

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD MEETING  
WEDNESDAY, APRIL 6, 2022 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 February 2, 2022
- b. Board Open Session Meeting Minutes of February 16, 2022
- c. Board Executive Session Meeting Minutes of February 16, 2022

**4. AUTHORITY MATTERS**

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

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

- a. Amendment No. 4 - Memorandum of Understanding Between the NJSDA and the Higher Education Student Assistance Authority [HESAA]

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

- a. 2022 Strategic Plan Update and Capital Plan Presentation
- b. Company Name: Hall Construction Co., Inc.  
District: Millville Public Schools  
CM: Greyhawk North America  
School Name: Millville High School  
Contract No.: ST-0046-B01  
Change Order No.: 47  
Reason: Owner Initiated  
Amount: \$0.00  
Contract Status: 86.27% Paid to date against the Current Total Contract Value  
Substantial Completion Date: September 7, 2022  
Anticipated Occupancy Date: September 2022
- c. Company Name: Hall Building Corp.  
District: Neptune Township Public School  
Contract No.: ET-0015-C06  
School Name: Neptune Senior High School  
Original Contract Value: \$495,158.43  
Credit Change Order No.: 3  
Reason: Credit for Unused Funds for T&M Contract  
Amount: (\$139,041.44)  
Contract Status: 70.05% Paid to date against the Current Total Contract Value

d. Company Name:	Epic Management, Inc.
District:	Orange
Contract No.:	ES-0043-M01
School Name:	Cleveland Street Elementary School
Amendment No.:	6
Reason:	Security Services
Amount:	\$155,000.00 Not-to-Exceed
Original Contract Amount:	\$1,185,078.41
Contract Status:	52.32% Paid to Date
Anticipated Occupancy Date:	TBD

**7. REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE (CHAIRMAN’S REPORT) –TO BE PROVIDED IN EXECUTIVE SESSION**

**8. MONTHLY REPORTS**

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

**9. EXECUTIVE SESSION**

- a. Recommendation for Partial Settlement of and Tendering of an Offer of Judgment in Cost Recovery Litigation Relating to the Paterson International High School Project
- b. Authorization to exercise both six-month extensions provided by the current lease, authorization to modify the existing lease to provide for two additional six-month extensions and authorization to exercise additional options to extend the lease for Orange Cleveland Street Elementary School
- c. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)  
CCD Report (*no activity*)

**10. ADJOURNMENT**

**APPROVAL OF MEETING MINUTES**

**FEBRUARY 2, 2022 OPEN SESSION MINUTES**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS TELECONFERENCE MEETING  
WEDNESDAY, FEBRUARY 2, 2022**

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, February 2, 2022 at 9:00A.M.

Participating by teleconference were:

Robert Nixon, Chairman  
David Moore (Treasury)  
Bernard Piaia (DOE)  
David Nuse (EDA)  
Kevin Luckie (DCA)  
Richard Elbert  
Michael Maloney  
Mario Vargas

being a quorum of the Board.

At the Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Jane F. Kelly, vice president and assistant secretary, and Albert Barnes, chief counsel; and Cecelia Haney, deputy chief counsel of the SDA, participated in the meeting by teleconference. Joy Johnson of the Governor's Authorities Unit (GAU) also participated in the meeting by teleconference.

The meeting was called to order by Mr. Nixon, the Chairman of the Board. The Chairman asked Ms. Kelly to read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice was sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting. She said that a call-in number was provided on the SDA Website so that members of the public could participate in the meeting by teleconference. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members of the Board was present.

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

The Chairman presented for consideration and approval the minutes of the Board's January 5, 2021 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. Luckie, the Open Session minutes of the January 5, 2022 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3a***.

Mr. Nixon presented for consideration and approval the minutes of the Board's January 5, 2021 SDA Organizational Board 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. Luckie, the minutes of the January 5, 2022 SDA Organizational Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3b***.

## ***Authority Matters***

### ***CEO Report***

The Chairman asked Mr. Da Silva for the Report of the CEO. Mr. Da Silva began his report by acknowledging the recent retirement of SDA vice president Andrew Yosha, who served on SDA staff for over 20 years. He said that he wanted to thank Mr. Yosha publically for his years of service, contributions and commitment to the school construction program, the Authority and, most importantly, to the children of New Jersey. He added that Mr. Yosha was instrumental in the planning and delivery of SDA's schools. He wished Mr. Yosha well in this next chapter of his life.

Next, Mr. Da Silva said that Phase IV structural steel work is ongoing for the Millville High School addition and renovations project. For the Passaic Dayton Avenue Educational Campus project, he informed the Members that certificate of occupancy (CO) inspections are

ongoing. He added that furniture deliveries are being completed. He said that the district is partially occupying the facility at this time and the district is operating the early childhood center while final preparations are underway for a September 2022 full occupancy at the multi-facility campus. For the Perth Amboy High School project, he reported that structural slab work is complete and masonry construction has commenced.

Turning to design-bid-build projects in the construction stage, Mr. Da Silva reported that for the Keansburg Port Monmouth Road School project, interior mechanical, electrical and plumbing rough-in work is ongoing in the new addition and in the existing building, along with other ongoing renovation work. He advised that for the Orange HS project, that Phase 2 renovations to the existing High School building are ongoing. He said that the structural steel at the connector bridge is complete and work is now underway to enclose that bridge.

Next, Mr. Da Silva gave an update regarding projects in the programming/pre-design/ in-house design stages. He reported that demolition of the acquired properties is anticipated to begin this month for the Union City New Grades 7 to 9 School project.

Mr. Vargas asked Mr. Da Silva if there is a plan for going forward now that the executive team is smaller. Mr. Da Silva said that he has full faith in Jane Kelly and Don Guarriello who will help guide the SDA during this interim period. He said that he will take on portions of the construction work since this is his background and he is well equipped for overseeing construction, planning and design. He added that he will rely on Ms. Kelly and Mr. Guarriello who have already volunteered to help out with other pieces of the organization. He said that he is confident that the SDA will get through this phase and, when the time comes, the Authority will look to fill the vacant position with someone who will help move the Authority forward. Mr. Da Silva noted that he has a great executive team and an amazing staff and the SDA will continue to move forward.

## *School Review Committee*

The Chairman asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review Committee met on January 18, 2022, at which time one item that requires Board consideration was discussed. Mr. Luckie said that the Committee is recommending Board approval of Change Order (CO) No. 81 for Terminal Construction Corporation (Terminal) for the Orange High School project (Project or High School). He reported that the High School is a 145,294 square-foot facility educating 804 students in grades 10 to 12. He explained that the scope of work at the High School includes a 50,000 square foot two-story addition, an enclosed connecting bridge between the High School and the adjacent Orange Preparatory Academy (OPA), and selective renovations to the existing High School building to address facilities condition deficiencies there. He noted that an allowance also has been included to address limited facilities condition deficiencies at the OPA. He said that on March 6, 2019, the Board approved the award of a \$37 million contract to Terminal for construction services along with the Project's final charter. Mr. Luckie reported that on April 29, 2019, the SDA issued a notice-to-proceed (NTP) to Terminal for performance of a constructability review, with a scope to be performed within a contractually-established allowance of \$200,000. He reminded the Members that on May 24, 2019 the SDA approved a \$100,000 increase to that allowance.

In continuing, Mr. Luckie informed the Members that, consistent with the contract, Terminal submitted a proposed change order at the conclusion of the constructability review to address identified constructability review deficiencies. He said that Terminal also waived its rights to further change orders due to deficiencies in the documents that could or should have been identified during the constructability review. He said that after a series of negotiations, CO No. 2 was approved by the SDA in December 2019 in the net total amount of \$1,011, 000 and, on January 29, 2020, Terminal was issued a NTP with construction services. He explained that

on January 31, 2021 a unit ventilator rupture affected the existing High School's heating system and caused substantial damage to rooms that were newly refurbished as part of the SDA's renovation work at the existing High School. He said that SDA's insurance carrier determined that the damage repair cost for this event is \$607,964 and that it is a reimbursable covered event. Mr. Luckie reported that CO No. 81 in the amount of \$582,964, when added to the value of the previously executed CO No. 75, represents the remaining cost to address the substantial damage that was caused. He said that the adjusted contract value, inclusive of CO No. 81 and all approved COs to date, totals \$40,780,874. He advised the Board that management has determined that this number is the appropriate baseline for the ongoing application of Operating Authority requirements to the Project and is recommending Board approval of this change.

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. Nuse, Change Order No. 81 for Terminal Construction Corporation was approved with the Board's unanimous vote in favor of *Resolution 5a*.

Next, Mr. Luckie informed the Members that, for informational purposes, management also discussed the Authority's new Surplus Property Rules with the Committee. He added that the Chairman of the Real Estate Committee would be presenting the Rules to the Board for final approval.

### ***Real Estate Committee***

#### **Approval of Promulgation and Publication of New Rules for Disposition of SDA Surplus Real and Personal Property N.J.A.C. 19:35.**

At the Chairman's request, Mr. Vargas provided the report of the Real Estate Committee. Referencing materials that previously were provided for Committee review, Mr. Vargas said that the Committee met on January 18, 2022 at which time management requested, and the Committee is recommending, that the Members approve the new Rules for Disposition of SDA

Surplus Real and Personal Property, N.J.A.C. 19:35 (new Rules). He said that the New Rules before the Board replace, improve and expand on SDA's expired surplus property rules. He explained that the new Rules establish requirements and procedures for the disposition of SDA-owned real and personal property if the property is deemed surplus---that is, no longer needed for school facilities projects or SDA operations. He said that management is seeking approval for final adoption of the new Rules and publication of a Notice of Adoption. He said that the Rules were proposed for adoption as new Rules and published in the August 16, 2021 edition of the New Jersey Register with a 60-day public comment period that ended on October 15, 2021; however, no comments were received. Mr. Vargas explained that the new Rules allow SDA to employ various methodologies in disposing of its surplus property so that a disposition can proceed in the way that is of the greatest benefit to the Authority, i.e. maximizes the amount of funds available for use in connection with other projects. He advised that these Rules will be effective for a 7 year period. Mr. Vargas requested Board approval of the final adoption of the New Rules along with the filing of a Notice of Adoption with the Office of Administrative Law. He advised the Members that Cecelia Haney was available to provide any additional details or respond to any questions that the Members might have.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Elbert and seconded by Mr. Luckie, the Board approved the Final Adoption of the proposed New Rules for the Disposition of SDA Surplus Real and Personal Property upon its unanimous vote in favor of ***Resolution 6a.***

### ***Adjournment***

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

**Certification:** The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its February 2, 2022 meeting.

/s/ Jane F. Kelly  
Assistant Secretary

***Resolution—3a.***

**Approval of Minutes**

**WHEREAS**, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

**WHEREAS**, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the February 2, 2022 Board meeting of the New Jersey Schools Development Authority, for the Open Session were duly forwarded to the Office of the Governor following the meeting.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's February 2, 2022 Open Session meeting is hereby approved.

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

Dated: April 6, 2022

**FEBRUARY 16, 2022 OPEN SESSION MINUTES**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS TELECONFERENCE MEETING  
WEDNESDAY, FEBRUARY 16, 2022**

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, February 16, 2022 at 10:00A.M.

Participating by teleconference were:

Robert Nixon, Chairman

David Moore (Treasury)

Bernard Piaia (DOE)

David Nuse (EDA)

Kevin Luckie (DCA)

Daniel Gumble

Michael Maloney

Mario Vargas

being a quorum of the Board.

At the Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Jane F. Kelly, vice president and assistant secretary; Albert Barnes, chief counsel; and Sean Murphy, director of the SDA, participated in the meeting by teleconference. Joy Johnson of the Governor's Authorities Unit (GAU) also participated in the meeting by teleconference.

The meeting was called to order by Mr. Nixon, the Chairman of the Board. The Chairman asked Ms. Kelly to read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice was sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting. She said that a call-in number was provided on the SDA Website so that members of the public could participate in the meeting by teleconference. She also advised the Members that the call-in number for the meeting was posted at the SDA offices earlier in the morning. Ms.

Kelly then conducted a roll call and indicated that a quorum of the Members of the Board was present.

### ***School Review Committee***

The Chairman asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review and Real Estate Committees met jointly on February 14, 2022, at which time three projected related items that require Board consideration in Open Session were discussed. He said that the Committee is recommending Board approval of cap adjustments to the Authority's General Construction Task Order (GCTO) contracts which allow for the efficient initiation of two types of work-- emergent projects and emergency situations-- through a pool of contractors available to perform the work. He said that under the GCTO, no individual task order can exceed \$3,000,000 overall and no individual firm can receive more than \$5,000,000 of work per region during the Task Order contract's three-year term. Mr. Luckie reminded the Members that the \$5 million amount covers participating firms for the three-year term of the Task Order contract which is scheduled to expire on January 1, 2023. He said that, currently, 12 task order assignments in the amount of \$17.5 million are scheduled to be awarded prior to the expiration of the Task Order contract with the result that the remaining not-to-exceed (NTE) balances on the Task Order contracts are not sufficient to cover their total award value. He explained that given the expectation that this trend will continue, management is recommending that the Board approve an increase to the NTE value for each of the nineteen (19) Task Order contracts per region from \$5,000,000 to \$7,500,000.

Mr. Luckie referenced the Board memorandum, noting that some of the contractors are declining projects. He said that there are 19 contractors listed and only 7 contractors are actively working on the SDA projects. He added that some of the contractors are working multiple jobs

and hitting their GCTO limits, so management is seeking to increase the GCTO contract value to \$7,500,000.

Mr. Nixon inquired as to why the contractors are declining SDA projects. Mr. Murphy said that some of the contractors have indicated that it's related to the unavailability of resources. He added that one firm had a recent influx of other government work so they exceeded their aggregate limit based upon uncompleted work. He said that the firm wants to accept the work but is unable to do so.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Following discussion, upon motion duly made by Mr. Piaia, and seconded by Mr. Vargas, the proposed increase to the not-to-exceed values set forth in the General Construction Task Order Contract was approved with the Board's unanimous vote in favor of ***Resolution 3a***.

Next, Mr. Luckie said that management is seeking Board approval of a release of funds from the program reserve, a task order award and a final project charter for the Irvington Grove Street Elementary School emergent project (Project or School). He said that the Board should be aware that the adjustment to the Authority's GCTO that was just approved by the Board was required for this Project's advancement. He reported that the School is an approximately 90,000 square foot facility educating approximately 360 students in grades Pre-Kindergarten through 5. He explained that, following the identification of boiler-related emergent conditions at the School and Department of Education approval of an emergent project there, work to address the conditions was delegated to the district. He said that following a request by the district, the work is being managed by the SDA through the engagement of a general contractor using the GCTO contract. Mr. Luckie advised the Board that after the first firm on the rotational list declined the engagement, in November 2021, Catcord Construction (Catcord), the next firm on the list, accepted the task order assignment. He noted that the scope of work for the Project includes

design services, construction services, hazardous materials abatement activities and the performance of code or regulatory improvements.

In continuing, Mr. Luckie informed the Members that site visits were held with Catcord in December 2021 and SDA staff instructed Catcord to engage a design consultant and any sub-consultants necessary for developing a proposal, cost estimate, and schedule towards addressing replacement of the boilers. He said that in January 2022, Catcord provided the SDA with a cost estimate for the most extensive solution to address all scope elements and remedy the emergent conditions. He explained that upon completion of design, the SDA will review and validate the final projected cost and schedule and determine whether to advance the construction work on a time and material (T&M) basis for the NTE amount, or establish a fixed cost for the scope of work. He said that SDA's program and financial staff directors recommend the award of a task order to Catcord in the NTE amount of approximately \$2,833,000, following their determination that the amount was reasonable for the elements included in the scope of work. He added that total funding costs are estimated at \$3,763,000. He noted that this amount is available within the SDA Program Reserve maintained for emergent projects. Mr. Luckie added that management also is seeking a release of funds from the Program Reserve and approval of the project's final charter.

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. Piaia, the Board approved the release of funds from the program reserve, task order award, and final charter for the Irvington Grove Street Elementary School emergent project upon its unanimous vote in favor of ***Resolution 3b***.

Finally, Mr. Luckie said that management requests that the Board approve a task order award and final project charter for the Newark Cleveland Elementary School (School) emergent

project (Project). He reported that the School is an approximately 76,500 square foot facility educating 440 students in grades Pre-Kindergarten through 8. He advised that after confirming emergent boiler room vault conditions at the School, SDA engaged STV Architects in October 2018 to perform pre-design services. He explained that following pre-design phase services, staff determined to advance the work using the GCTO contract, and to require the general contractor to engage the services of a design consultant to complete needed design services. He said that in this case as well, the firm that was first in line was unable to perform the work with the result that staff then contacted Epic Management (Epic), the next firm on the list, who accepted the task order assignment.

In continuing, Mr. Luckie informed the Members that on January 26, 2022, Epic provided the SDA with a cost estimate to complete the entirety of the work. He said that the estimate included design services and implementation of the most extensive scope of work to remedy the emergent conditions. He advised that it is recommended that the work be performed on a T&M basis, for the NTE amount of \$1,042,507.27, which represents Epic's cost proposal for the most extensive solution for most of the scope elements. He said that field investigative activities will determine if replacement, rather than repair, of the boiler room vault plaza roof slab is required. He added that this must precede Epic's presentation of a reasonable and well-considered price proposal for replacement of the roof slab with the result that the NTE value for the engagement is based upon its repair. Mr. Luckie explained that upon completion of design, SDA will review and validate the final projected cost and schedule for the scope of work and determine to either 1) advance the construction work on a T&M basis for the NTE amount, or 2) establish a fixed cost for the scope of work defined in the construction documents. He said that management and staff believe that this proposal is reasonable for the elements included in the scope of work and recommend the award of a task order to Epic. He noted that, in addition to the

contract award, management also recommends that the Board approve the Project's final charter. He added that funding for the Project's total costs is available within the SDA Program Reserve maintained for emergent projects.

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. Piaia, the Board approved the task order award and final project charter for the Newark Cleveland Elementary School emergent project upon its unanimous vote in favor of ***Resolution 3c***.

Mr. Nixon then asked for a motion to adjourn the Open Session of the meeting and to move into Executive Session. He asked Ms. Kelly to announce the matter to be considered in Executive Session. Ms. Kelly said that the Board will adjourn into Executive Session to discuss one matter. She advised that the matter to be considered by the Board in Executive Session involves a request for milestone deadline extensions associated with the former SDA West Ward property that was previously transferred to the City of Newark. She said that the Board will vote on this matter upon its return to Open Session. Ms. Kelly requested that the Chairman present ***Resolution No. 4*** for Board consideration and approval, reflecting the Members' resolve to move into Executive Session to discuss the proposed settlement.

The Chairman presented ***Resolution No. 4*** for a vote. Upon motion duly made by Mr. Mr. Vargas and seconded by Mr. Piaia, the Members of the Authority unanimously voted to approve ***Resolution No. 4*** and thereby adjourn the Open portion of the meeting into Executive Session.

Mr. Gumble indicated that he would be unable to join the Executive Session portion of the meeting to deliberate with respect to the Newark Westside Property matter. He advised, however, that he had read the materials provided in advance of the meeting and asked that his vote be recorded in the affirmative when the Board considers whether to approve the milestone

extension request. Ms. Kelly assured Mr. Gumble that his affirmative vote has been noted and would be so recorded.

Following return to Open Session, Mr. Vargas announced that in Executive Session the Board had discussed the Real Estate Committee's recommendation that management be authorized to agree to the City of Newark's request for a 3-year extension of the transactional milestones associated with the Newark West Side Property formerly owned by the SDA.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Piaia, and seconded by Mr. Luckie, the Board, with Mr. Gumble's affirmative vote recorded at his request, approved the proposed extension of deadlines associated with the Property at issue with its unanimous vote in favor of ***Resolution AI.***

### ***Adjournment***

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

**Certification:** The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its February 16, 2022 meeting.

/s/ Jane F. Kelly  
Assistant Secretary

***Resolution—3b./3c.***

**Approval of Minutes**

**WHEREAS**, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

**WHEREAS**, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the February 16, 2022 Board meeting of the New Jersey Schools Development Authority, for the Open and Executive Sessions were duly forwarded to the Office of the Governor following the meeting.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes of the New Jersey Schools Development Authority's February 16, 2022 Open and Executive Session meetings are hereby approved.

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

Dated: April 6, 2022

## **AUTHORITY MATTERS**

## **CEO REPORT**

## **CHAIRMAN'S REPORT**

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

**Amendment No. 4 - Memorandum of Understanding Between the NJSDA and the Higher Education Student Assistance Authority (HESAA)**

**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Donald Guarriello  
Vice President and Chief Financial Officer

Manuel Da Silva  
Chief Executive Officer

**DATE:** April 6, 2022

**SUBJECT:** MOU between NJSDA and HESAA  
Addendum No. 4---Three (3) Year Extension of Term

**INTRODUCTION**

The purpose of this memorandum is to request the Board's approval to extend an existing Memorandum of Understanding ("MOU") between the New Jersey Schools Development Authority ("NJSDA") and the New Jersey Higher Education Student Assistance Authority ("HESAA") for an additional three (3) years. Under the current MOU, NJSDA provides funds for the HESAA-administered Governor's Industry Vocations Scholarship Program ("NJ-GIVS"). The MOU was originally executed on July 31, 2013. Twice, the NJSDA Board approved successive three (3) year term extensions on July 6, 2016 and June 5, 2019, respectively. The term of the most recent extension expires May 1, 2022. The term of the proposed extended MOU is for the period commencing May 1, 2022 and ending on April 30, 2025, unless further extended.

Additionally, the Authority is seeking approval to establish distinct annual budgets for each of the three years of the extended period in an amount not to exceed \$250,000.00 annually (\$227,300.00 of which would be available for scholarships to eligible students). This level of annual funding for student scholarships in an amount not to exceed \$227,300.00 is consistent with the current MOU. NJSDA further agrees to reimburse HESAA for expenses associated with administering, implementing, and promoting the NJ-GIVS Program at a flat 10% rate, not-to-exceed \$22,700.00 annually, to be applied to the amount of scholarships awarded during a particular academic year or semester.

In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any amendment (including amendments to MOUs/MOAs) which exceeds \$100,000.00 or 10% of the contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00 and 10% of the contract value. Additionally, the Operating Authority requires Board approval of all MOUs/MOAs regardless of the contract value.

**BACKGROUND**

In September 2001, the school construction program, then operating as an office within the New Jersey Economic Development Authority, entered into a MOU with the State Department of Labor and Workforce Development ("LWD") for the administration and implementation of a community outreach

and training program in the construction trades for minorities and women. Training was provided for upgrading academic skills and an introduction to the construction industry was offered in order to facilitate competition for union apprenticeships. As per the agreement, the school construction program (and subsequently the NJSCC and the NJSDA) was invoiced by LWD to fund the cost of various training programs. Participation in the program administered by the LWD was limited to minorities and women residing in the former Abbott Districts (now SDA Districts). The 2001 MOU was not required by law but, rather, was a voluntary effort by the agencies.

In August 2007, P.L. 2007, c. 137 (C.52:18A-240) was enacted into law abolishing the NJSCC and establishing a new independent Authority, NJSDA, in, but not of, the Department of the Treasury. Among other things, the Authority's enabling legislation requires:

6.a. The development authority shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L. 1968, c. 410 (C.52:14B-1 et seq.), to establish an affirmative action program for the hiring of minority workers employed in the performance of construction contracts undertaken in connection with any of its school facilities projects, and to expand the business opportunities of socially and economically disadvantaged contractors and vendors seeking to provide materials and services for those contracts, consistent with the provisions of the "Law Against Discrimination," P.L. 1945, c. 169 (C.10:5-1 et seq.). The development authority shall provide for the proper enforcement and administration of these rules and regulations.

b. The development authority may allocate up to one-half of one percent of the annual value of its construction program to the financing of minority and women worker outreach and training programs pertinent to school facilities project construction.

Then, in January 2010, P.L. 2009, c. 313 (C.52:38-7) was enacted into law further requiring:

1.a. Notwithstanding the provisions of any law or regulation to the contrary, upon entering into any public works contract in excess of \$1,000,000 which is funded, in whole or in part, by funds of a public body, or any public works contract of any size which is funded, in whole or in part, by funds provided to the public body pursuant to the "American Recovery and Reinvestment Act of 2009," Pub.L.111-5, the public body entering into the contract shall transfer an amount equal to one half of one percent of the portion of the contract amount funded by funds of the public body, or provided to the public body pursuant to the "American Recovery and Reinvestment Act of 2009," Pub.L.111-5, to the Department of Labor and Workforce Development, except that any Statewide authority which enters into the contract and administers a program which meets the requirements of this section may retain all or a portion of the one half of one percent share of the funds under the contract as is necessary for the operation of the program, but shall transfer to the department any portion of the funds not necessary for the program, and except that funds shall not be transferred or retained pursuant to this section if the transfer or retaining of the funds is contrary to any federal requirement and may result in the loss of federal funds. . . .etc.

b. The department, political subdivision, or authority shall use the transferred or retained funds to provide on-the-job or off-the-job outreach and training programs for minority group members and women in construction trade occupations or other occupations, including engineering and management occupations, utilized in the performance of public works contracts. The programs funded pursuant to this subsection, shall include, but not be limited to, programs preparing minority group members and women for admission into registered apprenticeships with opportunities for long-term employment in construction trades providing economic self-sufficiency for the minority group members and women, with priority given, with respect to the funds from a contract used for apprenticeship programs or apprenticeship-related programs, to trades utilized in that contract, and shall include programs providing supportive services to help facilitate successful completion of any apprenticeship or other training assisted pursuant to this section. . . .etc.

Following enactment of P.L. 2009, c. 313, the Authority explored ways to establish an exclusive program which would allow the Authority to exercise control over how the required funds were allocated in order to maximize their benefit. The MOU with HESAA fulfills, in part, NJSDA's obligation to provide funds for construction related job training for women and minorities.

### **NJ-GIVS**

NJ-GIVS fills a void in state financial aid programs by making scholarships available to students pursuing non-degree certificate programs in construction/engineering related industries. Prior to the implementation of NJ-GIVS, state student financial aid programs only provided grants and scholarships to students in matriculated Associate or Baccalaureate degree programs.

Students from all counties and municipalities in New Jersey are eligible to receive a NJ-GIVS scholarship. Consistent with other HESAA residency requirements, students must be bona fide New Jersey residents for a period of at least 12 months. Students admitted to an approved institutional program must apply directly to HESAA for the scholarship. HESAA awards the funds to eligible students on a "first come first served" basis.

A scholarship covers the cost of tuition up to \$2,000 per year less any federal financial aid the student is eligible to receive. The scholarship is renewable for one year. All scholarship awards are made to the institutions. The institutions, in turn, credit the students' accounts. No funds are disbursed directly to students.

On June 5, 2013, the Board initially allocated \$550,000.00 (\$500,000.00 to be awarded in scholarships to eligible students and up to \$50,000.00 for HESAA administrative fees) for the first year of the NJ-GIVS program; however, since actual expenditures in year one of the scholarship program were significantly below the \$550,000.00, the Authority transferred the unused balance to year two of the program, and then did the same in year three of the program as an unused balance still remained. The annual budget was reduced to \$250,000.00 for the successive three (3) year term extensions approved by the NJSDA Board on July 6, 2016 and June 5, 2019, respectively. To date, the amount of expenditures since the

inception of the program is significantly less than the one half of one percent (0.5%) statutorily mandated in C.52:38-7.

Since July 2, 2013, the Authority has expended \$1,525,226.55 on the scholarship program, inclusive of fees paid to HESAA to administer the scholarship program. NJSDA and HESAA together have awarded scholarships to over 764 students, which have furthered their education across various institutions of higher education throughout the State.

### **HESAA**

Like NJSDA, HESAA is an independent state authority. HESAA is charged with administering the state's higher education need-based grants and merit scholarships. During the most recent academic year (2019-2020) for which information is publically available, HESAA distributed nearly \$475 million in scholarship awards to over 93,000 students attending New Jersey colleges or universities. HESAA administers the Tuition Aid Grant (TAG) program, the nation's most generous need-based undergraduate aid program; the part-time TAG for County College Students Program; the NJ STARS program; and the NJ STARS II program. Additionally, HESAA has bonding authority and annually sells bonds to finance the New Jersey College Loans to Assist State Students (NJCLASS) program. Along with the state programs, HESAA has contracts with the U.S. Department of Education to administer a number of federal student aid programs including, but not limited to, the Federal Family Education Loan Program and the John R. Justice Loan Redemption Program. In addition to administering financial aid programs, HESAA also has regulatory oversight over the college and university financial aid offices and conducts audits of those offices' functions to make certain the expenditure of funds comports with all statutory and regulatory requirements.

### **RECOMMENDATION**

The Members of the Authority are requested to approve a three (3) year extension of the MOU between NJSDA and HESAA commencing May 1, 2022 and ending April 30, 2025. Additionally, the Members of the Authority are requested to approve distinct annual budgets for each of the three years of the extended period in an amount not to exceed \$250,000.00 annually (\$227,300.00 of which would be available for scholarships to eligible students, and \$22,700.00 is for HESAA administrative fees).

In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any amendment (including amendments to MOUs/MOAs) which exceeds \$100,000.00 or 10% of the contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00 and 10% of the contract value. Additionally, the Operating Authority requires Board approval of all MOUs/MOAs regardless of the contract value.

Prepared by: Zaida Olszak, Senior SWMBE Analyst

***Resolution –5a.***

Memorandum of Understanding between SDA and the  
Higher Education Student Assistance Authority (HESAA) Addendum No. 4,  
Three Year Extension of Term

**Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) provides that SDA management’s execution of any contractual amendment which exceeds \$100,000.00 or 10% of a contract value requires approval by the Members of the Authority; and

**WHEREAS**, the Operating Authority further requires Board approval of all Memoranda of Understanding (MOU) or Agreement or amendments thereto, regardless of contract value; and

**WHEREAS**, interagency cooperation is permitted by N.J.S.A. 52:14-1 et seq.; and

**WHEREAS**, this proposed amendment involves an interagency MOU, exceeds \$100,000.00 and 10% of the contract value, and thus requires Board approval; and

**WHEREAS**, in September 2001 the New Jersey Schools Construction Corporation (predecessor entity to the SDA) entered into a MOU with the state Department of Labor and Workforce Development (LWD) for the administration and implementation of a community outreach and training program in the construction trades for minorities and women; and

**WHEREAS**, the SDA and other entities that enter into “contract(s) in excess of \$1,000,000” with public funds, are statutorily required to implement or fund implementation of an outreach and training program for minority group members and women in construction trade occupations; and

**WHEREAS**, the New Jersey Governor’s Industry Vocations Scholarship Program (NJ-GIVS) fills a void that exists in state financial aid programs by making scholarships available to students pursuing non-degree certificate programs in construction/engineering related industries; and

**WHEREAS**, in 2013, SDA determined to maximize the effectiveness of its outreach and training initiative through its funding of the NJ-GIVS program; and

**WHEREAS**, the Higher Education Student Assistance Authority (HESAA) is uniquely situated to provide the SDA with assistance to effectuate NJ-GIVS resulting in the establishment in July 2013 of an MOU between SDA and HESAA for such purpose; and

**WHEREAS**, twice, the SDA Board approved successive three (3) year term extensions to the MOU, on July 6, 2016 and June 5, 2019 respectively, with the term of the most recent extension expiring May 1, 2022; and

**WHEREAS**, the term of the extended MOU proposed for Board approval is for the period commencing May 1, 2022 and ending on April 30, 2025, unless further extended; and

**WHEREAS**, since July 2, 2013, the Authority has expended approximately \$1,525,226.55 on the NJ-GIVS scholarship program, inclusive of fees paid to HESAA for administering the same; and

**WHEREAS**, SDA and HESAA together have awarded scholarships to 764 students thus furthering their educations across various institutions of higher education throughout the state; and

**WHEREAS**, administrative fees to be paid to the HESAA for administering, implementing and promoting the NJ-GIVs Program during the term of the proposed extension shall equal a flat 10% fee to be applied to the amount of scholarships awarded during a particular academic year or semester, with a not-to-exceed amount of \$22,700 annually; and

**WHEREAS**, the background and a description of the HESAA, of the NJ-GIVS program and of the program's implementation to date, and details as to the funding expended and to be expended, along with the relevant statutory authority, are set forth in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, SDA executive management recommends Board approval of the proposed extension of the MOU between SDA and HESAA consistent with the provisions of the memorandum presented to the Board on this date and the terms of the MOU as proposed.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve a three (3) year extension of the MOU between the SDA and the New Jersey Higher Education Student Assistance Authority commencing May 1, 2022 and ending April 30, 2025, consistent with the memorandum and proposed MOU as amended and presented to the Board on this date and incorporated herein.

**BE IT FURTHER RESOLVED**, that the Members of the Authority approve distinct annual budgets for each of the three years of the proposed amended MOU's extended period in an amount not-to-exceed \$250,000.00, with \$227,300.00 available to be awarded in scholarships to eligible students and up to \$22,700.00 to be available annually for HESAA administrative fees.

**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, Memorandum of Understanding between the New Jersey Schools  
Development Authority and the Higher Education Student Assistance, Addendum No. 4  
Authority, dated April 6, 2022

Dated: April 6, 2022

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

**2022 Strategic Plan Update and Capital Plan Presentation**

Prepared by the New Jersey Schools Development Authority

2019 Statewide Strategic Plan  
for SDA Districts

# 2022 Strategic Plan Update and Capital Plan Presentation

April 6, 2022

# 2019 Statewide Strategic Plan for SDA Districts

## Section 1 SDA Capital Project Portfolio 2011 to Present Status of Projects

# Delivered Projects

31 Projects  
Delivered  
28,060 New Seats

District	School Name	Project Type	School Opening	New Seats	Total Project Costs (Millions)
Bridgeton	Buckshutem Road School	Addition / Renovation	Sep-16	196	\$21.2
Bridgeton	Quarter Mile Lane School	Addition / Renovation	Sep-17	513	\$35.8
Camden	Camden High School	New School	Sep-21	1,468	\$132.6
East Orange	Sheila Y. Oliver Academy	New School	Sep-20	512	\$41.2
Elizabeth	Frank J. Cicarell Academy HS	New School	Sep-16	1,284	\$61.1
Elizabeth	William F. Halloran Gifted and Talented School No. 22	New School	Sep-17	990	\$55.3
Garfield	James Madison ES	New School	Sep-18	305	\$29.7
Gloucester City	Middle School	New School	Sep-17	763	\$65.3
Harrison	Kennedy ES	New School	Nov-20	432	\$36.1
Irvington	Madison Avenue ES	New School	Sep-19	504	\$38.6
Jersey City	Patricia M. Noonan ES	New School	Sep-17	848	\$54.0
Jersey City	Dr. Maya Angelou ES, PS # 20	New School	Sep-16	698	\$48.0
Keansburg	Joseph Caruso ES	New School	Sep-16	842	\$48.6
Long Branch	George L. Catrambone ES	New School	Sep-14	867	\$40.0
New Brunswick	Redshaw ES	New School	Jan-15	990	\$46.1
New Brunswick	Paul Robeson Community School for the Arts	Addition / Renovation	Sep-18	424	\$48.6
Newark	Elliot Street ES	New School	Jan-16	932	\$42.8
Newark	South Street School	New School	Sep-18	657	\$67.7
Newark	Oliver St. ES	New School	May-16	932	\$71.0
Passaic	Dayton Ave. Ed. Campus	New School	Jan-22	2,997	\$240.9
Passaic	Sonia Sotomayor School No. 21	New School	Sep-19	698	\$55.9
Paterson	Dr. Hani Awadallah School	New School	Sep-16	722	\$55.2
Paterson	Joseph A. Taub School	New School	Jan-22	1,107	\$113.9
Paterson	Public School No. 16	New School	Sep-16	705	\$59.1
Pemberton	Denbo-Crichton ES	New School	Sep-20	930	\$58.7
Perth Amboy	Rose M. Lopez ES	New School	Sep-19	804	\$56.4
Phillipsburg	Phillipsburg High School	New School	Sep-16	2,172	\$120.3
Trenton	Trenton Central HS	New School	Sep-19	2,176	\$155.4
Vineland	Sgt. Dominick Pilla MS	New School	Sep-18	624	\$49.8
West New York	Harry L. Bain PS 6	Renovation	Sep-17	N/A	\$15.3
West New York	Memorial HS	Building Acquisition	2012	968	\$16.0

# Upcoming Project Deliveries (Active Projects)

District	School Name	Project Type	School Opening	New Seats	Total Project Costs (Millions)
Hoboken	Demarest ES	Renovation	TBD	N/A	TBD
Keansburg	Port Monmouth Road School	Addition / Renovation	Sep-22	318	\$28.4
Millville	Millville Senior High School	Addition / Renovation	PHASED	860	\$145.0
Orange	Cleveland St. ES	Addition / Renovation	TBD	N/A	\$38.9
Orange	Orange High School	Addition / Renovation	Sep-22	576	\$51.9
Perth Amboy	Perth Amboy High School	New School	Sep-24	3,294	\$283.8
Plainfield	Charles and Anna Booker ES	New School	Sep-23	839	\$59.4
Union City	Grade 7 to 9 School	New School	Sep-25	840	TBD

8 Upcoming Projects

Will Deliver 6,727  
New Seats

# 2019 Statewide Strategic Plan for SDA Districts

## Section 2 Capital Project Portfolio Delivery Methods and Approach

# Delivery Methods and Approach

- **Working Groups**  
NJSDA, District and NJDOE together perform a holistic review of District facilities and collaborate to validate project need and most effective, efficient solution to address that need
- **Early Site Preparation (ESP)**  
NJSDA investigates and addresses site environmental conditions prior to advancing building construction
- **Design Studio**  
NJSDA staff develops bridging documents to ensure uniformity and consistency while providing for District-specific needs
- **Standardized Design Components and Material & Systems Standards**  
Ensure that all projects conform to requirements for educational spaces, quality and consistency
- **Design-Build Project Delivery**  
Streamlined project coordination and delivery
- **Constructability Review for Traditional Project Delivery**  
Reduces occurrence of unforeseen issues, delays and cost impact

# Results

- Advancement of Appropriate Projects and Scope to Address Educational Needs
- Projects Delivered On Budget
- Minimization of Surprise
- Reduction of Change Orders
- Job Creation

## **Results (continued)**

### New Seats

28,060 New Seats Delivered

6,727 New Seats to be Delivered

34,787 Total New Seats

### Work Addressing Concerning Conditions in Existing Facilities

Approximately 1.26 Million Square Feet Addressed

# 2019 Statewide Strategic Plan for SDA Districts

## Section 3 Remaining SDA District Needs & Statewide Strategic Plan

# The formulation of a statewide strategic plan is rooted in legislation

*P.L.2007, c.137 (C.52:18A-235 et al. “(SDA) shall establish a Statewide strategic plan to be used in the sequencing of SDA district school facilities projects based upon the projects’ educational priority rankings and issues which impact the development authority’s ability to complete the projects including, but not limited to, the construction schedule and other appropriate factors.”*

## Statutory Principles:

- *Statewide educational priority ranking*
- *Statewide strategic plan*
- *Sequencing of projects*
- *Revision of plan at least once every five years*

## Remaining Priority Needs

The NJDOE 2019 Educational Facilities Needs Assessment (2019 EFNA) Provides the Foundation for Development of the NJSDA Strategic Plan for Advancement of Projects in SDA-Districts

NJDOE's 2019 EFNA highlights the most severe facilities deficiencies impacting program delivery within each district:

- Capacity Needs (Overcrowding)
  - Address overcrowding at all Grade Levels, including Early Childhood
- Aging Infrastructure
  - Address concerning conditions at existing facilities

NJDOE's 2019 EFNA provides the educational prioritization of school facilities projects and recognizes that recommendations of educational prioritization will be jointly considered with the NJSDA's analysis of non-educational issues influencing project advancement, such as logistical and construction considerations, for the final prioritization and recommendations

## **Remaining Priority Needs Updated**

During the months of November and December 2021 Working Group meetings were held with all 31 SDA-Districts in an effort to validate and update District needs identified in the 2019 EFNA.

Additionally, updated enrollment information has become available for the 2019, 2020 and 2021 school years.

This information has been analyzed by NJDOE and NJSDA and compared to existing student capacity information allowing for an update of the capacity needs that exist within the 31 SDA- Districts.

# Approach

Development of a Strategic Plan to be used in the sequencing of projects in SDA-Districts based upon:

- Educational Priorities
  - Address Overcrowding
  - Building Age and Condition
- Logistical Factors
  - Availability of Land
    - Identification and acquisition of an appropriate school site
      - The most prominent logistical factor impacting the schedule of project advancement
      - A key factor in the sequencing of projects within the Strategic Plan
  - Delivery Capacity
    - SDA Staff
    - Consultant Community
    - Construction Community

## **Approach** *(continued)*

### 2019 EFNA

- Establishes Universe of Needs for SDA-District Advancement

### 2022 EFNA enrollment data update

- Refreshes Universe of Capacity Needs for SDA-District Advancement

### NJSDA Logistical Factors

- Identify a First Tranche for advancement
- Identify activities necessary to further sequence needs within the First Tranche

## Approach *(continued)*

# Capacity Needs in SDA-Districts

# Approach *(continued)*

## 2019 EFNA Update (2019-2021 enrollment data)

- Remaining Capacity Needed in SDA-Districts

Rank	Rank 2019 Plan	County	District	Capacity Needs	Percentage Overcrowding	Grade Levels Impacted
1	1	Union	Elizabeth	7,505	37.2%	PK - 12
2	2	Bergen	Garfield	785	18.5%	PK - 5, 9 - 12
3	7	Cumberland	Bridgeton	631	11.7%	6 - 12
4	4	Essex	City of Orange	503	10.4%	PK, 6 - 12
5	15	Mercer	Trenton	1,186	9.9%	K - 5, 9 - 12
6	5	Hudson	Union City	1,097	9.8%	PK - 8
7	8	Passaic	Passaic City	1,004	7.8%	PK, 9 - 12
8	6	Passaic	Paterson	1,713	7.4%	PK - 5, 9 - 12
9	11	Union	Plainfield	606	7.4%	K - 5
10	3	Middlesex	New Brunswick	504	5.5%	PK - 12
11	10	Middlesex	Perth Amboy	371	3.3%	K - 5
12	N/A	Hudson	Hoboken	74	2.5%	K - 5
13	N/A	Camden	Gloucester City	56	2.4%	6 - 8
14	N/A	Monmouth	Long Branch	137	2.3%	K - 5
15	13	Hudson	West New York	168	2.1%	PK, 6 - 8
16	9	Atlantic	Pleasantville	79	2.1%	K - 5
17	12	Hudson	Jersey City	475	1.7%	PK - 5
18	N/A	Cumberland	Vineland	154	1.5%	6 - 8
19	N/A	Essex	Newark	455	1.1%	6 - 8
20	N/A	Warren	Phillipsburg	32	0.7%	6 - 8
21	14	Essex	East Orange	45	0.4%	PK
<b>21 Districts</b>				<b>17,580</b>	<b>7.3%</b>	

\* Districts highlighted in blue represent additions from the January 2020 presentation.

## **Approach** *(continued)*

# Capacity Needs First Tranche for Validation and Advancement

## Approach *(continued)*

### Sequencing - First Tranche for Advancement To Address Overcrowding

County	District	Grades Served	Project Type	New Seats	New Capacity	Remaining Need
Union	Elizabeth	PK - 8	New School	1,103	1,000	6,505
Bergen	Garfield	PK - 5	New School (Replacement)	706	440	192
Bergen	Garfield	PK - 5	New School (Replacement)	706	386	
Cumberland	Bridgeton	PK, 6 - 8	Addition/Renovation	328	300	
Cumberland	Bridgeton	6 - 8	Addition/Renovation	333	300	0
Cumberland	Bridgeton	9 - 12	Addition/Renovation	353	300	
Mercer	Trenton	K - 5	New School	806	725	461
Passaic	Passaic City	9 - 12	New School (Replacement)	3,765	738	129
Passaic	Paterson	9 - 12	Addition/Renovation	1,176	1,000	713
Middlesex	New Brunswick	6 - 8	Addition/Renovation	588	500	142
Middlesex	Perth Amboy	K - 5	New School	556	500	0
Hudson	West New York	PK - 8	New School	549	500	0
Atlantic	Pleasantville	PK - 5	New School (Replacement)	539	205	0
Hudson	Jersey City	PK	New School	360	360	0
Essex	Newark	PK - 8	New School (Replacement)	932	400	0
Essex	Newark	PK - 8	New School (Replacement)	932	400	
<b>16 Projects</b>				<b>13,732</b>	<b>8,054</b>	<b>8,142</b>

\* Districts highlighted in blue represent additions from the January 2020 presentation.

These 16 Projects were identified for a sequenced First Tranche Advancement because they address high priority capacity needs and there is ready availability of land under NJSDA and/or District control.

## Approach *(continued)*

### Sequencing - First Tranche for Site Identification Identification of Appropriate Sites for Delivery of Projects to Address Remaining Capacity Needs

County	District	New Seats Needed	Project Type	New Seats	New Capacity
Essex	City of Orange	PK, 6 - 8	TBD	TBD	TBD
Hudson	Union City	PK - 8	TBD	TBD	TBD
Union	Plainfield	PK - 5	TBD	TBD	TBD
Hudson	Hoboken	K - 5	TBD	TBD	TBD
Camden	Gloucester City	6 - 8	TBD	TBD	TBD
Monmouth	Long Branch	K - 5	TBD	TBD	TBD
Cumberland	Vineland	6 - 8	TBD	TBD	TBD
Warren	Phillipsburg	6 - 8	TBD	TBD	TBD
Essex	East Orange	PK	TBD	TBD	TBD
<b>9 Districts</b>				<b>TBD</b>	<b>TBD</b>

\* Districts highlighted in blue represent additions from the January 2020 presentation.

These 9 districts were identified for a sequenced First Tranche Advancement in recognition of overcrowding in the districts. Upon identification of appropriate solutions inclusive of site identification, projects to address overcrowding in these districts will be sequenced with other portfolio projects.

## **Approach** *(continued)*

# Building Age & Condition Needs in SDA-Districts

# Approach *(continued)*

## 2019 EFNA

- Aging Infrastructure – Needs Based Upon Building Age & Condition

County	District	EFNA Identified Needs (Based Upon Building Age & Condition)	County	District	EFNA Identified Needs (Based Upon Building Age & Condition)
Monmouth	Asbury Park	Barack Obama Elementary School Asbury Park High School Asbury Park Middle School	Monmouth	Long Branch	Lenna Conrow ECC Audrey Clark Elementary School
Burlington	Burlington City	Captain James Lawrence Elementary School Samuel Smith Elementary School	Cumberland	Millville	Memorial School Rieck Avenue School Bacon School
Camden	Camden City	Any Pre-1925 School Building	Essex	Newark	Any Pre-1920 School Building
Hudson	Harrison	Lincoln School Hamilton School	Burlington	Pemberton	Harker-Wylie Elementary School Emmons Elementary School Stackhouse School
Hudson	Hoboken	Joseph Brandt School Junior/Senior High School	Warren	Phillipsburg	Phillipsburg Middle School
Essex	Irvington	Grove Street or other Pre-1920 School Chancellor Avenue School Berkeley Terrace School	Salem	Salem City	Salem Middle School Salem City High School John Fenwick Elementary School
Monmouth	Keansburg	Bolger Middle School	Cumberland	Vineland	Anthony Rossi School Landis Middle School Johnstone School

Based upon the 2019 EFNA there are over 50 facilities identified above that have needs based upon building age and condition.

## Approach *(continued)*

# Building Age & Condition Needs First Tranche for Validation and Advancement

## Approach *(continued)*

Sequencing - First Tranche for Advancement  
To Address Serious Facilities Deficiencies Through Delivery of Replacement  
Facilities

County	District	Grades Served	Project Type	New Seats
Camden	Camden City	PK - 8	New School (Replacement)	704
Camden	Camden City	PK - 8	New School (Replacement)	704
Salem	Salem City	PK - 8	New School (Replacement)	961
<b>3 Projects</b>				<b>2,369</b>

These 3 Projects address high priority needs as reported in NJDOE's 2019 EFNA and were identified for a First Tranche Advancement because there is ready availability of land under NJSDA and/or District control.

The 2019 EFNA notes that District and NJSDA input is needed.

Prior to advancement, a District/NJDOE/NJSDA Working Group would validate project need and appropriate solution.

# Summary

## Portfolio - First Tranche for Advancement

Capacity Generating Facilities				
Sequencing Based on Availability of School Site				
County	District	Grades Served	New Seats	New Capacity
Union	Elizabeth	PK - 8	1,000	1,103
Bergen	Garfield	PK - 5	1,412	826
Cumberland	Bridgeton	PK, 6 - 8, 9 - 12	1,014	900
Mercer	Trenton	K - 5	806	725
Passaic	Passaic City	9 - 12	3,765	738
Passaic	Paterson	9 - 12	1,176	1,000
Middlesex	New Brunswick	6 - 12	588	500
Middlesex	Perth Amboy	PK	250	250
Hudson	West New York	PK - 8	549	500
Atlantic	Pleasantville	PK - 5	539	205
Hudson	Jersey City	PK	360	360
Essex	Newark	PK - 8	1,864	800
<b>12 Districts</b>			<b>12,323</b>	<b>6,804</b>
Sequencing to Follow Identification of Appropriate School Site				
County	District	Grades Served	New Seats	New Capacity
Essex	City of Orange	PK, 6 - 8	TBD	TBD
Hudson	Union City	PK - 8	TBD	TBD
Union	Plainfield	PK - 5	TBD	TBD
Hudson	Hoboken	K - 5	TBD	TBD
Camden	Gloucester City	6 - 8	TBD	TBD
Monmouth	Long Branch	K - 5	TBD	TBD
Cumberland	Vineland	6 - 8	TBD	TBD
Warren	Phillipsburg	6 - 8	TBD	TBD
Essex	East Orange	PK	TBD	TBD
<b>9 Districts</b>			<b>TBD</b>	<b>TBD</b>

Replacement Facilities			
Sequencing Based on Availability of School Site			
County	District	Grades Served	New Seats
Camden	Camden City	PK - 8	1,408
Salem	Salem City	PK - 8	961
<b>2 Districts</b>			<b>2,369</b>

\* Districts highlighted in blue represent additions from the January 2020 presentation.

## Additional Activities

### Activities Necessary to Finalize the Sequencing of Projects Included in the First Tranche, Toward Addressing the Entirety of 2019 EFNA Educational Priorities

- Potential Site Availability Review
  - Site Identification through acquisition, relocation of current residents/businesses, demolition and remediation is a prominent logistical factor in advancement of needed projects
  - The NJSDA has leveraged the majority of existing NJSDA owned sites to advance the current Capital Project Portfolio
  - Review Municipal-Owned and District-Owned Sites in Districts with EFNA-Identified Overcrowding
- Upon identification of appropriate school sites, the sequencing for advancement of projects in the NJSDA Strategic Plan can be updated to address the high priority capacity needs in the following districts:

County	District	County	District	County	District
Essex	City of Orange	Hudson	Hoboken	Cumberland	Vineland
Hudson	Union City	Camden	Gloucester City	Warren	Phillipsburg
Union	Plainfield	Monmouth	Long Branch	Essex	East Orange

\* Districts highlighted in blue represent additions from the January 2020 presentation.

## **Additional Activities** *(Continued)*

- Initiate Building Condition Assessment Surveys across all SDA Districts
  - In order to most accurately define and prioritize work to address concerning conditions at existing facilities
  - Approximately 450 Educational Buildings in service throughout the 31 SDA-Districts
  - Surveys will assess every condition and major system through a uniform, consistent approach and will estimate remaining useful life
  - Data will allow NJSDA to proactively and efficiently plan programs of work to address the needs identified by the inspections

# 2019 Statewide Strategic Plan for SDA Districts

## Section 4 2022 Capital Plan for SDA Districts

# Funding

The State's Fiscal Year 2022 Budget has allocated a total of \$200 million to the Authority that can be utilized to advance projects identified in the Statewide Strategic Plan.

# Approach

Development of a Capital Plan of projects to be advanced from available funding:

- Educational Priorities
  - Address Overcrowding – Given the level of funding available it is recommended that funding priority be given to projects in districts with capacity needs.
- Logistical Factors
  - Availability of Land – Matching of District's with the highest capacity needs and available land on which to construct facilities to address those needs

## 2022 Project Portfolio

- Staff recommends advancement of 3 projects utilizing the \$200 million provided to the Authority
  - Elizabeth New PK – 8 School for approximately 1,000 students
  - Garfield New Replacement PK – 5 School for approximately 700 students
  - Bridgeton High School Addition/Renovation for approximately 300 students
- These projects represent high educational priority needs where there is land readily available for project advancement.
- Further, staff recommends approval to expend up to \$200,000 per project for necessary planning activities required to finalize preliminary project scope and develop a Preliminary Project Charter for each project.

***Resolution – 6a.***

**Resolution Approving 2022 SDA Capital Plan**

**WHEREAS**, the New Jersey Schools Development Authority (SDA or the Authority) was established by law pursuant to P.L.2007, C.137 (N.J.S.A. 52:18A-235 et. seq.) as an entity “in but not of” the New Jersey State Department of the Treasury; and

**WHEREAS**, P.L. 2007, C. 137 (N.J.S.A. 52L18A-235 et seq. or “the Authority’s enabling legislation”) provides that “(SDA) shall establish a Statewide strategic plan to be used in the sequencing of SDA district school facilities projects based upon the projects’ educational priority rankings and issues which impact the development authority’s ability to complete the projects including, but not limited to, the construction schedule and other appropriate factors”; and

**WHEREAS**, the Authority’s enabling legislation establishes certain statutory principles to which the Authority must adhere in establishing a strategic capital plan; and

**WHEREAS**, such principles include the establishment of a Statewide educational priority ranking, a Statewide strategic plan, the sequencing of projects and a requirement that such plan be revised at least once every five years; and

**WHEREAS**, the SDA Operating Authority requires that the Authority’s Capital Plans receive approval by the Members of the Authority; and

**WHEREAS**, the SDA Operating Authority further requires that the Members authorize the expenditure of funds to perform the necessary planning work to inform the development of project charters for subsequent Board approval; and

**WHEREAS**, the SDA’s Capital Planning efforts recognize the ongoing inclusion of projects for the continuation of a rolling advancement of work; and

**WHEREAS**, the 2019 Educational Facilities Needs Assessment (EFNA) provides the foundation for development of the SDA Strategic Plan for the advancement of projects in SDA Districts; and

**WHEREAS**, in 2021, a Working Group comprised of SDA and New Jersey Department of Education (DOE) staffs initiated an update to the DOE’s 2019 EFNA through meetings held with all 31 SDA Districts to validate and update District needs identified in the 2019 EFNA; and

**WHEREAS**, analysis of the information, provided, along with updated enrollment information, for years 2019 through 2021, when compared to existing student capacity information, has allowed for an update of the capacity needs that exist within the 31 SDA Districts; and

**WHEREAS**, utilizing data from the EFNA Update, SDA staff reviewed District-identified needs and evaluated preliminary project scopes which would address those needs; and

**WHEREAS**, based upon the planning activities undertaken, management recommends that the Board approve the 2022 SDA Capital Plan as proposed to include three projects as set forth in the materials presented to the Board on this date utilizing the \$200 million in funding for Capital projects provided to the Authority in the state Fiscal Year 2022 Budget; and

**WHEREAS**, the three projects identified in the 2022 SDA Capital Plan represent high educational priority needs where there is land readily available for project advancement; and

**WHEREAS**, management further recommends that the Board authorize the expenditure of up to \$200,000 per project for necessary planning activities required to finalize preliminary project scope and develop a preliminary project charter for each project; and

**WHEREAS**, a description of the relevant background, the details of the proposed 2022 Capital Plan and the parameters of the anticipated planning activities are set forth in detail in the materials presented to the Board on this date and incorporated herein.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve the SDA 2022 Capital Plan as presented by executive management consistent with the materials presented to the Board on this date.

**BE IT FURTHER RESOLVED**, that the Members of the Authority authorize and approve the utilization of funding as proposed in the Board materials to undertake planning activities for those projects to be advanced consistent with the materials presented to the Board on this date.

**BE IT FURTHER RESOLVED**, that consistent with the Operating Authority of the SDA, Board approval will be sought going forward for all project charters developed based upon the results of these planning activities.

**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: 2022 Strategic Plan Update and Capital Plan Presentation, dated April 6, 2022

Dated: April 6, 2022

**Change Order No. 47 - Hall Construction Company, Inc. - Millville Public Schools District -  
Millville High School**

**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Andrew Oakley  
Program Director, Construction Operations

**DATE:** April 6, 2022

**SUBJECT:** Change Order Number 47 – GMP Reserve Allowance Reallocation

COMPANY NAME: Hall Construction Co., Inc.  
DISTRICT: Millville Public Schools  
CM: Greyhawk North America  
SCHOOL NAME: Millville High School  
CONTRACT NO.: ST-0046-B01  
CHANGE ORDER NO: 47  
REASON: Owner Initiated  
AMOUNT: \$0.00  
CONTRACT STATUS: 86.27% Paid to date against the Current Total Contract Value  
SUBSTANTIAL COMPLETION DATE: September 7, 2022  
ANTICIPATED OCCUPANCY DATE: September 2022

**INTRODUCTION**

I am writing to recommend approval by the Members of the Authority for Change Order Number 47 (CO 47) to reallocate \$500,000.00 of unused, remaining allowance funds within the Guaranteed Maximum Price (GMP) Reserve Allowance. Since this is merely a request to reallocate contract funds the total change order value is \$0.00.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, a change order which singularly exceeds \$500,000.00 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority. While the value of this this change order is \$0.00, the value of allowance funds being reallocated is \$500,000.00. Therefore, in keeping with the spirit of the Operating Authority, we are seeking Board approval for this change order.

**BACKGROUND**

The Project includes additions and alterations to Millville High School to increase its capacity to 2,026 students in grades 9 through 12. The School is located on a site owned by the Millville Public Schools District located at 200 Wade Boulevard in Millville, New Jersey. The Project will increase the School's size from approximately 200,000 square feet to approximately 375,000 square feet. Additions include a three-story wing housing a new cafeteria and classrooms; a new gymnasium and two-story wing housing administration and guidance areas, health and fitness rooms and science labs; a two-story connector wing housing art rooms, small-group rooms and a broadcast studio; a new auditorium; and a new HVAC central plant. Alterations include conversion of the existing auditorium to a



SUMMARY OF CHANGE

CO 47 is to reallocate \$500,000.00 of unused, remaining funds within the GMP Reserve Allowance.

CALCULATIONS

Original Contract Amount	\$ 114,453,000.00
Change Orders to Date (excluding proposed change order)	\$ 7,550,218.85
Proposed Change Order Amount (Not To Exceed)	\$ 0.00
Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.))	\$ 7,550,218.85
Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	6.6%
Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$ 122,003,218.85

All documents supporting CO 47 have been reviewed by the associated NJSDA Project Team members. All reviewing NJSDA staff members have determined that CO 47 is appropriate.

RECOMMENDATION

The Members of the Authority are requested to approve Change Order 47 as detailed above for the reallocation of allowance funds within the contract. Since this is merely a request to reallocate contract funds the total change order value is \$0.00.

In accordance with the Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any change order which singularly exceeds \$500,000.00 or singularly or when aggregated is greater than 10% of the contract value requires approval by the Members of the Authority. While the value of this this change order is \$0.00, the value of allowance funds being reallocated is \$500,000.00. Therefore, in keeping with the spirit of the Operating Authority, we are seeking Board approval for this change order.

/s/ Andrew Oakley  
Andrew Oakley, Program Director, Construction Operations

Reviewed and Recommended by: Steve Wendling, Deputy Director, Construction Operations  
Prepared and Recommended by: Ted Bosnjak, Program Officer, Construction Operations

**Resolution—6b.**

Approval of Change Order No. 47, Guaranteed Maximum Price  
Reserve Allowance Reallocation

COMPANY NAME:	Hall Construction Co., Inc.
DISTRICT:	Millville Public Schools
CM:	Greyhawk North America
SCHOOL NAME:	Millville High School
CONTRACT NO.:	ST-0046-B01
CHANGE ORDER NO:	47
REASON:	Owner Initiated
AMOUNT:	\$0.00
CONTRACT STATUS:	86.27% Paid to date against the Current Total Contract Value
ORIGINAL OCCUPANCY DATE:	September 7, 2022
ANTICIPATED OCCUPANCY DATE:	September 7, 2022

**Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) provides that a change order that singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires approval by the Members of the Authority; and

**WHEREAS**, the Millville High School project (Project) includes additions and alterations to increase the High School's capacity to 2,026 students in grades 9 through 12; and

**WHEREAS**, the High School is located on a site owned by the Millville Public Schools District and the Project will increase the School's size from approximately 200,000 square feet to approximately 375,000 square feet; and

**WHEREAS**, on May 24, 2017, Hall Construction Co., Inc. (Hall) was issued a notice-to-proceed (NTP) with the design and construction of the additions and renovations to the High School; and

**WHEREAS**, Change Order No. 47 in the amount of \$0.00 and presented for Board approval would reallocate \$500,000.00 of unused, remaining allowance funds from the building envelope Acoustical Enhancement Allowance (A4), to the General Design and Construction Allowance (A1) within the Guaranteed Maximum Price (GMP) Reserve Allowance; and

**WHEREAS**, this reallocation of funds recommended for Board approval would result in the movement of funds within the contract from an allowance where they are no longer needed to another project allowance where work is still anticipated to be performed that may be in excess of available allowance funding; and

**WHEREAS**, reallocating funds within the overall GMP Reserve Allowance would obviate the need for the issuance of separate change orders thus avoiding the unnecessary duplication of bond and insurance mark-ups, which costs would be passed on to the SDA; and

**WHEREAS**, this change order recommended by management would not increase the current, total, overall GMP Reserve Allowance and the reallocated funds could be utilized to resolve future unanticipated or unforeseen costs necessary to complete the services/work or to achieve Authority-directed upgrades in the services and/or work through the General Design and Construction Allowance within the GMP Reserve Allowance; and

**WHEREAS**, all documents supporting Change Order No. 47 have been reviewed by the associated SDA project team members and all staff members have determined that this change order is reasonable and appropriate; and

**WHEREAS**, while the value of this Change Order No. 47 is \$0.00, the value of the allowance funds being reallocated equals \$500,000.00 and, therefore, in keeping with the spirit of the Operating Authority and to ensure transparency, management is seeking Board approval for this change order.

**NOW, THEREFORE, BE IT RESOLVED**, that, in keeping with the spirit of the SDA Operating Authority and to ensure transparency, the Members of the Authority hereby authorize and approve Change Order 47, in the amount of \$0.00, to reallocate \$500,000 in unused remaining allowance funds within the GMP Reserve Allowance for the Millville High School Addition and Renovations project.

**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, Hall Construction Company Inc., Contract No. ST-0046-B01, Millville Public Schools District, Change Order No. 47, Millville High School, dated April 6, 2022

Dated: April 6, 2022

**Credit Change Order No. 3 - Hall Building Corporation - Neptune Township Public School -  
Neptune Senior High School**



**MEMORANDUM**

TO: Members of the Authority

FROM: Andrew Oakley, Program Director, Construction Operations

DATE: April 6, 2022

SUBJECT: Neptune – Neptune Senior High School

RE: Change Order No. 3 – Credit Change Order for Unused Funds

COMPANY NAME: Hall Building Corp.

DISTRICT: Neptune Township Public School

CONTRACT NO.: ET-0015-C06

SCHOOL NAME: Neptune Senior High School

ORIGINAL CONTRACT VALUE: \$495,158.43

CHANGE ORDER NO.: 3

REASON: Credit for Unused Funds for T&M Contract

AMOUNT: (\$139,041.44)

CONTRACT STATUS: 70.05% Paid to date against the Current Total Contract value

**INTRODUCTION**

I am writing this Memorandum seeking approval by the Members of the Authority for Credit Change Order (CO) No. 3 in the amount of \$139,041.44. The dollar value of the credit is the remaining unused balance of the Time and Materials (T&M) Contract Number ET-0015-C06. A Credit Change Order is the accounting mechanism by which the NJSDA de-obligates a contract’s unused funds.

In accordance with the NJSDA Operating Authority adopted by the Board on December 1, 2020, as amended on March 7, 2012, Board approval is required for any credit change order which singularly exceeds \$500,000 or 10% of the contract value. This Change Order singularly exceeds 10% of the contract value.

**BACKGROUND**

The work at Neptune High School included the removal and replacement of approximately 6,200 square feet of mercury containing poured polyurethane flooring (PFF) in the Auxiliary Gym. The scope involved removal and proper disposal of the current PFF, abatement of the concrete slab and replacement with a new certified non-mercury pad and PFF system. A qualified abatement firm removed the existing flooring and performed the abatement of the concrete slab. Hall Building Corp. (HBC) then proceeded with the installation of the new pad and PFF system.

HBC was issued a Notice-to-Proceed (NTP) on July 26, 2021 for the T&M contract for the Auxiliary Gym Floor Removal and Replacement project at Neptune High School.

REASON FOR CHANGE

This contract was issued on a T&M basis, for a Not-To-Exceed (NTE) value of \$495,158.43. The scope represented by that NTE value included remediation of the existing mercury containing floor, along with Order of Magnitude estimates for replacement flooring products. The value of the Credit Change Order represents cost effectiveness in terms of the replacement flooring system selected by the District as well as labor efficiencies. As of January 11, 2022, HBC completed the floor removal and proper disposal, concrete slab abatement, replacement of the old flooring with new rubberized non-mercury containing PFF, all clean up, and demobilization from the site. This Credit CO No. 3 in the amount of \$139,041.44 is necessary for the de-obligation of the unused contract funds to advance contract close-out.

All documents supporting this credit change order have been reviewed by the associated NJSDA project team members, Financial Operations, and the Director of Environmental Services for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members have determined that this credit change order is justified and that the amount is reasonable and appropriate.

CALCULATIONS

a.	Original Contract Amount	\$	495,158.43
b.	Change Orders to Date (Excluding Proposed Change Orders)	\$	(7,613.75)
c.	Proposed Change Order Amount (Total Amount)	\$	(139,041.44)
d.	Total Change Orders to Date including this Change Order Value (Total of Line (b.) and Line (c.))	\$	(146,655.19)
e.	Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))		-29.62%
f.	Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$	348,503.24

RECOMMENDATION

The Members of the Authority are requested to approve Credit Change Order No. 3 in the amount of \$139,041.44. In accordance with the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, any credit change order which singularly exceeds 10% of the contract value requires approval by Members of the Authority. This change order singularly exceeds 10% of the contract value

Recommended by:

/s/ Andrew Oakley  
Andrew Oakley, Program Director, Construction Operations

Reviewed and Recommended by: Ronald Carper, Director, Environmental Services, Pre-Development, & Real Estate

Reviewed and Recommended by Steve Wendling, Deputy Director, Construction Operations

Prepared and Recommended by: Sarmad Kamran, Assistant Program Officer, Construction Operations

**Resolution—6c.**

De-Obligation of Unused Contract Balance – Credit Change Order

COMPANY NAME: Hall Building Corp.  
DISTRICT: Neptune Township Public School  
CONTRACT NO.: ET-0015-C06  
SCHOOL NAME: Neptune Senior High School  
ORIGINAL CONTRACT VALUE: \$495,158.43  
CHANGE ORDER NO.: 3  
REASON: Credit for Unused Funds for T&M Contract  
AMOUNT: (\$139,041.44)  
CONTRACT STATUS: 70.05% Paid to date against the Current Total Contract value

**Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that a credit change order that singularly exceeds \$500,000 or 10% of the contract value requires approval by the Members of the Authority; and

**WHEREAS**, a credit change order is the accounting mechanism whereby the SDA de-obligates unused contract funds; and

**WHEREAS**, required work at the Neptune High School (High School) in the Neptune Township Public School District (District) involved approximately 6,200 square feet of mercury containing poured polyurethane flooring (PFF) in the High School’s Auxiliary Gym; and

**WHEREAS**, the scope of work included removal and proper disposal of the current PFF and abatement of the concrete slab by a qualified firm, followed by installation of the new certified non-mercury pad and PFF system (the Project); and

**WHEREAS**, Hall Building Corporation (HBC) was issued a notice-to-proceed (NTP) on July 26, 2021 pursuant to a time and material (T&M) contract for a not-to-exceed (NTE) value of \$495,158.43 for the Project; and

**WHEREAS**, the scope represented by the NTE value included remediation of the existing mercury containing floor, along with Order of Magnitude estimates for replacement flooring products; and

**WHEREAS**, the value of the credit change order presented to the Board on this date represents cost effectiveness in terms of the replacement flooring system selected by the District as well as labor efficiencies; and

**WHEREAS**, as of January 11, 2022, HBC completed the floor removal and proper disposal, concrete slab abatement, replacement of the old flooring with new rubberized non-mercury containing PFF, all clean up, and demobilization from the site; and

**WHEREAS**, this Credit Change Order No. 3 in the amount of \$139,041.44 is necessary for the de-obligation of the unused contract funds to advance contract close-out; and

**WHEREAS**, all documents supporting this credit change order have been reviewed by the associated SDA project team members, financial operations, and the director of environmental services for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that this credit change order is justified and that the amount is reasonable and appropriate; and

**WHEREAS**, this credit change order singularly exceeds 10% of the contract value and thus its issuance requires approval by the Members of the Authority; and

**WHEREAS**, the Project's background along with details as to the reason for the credit change order and the associated calculations are fully set forth in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, management recommends that the Members of the Authority authorize and approve Credit Change Order No. 3 consistent with the memorandum presented to the Board on this date and incorporated herein.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby authorize and approve Credit Change Order No. 3 in the amount of (\$139,041.44) to Hall Building Corporation for the Neptune High School project in the Neptune Township Public School District.

**BE IT FURTHER RESOLVED**, 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, Credit Change Order 3, De-Obligation of Unused Funds, Hall Building Corporation (Contract No. ET-0015-C06), Neptune Township Public School District, Neptune Senior High School, dated April 6, 2022

Dated: April 6, 2022

**Amendment No. 6 - Epic Management, Inc. - Orange Public School District -  
Cleveland Street Elementary School**

**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Joseph Lucarelli  
Program Director, Construction Operations

**DATE:** April 6, 2022

**SUBJECT:** Amendment No. 6 – Epic Management, Inc.

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COMPANY NAME: Epic Management, Inc.  
DISTRICT: Orange  
CONTRACT NO.: ES-0043-M01  
SCHOOL NAME: Cleveland Street Elementary School  
AMENDMENT NO.: 6  
REASON: Security Services  
AMOUNT: \$ 155,000.00 Not-to-Exceed  
ORIGINAL CONTRACT AMOUNT: \$ 1,185,078.41  
CONTRACT STATUS: 52.32% Paid to Date  
ANTICIPATED OCCUPANCY  
DATE: TBD

**INTRODUCTION**

I am writing to request approval by the Members of the Authority of a contract amendment to Epic Management, Inc. (Epic) for a Not-to-Exceed (NTE) amount of \$155,000.00 to provide site security services at the Orange Cleveland Street Elementary School project. This amendment is precipitated by the NJSDA's issuance of a Notice of Termination for Convenience to Brockwell & Carrington Contractors, Inc. (B&C), the General Contractor for the project, on January 20, 2022.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an Amendment which singularly exceeds \$100,000.00 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00 and 10% of the Contract value.

**BACKGROUND**

The Orange Cleveland Street Elementary School, built in 1898, is a 38,750 square foot facility educating 306 students in grades Kindergarten to 7. The project scope includes an 11,550 square foot addition and renovations to the existing facility to address overcrowding at the existing facility and will allow a change in grade alignment to Pre-K through Grade 6 consistent with the District's approved Long Range Facilities Plan (LRFP) for the Orange Cleveland Street Elementary School.

On March 6, 2019 the Members approved the award of a contract to B&C for Construction Services and the Final Project Charter for the Project. On May 2, 2019, the NJSDA issued a Notice to Proceed

(NTP) for the performance by B&C of a Constructability Review, consistent with the contract, to verify the following: Constructability of the Work, Coordination of the Work, Elimination of Conflicts in the Work, and Completeness of the Work as detailed in the Contract Documents. After performance of the Constructability Review B&C was issued a NTP for Construction Services on January 13, 2020, with a commencement date of January 15, 2020.

Concurrent with the NTP for Construction Services, Epic was issued a NTP to provide Construction Management Services for the Orange Cleveland Street Elementary School project with a commencement date of January 15, 2020.

Approximately two years after the construction NTP was issued to B&C, the NJSDA determined that termination of the Construction Services contract was in the best interest of the NJSDA and the State of New Jersey. Accordingly, the NJSDA issued a Notice of Termination for Convenience to B&C on January 20, 2022 in accordance with Section 11.3.2 of the contract, while at the same time directing B&C to complete portions of the work and demobilize from the project site by March 1, 2022. Due to timing between termination and obtaining approval for takeover by Epic, Epic has commenced the security services at risk to keep the site secure. The project is currently being prepared for procurement of a new contract for Construction Services, with revised documents, in order to complete the project.

#### REASON FOR CHANGE

Due to the termination of the General Contractor, B&C, site security services previously provided for in B&C's contract must now be provided without interruption via a different contract. The NJSDA has determined that assignment of the security services to the Construction Manager, Epic, is the most appropriate and expeditious way to address those services and ensure the project site remains safe and secure. Thus, the purpose of this amendment is to add the required security services to Epic's contract, inclusive of the estimated costs for these additional services. Daytime site security shall be provided by Epic staff who will continue to be on site during regular business hours, however during off hours, weekends and holidays site security will be provided by Epic contractors. Security services will continue to be provided by Epic until a new Construction Services contract is awarded for the project and the new General Contractor can assume responsibility for these services.

#### SUMMARY OF CHANGE

Epic was requested to provide a proposal to provide security services until a new contractor is in place to take responsibility for the project site. Epic has developed a proposal to provide twenty-three months of security services beginning in March 2022, for a cost of \$11,340.00 per month for the first ten months, a cost of \$14,140.00 per month for the succeeding thirteen months through the end of January 2024, plus an additional amount of \$729.12 per day for sixteen holidays. Epic's proposed total for providing the security services amounts to \$308,885.92. Based upon the Project Team's review of Epic's cost proposal and the projected procurement schedule to engage a new general contractor, the number of months for the service period was reduced from twenty-three months to twelve months. Accordingly, the final negotiated cost for security services is for a NTE amount of \$155,000.00, as follows: \$11,340.00 per month for the first ten months beginning in March 2022; \$14,140.00 per month

beginning in January 2023 and continuing for two months through the end of February 2023; an additional \$729.12 per day for eight holidays; and approximately \$7,500.00 for contingency to address unforeseen contractual issues.

All documents supporting this amendment have been reviewed by the associated NJSDA Project Team and Financial Operations for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members have determined that the items included in the amendment are justified and that the amount is reasonable and appropriate.

### CALCULATIONS

a. Original Contract Amount	\$ 1,185,078.41
b. Amendment(s) to Date	\$ 364,466.90
c. Proposed Amendment Amount	\$ 155,000.00
d. Total Amendments to Date including this Amendment (Total of Line (b.) and Line (c.))	\$ 519,466.90
e. Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))	\$ 43.83%
f. Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$ 1,704,545.31

### RECOMMENDATION

As detailed above, the Members of the Authority are requested to approve a contract amendment to Epic for a NTE amount of \$155,000.00 to provide site security services at the Orange Cleveland Street Elementary School project.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, an Amendment which singularly exceeds \$100,000.00 or 10% of the Contract value requires approval by the Members of the Authority. This amendment exceeds \$100,000.00 and 10% of the Contract value.

Recommended by:

/s/ Joseph Lucarelli

Joseph Lucarelli, Program Director, Construction Operations

Reviewed and Recommended by: Denise Petraglia, Deputy Director, Construction Operations

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

## ***Resolution 6d.***

Amendment No. 6 - Epic Management, Inc., Orange School District, Cleveland Street Elementary School, Security Services

### **Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority authorize and approve contract amendments in an amount exceeding \$100,000 or 10% of the contract value; and

**WHEREAS**, the Orange Cleveland Street Elementary School (OCES) is a 38,750 square foot facility currently educating 306 students in grades Kindergarten through 7; and

**WHEREAS**, in March 2019 the SDA Board approved an award for construction services to Brockwell & Carrington Contractors, Inc. (B&C) and a final project charter for a project at the OCES (the Project); and

**WHEREAS**, the Project scope includes an 11,550 square foot addition and renovations to the to address overcrowding at the existing facility and will allow a change in grade alignment to Pre-Kindergarten through grade 6 consistent with the district's approved Long Range Facilities Plan; and

**WHEREAS**, on January 15, 2020, B&C commenced the provision of construction services for the Project, with Epic Management, Inc. (Epic) concurrently providing construction management services; and

**WHEREAS**, on January 20, 2022, the SDA issued a Notice of Termination for Convenience to B&C in accordance with Section 11.3.2 of the contract while, at the same time, directing B&C to complete portions of the work and demobilize from the project site by March 1, 2022; and

**WHEREAS**, with B&C's departure, Epic has assumed interim responsibility for site security services at risk to keep the project site secure as management prepares for procurement of a new contract for construction services in order to complete the project; and

**WHEREAS**, management now seeks Board approval of Amendment No. 6 to its contract with Epic to add the required security services, inclusive of the estimated costs, for these additional services, until such time as a new construction services contract is awarded for the project and the new general contractor can assume responsibility for the same; and

**WHEREAS**, the details of Epic's cost proposal for its provision of the security services are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

**WHEREAS**, all documents supporting this proposed contract amendment have been reviewed by the associated SDA project team and financial operations for adherence to current SDA policy and procedures and all reviewing SDA staff members have determined that the items included in the amendment are justified and that the amount is reasonable and appropriate.

**NOW, THEREFORE, BE IT RESOLVED**, that, the Members of the Authority hereby authorize and approve Amendment No. 6 for the provision of security services by Epic Management Inc. for the Orange Cleveland Street Elementary School project consistent with the memorandum presented to the Board on this date and incorporated herein.

**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, Amendment No. 6, Epic Management, Inc., Orange Public School  
District, Cleveland Street Elementary School, Security Services, dated April 6, 2022

Dated: April 6, 2022

**REPORT AND RECOMMENDATIONS OF THE REAL ESTATE COMMITTEE  
(CHAIRMAN'S REPORT) –TO BE PROVIDED IN EXECUTIVE SESSION**

**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: April 6, 2022

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 3/23/22

**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	School occupied Sep. 2017. (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 3/23/22

**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	\$28.4	Design-Bid-Build	Award for D-B approved Nov. 2019 Board. (Niram)	6/24/19
New Brunswick	Robeson ES	PK-5	823	893	\$48.5	Kit of Parts/ Design-Build	School occupied Sep. 2018. (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	School occupied Sep. 2018. (Bock)	6/28/13 6/29/15
Passaic	Dayton Ave. Campus	PK-8	2,760	3,020	\$240.9	Kit of Parts/ Design-Build	Substantial Completion achieved Nov. 2021. (Terminal)	6/13/17
Phillipsburg	High School	9-12	1,846	2,172	\$127.5	Existing Design	School occupied Sep. 2016. (Epic Management)	9/27/12
West New York	Memorial HS	9-12	1,859	2,194	\$16.0	Alternative Delivery (acquisition) & Renovation	Acquisition of Existing St. Joseph's HS complete. Renovation work delegated to District via Grant.	n/a

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

**2011 & 2012 Portfolio Projects Activities Summary**

as of 3/23/22

**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	Sheila Y. Oliver Academy (GW Carver ES)	PK-5	470	512	\$41.2	Kit of Parts/ Design-Build	School delivered Sep. 2020 (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	School occupied Sep. 2018. (Brockwell & Carrington)	2/19/14 6/30/15
Harrison	New ES	PK - 1	392	432	\$36.1	Kit of Parts/ Design-Build	School delivered Nov. 2020 (Dobco)	11/10/15 7/13/16
Irvington	Madison Avenue ES	PK-5	463	504	\$38.6	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Bock)	11/19/15 8/16/16
Millville	Senior HS Addition/Renovation	HS	2,026	2,384	\$145.0	Design-Build	Award for D-B approved Apr. 2017 Board. (Hall Construction)	9/30/16
Passaic	Sonia Sotomayor ES (New ES @ Leonard Place)	K-5	628	698	\$55.9	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Dobco, Inc.)	8/13/15
Paterson	New MS @ Union Ave.	6-8	996	1107	\$113.9	Design-Build	Substantial Completion achieved 4 QTR 2021. (Epic Management)	3/2/17 4/26/18
Pemberton	Denbo-Crichton ES	PK-5	846	930	\$58.7	Design-Build	School delivered Sep. 2020. (Bock)	3/1/17 9/13/17
Perth Amboy	High School	HS	2,800	3,295	\$283.8	Design-Build	Award for D-B approved Nov. 2019 Board. (Terminal)	3/26/19
Perth Amboy	Rose M. Lopez ES (Seaman Avenue ES)	K-5	724	804	\$56.4	Kit of Parts/ Design-Build	School occupied Sep. 2019. (Epic Management).	2/3/16
Plainfield	New Woodland ES	K-5	756	840	\$59.4	Kit of Parts/ Design-Build	Award for D-B approved Feb. 2020 Board. (Epic Management)	5/23/18 8/29/19
Union City	New Grade 7 to 9 School	7-9	756	840	\$75.5	Kit of Parts/ Design-Build	Advertisement for D-B 11/15/21. Proposals received 12/16/21.	5/19/21 11/15/21
Vineland	Lincoln Ave. MS (New MS)	6-8	562	624	\$49.8	Kit of Parts/ Design-Build	School occupied Sep. 2018. (Bock).	9/24/15

**\*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 3/23/22

**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	\$132.6	Design-Build	School occupied Sep. 2021 (Bock)	6/9/17 3/23/18
Hoboken	Demarest ES	ES	TBD	TBD	TBD	Design-Bid-Build	Pre-Design Services ongoing.	TBD
Orange	Cleveland St. ES	PK-6	316	348	\$38.9	Design-Bid-Build	Award for GC approved Mar. 2019 Board. (Brockwell & Carrington)	9/10/18 11/14/18
Orange	High School	9-12	1,440	1,694	\$51.9	Design-Bid-Build	Award for GC approved Mar. 2019 Board. (Terminal)	10/12/18
Trenton	Central HS	10-12	1,850	2,176	\$155.4	Design-Build	School occupied Sep. 2019. (Terminal)	12/19/14 9/29/15

**\*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.

## Active Project Status Report

### Status as of 3/1/2022

#### 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	City of Orange	Cleveland Street ES	Addition/Renovation	Construction	Under Review	Under Review	Under Review	Under Review	\$ 34,978,332
2	City of Orange	Orange High School	Addition/Renovation	Construction	3Q 2022	On-target	Phased	On-target	\$ 51,931,218
3	Keansburg	Port Monmouth Road School	Addition/Renovation	Construction	2Q 2022	On-target	Sep-22	On-target	\$ 28,440,130
4	Millville	Millville Senior High School	Addition/Renovation	Construction	3Q 2022	On-target	Phased	On-target	\$ 145,005,733
5	Passaic City	New Dayton Avenue Educational Campus	New Construction	Construction	4Q 2021	Achieved	Phased	Achieved	\$ 240,923,270
6	Perth Amboy	New High School	New Construction	Construction	2Q 2024	On-target	Sep-24	On-target	\$ 283,830,000
7	Plainfield	New Woodland ES	New Construction	Construction	3Q 2022	On-target	Sep-22	On-target	\$ 59,440,000

## Active Project Status Report

### Status as of 3/1/2022

#### 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	Newark	Harriet Tubman School	Basement Water Infiltration	Construction	1Q 2022	On Target	1Q 2022	On-Target	\$ 219,819
2	Newark	Ivy Hill School	Boiler Room Vault Repairs	Construction	1Q 2022	On Target	1Q 2022	On-Target	\$ 1,758,900
3	Newark	Malcolm X. Shabazz HS	Structural Repairs	Construction	1Q 2022	On Target	2Q 2022	On-Target	\$ 3,189,000
4	Newark	Roberto Clemente School	Sub-Basement Water Infiltration	Construction	3Q 2022	On Target	4Q 2022	On-Target	\$ 1,456,800
5	Newark	Techonology High School	Structural Vault Repairs and Façade Repairs	GCTO w/ Design Design Phase	2Q 2022	On Target	2Q 2022	On-Target	\$ 2,867,680
6	Paterson	PS #5	Roof Replacement & Masonry Repairs	Construction	2Q 2022	On Target	2Q 2022	On-Target	\$ 10,968,112

## **PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Program Operations

DATE: April 6, 2022

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:**

Orange High School - Addition and Renovation project

**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: January 2008 to February 2022

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

Millville	Millville Senior HS - Addition & Renovation	\$5,000,000	\$5,000,000	\$0	100.0%	84%	Board approved additional building condition repair work and flood hazard area mitigation work added to the project.	Project is in construction and scheduled for completion per the original schedule. Revised Final Project Charter approved by the CEO in June 2021 to allocate additional contingency to the project from the Unforeseen Events Reserve.
Orange	Orange HS - Addition & Renovation	\$4,525,000	\$3,543,806	\$981,194	78.3%	90%	Unforeseen conditions related to the site and renovation portions of the project and connection of the HS to the Orange Preparatory Academy.	Project is in construction and scheduled for completion this year. Revised Final Project Charter will be advanced to the CEO to allocate additional contingency to the project from the Unforeseen Events Reserve.

### Substantially Complete & Building Occupied

Please refer to the Project Close-Out Activity Report for status of close-out activities

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. Project close-out pending resolution of open contracts.
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. Project close-out pending resolution of open contracts.

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

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

Reporting Period: February 2022

#	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 Data During the Reporting Period



### Revisions to Project Charters

Reporting Period: February 2022

#	District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
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No Data During the Reporting Period

**CONTRACTS EXECUTED REPORT/AMENDMENTS & CHANGE ORDERS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: April 6, 2022

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 February 1 through February 28, 2022.

**Noteworthy Items during the reporting period:**

- No noteworthy activity during the reporting period.

**Amendments & Change Orders Report**

This report contains the activity of Amendments and Change Orders executed during the period February 1 through February 28, 2022.

**Noteworthy Items during the reporting period:**

- 6 Professional Services Amendments were executed during the reporting period totaling \$45k, of the 6 executed amendments 1 required Board approval totaling \$175k.
- 26 Construction Services Change Orders were executed during the reporting period totaling \$404k, of the 26 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



## Amendments &amp; Change Orders Report

Reporting Period: 2/1/2022 through: 2/28/2022

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>													
Bridgeton	Bridgeton Senior H.S.	EP-0105-A01	6/14/2018	5	USA Architects, Planners + Interior Designers, Ltd	2/7/2022	\$924,545	(\$100,000)	(\$74,881)			\$749,664	-18.92%
Bridgeton	Bridgeton Senior H.S.	EP-0105-A01	6/14/2018	6	USA Architects, Planners + Interior Designers, Ltd	2/7/2022	\$924,545	(\$174,881)	(\$41,963)			\$707,701	-23.45%
Bridgeton	Bridgeton Senior H.S.	EP-0105-A01	6/14/2018	7	USA Architects, Planners + Interior Designers, Ltd	2/24/2022	\$924,545	(\$216,843)	(\$30,286)			\$677,416	-26.73%
City Of Orange Township	Orange H.S.	ES-0042-A01	5/5/2015	20	Kliment Halsband Architects LLP	2/9/2022	\$3,558,511	\$339,390	\$174,580	Y	1/5/2022	\$4,072,481	14.44%
<b>Design Consultant</b>													
<b>Construction Management Services</b>													
City Of Orange Township	Orange H.S.	ES-0042-M01	1/9/2019	1	Cambridge Construction Management, Inc.	2/11/2022	\$1,504,858	\$0	\$88,490			\$1,593,348	5.88%
Pemberton Township	Denbo Crichton E.S.	WT-0023-M01	5/21/2018	3	Cambridge Construction Management, Inc.	2/10/2022	\$1,658,551	(\$220,710)	(\$71,289)			\$1,366,552	-17.60%
<b>Construction Management Services</b>													
<b>Professional Services</b>													
										<b>\$44,651</b>			
<b>Construction Services</b>													
<b>Contractor</b>													
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	9	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,308,909	\$9,093			\$40,318,003	8.96%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	14	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,318,003	\$4,226			\$40,322,229	8.97%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	20	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,322,229	\$8,462			\$40,330,691	9.00%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	28	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,330,691	\$6,622			\$40,337,313	9.01%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	39	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,337,313	\$26,697			\$40,364,010	9.09%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	45	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,364,010	\$9,520			\$40,373,530	9.11%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	46	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,373,530	\$14,262			\$40,387,792	9.15%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	62	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,387,792	\$8,249			\$40,396,041	9.17%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	63	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,396,041	\$7,406			\$40,403,447	9.19%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	78	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,403,447	\$10,088			\$40,413,535	9.22%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	79	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,413,535	\$6,411			\$40,419,946	9.24%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	82	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,419,946	\$32,569			\$40,452,515	9.33%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	83	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,452,515	\$30,959			\$40,483,474	9.41%



## Amendments &amp; Change Orders Report

Reporting Period: 2/1/2022 through: 2/28/2022

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 %
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	84	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,483,474	\$13,241			\$40,496,715	9.45%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	85	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,496,715	\$27,469			\$40,524,184	9.52%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	86	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,524,184	\$19,621			\$40,543,806	9.57%
City Of Orange Township	Orange H.S.	ES-0042-C01	4/29/2019	87	Terminal Construction Corp.	2/11/2022	\$37,000,000	\$3,543,806	\$15,135			\$40,558,940	9.61%
Egg Harbor City	New Middle School	ET-0097-C02	8/21/2015	12	IEW Construction Group, Inc.	2/3/2022	\$389,789	\$1,233,201	(\$23,725)			\$1,599,265	310.28%
Egg Harbor City	New Middle School	ET-0097-C02	8/21/2015	13	IEW Construction Group, Inc.	2/3/2022	\$389,789	\$1,209,476	(\$41,974)			\$1,557,291	299.52%
Keansburg Borough	Port Monmouth Road School	ET-0098-C01	12/19/2019	7	Niram Inc.	2/3/2022	\$18,645,000	\$926,162	\$166,409			\$19,737,571	5.85%
Neptune Township	Shark River Hills E.S.	ET-0012-C02	8/2/2021	1	Epic Management, Inc.	2/3/2022	\$423,525	\$0	(\$10,000)			\$413,525	-2.36%
Paterson	Number 5 E.S.	EP-0113-C01	6/15/2021	4	Paul Otto Building Co., Inc.	2/10/2022	\$7,494,000	\$250,827	\$10,851			\$7,755,677	3.49%
Plainfield	Plainfield H.S.	EP-0107-C01	9/10/2018	4	Catcord Construction Co., Inc.	2/3/2022	\$897,774	\$48,586	(\$21,909)			\$924,451	2.97%
Paterson	Union Avenue Middle School E.S.	PA-0011-B01	10/18/2018	12	Epic Management, Inc.	2/24/2022	\$57,932,000	\$501,688	(\$83,970)			\$58,349,718	0.72%
Perth Amboy	New Perth Amboy High School	ET-0099-B01	1/6/2020	8	Terminal Construction Corp.	2/16/2022	\$247,950,000	\$2,664,673	\$13,144			\$250,627,817	1.07%
Perth Amboy	New Perth Amboy High School	ET-0099-B01	1/6/2020	9	Terminal Construction Corp.	2/16/2022	\$247,950,000	\$2,677,817	\$100,000			\$250,727,817	1.12%

## Contractor

## Construction Services

\$358,856

Total Change Order Summary

\$403,507

Total Change Orders

32

## Grand Totals

## Column Description Legend

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

## **CONTRACT TERMINATIONS REPORT**

**NJSDA Terminated Contracts**

February 1, 2022 through February 28, 2022

<b>Contract #</b>	<b>School Name</b>	<b>Vendor Type</b>	<b>Vendor</b>	<b>Type of Termination</b>	<b>Scope of Termination</b>	<b>Termination Date</b>
ES-0043-C01	Orange Cleveland Street Elementary School	Construction	Brockwell & Carrington Contractors Inc.	Convenience	Entire Contract	February 26, 2022

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

## **DIVERSITY AND WORKFORCE PARTICIPATION REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Karon L. Simmonds, Director, Risk Management

DATE: April 6, 2022

SUBJECT: Diversity and Workforce Participation Monthly Update for January 2022

The Risk Management staff continues to participate at mandatory pre-bid and pre-construction meetings to instruct and inform bidders regarding SDA’s Small Business Enterprise (SBE) and Workforce goals, policies and procedures, including:

- SBE subcontracting goal of 25% of all contracts
- County workforce goals for minorities and females
- Local 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 ATTAINMENT**

The SDA regularly exceeds the State-mandated 25% SBE goal. There were no SDA contract dollars awarded through January 31, 2022. The total contract dollars awarded to all SBE contractors was zero dollars (including minorities, women and veterans). This represents an initial participation of 0.00% of all SDA contracts awarded in calendar year 2022. Participation will continue to increase as the Prime contractor continues to hire additional subcontractors/subconsultants through the lifecycle of the construction project.

**Diversity Breakdown**

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$ -0-	0.00%
Small/ Minority Business Enterprises	\$ -0-	0.00%
Small/Women Business Enterprises	\$ -0-	0.00%
Small/Veteran Owned Business Enterprises	\$ -0-	0.00%
Small/Minority/Women Business Enterprises	\$ -0-	0.00%
<b>TOTAL DIVERSITY CONTRACTS</b>	<b>\$ -0-</b>	<b>0.00%</b>

## WORKFORCE PARTICIPATION

For the month of January 2022, there was a contractor workforce of 512 on SDA projects. This represents a total of 32,749 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	35	1,996	6.10%
Hispanic	96	5,045	15.41%
American Indian	0	0	0.00%
Asian	3	112	0.34%
<b>Total Minority Participation</b>	<b>134</b>	<b>7,153</b>	<b>21.84%</b>
Total Non-Minority Participation	378	25,596	78.16%
Total Contractor Workforce	512	32,749	100.00%

There was a contractor workforce of 32,749 total workforce hours and zero (0) total female workforce hours on SDA projects for the period of January 1, 2022 through January 31, 2022. The following table highlights the *Local County Contractor Workforce* participation for this period:

<b>Local County Contractor Workforce Participation</b>	<b>Workforce Hours</b>	<b>Percentage</b>
*Total Workforce Hours	32,749	100.00%
<b>*Total Local County Workforce Hours</b>	<b>3,142</b>	<b>9.59%</b>
<b>Total Local County Non-Minority Workforce Hours</b>	<b>1,837</b>	<b>5.61%</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>1,305</b>	<b>3.99%</b>
<b>**Local County Workforce Hours by Ethnicity:</b>		
Black	454	1.39%
Hispanic	851	2.60%
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.

The following table represents contractor minority and female workforce for all SDA active Capital Projects and all active and completed Emergent Projects for the period of January 1, 2022 through January 31, 2022.

<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>	
Port Monmouth Road School	2,743	577	21.04%	0	0.00%
Millville HS	7,397	1,396	18.87%	751	10.15%
Dayton Ave Campus	539	82	15.21%	0	0.00%
Union Ave MS	301	24	7.97%	0	0.00%
Cleveland ES	404	56	13.86%	0	0.00%
Orange HS	1,905	563	29.55%	0	0.00%
Perth Amboy HS	12,087	2,079	17.20%	879	7.27%
Plainfield ES	5,899	1,644	27.87%	1,512	25.63%
Emergent Projects	1,474	732	49.66%	0	0.00%

Prepared by: Charlotte Brooks  
Zaida Olszak

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



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Program Operations

DATE: April 6, 2022

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 February 2022. Also included is a detailed list of grants executed and grants offered during the reporting period if applicable.

**Monthly Update:**

- No grants were offered during the reporting period.
- No grants were executed during the reporting period.
- 4 grants impacting 1 district were closed out during the reporting period representing \$848 thousand in total project costs and a state share of \$339 thousand.
- Since inception, over \$2.9B 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.



# SCHOOLS DEVELOPMENT AUTHORITY

## Monthly Regular Operating District Grant Report - Summary

February 2022

ROD Grant Summary Since Program Inception				
	Offered <sup>1</sup>	Executed	Closed-Out	Active
Districts Impacted	-	524	520	53
Number of Grant Projects	-	5,404	5,193	211
Total Project Cost Estimate	\$ -	\$ 8,942,199,663	\$ 8,771,141,988	\$ 171,057,674
Grant Amount	\$ -	\$ 3,001,789,381	\$ 2,919,628,348	\$ 82,161,033
Amount Disbursed	N/A	\$ 2,946,376,254	\$ 2,919,628,348	\$ 26,747,906

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	\$ 82,880,011
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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	-	1
Number of Grant Projects	-	4
Total Project Cost Estimate	\$ -	\$ 847,849
Grant Amount	\$ -	\$ 339,140
Amount Disbursed	NA	\$ 339,140

\* 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

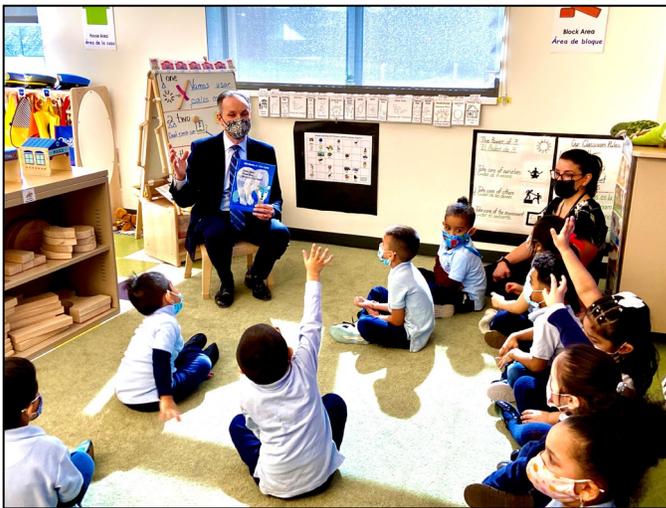
TO: Members of the Authority

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

DATE: April 6, 2022

SUBJECT: Monthly Communications Report

### **SDA Celebrates Read Across America Week at Passaic School**



On March 3, CEO Manuel Da Silva visited the Abraham Lincoln School No. 24 in Passaic, which is part of the new Passaic Dayton Avenue Educational Campus funded by the SDA. Mr. Da Silva visited two classrooms to read stories and interact with the pre-kindergarten students.

Thank you to Superintendent Montañez-Diodonet, Assistant Superintendent Truppo, Principal Drago and Passaic Public Schools students for welcoming SDA to the school.

## **MONTHLY FINANCIAL REPORT**



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** April 6, 2022

**SUBJECT:** Monthly Financial Report – February 2022

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

For February 2022 year to date, Authority operating expenses, **\$2.1M**, are **\$395K** lower than budget for the corresponding period. This budget variance is attributable to lower employee salary and benefit costs, **\$532K**, partially offset by a lower than projected payroll expense allocation to project costs, **\$403K**. Also contributing to the variance are lower than anticipated spending for contracted services, **\$163K**, general office expenses, **\$51K**, and information systems costs, **\$6K**.

The current employee headcount (FTEs) is 146, which is down 12 FTEs as compared to budget.

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

For February 2022 year to date, Authority operating expenses, **\$2.1M**, are **\$21K** lower when compared to the corresponding prior year. This variance is primarily related to a year over year lower payroll expense allocation to project costs, **\$216K**, offset by a decrease in employee salaries and benefits, **\$127K**.

The current number of FTEs, 146, is down 23 FTEs as compared to the prior year.

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

For February 2022 year to date, project expenditures, **\$80.8M**, are **\$30.3M** higher than the capital spending forecast for the corresponding period. This variance is due to higher than forecasted spending for grant activity, **\$40.2M**, furniture and fixture purchases, **\$2.3M**, and design services, **\$224K**, offset by lower than forecasted spending in construction work, **\$11.7M**, payroll expense allocation, **\$403K**, project insurance, **\$113K**, inter-agency transfers, **\$76K**, and property acquisitions, **\$63K**.

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

For February 2022 year to date, project expenditures **\$80.8M**, are higher by **\$47.9M**, when compared to the corresponding prior year. This variance is related to increased spending activity in grants, **\$41.9M**, furniture and fixtures, **\$6.9M**, design services, **\$643K**, offset by decreased spending in construction work **\$1.2M**, PMF/CM services, **\$164K**, payroll expense allocation, **\$127K**, project insurance **\$58K**, and property acquisitions, **\$53K**.

**Other**

Since program inception, 91.1% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception, 96% of all SDA disbursements relate to school facility projects and 4% relate to operating expense.

The estimated value of active school facilities, capital, emergent and ROD grant projects is approximately \$1.1B.

Attachment

**New Jersey Schools Development Authority**  
**Monthly Financial Report**  
**February 2022**  
**(Preliminary)**

# New Jersey Schools Development Authority

## Overview of Financial Position

### February 28, 2022

**To:** The Audit Committee

**From:** Sherman E. Cole, Controller

The information contained in this monthly financial report is for the period as of, and for the year-to-date ending, February 28, 2022.

► Overall **Cash and Cash Equivalents** have decreased by \$83.5 million to \$537.7 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$	-
■ Investment earnings		69,270
■ Miscellaneous revenue		1,915
■ Project costs		(80,839,844)
■ SDA operating expenses		(2,709,350)
■ SDA capital expenditures		-
■ Deposits (primarily district local shares)		818
Net Change in Cash		\$ (83,477,191)

► **Prepaid Expenses** total \$496,674 as follows:

- Prepaid insurance of \$465,694.
- Prepaid rents of \$0 for the Authority's leased office space.
- Prepaid MIS maintenance service contracts of \$28,406.
- Other prepaids of \$2,574.

► **Capital Assets** total \$1,464,645 (net of accumulated depreciation of \$4,756,792), consisting of leasehold improvements (SDA office), 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 \$0 and **Depreciation Expense** is \$91,655.

► **Accrued Liabilities** total \$105.1 million, as follows:

- Accrued project costs of \$27.9 million consisting of unpaid invoices (\$8.9 million) and retainage (\$19.0 million).
- Net pension liability of \$42.4 million & Accrued annual pension payable of \$2.5 million.
- Other post-employment benefits obligation of \$29.3 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$0.7 million (PRO liability \$2.2 million, offset by expected cost recoveries of \$1.5 million).
- Estimated liability for loss contingencies totaling \$0.4 million.
- Payroll related liabilities of \$1.6 million.
- Other accrued liabilities of \$0.3 million.

► **Deposits** total \$6.6 million, as follows:

- \$6.6 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$416.3 million.

# New Jersey Schools Development Authority

## School Facilities Project Expenditures & Funding Allocation

### February 28, 2022

► **School Facilities Construction Bond / Note Proceeds & Project Expenditures**

- During the current year to date, the SDA has received \$0 million in bond proceeds.  
The total amount of bond/note proceeds received since program inception is \$11.848 billion.
- Project expenditures for the month and year-to-date periods total \$36.5 million and \$80.8 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Current Year-To-Date</u>	<u>Since Program Inception</u>
Construction	\$ 10,743,490	\$ 27,100,432	\$ 5,526,342,366
Design Services	274,621	529,531	413,272,375
PMF/CM Services	325,750	879,201	476,048,288
SDA Project Management	699,063	1,487,535	123,105,142
Property Acquisition, Relocation & Enviro	155,258	260,454	585,176,721
School Furniture, Fixtures & Equipment	2,244,374	6,982,099	228,377,584
Project Insurance	(29,407)	(29,407)	114,561,981
NJ State Inter-Agency Transfers	-	-	52,505,486
SDA District Grant & Funding Agreements	14,971,514	32,731,671	911,696,406
Regular Operating District Grant Agreements	7,074,621	10,778,289	2,965,463,583
Real-Time Project Audits	19,472	61,791	852,500
Property Management, Maintenance & Utils	(18,751)	8,753	18,863,169
Outside Legal & Claims Resolution Services	25,322	30,359	11,543,944
Temporary Staffing	9,643	15,913	10,692,477
Other Project Costs	2,616	3,223	62,195,826
Project Credits	-	-	(54,902,944)
<b>Total Project Expenditures</b>	<b>36,497,586</b>	<b>80,839,844</b>	<b>11,445,794,904</b>
Less: Local Share Contributions	-	-	(185,112,439)
<b>Project Expenditures (State Share)</b>	<b>\$ 36,497,586</b>	<b>\$ 80,839,844</b>	<b>\$ 11,260,682,465</b>
 2022 Capital Spending Forecast	 \$ 25,259,437	 \$ 50,573,875	

#### Allocations Since Program Inception

► **Bond/Note 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	\$ 9,027,074,254	\$ 8,222,317,260
■ Regular Operating Districts	3,450,000,000	3,500,291,582	3,276,311,046
■ Vocational Schools	150,000,000	152,009,802	122,642,763
<b>Total - State Share</b>	<b>\$ 12,500,000,000</b>	<b>\$ 12,679,375,638</b>	<b>\$ 11,621,271,069</b>

► **Percentage of Total Bond/Note Funding Paid to Date**

■ SDA Districts	91.1%
■ Regular Operating Districts	93.6%
■ Vocational Schools	80.7%
<b>Total - State Share</b>	<b>91.7%</b>

1 Of the \$12.5 billion authorized for the school construction program, \$11,847,702,648 principal amount of bond/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).

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$510,397,270.

# New Jersey Schools Development Authority

## Fund Reporting Operating Expenses vs Budget

### February 28, 2022

<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	\$ 2,184,002	\$ 2,588,550	\$ (404,548)
Employee Benefits	569,441	689,004	(119,563)
Direct Hire Temporary Employee Costs	-	8,074	(8,074)
Total Employee Salaries & Benefits Costs	2,753,443	3,285,628	(532,185)
<b>Less: Employee Salaries &amp; Benefits Costs</b>			
Charged to Projects	1,487,535	1,890,776	(403,241)
Salaries & Benefits Charged to Operating Expense	1,265,908	1,394,852	(128,944)
Temporary Staffing Services	-	25,000	(25,000)
Travel & Expense Reimbursements	2,272	4,368	(2,096)
Training & Professional Development	9,191	16,418	(7,227)
Total Personnel Expenses	1,277,371	1,440,638	(163,267)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	356,983	408,098	(51,115)
Information Systems	336,858	342,712	(5,854)
Professional & Other Contracted Services	44,435	207,218	(162,783)
Property & Casualty Insurance	79,549	77,884	1,665
SDA-Owned Automobiles	9,080	14,166	(5,086)
Communications & Outreach	-	300	(300)
Reserve for Unforeseen Events & New Initiatives	-	8,334	(8,334)
<b>Total Authority Operating Expenses</b>	<b>\$ 2,104,276</b>	<b>\$ 2,499,350</b>	<b>\$ (395,074)</b>

**2022 Annual Operating Budget**

**\$ 15,754,151**

# New Jersey Schools Development Authority

## Fund Reporting Operating Expenses vs Prior Year

### February 28, 2022

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2021</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 2,184,002	\$ 2,341,638	\$ (157,636)
Employee Benefits	569,441	627,676	(58,235)
Direct Hire Temporary Employee Costs	-	-	-
Total Employee Salaries & Benefits Costs	2,753,443	2,969,314	(215,871)
<b>Less: Employee Salaries &amp; Benefits Costs</b>			
Charged to Projects	1,487,535	1,614,158	(126,623)
Salaries & Benefits Charged to Operating Expense	1,265,908	1,355,156	(89,248)
Temporary Staffing Services	-	-	-
Travel & Expense Reimbursements	2,272	1,416	856
Training & Professional Development	9,191	8,110	1,081
Total Personnel Expenses	1,277,371	1,364,682	(87,311)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	356,983	341,349	15,634
Information Systems	336,858	327,812	9,046
Professional & Other Contracted Services	44,435	15,297	29,138
Property & Casualty Insurance	79,549	66,959	12,590
SDA-Owned Automobiles	9,080	9,080	-
Communications & Outreach	-	-	-
Reserve for Unforeseen Events & New Initiatives	-	-	-
<b>Total Authority Operating Expenses</b>	<b>\$ 2,104,276</b>	<b>\$ 2,125,179</b>	<b>\$ (20,903)</b>

# New Jersey Schools Development Authority

## Employee Headcount

### February 28, 2022

	<u>Current Month End</u>	<u>Budget</u>	<u>Over/ (Under)</u>
<b>Office of Chief Executive Officer</b>	3	3	-
Human Resources	4	4	-
Vacant Positions	0	2	(2)
Communications	3	3	-
Information Systems	13	13	-
Central Records Management	3	3	-
Legislative Affairs	1	1	-
<b>Office of Program Operations &amp; Strategic Planning</b>	1	2	(1)
Capital Planning & Program Operations	7	7	-
Design Studio	14	16	(2)
Grants Administration	8	9	(1)
Real Estate Services & Predevelopment	4	4	-
<b>Office of Construction Operations</b>	0	0	-
Project Teams	24	26	(2)
<b>Office of Corporate Governance &amp; Legal Affairs</b>	5	5	-
Chief Counsel	8	8	-
Safety	8	8	-
Internal Audit	2	3	(1)
<b>Office of Chief Financial Officer</b>	2	2	-
Financial Operations	7	7	-
Financial Accounting & Disbursements	9	10	(1)
Procurement	8	8	-
Risk Management	7	8	(1)
Property Management	1	2	(1)
Facilities	4	4	-
<b>Total Full-Time Employees at Month End</b>	<b><u>146</u></b>	<b><u>158</u></b>	<b><u>(12)</u></b>
<b>Total Full-Time Employees at Year End</b>		<b><u>175</u></b>	

**New Jersey Schools Development Authority**  
**Statement of Net Position**  
**February 28, 2022**

**Excludes 2021 GASB 68 Entries**

	<u>Current</u> <u>Month End</u>	<u>2021</u> <u>Year End</u>	<u>Over/</u> <u>(Under)</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 537,682,972	\$ 621,160,163	\$ (83,477,191)
Receivables	4,886	4,847	39
Prepaid Expenses	496,674	155,694	340,980
Capital Assets (Net of Accumulated Depr.)	1,464,645	1,556,300	(91,655)
Total Assets	539,649,177	622,877,004	(83,227,827)
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions & OPEB	14,663,260	14,663,260	-
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
	<b>\$ 554,312,437</b>	<b>\$ 637,540,264</b>	<b>\$ (83,227,827)</b>
<b>LIABILITIES</b>			
Accrued Project Costs	\$ 28,919,939	\$ 51,457,112	\$ (22,537,173)
Net Pension Liability	42,434,159	42,434,159	-
Accrued Other Post-Employment Benefits	29,342,531	29,188,405	154,126
Other Accrued Liabilities	4,426,635	4,690,689	(264,054)
Deposits	6,624,187	6,623,369	818
Total Liabilities	111,747,451	134,393,734	(22,646,283)
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount for Pensions & OPEB	26,235,802	26,235,802	-
<b>NET POSITION</b>			
Invested in Capital Assets	1,464,645	1,556,300	(91,655)
Restricted for Schools Construction:			
Special Revenue Fund	414,864,539	475,354,428	(60,489,889)
Net Position	416,329,184	476,910,728	(60,581,544)
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>			
	<b>\$ 554,312,437</b>	<b>\$ 637,540,264</b>	<b>\$ (83,227,827)</b>

**New Jersey Schools Development Authority**  
**Statement of Activities**  
**February 28, 2022**

**Excludes 2021 GASB 68 Entries**

	<u>Current</u> <u>Year-To Date</u>	<u>2021</u> <u>Year-To Date</u>	<u>Over/</u> <u>(Under)</u>
<b>REVENUES</b>			
Program Revenues:			
Bond and Note Proceeds (Issued by EDA)	\$ -	\$ 350,000,000	\$ (350,000,000)
Bidding Fees-Plans & Specs	-	-	-
General Revenues:			
Investment Earnings	69,270	39,809	29,461
Rental Income	1,000	2,000	(1,000)
Other Revenue-OPRA	915	-	915
Total Revenues	71,185	350,041,809	(349,970,624)
<b>EXPENSES</b>			
Administrative & General Expenses	2,258,402	2,258,605	(203)
Capital Depreciation	91,655	101,559	(9,904)
School Facilities Project Costs	58,302,672	13,854,375	44,448,297
Total Expenses	60,652,729	16,214,539	44,438,190
<b>CHANGE IN NET POSITION</b>	<b>(60,581,544)</b>	<b>333,827,270</b>	<b>(394,408,814)</b>
Beginning of Period Net Position	476,910,728	132,495,342	344,415,386
<b>NET POSITION END OF PERIOD</b>	<b>\$ 416,329,184</b>	<b>\$ 466,322,612</b>	<b>\$ (49,993,428)</b>

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

**RESOLUTION TO ADJOURN INTO EXECUTIVE SESSION**

## ***Resolution—9.***

### Resolution to Adjourn into Executive Session

#### **Resolution**

**WHEREAS**, the “Senator Byron M. Baer Open Public Meetings Act” (OPMA), N.J.S.A. 10:4-6, declares “the right of the public to be present at all meetings of public bodies” except as expressly provided in the Act; and

**WHEREAS**, N.J.S.A. 10:4-12 (b) provides that a public body may exclude the public from that portion of a meeting at which the public body discusses, among other things, any matter involving the lease... of real property with public funds...or any pending or anticipated litigation or contract negotiations in which the public body is or may become a party...falling within the attorney-client privilege, to the extent that confidentiality is required to preserve the attorney-client relationship; and

**WHEREAS**, the Members of the Authority have before them on this date two matters that, pursuant to N.J.S.A. 10:4-12, are appropriate for consideration in Executive Session consistent with the provisions of the OPMA; and

**WHEREAS**, the first matter to be considered by the Board in Executive Session is management’s recommendation for Partial Settlement of and the Filing of an Offer of Judgment in Cost Recovery Litigation relating to the Paterson International High School Project (A1); and

**WHEREAS**, the Board will also consider management’s request for authorization to exercise both six-month extensions provided by the current lease for the Orange Cleveland Street Elementary School Project, along with authorization to modify the existing lease to provide for two additional six-month extensions to the lease and to exercise those extensions (A2); and

**WHEREAS**, the minutes of the Board’s April 6, 2022 Executive Session meeting will be available for release for public review upon the full and final conclusion of all negotiations, legal proceedings, settlements, and the execution of all documentation, agreements and leases associated therewith.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby resolve to adjourn into Executive Session to consider and deliberate with regard to the matters described herein and to subsequently vote on Agenda Items No. A1. and A2. upon the Board’s return to Open Session.

**BE IT FURTHER RESOLVED**, that the minutes of the Board’s April 6, 2022 Executive Session meeting will be available for release for public review upon the full and final conclusion of all negotiations, legal proceedings, settlements, and the execution of all documentation, agreements and leases associated therewith.

**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: Resolution to Adjourn into Executive Session, dated April 6, 2022

Dated: April 6, 2022