

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, MARCH 6, 2019**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, March 6, 2019 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Chairman

David Moore (Treasury)

Bernard Piaia (DOE)

Donna Sullivan (EDA)

Kevin Luckie (DCA)

Kevin Egan

Richard Elbert

Loren Lemelle

Lester Lewis-Powder

Michael Maloney

Mario Vargas

being all the Members of the Board. Mr. Nixon, Mr. Egan, Mr. Elbert, Ms. Lemelle, Mr. Lewis-Powder, Mr. Luckie, Mr. Moore, and Mr. Piaia participated in the meeting by teleconference.

At the Chairman's request, Lizette Delgado Polanco, chief executive officer; Roy Garcia, chief of staff; Andrew Yosha, chief operating officer; Jane F. Kelly, vice president and assistant secretary; Donald Guarriello, vice president and chief financial officer; Manuel Da Silva, vice president; Thomas Schrum, vice president; Pamela Luster, vice president; Patricia Cabrera, deputy chief of staff; and Albert Barnes, chief counsel of the SDA, 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 20 West State Street in Trenton, New Jersey. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members was present.

Pledge of Allegiance

Led by the Chairman, the Members and all assembled recited the Pledge of Allegiance.

Approval of Meeting Minutes

The Chairman presented for consideration and approval the minutes of the Board's February 6, 2019 Open Session meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Piaia, the Open Session meeting minutes of the February 6, 2019 SDA Board meeting were approved by the Board upon its unanimous vote in favor of the resolution attached hereto as ***Resolution 4a***.

Authority Matters

Chairman's Report

The Chairman apologized for not being able to attend today's meeting in person as he is speaking at a conference at 10:00 this morning. He advised that he will turn the meeting over to Vice Chairman Vargas at approximately 9:40 a.m. Mr. Nixon said the SDA was established to build clean, accessible and modern schools for children across New Jersey. He emphasized that it is unfair for any child to go to school in a substandard, unhealthy and dangerous environment. He said that the passion and commitment of SDA's employees is to correct that reality. He said that the SDA has changed lives and neighborhoods and that this should be celebrated. He added that the Board applauds SDA staff for what they do and why they do it. He said that it is unfortunate that, over the last few weeks, talk of the SDA has focused on other issues. The Chairman said that, fortunately, this has not prevented the Authority from continuing its work

building schools and making a difference. He said that the Board owes it to the staff and to the school districts that SDA serves to address these issues and keep the Authority headed in the right direction. He reported that, following a meeting with the Audit Committee and audit professionals over the last few weeks, he directed that a Human Resources audit be conducted immediately to study the payroll and hiring policies of the SDA. He said that this process has already started and he appreciates the work of the professionals who are engaged in it. He advised that the Audit Committee and the Board will be updated on the progress of the review and he is certain that, should recommendations be made, the management team will address them. He said that the SDA must focus now and in the future on building schools and anything that distracts from this must be corrected. He asked for the support of the Members as this process unfolds.

CEO Report

Mr. Nixon asked Chief Executive Officer (CEO) Lizette Delgado Polanco for the Report of the CEO. Ms. Delgado Polanco thanked Mr. Nixon for his comments and his leadership in serving on the Board and thanked all of the Members for their service. Ms. Delgado Polanco began her report with an update on projects in design. She said for the Camden HS project, Ernest Bock & Sons was issued a notice-to-proceed (NTP) with site work. She added that CBRE Heery was issued a NTP for construction management (CM) services the previous month.

With respect to projects in the procurement state, the CEO reported that general construction (GC) services bids for the Orange Cleveland ES and Orange HS projects were reviewed and recommendations for award are on today's agenda.

Next, Ms. Delgado Polanco gave an update on the Harrison New ES project. She reported that structural steel construction is complete. She advised that for the Passaic Leonard Place ES project, final inspections have commenced in anticipation of issuance of a temporary certificate

of occupancy later this month. She added that furniture and IT deliveries will commence this month.

Turning to Authority events, outreach and other activities, Ms. Delgado Polanco gave a brief update on the SDA New Logo Contest. She stated that the SDA had requested that children at the four (4) new schools that opened this fall participate in a contest to design a new logo for the SDA. She said that the contest ended February 15. She advised the Board that staff has received some great submissions and the communications team is in the process of working with the Governor's office to pick the winner. She reported that, once a winner is selected, the SDA's communications team will take the winning theme and design a professional logo. She said that staff looks forward to sharing the logo with the Members at a future Board meeting.

The CEO said that staff continues to increase the Authority's social media following. She reported that, since the launch of SDA's social media accounts in September, the Authority has gained more than 2,400 combined followers.

Ms. Delgado Polanco informed the Members that on February 7, the SDA held a groundbreaking for the Millville HS west addition. She said that the Authority had a great group of SDA staff, contractors, Millville board members, elected officials, teachers and students in attendance at the groundbreaking. She noted that a number of media outlets covered the event including the Daily Journal, Press of Atlantic City, South Jersey Today and Insider NJ. She added that staff also filmed the event live on Facebook where it was viewed by more than 1,000 Millville residents.

The CEO advised the Members that staff held a successful groundbreaking on February 11 at the Dayton Avenue Educational Complex in Passaic. She reported that a number of city and school officials attended the event, along with the Senator Paul Sarlo and Assemblyman Gary Schaer. She added that staff filmed the event on Facebook Live and received tremendous

viewing there. She noted that it appeared on more than 8,500 Facebook pages in Passaic and was viewed by more than 4,600 people receiving more than 300 likes and over 40 comments.

The CEO said that SDA will be participating in the Passaic Dayton Avenue Educational Complex information session (April 9) in conjunction with the mayor's office and the superintendent's office and the Perth Amboy HS open house/information session (date TBD) which will be the largest high school project in the history of the SDA.

Ms. Delgado Polanco informed the Members that on February 1, SDA was a featured speaker at the Statewide Hispanic Chamber of Commerce "Brunch with the Chamber" event. She added that the district tour of Elizabeth Schools with the Superintendent Olga Hugelmeyer and the mayor was held on February 5. She said that on February 28, the Community Partnerships Department attended the Irvington State of the City address and, also on February 28, the SDA was a featured speaker at the NJ Veterans Chamber of Commerce "Access to Capital & Meet the Lenders" event.

The CEO reported that the SDA participated in "Read Across America Day" in Paterson at the Paterson Family Center Preschool on March 1. She said that, on March 7, SDA will host its first "International Women's Day" event in celebration of Women's History Month with selected outstanding young women scholars from the 31 SDA districts invited to hear from SDA staff speakers and notable invited dignitaries. Ms. Delgado Polanco advised that SDA staff will participate in a district tour of Millville's schools with the district's Superintendent, Dr. David Gentile, on March 13. She reported that, on March 26, SDA will participate in the district tour of Newark's Schools with Newark District Superintendent Roger Leon. She added that, on April 2, the SDA will be a featured speaker at the NJ Alliance for Action's "The Inside Scoop" event.

Ms. Delgado Polanco then addressed the issues raised earlier in the meeting with the following:

“And I want to take a moment, as well, to address the Board and the members of the public that are here today. I want to conclude with saying, you know, the news that you’ve been seeing in the media and I want to talk a little bit about myself.

I’ve worked my whole entire career, fighting for the underprivileged in the State of New Jersey in labor unions, first with the hotel employees’ restaurant employees union, service international union as well as the carpenters union.

I have worked tirelessly to be an advocate for the underprivileged, the underrepresented and to work, to always raise workers’ rights and wages and the working poor in this, in this state and the benefits for the middle class across the northeast.

It is now my honor to lead the SDA and I am an advocate and always have been a fierce advocate for the most vulnerable, underrepresented population. We serve the lowest income children in the state of New Jersey urban and sub-rural districts.

My personal story for those of you that don’t know: I was a child raised in Hammonton and I am a first generation American born in this country and I am the child of immigrant, migrant worker parents. I picked blueberries from the time I was 7 years old, every summer till I was 13, in Hammonton New Jersey.

I didn’t have a traditional path like most of the people do. I was a single mother raising 3 children by the time I was 19 years old. One of them was my little brother who I took in as my own son. I had twin boys and by the time I was 25 I had 4 children, my daughter.

I worked 3 jobs to make ends meet, never depending on any public assistance and why I say this is because I also raised my children in a SDA district. Pleasantville New Jersey is where they went to school.

I’m very well aware of the issues and the conditions in these schools but the funny part about this is you don’t realize what extreme poverty is until you’re out of the extreme poverty and I can thank the labor movement for that.

And why I’m saying this is because when I started touring, my first day when I came here at the SDA district, at the SDA, I knew exactly what I wanted to do, I hoped to do.

I wanted to work with New Jersey communities to build environmentally friendly, 21st century schools that were the center of neighborhood life and a safe haven for our children, because school was a safe haven for me.

We lived 3 families in a 2 bedroom rancher and school was my escape.

My vision was not only to build state-of-the-art schools– which the SDA has done well for years – but to also lift up communities. I feel it’s a holistic approach and it’s a new vision and a different vision for the SDA.

So I sought to change us and set us on a new direction as all previous CEOs have enjoyed prior to me – all male, by the way.

I hired a team that I knew had a proven experience working with communities. And have a proven track record at doing what they were hired to do.

From the beginning, we reached out to other government agencies, our stakeholders –31 of the, in the 31 SDA school Districts. We began touring schools with superintendents to see the real conditions of the SDA school districts.

And, at every tour, we consistently heard that this had never been done before here at the SDA.

We also heard the cry of why weren't there more local people involved in these projects.

In closing, I am confident of the decisions I've made in my first six months as SDA CEO. Because I feel they were the right decisions to benefit the most vulnerable children in our state.

Personnel decisions work regarding re-organization, terminations, promotions, salary increases were made with the assistance and the input of our Chief Operating Officer Andrew Yosha, Office of the Chief of Staff, the Human Resources Department, Counsel's Office, the SDA Vice Presidents that are sitting here at this table --Don Guarriello, Manny DaSilva, Jane Kelly and Tom Schrum. All of them were in place before I got here.

I look forward to working with our stakeholders. I look forward to working with our staff. I look forward to working with this Board to continue the critically-important mission that we have here at the SDA which is to build state-of-the-art 21st century schools that the New Jersey most vulnerable children deserve and should have.

Mr. Chairman, I appreciate your call for Human Resources audit of the SDA. Any time an agency can undertake an internal review of its policies and procedure is a positive one and can only help us improve this Authority and the direction that we're heading.

I thank you for indulging me for this few moments but I feel that I have to speak because there is a lot of misinformation being disseminated. Thank you. Thank you Mr. Chairman.”

Mr. Vargas then asked about the dates for Perth Amboy open house. Ms. Delgado Polanco advised there are tentative dates scheduled in April and May that are awaiting confirmation. Mr. Yosha advised that the project bid documents are being finalized and the SDA will be advertising for design-build services.

Mr. Nixon asked if there were any further comments. Mr. Da Silva said that he was mentioned in the press along with his colleagues. He said that he does take responsibility and he did sign-on to this new mission. He stated that he knew new hires were brought in but that he did not know that he participated in the direct hiring of some of the folks. He said that he sees

the value that they bring and ultimately the fact is that the SDA needs additional funding. He said if SDA does not have the funding he doesn't know what will occur. He said there are 18 projects left to build. He indicated that he does take responsibility for his actions and his involvement. He said that he signed on to the mission and echoes Mr. Nixon's point that we are here to build schools for the students not just in SDA districts but in all of New Jersey.

Audit Committee

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on February 19, 2019 at which time management provided the Committee with the January 2019 New Funding Allocation and Capital Plan Update. He advised that there were no changes in any of the reserve balances for the SDA Districts during the reporting period. Additionally, he reported that the reserve balance for the Regular Operating Districts (RODs) increased by \$700,000 during the reporting period due to reductions in state share for grant projects nearing completion.

Mr. Nixon said that management discussed its plan to negotiate an amendment to the SDA's current insurance broker contract in order to engage the broker Willis of New York (Willis) to negotiate extended coverage terms with the Owners Protective Professional Indemnity (OPPI) and Brokers Risk (BR) insurers. He noted that the OPPI policy expires December 31, 2019 and the BR policy expires March 1, 2020. He advised that there are five (5) capital plan projects that will begin construction after the policies' expiration dates. He explained that, consistent with the SDA Operating Authority, the Committee will seek Board approval in the event the negotiated fee to perform additional broker services exceeds 10% of Willis' current contract. He noted that the Committee will seek approval by the Members for the actual purchase cost of the insurance for both OPPI and BR. He advised that, upon approval of a new capital

plan portfolio, the SDA will consider marketing new programs but, until that time, an extension provides interim coverage more efficiently and cost-effectively.

Next, Mr. Nixon advised that the Committee was provided with the results of one audit that was conducted to comply with the statutory requirement that capital portfolio projects over \$10 million be reviewed to assess whether state funds were expended in accordance with contractual terms, SDA practices and state regulations.

Mr. Nixon then provided the preliminary December 2018 Monthly Financial Report. He explained that the December figures will be updated upon the Authority's receipt of its Government Accounting Standards Board (GASB) No. 68 and GASB No. 75 pension liability figures.

Next, Mr. Nixon advised the Members that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$16.8 million, which is down \$2.5 million as compared to the budget for the corresponding period. He explained that this decrease is mainly attributable to the fact that there are 35 fewer than anticipated full time employees (FTEs) on staff along with timeline and scheduling differences for the replacement of the Primavera Contract Management System. Mr. Nixon said that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period totaled \$341.1 million—\$41.7 million lower as compared to the capital spending forecast for the corresponding period. He advised the Board that this variance is due to spending reductions in construction work, school furniture, fixtures and equipment and payroll expense allocation; from operations to developing construction projects, property acquisition, design services work and project insurance. He noted that the decreased spending was offset by an increase in grant activity and temporary staffing. Mr. Nixon then reported that project expenditures (Actual vs. Prior Year Actual), at \$341.1 million, have decreased by \$14.9 million as compared to the corresponding prior year period. He explained

that the variance is due to decreased spending in construction related activity, school furniture, fixtures and equipment, property acquisition and design services work. He said that this decreased spending was offset by the 2017 OCIP II premium audit credit for project insurance—general liability and worker’s compensation, spending reductions in grants and temporary staffing expenses.

Mr. Nixon reported that, since program inception, approximately 82.9% of the funds authorized for SDA districts have been disbursed. Additionally, he said that, since program inception, 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated value of current school facilities project activity is approximately \$1 billion.

Mr. Vargas noted that only 4% of the total funds authorized for SDA districts relate to operating expenses which is extremely low. Mr. Nixon stressed that when you are spending 96% of your funds doing what you’re supposed to do, it is a pretty good return on investment.

School Review Committee

Award of Construction Contract and Approval of Final Project Charter – Orange School District - Cleveland Street Elementary School; Award of Construction Contract and Approval of Final Project Charter – Orange School District – Orange High School

Mr. Nixon asked Mr. Vargas to provide the report of the School Review Committee. Mr. Vargas reported that the School Review Committee met on February 19, 2019 at which time two items were discussed. He said that the first item for Board consideration is a contract award and final charter for the Orange Cleveland ES project (Project). He reported that the Orange Cleveland Street ES is a 38,750 square foot facility educating 306 students in grades Kindergarten to 7. He advised that the scope for the Project will include an approximately 11,550 square foot addition and renovations to address overcrowding at the existing facility. He informed the Members that the Project also will facilitate a change in grade alignment to Pre-K

though grade 6 consistent with the district's approved Long Range Facilities Plan. Mr. Vargas reported that, in November 2018, the Board approved an award for abatement and selective demolition services. He added that the completion of the work is anticipated for April 2019. He said that an award for CM services was approved by the Board on December 5, 2018. He explained that a package for construction services was advertised as a "price and other factors" solicitation beginning on November 14, 2018 for interested firms registered as Small Business Enterprises to participate in the bidding process. Mr. Vargas added that price was weighted as 70% of the overall weight, with all non-price factors having a combined weight of 30%. He said that, following the procurement process, management recommends that the Board approve the award of a contract in the amount of \$18,400,000 to Brockwell & Carrington Contractors (B&C) for construction services for the Project. Mr. Vargas advised that, at the time of review, B&C confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He noted that management is further recommending that the Board approve the Project's final charter as presented to the Board. He said that, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel. Mr. Yosha said that it is important to recognize that this project, along with the next project on the meeting agenda, are addition/renovation projects which requires that some of the work, specifically the renovation work, be performed within an existing building. He said that the difference between the construction contract estimate (CCE) and the award amount is the result of what was revealed in the pre-award meeting with B&C. He explained that pre-award meetings with contractors are part of the standard process the SDA follows. He explained that this involves a detailed review of the SDA's bid estimate and the contractor's bid breakdown. He said that this review indicated that there were scope elements, provided by SDA's outside engaged professionals, which were advertised for all the bidders to bid on that did not include the

price for every element. He said that, once the appropriate adjustments were made, the difference between the CCE and the bid award is a much smaller difference. He added that the remaining difference is due to the fact that much of the work will take place in an existing building. Mr. Yosha emphasized the complexities associated with renovations explaining that there is a limit to the heavy equipment the contractor will be able to use, requiring a considerable amount of manual labor and adding to the cost of the Project. Mr. Yosha advised that management and staff recognize that the bid value is appropriate and recommends the award. Mr. Luckie said that he had a conversation with Mr. Yosha regarding this matter. He said that during his tenure on the Board, the Members have been in favor of building new schools rather than renovating existing ones which always cost more than new construction. He commended the review process and said that he is in favor of the award. Mr. Lewis-Powder noted that he toured the Orange Cleveland ES when the SDA first began work on the project. He noted that the school is 120 years old with the boiler room located across from the cafeteria/playroom. He said that there were acquisitions associated with the Project and that heavy equipment cannot be utilized in many areas of the building. He said that the SDA has done an excellent job to date and that this project will be very labor intensive due to the demolitions and rehab. He said that he is very happy to see this project moving forward.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Egan and seconded by Mr. Maloney, the contract award and final project charter were approved with the Board's unanimous vote in favor of ***Resolution 7a.***

Next, Mr. Vargas said that the Committee also is recommending that the Board approve the contract award and final charter for the Orange HS project (Project). He reported that the Orange HS project, approved by the Board on December 5, 2018, is a 145,294 square foot

facility educating 804 students in grades 10 to 12. He advised that the scope for the HS project is anticipated to include an approximately 50,000 square foot, two story addition to the existing HS facility, an enclosed connecting bridge between the HS and Orange Preparatory Academy and selective renovations to address facilities conditions deficiencies at the existing HS. Mr. Vargas said that the Project also is anticipated to address limited facilities conditions deficiencies in the Preparatory Academy. He explained that a package for construction services was advertised as a “price and other factors” solicitation beginning on October 12, 2018 with price equaling 70% of the overall weight, and all non-price factors having a combined weight of 30%. He reported that following the procurement process, management recommends that the Members of the Authority approve the award of a contract in the amount of \$37,000,000 to Terminal Construction Corporation (Terminal) for construction services for the Project. Mr. Vargas informed the Members that the awardee will be required to perform a constructability review prior to initiation of construction to identify any potential conflicts and their resulting cost impacts. He said that, at the time of review, Terminal confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He added that management is further recommending that the Board approve the Project’s final charter. Mr. Vargas noted that, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Ms. Sullivan and seconded by Mr. Maloney, the contract award and final project charter were approved with the Board’s unanimous vote in favor of ***Resolution 7b***.

At this time, Mr. Nixon and Mr. Luckie left the meeting.

Public Comments

At the Vice Chairman's request, Ms. Kelly asked Aaron Goss, an SDA employee, to address the Board. Mr. Goss said that it was appalling that the Chairman and the CEO had to start the meeting with speeches to justify the good that the SDA does. He introduced himself by saying that he has been an SDA employee for 15½ years. He said that he has been through five (5) Governors and nine (9) CEOs. He said that with every administration change "this is what happens, stuff changes". He stated that he wanted it on the record that nobody asked him to speak – that, rather, he was moved to speak. He noted that he didn't know Ms. Delgado Polanco prior to her coming to the SDA nor is he related to her in any way. He said that he has learned a lot from her and that she is compassionate. He noted that none of the previous CEOs has taken the opportunity to visit all the SDA districts. He then said that he wanted to correct Ms. Delgado Polanco's statement that she knew what she wanted to do when she got to the SDA. He explained that she was invited to the first school she toured and, after seeing the conditions, she then decided she wanted to visit all of the SDA districts. He said that Ms. Delgado Polanco spoke with everyone at the schools while on these tours. He said that she asked staff if they were treated well and were paid enough. He said that she tried to get security guards for the front desk but it didn't work out. Mr. Goss said that Ms. Delgado Polanco is in a "fight for her life". He said that the schools she is fighting for, through her efforts for reauthorization, often supply the only meals these school children have. He said that when other children look forward to snow days these children do not because they don't get to eat if they don't go to school.

Ms. Kelly invited Heather Sorge to the podium. Ms. Sorge stated that she is the campaign organizer for the New Jersey Work Environment Council and the Chair of the Healthy School Now (HSN) Coalition. She advised the Board that HSN is a coalition of more than 55 organizations representing diverse stakeholders. She listed the names of some of the stakeholders

and explained that the organization is dedicated to ensuring that all New Jersey school children and school employees learn and work in safe, healthy, modernized school buildings. She said that children cannot learn in unhealthy and unsafe school conditions, noting that when these conditions are present there is an increase in absenteeism and illness, and morale suffers greatly. She advised the Board that she co-authored an OpEd piece highlighting school infrastructure problems in the SDA districts. She said that the OpEd, entitled “New Jersey needs to cough up the cash so that school children don’t get sick” was featured in the Star Ledger. She said that the heart of the issue is that no new funds have been issued since 2008 and all funds now have been spent or are allocated. She said that there are now zero funds available for capital projects or ROD grants. Ms. Sorge said that there are extremely serious issues in the schools which need to be addressed. She advised that she reads monthly reports regarding sub-standard school conditions throughout the State including raw sewage, asbestos, mercury exposure (poisoning) and extreme temperature conditions. She described schools where windows do not open, where temperatures exceed 90 degrees, or the opposite, where kids are attending class and freezing. She said that she was pleased that Roy Garcia, SDA’s chief of staff and several members of his staff attended a recent HSN coalition meeting and answered members’ questions. She stated that, under the new leadership led by Ms. Delgado Polanco, a real effort is being made to increase communication, noting the significant effort to tour the 31 districts to inspect building conditions first hand. She said that the SDA has increased its visibility which is refreshing and welcome. She noted that until funding has been established, students and staff will continue to be exposed to unhealthy and unsafe conditions. She stated that the effort is about insuring that students have healthy safe schools regardless of their zip code.

Ms. Kelly asked David Barie to address the Board. Mr. Barie said that he would like to comment on the Orange HS project but, before he does, he has a couple of other comments. He

said that, in the interest of full disclosure, it would be important for those in attendance, particularly the news media, to know that Aaron Goss received a promotion and a not insignificant raise during the reorganization. He added that this is important to recognize as perhaps his personal views reflect the fact that he has benefited significantly during the most recent reorganization. Mr. Barie said that he would like to take a brief moment to express his heartfelt best wishes to CEO Lizette Delgado Polanco. He said that as a former member of the SDA family, he would like to take the opportunity to say “goodbye and good luck” (in Spanish). He added that he does so because this likely will be the last or next to the last Board meeting wherein CEO Delgado Polanco will have the opportunity to participate as the SDA CEO. He said that, on behalf of his former colleagues, specifically those dedicated, experienced and qualified employees who silently endure the daily tribulations of working at the SDA, he thanks CEO Delgado Polanco for her, mercifully brief, disservice to the SDA and wishes her and her extended family well in their endeavors. Mr. Barie said that, from personal experience, he can assure the CEO that there is, in fact, life after SDA. He said he fully expects that it comes to no surprise to the CEO that, during her abbreviated tenure, she has squandered the good will and respect that the SDA staff normally affords incoming CEOs. He added that the CEO has accomplished this through her blatant disregard for established hiring and firing policies and procedures. He noted the dilatory effects on morale that have resulted from the CEO’s prioritization and advancement of her personal agenda above the noble mission of the Authority. He said that this and her generally unscrupulous behavior are truly unprecedented. Mr. Barie said that this detrimental impact on employee morale is clearly among the top three of Ms. Delgado Polanco’s most significant accomplishments and perhaps the nascent cornerstone of her legacy. He said that it also should be noted that her lack of experience combined with her virtual

nonexistent managerial proficiency and utter lack of personal integrity is propelling the SDA to a precipitous bureaucratic disembodiment.

Next, Ms. Kelly asked Adele Bonar to address the Board. Ms. Bonar said that she is a former employee who worked for the SDA for almost 15 years. She advised the Board that she has a Bachelor's Degree in business administration and a Master's Degree in public accounting. She added that she is a certified public accountant and has worked in various departments in the SDA. She said that the Members of the Board who all serve on a voluntary basis, have accepted the responsibility of oversight for the actions of the SDA. She said that she and others believe the Board has failed and has turned a blind eye to the actions of the current CEO. She added that career employment should not be impacted by politics. She said that she has worked for six CEOs at the SDA. She explained that, during her tenure, she experienced more than one change in administration and what the Board has allowed in the short tenure of Lizette Delgado Polanco surpasses that of any other former SDA CEO. She addressed Ms. Delgado Polanco who, she said, claims to be a supporter of womens' rights. She asked how, as a champion of women, the CEO could justify what she did to a working mother who is trying to pay for her daughter's college education. Ms. Bonar then reference the treatment of a former employee whom, she said, after working for every SDA CEO chose to retire after 31 years of service rather than agree to a demotion. She added that no one expected that from the CEO, especially the women at the SDA. Ms. Bonar said that both Ms. Delgado Polanco and the former chief of staff, Albert Alvarez, described the employees of the SDA as "family". She added that the actions taken against her and other employees is not what one would expect from their own family. She said that Mr. Alvarez left a vague voicemail on her phone saying he had a package for her. She noted that the letter was left on her doorstep. She said that this is how the SDA treats a 15 year family member.

Next, Ms. Kelly asked Sameer Shah to address the Board. Mr. Shah said that he stands here today at the downward spiral of the Authority as a result of the multiple troubling reports that are being published all over. He said that he is a previous employee who had worked with all the SDA CEOs prior to Ms. Delgado Polanco. He said that he started as an employee of the EDA then the SCC and eventually the SDA. He said that it hurts him to see the Authority in the current situation and that he is here today to express his sincere concerns. He said that the Authority was at the top of its reputation due to the work of Ms. Delgado Polanco's predecessors and the SDA's hard working employees. He said that he appreciates that, with the right chemistry and with the relationship Ms. Delgado Polanco has with the Governor, she could have gotten the SDA funding. He said "what you chose instead is to mismanage". He said that as soon as Ms. Delgado Polanco was hired she chose to rely on her executives, to promote them and give them more authority for her own failure. He said that, after she chose to fire those employees who were working here for fifteen (15) years that even the senate president recognized that those people should not have been discharged as a result of the administration. He said the CEO should consider resigning because that is the only thing that can bring the funds to the Authority now. He said that the mission of the Authority is great but the CEO's decision to hire and bring in her own family was completely wrong. He said that if the CEO leaves the Authority there is a potential of getting funds; but that otherwise this mission will be stopped and Ms. Delgado Polanco will be responsible for that.

Lastly, Ms. Kelly asked Pastor Steffie Bartley to address the Board. Pastor Bartley said that he is the Regional Coordinator for the National Action Network under the leadership of the Reverend Al Sharpton. Pastor Bartley said that he has come here today and witnessed bigotry, hatred and racism to attack such a woman. He said that Reverend Sharpton directed him to come here immediately so that we could keep an eye on exactly what is going on at SDA. Pastor

Bartley said that we want to make sure Ms. Delgado Polanco is protected to do the job at the SDA that she needs to do so that the community can benefit. He said that all he can hear is those who should have been fired long ago because of their attitude and the things that they say. He said that “you are not concerned with the community, it is all about Senate President Sweeney.” He chastised the previous speakers for speaking about a great woman—the first Hispanic woman who went into the 31 districts to look and see the conditions. Pastor Bartley said that the National Action Network is on the CEO’s side and will do whatever is needed. He thanked the Board Members and asked that they look at the good work Ms. Delgado Polanco is doing, along with the staff she has put together, to make sure that our communities can benefit.

Adjournment

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

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its March 6, 2019 meeting.

/s/ Jane F. Kelly
Assistant Secretary