05/18

**Special Considerations:**

The project budget is based upon the not-to-exceed award value of the GCTO for the most extensive scope of work. Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

**Project Budget:**

<b>Construction Costs:</b>	
Building Costs	\$444,888
Allowances	\$45,000
Construction Contingency	\$73,000
<b>Total Construction Costs</b>	<b>\$562,888</b>
<b>Other Costs:</b>	
Design Fees	\$0
Construction Admin	\$0
Project Management (SDA Staff)	\$50,000
Other Costs	\$25,000
<b>Total Other Costs</b>	<b>\$75,000</b>
<b>PreDevelopment &amp; Environmental Costs:</b>	
PreDevelopment	\$0
Environmental/Remediation	\$0
<b>Total PreDevelopment &amp; Environmental Costs</b>	<b>\$0</b>
<b>Total Project Budget</b>	<b>\$637,888</b>
<b>2008 Emergent Reserve Impact</b>	
Prior Funding Approved	\$0
Current Funding Requested	\$637,888

## New Jersey Schools Development Authority Emergent Project Charter - Summary

<b>Charter Date</b>
09/05/18
<b>Supersedes Charter Dated</b>
N/A

**Region:** Northern  
**District:** Newark  
**School Name:** Wilson School Annex  
**Project Type:** Emergent  
**DOE # / Project #:** 3570-750-17-0BBC  
**Project Location:** 19 Wilson Ave. Newark, NJ

**Project Budget:** \$ 211,386  
**Anticipated Construction NTP Date:** TBD  
**Anticipated Final Completion Date:** TBD  
**Project Initiation Date:** 04/17/18

<b>Funding Source</b>
2008 Emergent Reserve

Charter Version and Date	Project Summary
<input checked="" type="checkbox"/> Final      09/05/18	Chimney repair or replacement.
Revision # and Date	
<input type="checkbox"/> One	
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	<b>Purpose for Advancement of Emergent Charter</b>
To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, allowances, NJSDA staff costs, and estimated other costs.	

### Recommendation

Program Director - Project Paul Hamilton	Date	Managing Director - Program Operations Gregory Voronov	Date
VP - Construction Operations Manuel Da Silva	Date	EVP - Prog. Ops. And Strategic Planning Andrew Yosha	Date

### Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

Chief Executive Officer \_\_\_\_\_ Date  
 Lizette Delgado-Polanco

## New Jersey Schools Development Authority Emergent Project Charter Project Budget

<b>District / Project Name:</b>	Newark/Wilson School Annex
<b>DOE # / Project #:</b>	3570-750-17-0BBC
<b>Charter Date:</b>	09/05/18

**Special Considerations:**

The project budget is based upon the not-to-exceed award value of the GCTO for the most extensive scope of work. Other Costs for projects range from 2% to 5% of Building Costs, with such costs for Emergent Projects budgeted at 5%. These costs are inclusive of projected DCA fees for permits and anticipated inspections.

**Project Budget:**

<b>Construction Costs:</b>	
Building Costs	\$119,386
Allowances	\$15,000
Construction Contingency	\$20,000
<b>Total Construction Costs</b>	<b>\$154,386</b>
<b>Other Costs:</b>	
Design Fees	\$0
Construction Admin	\$0
Project Management (SDA Staff)	\$50,000
Other Costs	\$7,000
<b>Total Other Costs</b>	<b>\$57,000</b>
<b>PreDevelopment &amp; Environmental Costs:</b>	
PreDevelopment	\$0
Environmental/Remediation	\$0
<b>Total PreDevelopment &amp; Environmental Costs</b>	<b>\$0</b>
<b>Total Project Budget</b>	<b>\$211,386</b>
<b>2008 Emergent Reserve Impact</b>	
Prior Funding Approved	\$0
Current Funding Requested	\$211,386

***Resolution-5a.***

Release of Funds from Program Reserve, Award of Contract, and Final Charter -  
Newark Public School District – Hawkins Street School, Wilson School Annex  
Emergent Project - Stairway Structural Repairs

District: Newark Public School  
School: Hawkins Street and Wilson Annex Schools  
Description: Emergent Project – Chimney Repairs/Replacement  
Package No.: EP-0106-C01  
Award: \$624,274 (Not-to-Exceed)  
CM: SDA 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 approve the release of funds from the Program Reserve for emergent projects or emergency situations exceeding \$500,000; and

**WHEREAS**, the Operating Authority further requires that the Members of the Authority approve the award of construction contracts greater than \$500,000 and final project charters; and

**WHEREAS**, both the construction award amount and the amount of funds to be released from the program reserve in this matter before the Board exceed \$500,000; and

**WHEREAS**, in July 2008, the Members of the Authority approved the 2008 New Funding Allocation and Capital Plan which allocated \$97 million to fund emergent projects in the 31 SDA Districts; and

**WHEREAS**, in March 2011, the Members approved the 2011 Capital Program which allocated an additional \$100 million to fund emergent projects creating a total reserve of \$197 million to address emergent projects throughout the SDA Districts; and

**WHEREAS**, the Newark Hawkins Street School (Hawkins School), built in 1887 (with three additions), is an approximately 69,000 square foot facility educating approximately 698 students in grades pre-kindergarten through 8; and

**WHEREAS**, the Newark Wilson School Annex (Wilson School), built in 1900, is an approximately 9,000 square foot facility in the Newark Public School District educating approximately 84 students in grades pre-kindergarten and kindergarten; and

**WHEREAS**, in July 2016, New Jersey Department of Education (DOE) and SDA launched a third statewide effort to identify and evaluate potential emergent projects throughout the SDA Districts; and

**WHEREAS**, this effort resulted in the identification of conditions at the Hawkins and Wilson Schools (collectively “the Projects”) for advancement as emergent projects, specifically involving replacement and or repair of five chimneys in total; and

**WHEREAS**, in December 2016, the SDA and DOE performed a joint site visit and, in June 2017, DOE issued preconstruction approvals for the advancement of emergent projects to provide for the replacement and or repair of four chimneys at the Hawkins School and one chimney at the Wilson School; and

**WHEREAS**, SDA determined to advance both projects by way of a rotational assignment through the SDA's GC Task Order Contract; and

**WHEREAS**, funding for the Projects is available within the established reserves for emergent projects; and

**WHEREAS**, the contract management division (CMD) and program operations staff reviewed the Ernest Bock and Sons, Inc. (EBS) cost proposal in the amount of \$624,274 and determined that it was reasonable for the elements included in the scope of work and the program operations managing director and director and CMD recommend that, with Board approval, the procurement advance through the issuance of a task order to EBS; and

**WHEREAS**, EBS has confirmed its interest in the project which will be awarded on a time and material basis for the projects' initial phases; and

**WHEREAS**, management further recommends that the Members of the Authority approve the Projects' final charters and the release of \$849,274 from the Emergent Program Reserve; and

**WHEREAS**, the Project's background, scope of work, details as to the procurement process followed and the Projects' final charters are set forth in the memorandum presented to the Board on this date and incorporated herein.

**NOW, THEREFORE, BE IT RESOLVED**, that, in connection with the Newark Hawkins Street and Wilson School Annex emergent projects, the Members of the Authority hereby authorize and approve the release of \$849,274 from the SDA Program Reserve maintained for emergent projects; the award of a construction contract to Ernest Bock and Sons, Inc. in the not-to-exceed value of \$624,274; and the final project charters, as presented to the Board on this date, representing the project budgets inclusive of the not-to-exceed dollar values for the award of construction, appropriate contingency, allowances, SDA staff costs and other costs.

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

Attached: Memorandum, Release of Funds from Program Reserve, Award of Contract, and Approval of Final Charter, Newark Public School District – Hawkins Street School and Wilson School Annex, Emergent Project, dated September 5, 2018

Dated: September 5, 2018

**DESIGN-BUILD AWARD AND FINAL PROJECT CHARTER - PATERSON SCHOOL  
DISTRICT - NEW MIDDLE SCHOOL AT UNION AVENUE**

**MEMORANDUM**

TO: Members of the Authority

FROM: Sean Murphy  
Director, Procurement

Thomas Schrum  
Managing Director, Program Operations

RE: District: Paterson School District  
School: New Middle School at Union Avenue  
Description: Design-Build  
Package No.: PA-0011-B01  
CCE: \$60,101,000  
Advertised CCE Range: \$55,000,000 to \$62,000,000  
Award: \$57,932,000  
CM: TBD

DATE: September 5, 2018

SUBJECT: Design-Build Award and Approval of Final Project Charter

**INTRODUCTION**

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$57,932,000 to Epic Management, Inc. (Epic)<sup>1</sup> for Design-Build services for the new Middle School at Union Avenue (Union Ave MS) in the Paterson School District.

The Design-Build Team will complete the design of the new Union Ave MS facility utilizing NJSDA-developed schematic design documents and will also provide construction and construction administration services, including securing of all required permits and approvals, for construction of a new middle school for grades 6 through 8. The form of contract for this engagement is a Design-Build contract with the general contractor as the lead and with relevant trades and design disciplines serving in sub-contractor and sub-consultant roles.

We are also recommending approval by the Members of the attached Final Project Charter representing the project budget inclusive of dollar values for the award of the Design-Build package.

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<sup>1</sup> Epic listed the following subcontractors for the required trades in its Price Proposal: The Barham Group, LLC (HVACR), BW Electrical Services, LLC (Electrical), AC Mechanical, LLC (Plumbing), and Sparta Steel Corporation (Structural Steel & Ornamental Iron). Epic also listed a design consultant team lead by DMR Architects, PC (Architecture), and including Greenman-Pedersen, Inc. (HVAC Engineering, Electrical Engineering, and Plumbing Engineering), Bohler Engineering NJ, LLC (Civil Engineering), Harrison-Hamnett, PC (Structural Engineering), and Engineering & Land Planning Associates, Inc. (Environmental Engineering).

Members of the Authority  
Design-Build Award and Approval of Final Project Charter  
Package No. PA-0011-B01  
Paterson – New Middle School at Union Avenue – Design-Build  
September 5, 2018  
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Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of construction contracts greater than \$500,000 and for the approval of the Final Project Charter.

## BACKGROUND

The new Union Ave MS project will consist of the construction of an approximately 163,000 SF building to educate 996 students in grades 6 through 8 on the site of the former Don Bosco School acquired by the NJSDA in May 2004, with the Don Bosco School utilized as a school facility through the 2016-2017 school year.

On April 1, 2015, the Members of the Authority approved the Preliminary Project Charter, thereby approving demolition of the existing Don Bosco School utilizing an Early Site Package and construction of a new middle school facility on the Union Avenue site through a Design-Build project delivery method, utilizing a standard NJSDA Kit of Parts programmatic model and design, with in-house schematic design development. Additionally, the Preliminary Project Charter recognized the Members' December 2014 approval for the acquisition of the former Paterson Catholic HS facility to serve as a temporary space for the students displaced during the demolition of the Don Bosco School and construction of the new facility. Upon completion of the Union Ave MS, it is expected that the former Paterson Catholic HS will serve as a permanent District facility to assist in alleviating remaining district-wide overcrowding.

On May 3, 2017, the NJSDA Board approved the award of a Demolition contract to Tricon Enterprises, Inc. The abatement and demolition of the Don Bosco School commenced on August 4, 2017, and was completed on July 30, 2018.

A Construction Management Firm will be engaged to manage the construction of the new Union Ave MS. Advertisement for the procurement of these services will initiate during the fourth quarter of 2018.

## PROCUREMENT PROCESS

This package was advertised as a design-build solicitation beginning on April 26, 2018 on the NJSDA website, NJ State website, and in selected newspapers for interested firms to participate in the bidding process. For this procurement, "Price" is weighted as more important than all "Other Factors," with price equaling 60% of the overall weight, and all non-price factors having a combined weight of 40%.

Interested bidders were required to attend a mandatory pre-bid conference held on May 11, 2018.

In accordance with regulations, the NJSDA employed a two-step process for this procurement. The first step required interested bidders to submit a Project Rating Proposal, which was used by the NJSDA to determine each bidder's Project Rating Limit, or maximum amount that a bidder may bid, for the project. Project Rating Proposals were received by May 25, 2018. Bidders were evaluated based on the largest of four projects completed in the past seven years, safety records as well as reference checks. Based on evaluation of the information submitted, four (4) bidders received a Project Rating Limit.

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The Project Rating Limits resulting from the Project Rating Evaluations are listed in Table 1 below:

**TABLE 1**

<b>Firm</b>	<b>Project Rating Limit</b>
Dobco, Inc.	\$165,053,800
Epic Management, Inc.	\$245,490,000
Ernest Bock & Sons, Inc.	\$160,454,097
Terminal Construction Corporation	\$200,220,000

The second step of the process required the bidders to simultaneously submit a Technical Proposal and a sealed Price Proposal. In advance of submission of Technical and Price Proposals, bidders were permitted to submit questions seeking clarification of the procurement documents, until June 8, 2018. Addenda responses to Bidder Questions were issued to the bidders on June 20, June 29, July 6, and July 11, 2018.

Technical and Price Proposals were received on August 2, 2018 from four (4) bidders. As described in the RFP, the Technical Proposal submission consists of two separate portions for evaluation by two distinct committees as follows:

1. The “Experience Criteria” portion of the Technical Proposal submission was evaluated by an Evaluation Committee comprised of three (3) NJSDA staff members. The Evaluation Committee was responsible for collectively evaluating the “Experience Criteria” on a non-numeric basis and determining, on a consensus basis, whether a bidder had demonstrated sufficient experience in the following “Experience Criteria” categories:
  - Design-Builder’s Experience on Similarly Sophisticated Projects
  - Design-Builder’s Design Consultant’s Experience on Similarly Sophisticated Projects
  - Design-Builder’s Demonstrated Prior Affirmative Action Experience
  
2. The “Project Approach Criteria” portion of the Technical Proposal submission was evaluated by a Selection Committee, comprised of five (5) NJSDA staff members and one (1) alternate, and one (1) Paterson School District representative. The Selection Committee was responsible for independently evaluating and scoring each bidder in each of the following “Project Approach Criteria” categories:
  - Approach to Project
  - Identification and Qualification of Required Key Team Members
  - Approach to Schedule
  - Approach to LEED Requirements

***“Evaluation Committee” Review***

The Evaluation Committee determined that each of the bidders demonstrated sufficient experience in the “Experience Criteria” categories to be considered for award.

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 Paterson – New Middle School at Union Avenue – Design-Build  
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### ***“Selection Committee” Review***

The Selection Committee members conducted interviews with each of the four (4) Design-Build teams at NJSDA offices in Trenton on August 21, 2018 affording committee members an opportunity to obtain any additional information from each bidder team as needed to complete their evaluations of the “Project Approach Criteria” portion of the Technical Proposal.

Each Selection Committee member evaluated the “Project Approach Criteria” portion of each Technical Proposal, assigning a raw score for each category on a scale of 0 to 10 as follows:

- 9 - 10 points - outstanding response - offers significant advantages.
- 7 - 8 points - superior response - exceeds requirements with no deficiencies.
- 5 - 6 points - sufficient response - meets the requirements with no significant deficiencies.
- 3 - 4 points - minimal response - meets the requirements but contains some significant deficiencies.
- 1 - 2 points - marginal response - comprehends requirements, but contains many significant deficiencies.
- 0 points - unsatisfactory response - requirements not addressed and lack of detail precludes adequate evaluation.

Weighting factors were then applied to each of the Selection Committee member’s raw scores for each “Project Approach Criteria” category to arrive at a total weighted score as follows in Table 2 below:

**TABLE 2**

<b>Project Approach Criteria Evaluation Category</b>	<b>Weighting Factor (Applied to Raw Score)</b>	<b>Maximum Weighted Points</b>
Approach to Project	3.5	35
Identification and Qualification of Required Key Team Members	3.0	30
Approach to Schedule	1.5	15
Approach to LEED Requirements	2.0	20
<b>Total Possible Points</b>		<b>100</b>

For each Technical Proposal, the individual “Project Approach Criteria” category scores awarded by a particular Selection Committee member were added together to calculate a total non-price score for that Technical Proposal. The maximum total non-price score is 100. All of the total non-price scores awarded to a Technical Proposal by the Selection Committee members were added together and averaged to arrive at a final non-price score for each Technical Proposal.

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 Paterson – New Middle School at Union Avenue – Design-Build  
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The results of the Selection Committee’s review of the “Project Approach Criteria” portion of each Technical Proposal are listed in Table 3 below:

**TABLE 3**

<b>Contractor</b>	<b>Non-Price Score</b>	<b>Non-Price Rank</b>
Epic Management, Inc.	68.333	1
Dobco, Inc.	67.250	2
Ernest Bock & Sons, Inc.	65.417	3
Terminal Construction Corporation	57.833	4

### ***Sealed Price Proposals***

Once all the Technical Proposals were scored pursuant to the “Project Approach Criteria”, the Authority opened the sealed Price Proposals and reviewed them for responsiveness. The Price Proposals were publicly opened on August 23, 2018 and the bids were read aloud as required by law.

The lowest responsive Price Proposal was awarded the maximum number of points for the price component, which is 100. All other Price Proposals were awarded points based on the percentage that each proposal exceeded the lowest bid.

The results of the NJSDA’s review of the Price Proposals are listed in Table 4 below:

**TABLE 4**

<b>Contractor</b>	<b>Bid Amount</b>	<b>Price Score</b>	<b>Price Rank</b>
<b>Qualified and Responsive Bidders</b>			
Epic Management, Inc.	\$57,932,000	100.000	1
Ernest Bock & Sons, Inc.	\$58,585,000	98.873	2
Dobco, Inc.	\$59,650,000	97.034	3
<b>Non-Responsive Bidder – Bid Rejected</b>			
Terminal Construction Corporation	\$59,500,000	N/A	N/A

As stipulated in the RFP, each Bid Amount is inclusive of NJSDA-established Allowances totaling \$3,301,000, as follows: \$500,000 for General Design and Construction; \$250,000 for Fire Pump; \$250,000 for Emergency Responder Radio System; \$500,000 for Building Envelope Acoustical Enhancement; \$750,000 for Subsurface Conditions; \$250,000 for Access Roads and Site Development; \$326,000 for LED Lighting; \$100,000 for Athletic Flooring; \$225,000 for Greenhouse; and \$150,000 for Detention Basin. If utilized, the allowances for LED Lighting, Athletic Flooring and the Greenhouse

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 Paterson – New Middle School at Union Avenue – Design-Build  
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will be funded by the District as they represent upgrades beyond the NJSDA’s material and system standards.

### ***Final Combined Scores and Final Rankings***

After the Price Scores were determined for all bidders, the Price Scores were adjusted by a weighting factor of 60%. The Non-Price Scores for “Other Factors” criteria were adjusted by a weighting factor of 40%. The weighted Price Score and weighted Non-Price Score for each bidder were added together for a Final Combined Score. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Table 5 below:

**TABLE 5**

<b>Contractor</b>	<b>Raw Non-Price Score</b>	<b>Raw Price Score</b>	<b>Weighted Non-Price Score (40%)</b>	<b>Weighted Price Score (60%)</b>	<b>Final Combined Score</b>	<b>Final Rank</b>
Epic Management, Inc.	68.333	100.000	27.333	60.000	87.333	1
Ernest Bock & Sons, Inc.	65.417	98.873	26.167	59.324	85.490	2
Dobco, Inc.	67.250	97.034	26.900	58.221	85.121	3

The highest ranked bidder was Epic Management, Inc.

### ***Highest Ranked Bidder’s Price Proposal***

The bid submitted by Epic was less than the CCE. In order to understand the differential between the CCE and the bid price and to ensure the contractor’s price proposal was inclusive of all scope elements, a conference was conducted on August 28, 2018 with Epic and staff from Procurement, Program Operations, Design Studio and Contract Management to review the bid by scope categories. The comparison by scope categories identified a variance in the costs for foundations, and the discussion revealed that this difference was attributable to Epic’s utilization of timber piles compared with steel and concrete pile costs included in the NJSDA estimate. The NJSDA is satisfied with this explanation, and the discussion verified that Epic had included all work per the scope of the project. At the time of review, Epic confirmed that its price proposal is inclusive of all scope elements contained in the Contract Documents.

The Program Operations Managing Director and the Director of Financial Operations recommend award of the project to Epic Management, Inc.

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 Design-Build Award and Approval of Final Project Charter  
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 Paterson – New Middle School at Union Avenue – Design-Build  
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## FINAL PROJECT CHARTER

The attached Final Project Budget represents the project budget inclusive of actual dollar values for the award of the Design-Build contract, current estimates for all future scope elements such as FF&E and technology, and appropriate contingencies. The budget also includes costs associated with the acquisition and fit-out of the former Paterson Catholic HS being utilized as temporary space to accommodate students during the construction of the new school. Additionally, the budget is inclusive of costs incurred related to site investigation and demolition, as well as NJSDA Staff costs for both Design and Project Management. The Final Project Charter budget of \$113.9 million represents a net increase of approximately \$1.0 million from the Board-approved Preliminary Project Charter. The difference recognizes: the inclusion of District-funded scope items, the award value for the design-builder which exceeds the Preliminary Project Charter value that had been based upon 2015 planning assumptions, and an increase to the Construction Management Services and Technology budgets to reflect more recent project experience. These increases within the overall budget are partially offset through the utilization of design contingency included within the Preliminary Project Charter to account for potential cost increases prior to the award of the design-build contract. Additionally, the budget for temporary space has been reduced to reflect the actual costs incurred in connection with the acquisition and fit-out of the former Paterson Catholic HS building.

## RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to the highest ranked bidder, Epic Management, Inc., for Contract No. PA-0011-B01 in the amount of \$57,932,000 inclusive of NJSDA-established Allowances totaling \$3,301,000. Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

The Members of the Authority are also requested to approve the attached Final Project Charter representing all expended and projected funds necessary for completion of the project.

/s/ Sean Murphy

Sean Murphy, Director, Procurement

/s/ Thomas Schrum

Thomas Schrum, Managing Director, Program Operations

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

Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer

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

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

Reviewed and Recommended by: Robert Carney, Director of Financial Operations

Reviewed and Recommended by: Joseph Lucarelli, Deputy Program Director, Program Operations

Reviewed and Recommended by: Felipe Marrero, Senior Program Officer, Program Operations

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

## New Jersey Schools Development Authority Project Charter - Summary

<b>Charter Date</b>
09/05/18
<b>Supersedes Charter Dated</b>
04/01/15

**Region:** Northern  
**District:** Paterson  
**Project Name:** New Middle School on Union Ave Site  
**School Type:** Middle School  
**DOE # / Project #:** 4010-N05-02-0954  
**Project Type (New/Add/Reno):** New  
**Project Location:** 202 Union Avenue Paterson, NJ  
**Number of Students:** 996 (FES) 1,107 (Max)

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

<b>Funding Source</b>
2012 Capital Plan
<b>Funding Allocated</b>
\$113,902,274

**Project Budget:** \$ 113,902,274  
**Anticipated Substantial Completion Date:** 04/19/21  
**Anticipated School Occupancy Date:** 09/15/21

<b>District Local Share</b>
\$0.00

**Project Team Leader:** Thomas Schrum / Ritchard Sherman  
**Project Initiation Date:** Apr-15  
**SDA Board - Project Charter Approval Date:** 09/05/18

Charter Version and Date	Project Summary
<input type="checkbox"/> Planning	Construction of a New Middle School facility to educate 996 students in grades 6 to 8 consisting of 36 general classrooms, science labs, self contained special education classrooms, as well as, cafeteria, multipurpose room and gymnasium on the SDA acquired Union Ave Site. Project includes acquisition of the former Paterson Catholic High School to serve as temporary facilities during construction and upon completion of the New MS as a permanent district facility to assist in alleviating district-wide overcrowding.
<input type="checkbox"/> Preliminary 04/01/15	
<input checked="" type="checkbox"/> Final 09/05/18	
<b>Purpose for Advancement of Current/Revised Project Charter</b>	
<b>Revision # and Date</b>	Project advancement, including in-house design and procurement of necessary professional and construction services for the project.
<input type="checkbox"/> One	<b>District Project Goals</b>
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	
<input type="checkbox"/> Four	
<input type="checkbox"/> Five	
<input type="checkbox"/> Six	
<b>New middle school to help alleviate district wide overcrowding.</b>	

### Recommendation

**Program Director - Program Operations** \_\_\_\_\_ **Date** \_\_\_\_\_  
 Thomas Schrum \_\_\_\_\_ **Managing Directors - Capital Planning / Design** \_\_\_\_\_ **Date** \_\_\_\_\_  
 Gregory Voronov / Ritchard Sherman \_\_\_\_\_

**Vice President - Construction Operations** \_\_\_\_\_ **Date** \_\_\_\_\_  
 Manuel Da Silva \_\_\_\_\_ **EVP- Prog. Ops. and Strategic Planning** \_\_\_\_\_ **Date** \_\_\_\_\_  
 Andrew Yosha \_\_\_\_\_

### Approval

\_\_\_\_\_ **Chief Executive Officer** \_\_\_\_\_ **Date** \_\_\_\_\_  
 Lizette Delgado Polanco \_\_\_\_\_

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

<b>Charter Date</b>
09/05/18

<b>District / Project Name:</b>	Paterson / New Middle School on Union Ave Site
<b>DOE # / Project #:</b>	4010-N05-02-0954

<b>Project Milestones</b>	<b>Date</b>
<b>School Occupancy Date</b>	09/15/21

<b>DELIVERY METHOD</b>	<b>Design/Build</b>
------------------------	---------------------

<u>Real Estate Services</u>	<u>Start</u>	<u>Est.</u>	<u>Act.</u>	<u>Finish</u>	<u>Est.</u>	<u>Act.</u>
Feasibility	Complete	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Complete	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Investigations	04/22/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	09/03/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Site Acquisition (Temporary Space)	12/19/14	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/15/15	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Relocation	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Demolition	08/04/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/18/18	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Early Site Package	05/21/18	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/13/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Deed Restriction Required?</b>	Unknown	<b>Date</b>				
<b>District Notified?</b>		<input type="checkbox"/>	<input type="checkbox"/>			
<b>Classification Exception Area?</b>	Unknown					
<b>District Notified?</b>		<input type="checkbox"/>	<input type="checkbox"/>			

**Special Considerations**

<u>Design:</u>	<u>Date</u>	<u>Est.</u>	<u>Act.</u>		<u>Est.</u>	<u>Act.</u>
Design Start (NTP)	07/10/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Design Restart (if applicable)	NA	<input type="checkbox"/>	<input type="checkbox"/>			
	<u>Start</u>	<u>Est.</u>	<u>Act.</u>	<u>Finish</u>	<u>Est.</u>	<u>Act.</u>
Program Concept Phase	07/10/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/13/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic Design	10/11/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	04/13/18	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bridging Documents	10/16/17	<input type="checkbox"/>	<input checked="" type="checkbox"/>	04/13/18	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design-Build Bid/Award	04/18/18	<input type="checkbox"/>	<input checked="" type="checkbox"/>	09/05/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build NTP	09/06/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10/18/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Design	10/18/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>	07/31/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Special Considerations**

<u>Construction:</u>	<u>Date</u>	<u>Est.</u>	<u>Act.</u>
Construction Start (NTP)	08/01/19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	04/19/21	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	Sep-21	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	07/15/21	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	03/15/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	04/12/22	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Special Considerations**

The above schedule is information is based upon the NJSDA's schedule for project completion consistent with the contract requirements for the design-build engagement. Adjustments to the Charter schedule may be made after review and approval of the design-builder awardee's proposed project schedule.

<b>New Jersey Schools Development Authority Project Charter - Project Budget</b>		<b>Charter Date</b>
		09/05/18
<b>District / Project Name:</b>	Paterson / New Middle School on Union Ave Site	
<b>DOE # / Project #:</b>	4010-N05-02-0954	
<b>2012 Capital Plan Funding Allocation</b>	<b>\$</b>	<b>113,902,274</b>
<b>Special Considerations:</b>		
<p>The project budget is based upon the award amount for the Design-Build engagement, current estimates for all project scope elements and estimated costs for future scope elements. The project budget also includes all prior expenditures related to acquisition and related costs for the Union Avenue site (\$6.4 million), as well as, costs associated with the acquisition and fit-out as temporary facilities of the former Paterson Catholic School High School facility (\$31.3 million). Additionally, the budget is inclusive of costs incurred related to site investigation and demolition, as well as NJSDA Staff costs for both Design and Project Management. The design building engagement includes NJSDA-established allowances totaling \$3.3M. These are comprised of: \$500k General Design &amp; Construction Allowance; \$250k Fire Pump Allowance; \$250k Emergency Responder System Allowance; \$500k Building Envelope Acoustical Enhancement Allowance; \$750k Subsurface Conditions Allowance; \$250k Access Roads and Site Development Allowance; \$326k LED Lighting Allowance (District Funded); \$100k Athletic Flooring Allowance (District Funded); \$225k Greenhouse Allowance (District Funded); and \$150k Detention Basin Allowance.</p>		
<b>Project Budget:</b>		
<b>Gross Building Area (GSF):</b>		<b>Grossing Factor:</b>
New	163,000	<b>1.59</b>
Addition	0	
Renovation	0	
<b>Total Gross Building Area (GSF):</b>	<b>163,000</b>	
<b>Estimated Building Cost / GSF</b>		
New Construction Cost/GSF	\$294.70	
Renovation Cost/GSF		
<b>Design-Builder Costs</b>		
Design	\$3,239,704	
Building Costs	\$48,041,296	
Site Costs	\$3,350,000	
Design Build Contract Allowances	\$3,301,000	
E-Rate (If separately bid)	\$0	
Cost Escalation    months at    5 % per year	\$0	
Design Contingency	\$0	
Construction Contingency	\$2,700,000	
<b>Total Construction Costs</b>	<b>\$60,632,000</b>	
<b>Pre-Development Costs:</b>		
Consultant Services	\$1,605,268	
Early Site Package (Demolition/Remediation)	\$3,558,000	
Completed Remedial Work (Don Bosco Facility)	\$254,424	
Land Acquisition (Don Bosco Site)	\$5,840,711	
Relocation (Don Bosco Site)	\$63,123	
Property Maintenance/Carry Costs	\$339,747	
<b>Total Pre-Development Costs</b>	<b>\$11,661,274</b>	
<b>Other Costs:</b>		
Design		
Prior Design Services	N/A	
In-House Design	\$800,000	
Project Management (SDA Staff)	\$1,560,000	
Construction Management Services	\$2,000,000	
FF&E	\$2,500,000	
Technology	\$2,900,000	
Commissioning	(Included in DB Scope)	
Temp Space: Paterson Catholic (Acquisition & Related)	\$31,300,000	
Other Costs	\$1,200,000	
<b>Total Other Costs</b>	<b>\$42,260,000</b>	
<b>Other Funding Sources</b>		
Rebates & Refunds	\$0	
District Local Share Funds	(\$651,000)	
<b>Total Other Funding Sources</b>	<b>(\$651,000)</b>	
<b>Total Project Budget</b>	<b>\$113,902,274</b>	
<b>Funding from Prior Allocation</b>	<b>\$6,441,754</b>	
<b>Funding from 2012 Capital Plan</b>	<b>\$107,460,519</b>	

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

**Charter Date**  
09/05/18

**District / Project Name:** Paterson / New Middle School on Union Ave Site  
**DOE # / Project #:** 4010-N05-02-0954

**Project Budget:**

	<b>Preliminary Charter 4/1/15</b>	<b>Current Budget</b>	<b>VARIANCE Fav/(Unfav)</b>
Grossing Factor:	1.55	1.59	
Gross Building Area (GSF):			
New	161,000	163,000	(2,000)
Addition	0	0	0
Renovation	0	0	0
<b>Total Gross Area (GSF):</b>	<b>161,000</b>	<b>163,000</b>	<b>(2,000)</b>
<b>Design-Builder Costs</b>			
Design	\$2,650,000	\$3,239,704	(\$589,704)
Building Costs	\$45,351,000	\$48,041,296	(\$2,690,296)
Site Costs	\$2,950,000	\$3,350,000	(\$400,000)
Design Build Contract Allowances	\$500,000	\$3,301,000	(\$2,801,000)
E-Rate (If separately bid)	\$0	\$0	\$0
Cost Escalation	\$0	\$0	\$0
Design Contingency	\$4,400,000	\$0	\$4,500,000
Construction Contingency	\$2,800,000	\$2,700,000	
<b>Total Construction Costs</b>	<b>\$58,651,000</b>	<b>\$60,632,000</b>	<b>(\$1,981,000)</b>
<b>Pre-Development Costs:</b>			
Consultant Services	\$1,174,096	\$1,605,268	(\$431,172)
Early Site Package (Demolition/Remediation)	\$3,500,000	\$3,558,000	(\$58,000)
Completed Remedial Work (Don Bosco Facility)	\$254,424	\$254,424	\$0
Land Acquisition (Don Bosco Site)	\$5,840,279	\$5,840,711	(\$432)
Relocation (Don Bosco Site)	\$63,123	\$63,123	\$0
Property Maintenance/Carry Costs	\$461,021	\$339,747	\$121,274
<b>Total Pre-Development Costs</b>	<b>\$11,292,944</b>	<b>\$11,661,274</b>	<b>(\$368,330)</b>
<b>Other Costs:</b>			
Design			
Prior Design Services	N/A	N/A	\$0
In-House Design	\$800,000	\$800,000	\$0
Project Management (SDA Staff)	\$1,410,000	\$1,560,000	(\$150,000)
Construction Management Services	\$1,485,000	\$2,000,000	(\$515,000)
FF&E	\$2,500,000	\$2,500,000	\$0
Technology	\$2,100,000	\$2,900,000	(\$800,000)
Commissioning	(Included in DB Scope)	(Included in DB Scope)	\$0
Temp Space: Paterson Catholic (Acquisition & Related)	\$33,500,000	\$31,300,000	\$2,200,000
Other Costs	\$1,200,000	\$1,200,000	\$0
<b>Total Other Costs</b>	<b>\$42,995,000</b>	<b>\$42,260,000</b>	<b>\$735,000</b>
<b>Other Funding Sources</b>			
Rebates & Refunds	\$0	\$0	\$0
District Local Share Funds	\$0	(\$651,000)	\$651,000
<b>Total Other Funding Sources</b>	<b>\$0</b>	<b>(\$651,000)</b>	<b>\$651,000</b>
<b>Total Project Budget</b>	<b>\$112,938,944</b>	<b>\$113,902,274</b>	<b>(\$963,330)</b>
<b>Funding from Prior Allocation</b>	<b>\$6,441,754</b>	<b>\$6,441,754</b>	<b>\$0</b>
<b>Funding from 2012 Capital Plan</b>	<b>\$106,497,189</b>	<b>\$107,460,519</b>	<b>(\$963,330)</b>

**Budget Variance Analysis:**

The project budget represents an increase of approximately \$1.0 million from the Board approved Preliminary Project Charter. The difference recognizes: the inclusion of District-funded scope items, the award value for the design-builder which exceeds the Preliminary Project Charter value that had been based upon 2015 planning assumptions, and an increase to the Construction Management Services and Technology budgets to reflect more recent project experience. These increases within the overall budget are partially offset through the utilization of design contingency included within the Preliminary Project Charter to account for potential cost increases prior to the award of the design-build contract. Additionally, the budget for temporary space has been reduced to reflect the actual costs incurred in connection to the acquisition and fit-out of the former Paterson Catholic HS building.

**Schedule Variance Analysis:**

***Resolution—5b.***

## Design-Build Award and Approval of Final Project Charter

District:	Paterson School District
School:	New Middle School at Union Avenue
Description:	Design-Build
Package No.:	PA-0011-B01
CCE:	\$60,101,000
Advertised CCE Range:	\$55,000,000 to \$62,000,000
Award:	\$57,932,000
CM:	TBD

**Resolution**

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

**WHEREAS**, the new Union Avenue Middle School project (Project) will consist of construction of an approximately 163,000 square foot building on the site of the former Don Bosco School to educate approximately 996 students in grades 6 through 8; and

**WHEREAS**, on April 1, 2015, the SDA Board approved a preliminary project charter, thereby approving demolition of the existing Don Bosco School facility utilizing an early site package, construction of a new middle school facility utilizing a kit of parts design and design-build delivery method; and

**WHEREAS**, the Project's preliminary project charter recognized the Board's December 2014 approval for the acquisition of the former Paterson Catholic HS facility to serve as a temporary space for the students displaced during the demolition of the Don Bosco School and construction of the new facility; and

**WHEREAS**, upon completion of the Project, it is expected that the former Paterson Catholic HS will serve as a permanent District facility to assist in alleviating remaining district-wide overcrowding; and

**WHEREAS**, the abatement and demolition of the Don Bosco School was completed on July 30, 2018; and

**WHEREAS**, a package for design-build services was advertised on March 23, 2018 with "price" weighted as 60% of the overall weight and "all non-price factors" having a combined weight of 40%; and

**WHEREAS**, upon completion of the competitive procurement process, the program operations managing director and the contract management acting director recommend award of a contract for design-build services in the amount of \$57,932,000 inclusive of SDA allowances totaling \$3,301,000, to Epic Management, Inc. (EPIC) for the Project; and

**WHEREAS**, at the time of review, EPIC confirmed that its price proposal is inclusive of all scope elements contained in the contract documents; and

**WHEREAS**, along with the contract award, SDA executive management recommends that the Members of the Authority approve the final charter for the Project as presented to the Board on this date and representing all expended and projected funds necessary for completion of the Project; and

**WHEREAS**, the background of the Project, a detailed description of the procurement process followed and the specifics of the final charter recommended for approval are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

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

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve the award of a contract in the amount of \$57,932,000, inclusive of SDA-established allowances totaling \$3,301,000, to the highest ranked bidder, Epic Management, Inc. for the Paterson School District's new Union Avenue Middle School project (Contract No. PA-0011-B01) and the project's final charter as presented to the Board on this date and representing all expended and projected funds necessary for completion of the project.

**BE IT FURTHER RESOLVED**, that, prior to its execution, 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 the same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Design-Build Award and Approval of Final Project Charter, New Middle School - PA-0011-B01, Paterson School District, dated September 5, 2018

Dated: September 5, 2018

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

**ACTIVE PROJECTS STATUS REPORT**



STATE OF NEW JERSEY  
**SCHOOLS DEVELOPMENT AUTHORITY**

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**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director

DATE: September 5, 2018

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

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

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



2011 & 2012 Portfolio Projects Activities Summary

as of 8/21/18

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

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



**2011 & 2012 Portfolio Projects Activities Summary**

as of 8/21/18

**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.

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2011 & 2012 Portfolio Projects Activities Summary

as of 8/21/18

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	\$41.2	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	2,384	\$137.5	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	Advertisement for DB 4/26/18. Proposals Due 8/2/18.	3/2/17 4/26/18
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.	3 QTR 18
Perth Amboy	Seaman Avenue ES	K-5	724	804	\$56.4	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	ESP ROA approved Aug. 2018 Board.	5/23/18 3 QTR 19
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	Lincoln Ave. MS (New MS)	6-8	562	624	\$49.8	Kit of Parts/ Design-Build	Award for D-B approved Jan. 2016 Board. (Bock)	9/24/15

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



**2011 & 2012 Portfolio Projects Activities Summary**

as of 8/21/18

**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	ROA for D-B advancing to Aug. 2018 Board.	6/9/17 3/23/18
Hoboken	Demarest ES	ES	TBD	TBD	TBD	Design-Bid-Build	Substitution of Demarest ES approved Jul. 2017 Board. Procurement for Pre-Design Services Underway.	TBD
Orange	Cleveland St. ES	PK-6	306	336	\$24.3	Design-Bid-Build	Preliminary Charter approved Mar. 2017 Board.	2/21/17 3 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 8/1/2018

### 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	Construction	4Q 2019	On-target	1Q 2020	On-target	\$ 41,179,670
2	Garfield	New James Madison ES	New Construction	Construction	3Q 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	Construction	3Q 2022	On-target	Phased	On-target	\$ 137,503,832
6	New Brunswick	Paul Robeson Community ES	Addition/Renovation	Certificate of Occupancy Rcvd	2Q 2018	Achieved	Sep-18	On-target	\$ 48,553,199
7	Newark	South Street ES	New Construction	TCO Received	3Q 2018	Achieved	Sep-18	On-target	\$ 69,876,694
8	Passaic City	New ES at Leonard Place	New Construction	Construction	1Q 2019	On-target	Sep-19	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	TCO Received	3Q 2018	Achieved	Sep-18	On-target	\$ 49,787,025



**Active Project Status Report  
Status as of 8/1/2018**

**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 AUTHORITY

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

To: Members of the Authority  
From: /s/ Ayisha Cooper, Research Specialist  
Date: September 5, 2018  
Subject: Project Close-Out Status Report

6

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

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



<b>SPECIAL PROJECTS DIVISION</b>					
<b>PROJECT STATUS REPORT - As of August 1, 2018</b>					
<b>Year of Occupancy</b>	<b>DOE #</b>	<b>School</b>	<b>Disposition</b>	<b>Project Transfer Date</b>	<b>Outstanding Issues Preventing Complete Close-out</b>
<b>Bridgeton</b>					
2016	0540-050-13-0ACN	Buckshutem Road Elementary School			
2017	0540-100-13-0ACO	Quarter Mile Lane Elementary School			
<b>Burlington City</b>					
2007	0600-020-01-0957	New High School	Project Transferred	12/29/11	Open contract(s) - Legal matter pending
<b>Camden</b>					
2007	0680-140-01-0939	Octavius V. Catto Community School - Demonstration Project	Project Transferred	01/09/12	Open contract(s) - Pending audit completion
2009	0680-350-01-0938	HB Wilson Elementary School	Project Transferred	04/14/10	Open contract(s)
2009	0680-190-01-0927	Dudley Elementary School	Project Transferred	02/06/12	Open contract(s)
2011	0680-245-01-0930	Morgan Village Academy	Project Transferred	02/25/13	
<b>Cumberland</b>					
2009	0997-030-02-0926	Cumberland Regional High School	Project Transferred	06/25/10	Open contract(s) - Legal matter pending
<b>East Orange</b>					
2009	1210-150-01-1178	Cicely Tyson School of Performing and Fine Arts - Demonstration Project	Project Transferred	12/01/09	Open contract(s) - Pending audit completion
<b>Egg Harbor City</b>					
2010	1300-X01-04-0ADY	New Middle School	Project Transferred	01/01/12	Open contract(s)
<b>Egg Harbor Township</b>					
2011	1310-005-04-0AEB	Egg Harbor Township High School			
<b>Elizabeth</b>					
Legacy	1320-X06-01-0866	#30 Ronald Reagan Academy	Project Transferred	07/09/12	Open contract(s) - Legal matter pending
2013	1320-240-03-0339	Victor Mravlag Elementary School # 21			
2016	1320-x07-01-0867	Frank J. Cicarell Academy (New Academic HS)			
2017	1320-N20-13-0AEG	Halloran Elementary School	Project Transferred	06/12/18	Open contract(s)
<b>Garfield</b>					
2007	1700-N01-02-0114	Garfield Middle School	Project Transferred	06/25/09	Open contract(s) - Legal matter pending
<b>Gloucester City</b>					
Legacy	1770-160-01-0245	Cold Springs Elementary School	Project Transferred	06/05/09	Open contract(s)
2017	1770-N01-03-0188	Gloucester City Middle School	Project Transferred	04/17/18	Open contract(s)
<b>Harrison</b>					
2007	2060-X01-01-0832	New Harrison High School	Project Transferred	10/23/12	Open contract(s)

<b>SPECIAL PROJECTS DIVISION</b>					
<b>PROJECT STATUS REPORT - As of August 1, 2018</b>					
<b>Year of Occupancy</b>	<b>DOE #</b>	<b>School</b>	<b>Disposition</b>	<b>Project Transfer Date</b>	<b>Outstanding Issues Preventing Complete Close-out</b>
<b>Jersey City</b>					
Legacy	2390-N01-99-0227	New Elementary School #3 (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			
<b>Keansburg</b>					
2016	2400-E01-02-0116	New Caruso Elementary School			
<b>Long Branch</b>					
2008	2770-X03-01-0635	Long Branch High School & Athletic Fields	Project Transferred	12/07/12	Open contract(s) - Legal matter pending
<b>New Brunswick</b>					
2010	3530-N05-03-0791	New Brunswick High School - Demonstration Project	Project Transferred	08/19/11	Open contract(s) - Pending audit completion
<b>Newark</b>					
Legacy	3570-X01-01-0617	Science Park	Project Transferred	05/03/13	Open contract(s) - Legal matter pending
2008	3570-X03-01-0665	Central High School	Project Transferred	03/28/12	Open contract(s) - Legal matter pending
2010	3570-X07-01-0693	Speedway Elementary School	Project Transferred	10/21/15	Open contract(s)
2016	3570-590-02-0315	Oliver Street Elementary School	Project Transferred	05/18/17	Open contract(s)
<b>Passaic</b>					
2015	3970-X01-01-X760	New Henry Street Elementary School			
<b>Paterson</b>					
Legacy	4010-N02-02-0393	Roberto Clemente Elementary School	Project Transferred	04/12/13	Unable to close due to upcoming repairs
2016	4010-N09-04-00HP	New Public School #16	Project Transferred	07/31/17	Open Contract(s)
2016	4010-N01-02-0169	Dr. Hami Awadallah School (New Marshall Street ES)	Project Transferred	03/15/18	Open Contract(s)
2008	4010 -S01-02-0101	International High School			
2008	4010-270-02-0608	#24 Elementary School			
<b>Pemberton</b>					
2011	4050-E01-02-0082	Pemberton Early Childhood Education Center	Project Transferred	02/01/13	Open contract(s)
<b>Phillipsburg</b>					
2016	4100-X01-99-0464	New High School	Project Transferred	06/07/18	Open contract(s)
<b>Trenton</b>					
2008	5210-N02-01-0912	Daylight/Twilight Alternative School - Demonstration Project	Project Transferred	12/01/08	Open contract(s) - Pending audit completion
<b>Union City</b>					
2009	5240-X07-01-0571	Union City High School and Athletic Complex - Demonstration Project	Project Transferred	10/27/11	Open contract(s) - Pending audit completion
2012	5240-N03-02-0397	Columbus Elementary School	Project Transferred	02/24/15	Open contract(s) - Legal matter pending
<b>Vineland</b>					
2007	5390-N05-04-000C	Gloria M. Sabater Elementary School - Demonstration Project	Project Transferred	05/06/11	Open contract(s) - Pending audit completion

<b>SPECIAL PROJECTS DIVISION</b>					
<b>PROJECT STATUS REPORT - As of August 1, 2018</b>					
<b>Year of Occupancy</b>	<b>DOE #</b>	<b>School</b>	<b>Disposition</b>	<b>Project Transfer Date</b>	<b>Outstanding Issues Preventing Complete Close-out</b>
<b>West New York</b>					
2009	5670-065-01-0559	Elementary School #2	Project Transferred	05/14/13	Open contract(s) - Legal matter pending
2012	5670-070-01-0556	West New York #3	Project Transferred	01/29/14	Open contract(s) - Legal matter pending
2017	5670-100-12-0AEE	Harry L. Bain E.S.			
<b>Capital and Demonstration Projects Totals</b>					
<b>Total Capital and Demonstration</b>			<b>147</b>		
<b>Closed Capital and Demonstration Projects</b>			<b>101</b>		
<b>Capital and Demonstration Projects Not Closed</b>			<b>46</b>		
<b>Capital and Demonstration Projects Not Closed, Project Transferred</b>			<b>32</b>		
			<b>Legal Matter</b>	<b>12</b>	
			<b>Pending Audit</b>	<b>6</b>	
			<b>Miscellaneous</b>	<b>14</b>	
<b>Emergent Projects</b>					
<b>Camden</b>					
	0680-170-12-0ACF	Cramer Elementary School			
<b>Irvington</b>					
	2330-090-12-0ACT	Chancellor Avenue Elementary School	Project Transferred	3/20/2018	Open contract(s)
<b>Salem</b>					
	4630-090-17-0AEQ	Salem Middle School			
<b>Trenton</b>					
	5210-080-12-0ABZ	Hedgepeth-Williams School	Project Transferred	03/01/18	Open contract(s)
<b>Vineland</b>					
	5390-050-12-0ACK	Vineland High School South			
<b>Emergent Project Totals</b>					
<b>Total Emergent Projects</b>			<b>72</b>		
<b>Emergent Projects Closed</b>			<b>67</b>		
<b>Emergent Projects Not Closed</b>			<b>5</b>		
<b>Emergent Projects Not Closed but Transferred</b>			<b>2</b>		
<b>Health and Safety Contract Totals</b>					
<b>Total Contracts</b>			<b>399</b>		
<b># of Contracts Closed</b>			<b>394</b>		
<b># of Open Contracts</b>			<b>5</b>		
<b>Open Design Contracts</b>					
<b>Total Contracts</b>			<b>109</b>		
<b># of Contracts Closed</b>			<b>98</b>		
<b># of Open Contracts</b>			<b>11</b>		

**PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Program Operations

DATE: September 5, 2018

SUBJECT: Executive Summary – Monthly Project Status Reports

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**MONTHLY PROJECT STATUS REPORT**

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

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 July 31, 2018

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

NO DATA TO REPORT

**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.
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 has received a Certificate of Occupancy and is scheduled for a September 2018 occupancy by the school district.
Orange	Lincoln Ave E.S.	\$5,615,000	\$4,906,339	\$708,661	87.4%	99%	1. Unforeseen asbestos abatement 2. Structural repairs to interior walls 3. Extended general conditions	Project complete and building occupied. Working towards project close-out.
Orange	Park Avenue E.S.	\$3,360,000	\$3,275,103	\$84,897	97.5%	99%	1. Unforeseen asbestos abatement	Project complete and building occupied. Working towards project close-out.
Paterson	E.S. #24	\$4,616,120	\$4,313,389	\$302,731	93.4%	99%	1. Unforeseen soil remediation and clean fill.	Project complete and building occupied. Working towards project close-out.
West New York	West New York P.S. #2	\$2,708,883	\$2,708,883	\$0	100.0%	99%	1. Unforeseen site foundation issues	Project complete and building occupied. Working towards project close-out.

<sup>1</sup> Does not include expended contingency or contingency funds allocated for change orders, amendment



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

Reporting Period: July 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
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No Activity During the Reporting Period



**Revisions to Project Charters**  
Reporting Period: July 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: September 5, 2018

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

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**Contracts Executed Report**

This report contains the activity of Contracts executed during the period July 1 through June 31, 2018.

**Noteworthy Items during the reporting period:**

- Execution of a lease to provide temporary space for the Orange Cleveland ES project with the Church of Our Lady of the Valley totaling \$2.0M.

**Amendments & Change Orders Report**

This report contains the activity of Amendments and Change Orders executed during the period July 1 through July 31, 2018.

**Noteworthy Items during the reporting period:**

- Execution of 5 Professional Service Amendment totaling a credit of \$118k, of the 5 executed amendments none require board approval.
- Execution of 5 Construction Services Change Orders totaling \$68k, 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: 7/1/2018 through: 7/31/2018

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
<b>Part 3. Land Aquisition Services</b>										
<b>Site Aquisition</b>										
City Of Orange	Cleveland Street E.S.	RenoAdd	Acquisition	ES-0009-L22	Church of Our Lady of the Valley		\$2,000,000	07/05/2018	-	
<b>Site Aquisition</b>										
<b>Part 3. Land Aquisition Services</b>							<b>\$2,000,000</b>			

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### Contracts Executed Report

Reporting Period: 7/1/2018 through: 7/31/2018

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	
<b>Part 4. Other Contracts &amp; Services</b>											
<b>Others</b>											
Garfield	James Madison Elementary School #10	New	FFE	NT-0014-Q14	Krueger International, Inc.		\$12,288	07/27/2018	-		
New Brunswick	Paul Robeson Community E.S.	RenoAdd	FFE	ET-0073-K18	Washington Computer Services		\$32,270	07/05/2018	-		
New Brunswick	Paul Robeson Community E.S.	RenoAdd	FFE	ET-0073-K20	Washington Computer Services		\$329,365	07/19/2018	-		
New Brunswick	Paul Robeson Community E.S.	RenoAdd	FFE	ET-0073-K21	Hewlett Packard Enterprise Company		\$39,759	07/25/2018	-		
New Brunswick	Paul Robeson Community E.S.	RenoAdd	FFE	ET-0073-K22	New Era Technology NJ, Inc.		\$16,706	07/26/2018	-		
Newark	South Street E.S.	New	FFE	NE-0003-K36	Data Industries, Ltd.		\$63,150	07/13/2018	-		
Newark	South Street E.S.	New	FFE	NE-0003-Q34	Krueger International, Inc.		\$14,799	07/11/2018	-		
Vineland City	Lincoln Ave Middle School	New	FFE	ST-0017-Q15	Krueger International, Inc.		\$13,944	07/30/2018	-		
Vineland City	Lincoln Ave Middle School	New	FFE	ST-0017-Q16	Wenger Corporation		\$12,936	07/31/2018	-		
<b>Others</b>											
<b>Part 4. Other Contracts &amp; Services</b>							<b>\$535,216</b>				
							<b>Total Contract Award</b>	<b>Total Contracts Awarded</b>			
<b>Grand Totals - Professional and Construction Services Combined</b>							<b>\$2,535,216</b>	<b>10</b>			

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



## Contracts Executed Report

Reporting Period: 7/1/2018 through: 7/31/2018

### Project Types Legend

HS	Health & Safety
New	New Construction
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: 7/1/2018 through: 7/31/2018

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 %	
<b>Professional Services</b>														
<b>Design Consultant</b>														
City Of Orange Township	Cleveland Street E.S.	ES-0043-A01	9/3/2015	4	Lan Associates, Engineering, Planning, A	7/20/2018	\$1,820,017	(\$103,250)	\$15,285			\$1,732,052	-4.83%	
Keansburg Borough	Port Monmouth Road School	ET-0098-A01	3/9/2016	2	Lan Associates, Engineering, Planning, A	7/2/2018	\$2,205,745	(\$158,449)	\$64,271			\$2,111,567	-4.27%	
Paterson	Number 5 E.S.	EP-0100-A01	6/5/2017	1	EI Associates, Architects & Engineers, PA	7/30/2018	\$45,450	\$0	(\$19,860)			\$25,590	-43.69%	
<b>Design Consultant</b>														
<b>Construction Management Services</b>														
Paterson	Dr. Hani Awadallah Elementary School	PA-0006-M02	6/21/2013	2	STV Construction, Inc.	7/2/2018	\$1,522,607	\$49,064	(\$84,300)			\$1,487,371	-2.31%	
Paterson	Dr. Hani Awadallah Elementary School	PA-0006-M02	6/21/2013	3	STV Construction, Inc.	7/2/2018	\$1,522,607	(\$35,236)	(\$93,375)			\$1,393,996	-8.44%	
<b>Construction Management Services</b>														
<b>Professional Services</b>														
									(\$117,979)					
<b>Construction Services</b>														
<b>Contractor</b>														
Egg Harbor City	New Middle School	ET-0097-C02	8/21/2015	8	IEW Construction Group, Inc.	7/26/2018	\$389,789	\$1,149,208	(\$6,600)			\$1,532,397	293.13%	
Newark	South Street E.S.	NE-0003-B01	11/20/2015	3	Ernest Bock & Sons, Inc.	7/6/2018	\$36,885,000	(\$167,062)	\$27,185			\$36,745,123	-0.37%	
Newark	South Street E.S.	NE-0003-B01	11/20/2015	2	Ernest Bock & Sons, Inc.	7/9/2018	\$36,885,000	(\$139,877)	\$16,315			\$36,761,438	-0.33%	
Paterson	New Union Avenue Middle School	PA-0011-N01	6/9/2017	3	Tricon Enterprises, Inc.	7/2/2018	\$3,474,000	\$18,873	\$22,649			\$3,515,522	1.19%	
Perth Amboy	Seaman Avenue School	ET-0031-B01	8/15/2016	3	Epic Management, Inc.	7/16/2018	\$43,570,000	\$8,306	\$8,071			\$43,586,377	0.03%	
<b>Contractor</b>														
<b>Construction Services</b>														
									\$67,620					
										<b>Total Change Order Summary</b>		<b>Total Change Orders</b>		
<b>Grand Totals</b>										(\$50,359)		10		

**Column Description Legend**

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

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

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

**CONTRACTOR AND WORKFORCE COMPLIANCE REPORT**



**MEMORANDUM**

TO: Members of the Authority

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

DATE: September 5, 2018

SUBJECT: Contractor and Workforce Compliance Monthly Update for June 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 June 30, 2018 was \$127,366,868. The figures below demonstrate compliance with this requirement.

**SBE Breakdown**

The total contract dollars awarded to all SBE contractors was \$115,517,506 (including minorities and women). This represents 90.70% of all SDA contracts.

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$ 112,294,155	88.17%
Small/ Minority Business Enterprises	\$ -0-	0.00%
Small/Women Business Enterprises	\$ 3,223,351	2.53%
Small/Veteran Owned Business Enterprises	\$ -0-	0.00%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
<b>TOTAL SBE CONTRACTS</b>	<b>\$ 115,517,506</b>	<b>90.70%</b>

Members of the Authority  
 Contractor and Workforce Compliance Monthly Update  
 September 5, 2018  
 Page 2 of 4

### **Ethnic Breakdown**

Through the month of June 30, 2018 the total SBE contracts awarded with minority participation was 0%.

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

### **WORKFORCE COMPLIANCE MONITORING**

For the month of June 2018, there was a contractor workforce of 922 on SDA projects. This represents a total of 71,107 contractor workforce hours as follows:

<b>Contractor Workforce Breakdown (All Trades/Districts/Counties)</b>			
<b>Ethnicity</b>	<b>Total Workforce</b>	<b>Total Workforce Hours</b>	<b>Workforce Hours Percentage</b>
Black	91	8,120	11.42%
Hispanic	134	9,068	12.75%
American Indian	1	56	0.08%
Asian	2	168	0.24%
<b>Total Minority Participation</b>	<b>228</b>	<b>17,412</b>	<b>24.49%</b>
Total Non-Minority Participation	694	53,695	75.51%

Members of the Authority  
 Contractor and Workforce Compliance Monthly Update  
 September 5, 2018  
 Page 3 of 4

There was a contractor workforce of 442,382 total workforce hours and 5,534 total female workforce hours on SDA projects for the period of January 1, 2018 through June 30, 2018. The following table highlights the *Local County Contractor Workforce* participation for that period:

<b>Local County Workforce Participation</b>	<b>Workforce Hours</b>	<b>Percentage</b>
*Total Workforce Hours	442,382	100.00%
<b>*Total Local County Workforce Hours</b>	<b>49,187</b>	<b>11.12%</b>
<b>Total Local County Non-Minority Workforce Hours</b>	<b>24,293</b>	<b>5.50%</b>
<b>Total Local County Female Workforce Hours</b>	<b>0</b>	<b>0.00%</b>
<b>Total Local County Minority Workforce Hours</b>	<b>24,894</b>	<b>5.63%</b>
<b>**Local County Workforce Hours by Ethnicity:</b>		
Black	16,998	3.84%
Hispanic	7,896	1.79%
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  
 September 5, 2018  
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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 June 30, 2018.

<b>SDA Managed Project</b>	<b>Total Workforce Hours</b>	<b>Minority Workforce Hours &amp; Percentage</b>		<b>Local County Workforce Hours &amp; Percentage</b>	
East Orange, George W Carver ES	4,574	1,341	<b>29.32%</b>	360	<b>7.87%</b>
Garfield, James Madison ES	28,497	4,332	<b>15.20%</b>	0	<b>0.00%</b>
Harrison, ES	1,882	228	<b>12.11%</b>	0	<b>0.00%</b>
Irvington, Madison Avenue ES	19,538	7,251	<b>37.11%</b>	2,831	<b>14.49%</b>
Millville, HS	2,151	528	<b>24.55%</b>	367	<b>17.06%</b>
New Brunswick, Paul Robeson School	10,567	1,588	<b>15.03%</b>	48	<b>0.45%</b>
Newark, South Street ES	67,641	25,237	<b>37.31%</b>	7,119	<b>10.52%</b>
Passaic, Leonard Place ES	46,094	10,482	<b>22.74%</b>	8,576	<b>18.61%</b>
Perth Amboy, Seaman Avenue ES	34,628	4,882	<b>14.10%</b>	4,709	<b>13.60%</b>
Trenton, Central HS	186,610	50,526	<b>27.08%</b>	20,505	<b>10.99%</b>
Vineland, Lincoln Avenue MS	26,668	1,789	<b>6.71%</b>	0	<b>0.00%</b>
Emergent Projects	13,532	6,182	<b>45.68%</b>	4,672	<b>34.53%</b>

Prepared by: Charlotte Brooks  
 JaDawna Brown-Mooney

**REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: September 5, 2018

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

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This report summarizes the Regular Operating District Grant activity from inception to date and for the month of July 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.
- No grants were executed during the reporting period.
- 22 grants impacting 10 districts were closed out during the reporting period representing \$17.4M in total project costs and state share of \$5.8M.
- Since inception, over \$2.8B 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  
 July 2018

6

ROD Grant Summary Since Program Inception				
	Offered <sup>1</sup>	Executed	Closed-Out	Active
Districts Impacted	6	524	514	165
Number of Grant Projects	13	5,409	4,731	678
Total Project Cost Estimate	\$ 8,714,926	\$ 8,968,275,744	\$ 8,230,527,563	\$ 737,748,182
Grant Amount	\$ 3,672,325	\$ 3,020,011,258	\$ 2,699,855,169	\$ 320,156,089
Amount Disbursed	N/A	\$ 2,826,833,659	\$ 2,699,855,169	\$ 126,978,490

Total Funding Offered to School Districts via Grant Program	\$ 3,342,209,450
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Total ROD Grant Funding remaining for new Grant Projects	\$ 77,052,054
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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	-	10
Number of Grant Projects	-	22
Total Project Cost Estimate	\$ -	\$ 17,361,803
Grant Amount	\$ -	\$ 5,797,188
Amount Disbursed	NA	\$ 5,797,188

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

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

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

**COMMUNICATIONS MONTHLY REPORT**

**MEMORANDUM**

TO: Members of the Authority

FROM: /s/ Edey Maier, Deputy Director of Communications

DATE: September 5, 2018

SUBJECT: Monthly Communications Report

**SDA CEO and Local Officials Tour Trenton Central High School Construction Site**



On August 10, SDA CEO Lizette Delgado Polanco joined Trenton Mayor Reed Gusciora and Trenton School District Officials to tour the ongoing construction of the new Trenton Central High School.

Once complete, the new Trenton Central High School will be a 374,000 square-foot school designed to educate 1,900 students in grades 10 through 12. The school is anticipated for completion in 2019.

Communications Report  
September 5, 2018  
Page 2 of 2

## **Governor Murphy Celebrates the Opening of the New Lincoln Avenue Middle School**

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On Friday, August 31, 2018, Governor Phil Murphy joined SDA CEO Lizette Delgado Polanco to celebrate the opening of the new Lincoln Avenue Middle School in Vineland.

The new Lincoln Avenue Middle School is a one-story, approximately 99,000 square foot facility designed to accommodate 620 students in grades six through eight. The new school includes 19 general classrooms, five science/project labs, three small group instruction rooms, specialized classrooms, instrumental and vocal music rooms, an art room, a life skills lab, a technology lab, a media center, a multipurpose room with stage, a cafeteria, a gymnasium and athletic fields.

Reviewed by: Albert Alvarez

**MONTHLY FINANCIAL REPORT**

**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 5, 2018

**SUBJECT:** Monthly Financial Report – July 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 July 2018 year to date, Authority operating expenses, **\$10.3 million**, are lower by **\$1.4M** as compared to the operating budget for the corresponding period. The positive variance is attributed to:

- Lower personnel costs including; salary, benefits, staffing, travel and training (the Authority is currently 32 FTEs under budget), **\$1.4M**. This variance is offset by the - lower than projected - payroll expense allocation to project expenditures, **(\$1.1M)**;
- Year to date spending reductions related to: MIS projects **\$112K**, Contract Services **\$206K** (including DAG Fees and Project Services) and Facilities & General Office Expenses, **\$111K** and
- A timeline and scheduling difference for the replacement of the Primavera Contract Management system, **\$700K**.

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

For July 2018 year to date, Authority operating expenses, **\$10.3 million**, are **\$243K** higher as compared to the corresponding prior year.

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

For July 2018 year to date, project expenditures, **\$188.5 million**, are lower by **\$37.2 million** when compared to the capital-spending forecast for the *corresponding period*. The favorable variance is attributable to a decline in construction-related work **\$29.7M**, as well as ancillary spending reductions for school furniture, **\$4.7M**, and property management activities, **\$1.6M**.

*Members of the Authority*  
*September 5, 2018*  
*Page 2*

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

For July 2018 year to date, project expenditures, **\$188.5 million**, have decreased by **\$26.7 million** when compared to the *corresponding prior year*. The year-over-year comparative reflects a reduction in current year spending for construction work **\$15.9M**, grant agreements **\$12.8M**, school furniture **\$4.6M** and real estate activity **\$1.2M**. These spending reductions are offset by the **\$5.3M** increase in project insurance, resulting in part, from the 2017 OCIP II premium audit credit for general liability and workman's compensation.

**Other**

Since program inception, 81.6% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception 96% of all SDA disbursements relate to school facilities projects and 4% relate to operating expense.

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

Attachment

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

# New Jersey Schools Development Authority

## Overview of Financial Position

### July 31, 2018

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**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, July 31, 2018.

► Overall **Cash and Cash Equivalents** have decreased by \$194.6 million to \$345.3 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ -
■ Investment earnings	4,095,598
■ Miscellaneous revenue	3,269
■ Project costs	(188,507,739)
■ SDA operating expenses	(10,298,372)
■ SDA capital expenditures	(212,021)
■ Deposits (primarily district local shares)	340,037
Net Change in Cash	\$ (194,579,228)

► **Prepaid Expenses** total \$413,706 as follows:

- Prepaid insurance of \$176,612.
- Prepaid rents of \$123,454 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$83,942.
- Other prepaids of \$29,698.

► **Capital Assets** total \$613,007 (net of accumulated depreciation of \$6,919,146), 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 \$212,021 and **Depreciation Expense** is \$121,929.

► **Accrued Liabilities** total \$121.2 million, as follows:

- Accrued project costs of \$25.6 million consisting of unpaid invoices (\$7.3 million) and retainage (\$18.3 million).
- Accrued net pension liability of \$60.1million.
- Post-employment benefits obligation of \$26.6 million.
- Accrued OPEB payable of \$0.3 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$1.7 million (PRO liability \$3.6 million, offset by expected cost recoveries of \$1.9 million).
- Estimated liability for loss contingencies totaling \$5.0 million.
- Payroll related liabilities of \$1.8 million.
- Other accrued liabilities of \$0.1 million.

► **Deposits** total \$3.7 million, as follows:

- \$3.7 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$222.7 million.

## New Jersey Schools Development Authority School Facilities Project Expenditures & Funding Allocation July 31, 2018

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### ► 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 \$26.4 million and \$188.5 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Current Year-To-Date</u>	<u>Since Program Inception</u>
Construction	\$ 16,661,752	\$ 97,445,639	\$ 4,772,325,048
Design Services	45,788	1,554,418	413,914,924
PMF/CM Services	520,737	3,084,149	454,176,439
SDA Project Management	1,035,084	8,060,480	79,700,705
Property Acquisition, Relocation & Enviro	269,004	1,437,153	576,790,869
School Furniture, Fixtures & Equipment	3,275,567	4,652,936	159,037,922
Project Insurance	(11,840)	6,118,512	105,446,696
NJ State Inter-Agency Transfers	-	244,308	49,882,378
SDA District Grant & Funding Agreements	768,752	7,563,510	860,202,338
Regular Operating District Grant Agreements	2,387,140	53,632,442	2,835,708,299
Real-Time Project Audits	-	-	628,000
Property Management, Maintenance & Utils	6,951	240,400	17,259,732
Outside Legal & Claims Resolution Services	70,163	630,907	9,221,843
Temporary Staffing	132,492	838,208	9,191,482
Other Project Costs	1,438,049	3,197,087	58,636,323
Project Credits	-	-	(54,902,944)
Total Project Expenditures	26,599,639	188,700,149	10,347,220,054
Less: Local Share Contributions	(151,265)	(192,410)	(183,150,854)
Project Expenditures (State Share)	\$ 26,448,374	\$ 188,507,739	\$ 10,164,069,200
2018 Capital Spending Forecast	\$ 30,170,238	\$ 225,658,123	

### Allocations Since Program Inception

### ► Program Funding & Expenditures

	<u>Bonding Caps</u> <sup>1</sup>	<u>Total Funding</u> <sup>2</sup>	<u>Paid to Date</u> <sup>3</sup>
■ SDA Districts	\$ 8,900,000,000	\$ 9,016,231,998	\$ 7,353,863,903
■ Regular Operating Districts	3,450,000,000	3,495,819,379	3,151,843,319
■ Vocational Schools	150,000,000	151,830,914	114,354,997
Total - State Share	\$ 12,500,000,000	\$ 12,663,882,291	\$ 10,620,062,219

### ► Percentage of Total Funding Paid to Date

■ SDA Districts	81.6%
■ Regular Operating Districts	90.2%
■ Vocational Schools	75.3%
Total - State Share	83.9%

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 \$455,993,019.

## New Jersey Schools Development Authority

### Fund Reporting Operating Expenses vs Budget

### July 31, 2018

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<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 10,385,571	\$ 11,143,560	\$ (757,989)
Employee Benefits	5,237,652	5,628,750	(391,098)
Direct Hire Temporary Employee Costs	59,217	169,540	(110,323)
Total Employee Salaries & Benefits Costs	15,682,440	16,941,850	(1,259,410)
<b>Less: Employee Salaries &amp; Benefits Costs</b>			
Charged to Projects	8,060,480	9,186,803	(1,126,323)
Salaries & Benefits Charged to Operating Expense	7,621,960	7,755,047	(133,087)
Temporary Staffing Services	44,563	87,500	(42,937)
Travel & Expense Reimbursements	10,074	20,356	(10,282)
Training & Professional Development	18,320	79,894	(61,574)
Total Personnel Expenses	7,694,917	7,942,797	(247,880)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,441,678	1,552,740	(111,062)
Information Systems	538,181	650,650	(112,469)
Professional & Other Contracted Services	128,142	334,019	(205,877)
Property & Casualty Insurance	198,668	200,081	(1,413)
SDA-Owned Automobiles	38,288	67,081	(28,793)
Communications & Outreach	459	588	(129)
Reserve for Unforeseen Events & New Initiatives	-	29,169	(29,169)
<b>Total Operating Expenses (Non-Capital)</b>	<b>10,040,333</b>	<b>10,777,125</b>	<b>(736,792)</b>
<b>Capitalized Operating Expenses</b>	<b>212,021</b>	<b>911,831</b>	<b>(699,810)</b>
<b>Total Authority Operating Expenses</b>	<b>\$ 10,252,354</b>	<b>\$ 11,688,956</b>	<b>\$ (1,436,602)</b>

2018 Annual Operating Budget

\$ 19,282,271

## New Jersey Schools Development Authority

### Fund Reporting Operating Expenses vs Prior Year

#### July 31, 2018

6

<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>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 10,385,571	\$ 10,567,371	\$ (181,800)
Employee Benefits	5,237,652	5,174,557	63,095
Direct Hire Temporary Employee Costs	59,217	119,535	(60,318)
Total Employee Salaries & Benefits Costs	15,682,440	15,861,463	(179,023)
<b>Less: Employee Salaries &amp; Benefits Costs</b>			
Charged to Projects	8,060,480	8,325,772	(265,292)
Salaries & Benefits Charged to Operating Expense	7,621,960	7,535,691	86,269
Temporary Staffing Services	44,563	37,524	7,039
Travel & Expense Reimbursements	10,074	11,409	(1,335)
Training & Professional Development	18,320	23,778	(5,458)
Total Personnel Expenses	7,694,917	7,608,402	86,515
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,441,678	1,399,280	42,398
Information Systems	538,181	554,705	(16,524)
Professional & Other Contracted Services	128,142	153,704	(25,562)
Property & Casualty Insurance	198,668	239,368	(40,700)
SDA-Owned Automobiles	38,288	46,778	(8,490)
Communications & Outreach	459	1,377	(918)
Reserve for Unforeseen Events & New Initiatives	-	-	-
<b>Total Operating Expenses (Non-Capital)</b>	<b>10,040,333</b>	<b>10,003,614</b>	<b>36,719</b>
<b>Capitalized Operating Expenses</b>	<b>212,021</b>	<b>6,180</b>	<b>205,841</b>
<b>Total Authority Operating Expenses</b>	<b>\$ 10,252,354</b>	<b>\$ 10,009,794</b>	<b>\$ 242,560</b>

# New Jersey Schools Development Authority

## Employee Headcount

### July 31, 2018

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<b><u>SDA Department</u></b>	<b><u>Current Month End</u></b>	<b><u>Budget</u></b>	<b><u>Increase/ (Decrease)</u></b>
Office of Chief Executive Officer (CEO)	3	3	0
CEO, Contract Management	8	11	-3
COS, Program Assessment & Development	6	9	-3
COS, Special Projects	9	10	-1
Program Operations, Executive	4	5	-1
Program Operations, Capital Planning & Grants Admin.	22	26	-4
Program Operations, Safety	8	8	0
Program Operations - Design Studio	16	16	0
Program Operations, Project Teams	48	60	-12
Corp Governance & Operations, Executive	3	3	0
Corporate Governance & Operations, Human Resources	5	8	-3
Corporate Governance & Operations, Chief Counsel	12	14	-2
Corporate Governance & Operations, Information Systems	15	16	-1
Corporate Governance & Operations, Facilities	5	5	0
Corporate Governance & Operations, Communications	7	8	-1
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>11</u>	<u>11</u>	<u>0</u>
<b>Total Full-Time Employees</b>	<b><u>212</u></b>	<b><u>244</u></b>	<b><u>-32</u></b>

**New Jersey Schools Development Authority**  
**Statement of Net Position**  
**July 31, 2018**

6

	<u>Current Month End</u>	<u>2017 Year End</u>	<u>Increase/ (Decrease)</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 345,260,395	\$ 539,839,623	\$ (194,579,228)
Receivables	27,050	37,536	(10,486)
Prepaid Expenses	413,706	266,426	147,280
Capital Assets (Net of Accumulated Depr.)	613,007	522,915	90,092
Total Assets	<u>346,314,158</u>	<u>540,666,500</u>	<u>(194,352,342)</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions & OPEB	<u>17,145,652</u>	<u>19,536,757</u>	<u>(2,391,105)</u>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>\$ 363,459,810</u>	<u>\$ 560,203,257</u>	<u>\$ (196,743,447)</u>
<b>LIABILITIES</b>			
Accrued Project Costs	\$ 32,368,127	\$ 58,170,720	\$ (25,802,593)
Net Pension Liability	60,083,669	60,083,669	-
Accrued Other Post-Employment Benefits	26,554,036	25,290,074	1,263,962
Other Accrued Liabilities	2,218,970	4,724,965	(2,505,995)
Deposits	3,737,675	3,397,638	340,037
Total Liabilities	<u>124,962,477</u>	<u>151,667,066</u>	<u>(26,704,589)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions & OPEB	<u>15,795,457</u>	<u>15,795,457</u>	<u>-</u>
<b>NET POSITION</b>			
Invested in Capital Assets	613,007	522,915	90,092
Restricted for Schools Construction:			
Special Revenue Fund	<u>222,088,869</u>	<u>392,217,819</u>	<u>(170,128,950)</u>
Net Position	<u>222,701,876</u>	<u>392,740,734</u>	<u>(170,038,858)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>			
	<u>\$ 363,459,810</u>	<u>\$ 560,203,257</u>	<u>\$ (196,743,447)</u>

# New Jersey Schools Development Authority

## Statement of Activities

### July 31, 2018

6

	<u>Current Year-To Date</u>	<u>2017 Year-To Date</u>	<u>Increase/ (Decrease)</u>
<b>REVENUES</b>			
Program Revenues:			
Bond and Note Proceeds (Issued by EDA)	\$ -	\$ -	-
Bidding Fees-Plans & Specs	-	-	-
General Revenues:			
Investment Earnings	4,095,598	1,721,581	2,374,017
Rental Income	677	35,027	(34,350)
Other Revenue-OPRA	2,592	40	2,552
Total Revenues	<u>4,098,867</u>	<u>1,756,648</u>	<u>2,342,219</u>
<b>EXPENSES</b>			
Administrative & General Expenses	11,304,295	12,255,979	(951,684)
Capital Depreciation	121,929	121,337	592
School Facilities Project Costs	162,711,501	170,890,624	(8,179,123)
Total Expenses	<u>174,137,725</u>	<u>183,267,940</u>	<u>(9,130,215)</u>
<b>CHANGE IN NET POSITION</b>	<b>(170,038,858)</b>	<b>(181,511,292)</b>	<b>11,472,434</b>
Beginning of Period Net Position	<u>392,740,734</u>	<u>400,406,844</u>	<u>(7,666,110)</u>
<b>NET POSITION END OF PERIOD</b>	<b><u>\$ 222,701,876</u></b>	<b><u>\$ 218,895,552</u></b>	<b><u>\$ 3,806,324</u></b>

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

**PUBLIC COMMENT STATEMENT**

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

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

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