

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, MAY 4, 2022 AT 9:00 A.M.
32 E. FRONT STREET, TRENTON, NJ
BOARD ROOM**

- 1. NOTICE OF PUBLIC MEETING/PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL**
- 3. APPROVAL OF MEETING MINUTES**
 - a. Board Open Session Meeting Minutes of April 6, 2022
 - b. Board Executive Session Meeting Minutes of April 6, 2022
- 4. AUTHORITY MATTERS**
 - a. CEO Report
 - b. Chairman's Report
- 5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
- 6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)**
 - a. Proposed Readoption with Amendments: N.J.A.C. 19:39, Equal Employment Opportunity and Affirmative Action Rules
- 7. 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 (*no activity*)
 - 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*)
- 8. NO EXECUTIVE SESSION**
 - a. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
CCD Report (*no activity*)
- 9. ADJOURNMENT**

APPROVAL OF MEETING MINUTES

APRIL 6, 2022 OPEN SESSION MINUTES

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 6, 2022**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, April 6, 2022 at 9:00A.M.

Participating were:

Robert Nixon, Chairman
David Moore (Treasury)
Bernard Piaia (DOE)
Juan Burgos (EDA)
Kevin Luckie (DCA)
Richard Elbert
Daniel Gumble
Lester Lewis-Powder
Mario Vargas

being a quorum of the Members of the Board. Mr. Elbert, Mr. Gumble, Mr. Lewis-Powder, Mr. Moore, Mr. Piaia and Mr. Vargas participated in the meeting by teleconference.

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; Gregory Voronov, managing director; and William Coonahan, deputy director of the SDA, participated in the meeting. Joy Johnson of the Governor's Authorities Unit (GAU) also participated in the meeting,

Pledge of Allegiance

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

The meeting was called to order by Mr. Nixon, who requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and had been duly posted on the Secretary of State's bulletin board at 20 West State Street in Trenton, New Jersey and on the SDA Website. 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 February 2, 2022 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. Luckie and seconded by Mr. Vargas, the Open Session minutes of the February 2, 2022 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3a***.

Mr. Nixon then presented for consideration and approval the minutes of the Board's February 16, 2022 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. Luckie and seconded by Mr. Burgos, the Open Session minutes of the February 16, 2022 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3b***.

Next, Mr. Nixon presented for consideration and approval the minutes of the Board's February 16, 2022 Executive 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. Luckie and seconded by Mr. Burgos, the Executive Session minutes of the

February 16, 2022 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as *Resolution 3c*.

Authority Matters

Chairman's Report

The Chairman announced that that he would be reading a letter that he received from a former employee who had previously appeared at SDA Board meetings and offered a number of comments that he would like to recant. Mr. Nixon read the letter into the meeting record as follows:

Dear Mr. Nixon:

I write this letter to recant claims that I made before the SDA Board, in emails and in letters sent to Chairman Nixon, SDA leadership and others.

On April 3, 2019, and June 5, 2019, I appeared before this Board and offered public comments. In my comments, I accused SDA Vice President Jane Kelly of tempering (sic) with my personnel file. I also made other negative comments about Ms. Kelly both verbally and in writing and urged that she be disciplined.

I have determined that all the claims that I made regarding Ms. Kelly were untrue. My claims were widely reported in newspapers and on line and I acknowledge that they were harmful to Ms. Kelly, both professionally and personally.

I want to set the record straight and to recant my false allegations about Ms. Kelly.

I regret my actions and apologize to Ms. Jane Kelly for the harmful and untrue claims that I made about her both verbally and in writing.

Sincerely,

Sameer Shah

Mr. Nixon advised the Board that the letter was dated March 28, 2022. He said that he hoped that this would put an end to this unfortunate chapter. A copy of the letter is appended hereto as Attachment A.

CEO Report

The Chairman then asked Mr. Da Silva for the Report of the CEO. Mr. Da Silva provided an update on design-build projects in construction. He said that Phase IV building enclosure has begun for the Millville High School project. He reported that for the Passaic Dayton Avenue Educational Campus project, a certificate of occupancy (CO) was obtained on February 23. He added that the district is now occupying the facility, operating the early childhood center and plans on full building occupancy in September. He noted that this is the district's soft opening involving approximately 10 classes of Pre-Kindergarten students. For the Paterson Union Avenue Middle School project, he advised that all areas of the building have been recommended for a temporary CO. He noted that SDA has applied to the Department of Community Affairs (DCA) for an updated temporary CO. He added that CO recommendations have been received from fire, electrical and plumbing but that management is awaiting the CO for the building.

In continuing, Mr. Da Silva reported that for the Perth Amboy High School project, steel erection is ongoing and is expected to be complete in April. For the Plainfield Woodland Elementary School project, he said that exterior sheathing is complete and brick work has commenced.

Turning to design-bid-build projects in the construction stage, Mr. Da Silva advised that for the Orange Cleveland Street Elementary School project, Brockwell and Carrington (B&C) has completed work to secure the site as management prepares for the transition to a new contractor for completion of the project's scope. He added that new bid documents are being prepared for bidding.

Next Mr. Da Silva gave an update on projects in the programming/pre-design/in-house design stages. He advised that for the Union City New Grade 7 to 9 School project, demolition of the acquired properties is complete. He added that the request for proposals portion of the procurement process is underway. He noted that technical and price proposals are due in April.

Turning to non-project related matters, Mr. Da Silva reported that on March 3, he visited School No. 24 in Passaic for a Read Across America event. He said that he visited a couple of the Pre-Kindergarten classrooms to read stories to 3-4 year old students. He again noted that this school is part of the Dayton Avenue Educational Campus which will officially open this September.

Next, Mr. Da Silva informed the Members that Governor Murphy included \$430 million for the SDA/school construction in the FY2023 budget. He explained that this includes \$350 million to fund school facility projects and \$80 million to support capital maintenance projects/emergent needs in all school districts. He said that the SDA is scheduled to testify before the Assembly Budget Committee on Monday, April 11, and before the Senate Budget and Appropriations Committee on Thursday, April 28. He advised the Board that management is currently meeting with legislators to provide information and answer any questions prior to the budget hearings. He added that additional budget preparation work is ongoing.

In continuing, Mr. Da Silva discussed the status of the SDA-owned Astor Place property. He said that, as the Members know, last year the Jersey City School District (District) requested that the Authority agree to permit the Black Interest Team Enterprise (BITE) organization to operate a community garden on SDA-owned property adjacent to the District's Julia Barnes School. He explained that management supports the use of the property for the garden and in May of last year, provided the necessary licensing documents for the District and BITE to review and sign to facilitate operation of the community garden on the site. He advised that the licensing

documents management forwarded to BITE and the District are the same licensing documents that the SDA uses whenever the Authority is authorizing the use of SDA-owned land by third parties for urban gardens and other purposes.

In continuing, Mr. Da Silva informed the Members that on March 1, 2022, legal counsel for BITE sent an incomplete draft of a proposed sub-license agreement to SDA's chief counsel. He said that on March 9, SDA's chief counsel sent a reply letter to BITE's counsel that, among other things, detailed various key terms that had been omitted in BITE's proposed sub-license and, again, attached a complete set of the licensing documents management had forwarded to BITE last year with the request that BITE's counsel provide an edited version of the documents incorporating all of BITE's proposed changes. Mr. Da Silva said that despite the passage of 4 weeks, BITE's counsel had not responded. He said that management received an email from BITE at approximately 7:00PM last night with a licensing document and several notes throughout the document. He said that management will review the licensing document and send a response to BITE's counsel as soon as possible. He added that this is unfortunate, since the community garden project cannot advance without a complete response from BITE's counsel and the negotiation of terms that are acceptable to BITE, the District and the Authority.

Audit Committee

Amendment of Memorandum of Understanding Between the NJSDA and the Higher Education Student Assistance Authority [HESAA]

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on March 21, 2022 at which time management provided the Committee with the February 2022 New Funding Allocation and Capital Plan Updates. He reported that overall there was a \$400,000 decrease in the 2008 Emergency Projects Reserve balance following CEO approval of the release of funds to address an emergent boiler room roof repair project at the Plainfield High

School. He advised that there were no changes in any of the other reserve balances for the reporting period. Mr. Nixon reported that the reserve balance for the Regular Operating Districts (RODs) increased by \$1 million during the reporting periods due to a reduction in state share for grant projects nearing completion.

Next, Mr. Nixon provided the February 2022 Monthly Financial Report. He advised the Members that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$2.1 million, down \$395,000 as compared to the budget for the corresponding period. He explained that this decrease is mainly attributable to lower than projected payroll allocations to project expenditures. Mr. Nixon then reported that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total approximately \$80.8 million, approximately \$30.3 million higher as compared to the capital spending forecast for the corresponding period. He advised the Members that this variance is the result of higher than forecasted expenditures for grant activity, school furniture purchases, and design services, partially offset by lower than forecasted spending in construction activity payroll expense allocations, project insurance, inter-agency transfers, and property acquisitions. Mr. Nixon said that project expenditures (Actual vs. Prior Year Actual), at approximately \$80.8 million, are higher by \$47.9 million when compared to the capital sending forecast for the corresponding prior period. He advised the Members that this variance is the result of an increase in expenditures for grant activity, school furniture purchases and design services, offset by decreased spending in construction activity, PMF/CM services, payroll expense allocations, project insurance and property acquisition.

Mr. Nixon said that, since program inception, 91.1% of the funds authorized for the SDA districts have been disbursed. Additionally, he noted that 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated

value of active school facilities capital projects, along with emergent and regular operating district grant projects, is approximately \$1.1 billion.

Next, Mr. Nixon reported that management and the Audit Committee are recommending approval of an addendum to a Memorandum of Understanding (MOU) between the SDA and the New Jersey Higher Education Student Assistance Authority (HESAA). Referencing material that was provided to the Board in advance of the meeting, Mr. Nixon discussed details relevant to the proposed addendum. He explained that the Governor's Industry Vocations Scholarship Program (NJ-GIVS) is a scholarship program for New Jersey students continuing their education in the construction trades. He said that the program, which has been funded by SDA and administered by HESAA since 2013 pursuant to an MOU, allows SDA to meet its statutory responsibility to fund construction-related job training for women and minorities. He advised that since 2013, the Authority has expended \$1.5 million on the scholarship program — inclusive of fees paid to HESAA to administer it. Mr. Nixon said that SDA and HESAA together have awarded scholarships of up to \$2,000 to over 764 students who have furthered their educations at various institutions of higher education throughout the State. He noted that the current MOU governing the program is expiring in May. He said that management is requesting that the Board approve a 3-year extension of the MOU effective May 1, 2022, adding that its expiration date would be April 30, 2025. Additionally, he said that management is seeking approval to establish an annual budget in an amount not-to-exceed \$250,000.00, inclusive of HESAA's administrative fees up to \$22,700 per year.

A resolution pertaining to the proposed MOU addendum was provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Luckie and seconded by Mr. Burgos, a three year extension of the MOU between the SDA and HESAA for the NJ-GIVS

program was approved by the Board with its unanimous vote in favor of the resolution attached hereto as ***Resolution 5a***.

Lastly, Mr. Nixon noted that since the Board did not meet in March, the Members should be aware that at the Committee's February 14, 2022 meeting, management presented the Authority's 2022 capital spending forecast and the preliminary year-end financial report. He said that the CEO also presented his quarterly staffing report.

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 March 21, 2022, at which time five items that require Board consideration were discussed. He said that management is asking the Board today to approve the 2022 SDA Capital Plan (Plan) and authorize the expenditure of funds for planning activities to advance projects under the Plan. He explained that every five years, the Authority is required by law to establish a Statewide Strategic Plan to be used in sequencing SDA district facilities projects. He advised that the Authority also is required to authorize the expenditure of funds by management in performing the necessary planning work towards the development of charters for the projects included in the Plan. He said that the SDA identifies new projects to be advanced as part of the Plan on a rolling basis through the Educational Facilities Needs Assessment (EFNA) process. He reported that in 2021, a Working Group comprised of SDA and Department of Education (DOE) staffs initiated an update to the DOE's 2019 Needs Assessment through meetings held with all 31 SDA Districts. He noted that the objective was to validate and update district needs identified in the 2019 Needs Assessment. Mr. Luckie said that Mr. Da Silva and Mr. Voronov would share the results of that effort with the Members.

Utilizing a power point presentation, Mr. Da Silva discussed management's proposed update to the 2019 Statewide Strategic Plan, along with the SDA's 2022 Capital Plan. He explained that management will be seeking Board approval to advance 3 additional capital projects into construction. He advised that this is possible due to the \$200 million budget appropriation the SDA received in the State's FY 2022 budget which can be used to advance projects identified in the Statewide Strategic Plan.

Mr. Da Silva explained that the presentation is organized into 4 sections. He said that the first section provides an update of SDA's current portfolio of capital projects. He noted that 31 of the 39 projects in the Authority's capital program have been delivered, providing over 28,000 new seats throughout the SDA Districts (delivery time frame 2011 to present). He added that 8 projects are currently active and will provide nearly 7,000 new seats, and that 6 projects are in construction. He noted that the SDA is currently in the process of engaging a design-builder for 1 project, and 1 project is in the scope development phase of design.

Mr. Da Silva reported that the presentation's second section provides an overview of SDA's delivery methods and approach to project advancement and sets forth the overall results that the Capital Plan will provide. Most notably, he said that 34,787 new seats will be delivered and approximately 1.26 million square feet of conditions in existing facilities will be addressed either through replacement facilities such as the new High Schools in Camden and Trenton or through renovation work such as at the Millville Senior and Orange High Schools.

Next, Mr. Da Silva advised the Committee that the third section provides an overview of the needs that still remain in SDA Districts and sets forth the Statewide Strategic Plan that would begin to address those needs. He explained that some important activity was undertaken since the Plan received Board approval in January 2020. He reiterated that the \$200 million appropriation resulted in an equal amount of funding being freed up for planning and advancement of

additional projects. He said that, therefore, during November and December of 2021, SDA planning staff met with representatives of all 31 SDA Districts and the Department of Education (DOE) to validate the needs identified in the 2019 SDA Strategic Plan.

In continuing, Mr. Da Silva reported that updated enrollment information for the past three years has been incorporated in the analysis to refresh the Authority's understanding of the needs that exist across the SDA Districts. He noted that the approach applied to the development of the Strategic Plan remains consistent with that which was utilized to develop the 2019 Plan. He said that the Authority has factored in the revised needs based upon current enrollments and the identification of some additional sites in Elizabeth, New Brunswick and Trenton to update the first tranche of projects with land readily available. He added that Districts with capacity needs have increased from 15 to 21 and there is an increased need for seats—up to 17,580 seats from the previous 17,514. He said that of those, 8,054 seats represent new capacity needs which can be addressed where land is readily available. Mr. Da Silva said that the Authority will identify a first tranche of projects for advancement to address overcrowding and identify the appropriate sites for delivery of projects to address the capacity needs.

Mr. Da Silva reported that as far as building age and condition needs go, staff has not updated that section of the Plan. He said that based upon the 2019 EFNA, there are over 50 facilities identified that have needs based upon building age and condition.

Mr. Da Silva advised the Board that the most recent state budget, FY 2022, contains \$50 million allocated to provide funding to SDA Districts to address facilities needs. He said that the Governor's current proposed budget calls for an equal appropriation in the FY 2023 budget. He added that by having that funding available in the form of grants, \$50 million is available for SDA school districts to address facilities, along with money for regular operating district grants

to all 581 school districts across the state of New Jersey. He said that distribution of the funds would be based upon a formula established in conjunction with DOE.

Next, Mr. Da Silva informed the Board that the fourth section, which is new to the presentation, is a proposed 2022 Capital Plan for SDA Districts. He said that the proposal is a recommendation for the use of the \$200 million to advance new projects/work. He reported that the SDA's current proposal is to advance three projects (in both the northern and southern regions of the state) with the available \$200 million in funding: Elizabeth – New Elementary School for approximately 1,000 students; Garfield – New Replacement Pre-Kindergarten to 5 School for approximately 700 students; and Bridgeton – an addition to Bridgeton HS for approximately 300 students.

He explained that these projects were identified for the following reasons: 1) they represent the 3 districts with the highest percentage of overcrowding across the 31 SDA Districts—that is, if the SDA were to simply utilize current 2021-22 enrollment data they would also be the districts with the highest percentage capacity need; 2) there is land readily available for construction of school facilities in these districts, i.e. Elizabeth is in the process of acquiring a former parochial school site, having received DOE approval of the acquisition; 3) the Garfield and Bridgeton projects can be accommodated on existing school sites; 4) the Garfield project will not only address capacity needs but will serve to replace an old outdated facility with a facility that will serve a larger student population; and 5) these projects represent the highest priority needs put forth by the Districts in the working group meetings held in November and December.

Mr. Da Silva informed the Board that along with approval of the 2022 Capital Plan, management is seeking authorization to expend up to \$200,000 per project to conduct the planning work needed to inform the development of project charters for Board approval.

Mr. Da Silva then concluded the presentation. He thanked Mr. Voronov and Mr. Coonahan for their excellent work in preparing the presentation and also for all of the work that they, along with the planning group and design studio, did collectively to get the SDA to this point.

Mr. Nixon said that this is exciting news and wonderful step forward for school districts that desperately need seats for their students.

Mr. Da Silva advised the Members that Governor Murphy also approved another \$150 million out of the FY 2022 budget which will go before the Joint Budget Oversight Committee for approval. He added that if the \$150 million is approved, this it will allow the SDA to advance a \$350 million 2022 Plan, up from a \$200 million Plan.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Vargas, the 2022 SDA Capital Plan and funding for project planning were approved with the Board's unanimous vote in favor of *Resolution 6a*.

Next, Mr. Luckie said that management is seeking approval of Change Order (CO) No. 47 for Hall Construction Company (Hall) for the Millville High School (HS) project (Project). He reported that the Project includes additions and alterations to increase the HS's capacity to 2,026 students in grades 9 through 12. He advised that the Project will increase the HS's size from approximately 200,000 square feet to approximately 375,000 square feet. He said that in May 2017, Hall was issued a notice-to-proceed (NTP) with design and construction. He informed the Members that CO No. 47, in the amount of zero dollars, would reallocate \$500,000.00 of unused, remaining allowance funds from the building envelope Acoustical Enhancement Allowance (A4) where they are no longer needed, to the General Design and Construction Allowance (A1) where work is still expected to be performed that may be in excess

of available allowance funding. Mr. Luckie explained that this CO would not increase the current, overall Guaranteed Maximum Price Reserve Allowance. He added that reallocating these funds would eliminate the need for separate COs and avoid the unnecessary and costly duplication of bond and insurance mark-ups. He reported that while the value of CO No. 47 is zero dollars, the value of the allowance funds being reallocated equals \$500,000.00. While not necessary, in keeping with the spirit of the Operating Authority and to ensure transparency, management is seeking Board approval for this change order.

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, Change Order No. 47 for Hall Construction Company was approved with the Board's unanimous vote in favor of *Resolution 6b*.

Mr. Luckie said that management is also seeking Board approval of Credit CO No. 3 for Hall Building Corporation (HBC) for the Neptune Senior High School (HS) project (Project). He explained that SDA's work at the HS involved removal and proper disposal of approximately 6,200 square feet of mercury-containing poured polyurethane flooring in the HS's auxiliary gym and abatement of the concrete slab, followed by installation of the new certified non-mercury pad and flooring system. He said that HBC issued a NTP in July 2021 with a time and material contract for a not-to-exceed value of \$495,000 for the Project. He advised that the value of this credit CO reflects cost effectiveness in terms of the replacement flooring system selected by the district along with labor efficiencies. He added that credit CO No. 3 in the amount of \$139,000 is necessary for the de-obligation of the unused contract funds to advance contract close-out.

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. Burgos, Credit

Change Order No. 3 for Hall Building Corporation was approved with the Board's unanimous vote in favor of ***Resolution 6c.***

Next, Mr. Luckie said that the Committee is recommending Board approval of Amendment No. 6 for Epic Management, Inc. for the Orange Cleveland Street Elementary School (School) project (Project). He informed the Members that the Project includes an addition and renovations to address overcrowding and enable a change in grade alignment from Kindergarten through 7 to Pre-Kindergarten through 6. He said that in March 2019, the SDA Board approved a construction services contract award to B&C for the Project. He advised that in January 2020, B&C commenced construction services for the Project, with Epic Management, Inc. (Epic) as construction manager. He explained that in January of this year, the SDA issued a notice of termination for convenience to B&C who demobilized from the site on March 1. Mr. Luckie said that with B&C's departure, Epic assumed interim responsibility for site security services "at risk" to keep the site secure until the Authority procures a new contractor to complete the project. He advised that management is asking the Board to approve Amendment No. 6 to its contract with Epic to add the required security services, including the estimated costs, until a new general contractor is "on board" and can assume responsibility for site security.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Burgos, and seconded by Mr. Elbert, Amendment No. 6 for Epic Management Inc. was approved with the Board's unanimous vote in favor of ***Resolution 6d.***

Mr. Luckie next advised that management also discussed a proposed partial settlement of cost recovery litigation relating to the Paterson International High School project. He said that this item will be discussed in Executive Session.

Mr. Vargas said that the SDA faces many challenges so, when good things happen, it is important to take the time to acknowledge it. He expressed appreciation for the administration's confidence in the Authority and for the recognition, as reflected in the proposed Capital Plan, that SDA continues to build modern, quality schools for New Jersey's children.

Public Comments

The Chairman then opened the Public Comments portion of the meeting. He asked Minister Deborah Alston of the BITE organization to address the Board. Minister Alston referenced comments made earlier in the meeting regarding the "back and forth" between the Authority and BITE. She asked what the SDA's plan is for its land located next to the Julia A. Barnes School in Jersey City. Mr. Da Silva responded that there is no plan right now to utilize the land for a school facility. Minister Alston emphasized BITE's interest in using the land for a community garden. She said that children in the community do not know what fresh vegetables are. She stressed BITE's interest in ensuring that the children and their families remain healthy.

Mr. Da Silva assured Minister Alston that the SDA remains supportive of the community garden on the site. He emphasized the need to have the proper legal documentation in place for this to happen. He acknowledged the communication that SDA received from BITE the previous evening and advised that the Authority's Counsel's Office would be reviewing the same in an effort to come to terms.

Next, the Chairman asked Mr. Alejandro Perez to approach the podium. Mr. Perez began his remarks by stating that the SDA is not properly maintaining the land. He said that he has seen landfills in better shape. He advised the Board that BITE is interested in helping the community, stressing that food insecurity is prevalent. He asked that the Authority give the land back to BITE, noting that there was never a violent incident when it was occupied by BITE. Mr. Perez said that individuals donated their time and energy to the garden. He invited the Members and

staff to come to Jersey City to help BITE restore the garden during this season of renewal. He invited those present to show care and concern, and to help people stand tall and proud. He said that the rewards would be monumental.

In continuing, Bishop Antonio Merino addressed the Board. Mr. Perez interpreted Bishop Merino's remarks, delivered in Spanish, to English. Bishop Merino extended his greetings to all present, especially to Mr. Da Silva to whom he has spoken previously. He noted that he is a State Bishop who has represented BITE for many years. Bishop Merino advised the Board that for the past 15 years BITE has provided the continuous service of providing food to the community every Saturday. He said that this continuous feeding of people has been possible with the Governor's help. He advised that, at this time, the community is being served "democratically". Bishop Merino said that, due to unknown parties, food was deliberately destroyed in the yard but BITE continues to serve people in the street. He asked what the purpose is of leaving the property in disrepair, adding that God's children should not permit this to happen. He said that, due to the economy, BITE has had to offer much additional assistance to the community. Bishop Merino concluded by asking Mr. Da Silva, Chairman Nixon and the entire Board to take action.

The Chairman then called Ms. Nikki Baker to the podium. Ms. Baker introduced herself to the Board and staff as the new Healthy Schools Now organizer with the Work Environment Council. Mr. Da Silva advised Ms. Baker that the Authority looks forward to working with her in her new role.

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 matters to be considered in Executive Session. Ms. Kelly said that the Board will adjourn into Executive Session to discuss two matters: 1) a proposed partial settlement and the tendering of an Offer of Judgment in Cost Recovery Litigation relating to the Paterson International High School Project; and 2) for the

Orange Cleveland Street Elementary School project, management's request for authorization to exercise extensions contained in the current lease, modify that lease to provide additional extensions and exercise those additional extensions if required. She said that the Board will vote on these matters upon its return to Open Session. Ms. Kelly requested that the Chairman present **Resolution No. 9.** for Board consideration and approval, reflecting the Members' resolve to move into Executive Session to discuss the proposed settlement.

The Chairman presented **Resolution No. 9.** for a vote. Upon motion duly made by Mr. Mr. Luckie and seconded by Mr. Burgos the Members of the Authority unanimously voted to approve **Resolution No. 9.** and thereby adjourn the Open portion of the meeting into Executive Session.

Following the Board's return to Open Session, Mr. Luckie announced that in Executive Session the Board had discussed the School Review Committee's recommendation that management approve a partial settlement and the tendering of an Offer of Judgement in Cost Recovery Litigation relating to the Paterson International High School Project.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Piaia, the partial settlement and request for authorization to tender an Offer of Judgement in Cost Recovery Litigation relating to the Paterson International High School Project were approved with the Board's unanimous vote in favor of **Resolution A1.**

Mr. Vargas announced that in Executive Session the Board had discussed the Real Estate Committee's recommendation that the Board approve management's request for authorization to exercise extensions contained in the current lease, to modify that lease to provide additional extensions and to exercise those additional extensions for the Orange Cleveland Street Elementary School.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Piaia, and seconded by Mr. Luckie, the Board approved management's request for authorization to exercise existing lease extensions, modify the lease to provide additional extensions, and exercise those additional extensions for the Orange Cleveland Street Elementary School project, upon its unanimous vote in favor of *Resolution A2*.

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 April 6, 2022 meeting.

/s/ Jane F. Kelly
Assistant Secretary

ATTACHMENT A

Date March 31, 2022

Robert Nixon,
Chairman, NJ SDA Board
32 E Front Street,
Trenton, NJ 08625

Re: Letter of Apology

Dear Mr. Nixon:

Please enter this Letter of Apology into the meeting record of SDA Board for the meeting dated April 6, 2022.

Please feel free to contact me at _____ if you have any questions.

Sincerely,



Sameer Shah

Attachments: Letter of Apology.

Date March 28, 2022

Robert Nixon,
Chairman, NJ SDA Board
Post Office Box 991
Trenton, NJ 08625

Dear Mr. Nixon:

I write this letter to recant claims that I made before the SDA Board, in emails and in letters sent to Chairman Nixon, SDA leadership and others.

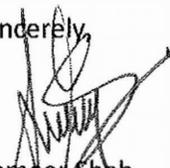
On April 3, 2019, and June 5, 2019, I appeared before this Board and offered public comments. In my comments, I accused SDA Vice President Jane Kelly of tempering with my personnel file. I also made other negative comments about Ms. Kelly both verbally and in writing and urged that she be disciplined.

I have determined that all the claims that I made regarding Ms. Kelly were untrue. My claims were widely reported in newspapers and online and I acknowledge that they were harmful to Ms. Kelly, both professionally and personally.

I want to set the record straight and to recant my false allegations about Ms. Kelly.

I regret my actions and apologize to Ms. Jane Kelly for the harmful and untrue claims that I made about her both verbally and in writing.

Sincerely,



Sameer Shah



3/28/2022

Giovanna Mottola
Notary Public, State of New York
No. 01MO6096252
Qualified in Queens County
Commission Expires July 28, 2023

Resolution—3a./3b.

Approval of Minutes

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

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the April 6, 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 April 6, 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: May 4, 2022

AUTHORITY MATTERS

CEO REPORT

CHAIRMAN'S REPORT

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

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

**Proposed Readoption with Amendments: N.J.A.C. 19:39, Equal Employment
Opportunity and Affirmative Action Rules**



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Jane Kelly, Vice President, Corporate Governance and Legal Affairs
Cecelia Haney, Deputy Chief Counsel and Administrative Practice Officer

DATE: May 4, 2022

RE: Proposed Readoption with Amendments: N.J.A.C. 19:39, Equal Employment Opportunity and Affirmative Action Rules

Management of the New Jersey Schools Development Authority (“Authority” or “SDA”) is seeking the approval of the Board for the Readoption of the Authority’s Equal Employment Opportunity and Affirmative Action Rules, N.J.A.C. 19:39, with substantive amendments. A Notice of Proposal that specifies the proposed amendments to the existing Rules is provided with this Memorandum.

Background

The Rules proposed for readoption with amendments address the equal employment opportunity and affirmative action requirements applicable to construction contractors and goods and services contractors and consultants engaged by NJSDA pursuant to the school construction program, as well as the set-aside and subcontracting goals for small business entity participation. Proposed amendments to the Rules are intended to implement N.J.S.A. 52:32-31.1 et seq., which requires the Authority to set aside three percent of its total contracts for construction and goods and services for contracts or subcontracts to disabled veteran owned businesses.

Prior Regulatory History

Chapter 39 was originally adopted on November 14, 2007 by the New Jersey Schools Construction Corporation (“SCC”) and was subsequently readopted by the New Jersey Schools Development Authority with amendments effective May 12, 2015. Chapter 39 is currently scheduled to expire on May 12, 2022.

Significant Amendments

The proposed substantive changes to the current regulation are intended to incorporate applicable statutory and regulatory updates, notably to incorporate the set-aside and subcontracting requirements for Disabled Veteran Owned Businesses under N.J.S.A. 52:32-31.1 et seq.

Numerous minor amendments are proposed to add or update statutory and regulatory definitions and references, update the names of forms issued by SDA and other state entities, and to correct the names and website addresses of government entities with responsibility for affirmative action and equal employment opportunity goal setting and compliance monitoring. Additionally, amendments are proposed to clarify provisions regarding monitoring of equal employment opportunity and affirmative action obligations, and provisions regarding the imposition of sanctions on firms that have failed to meet their obligations under this chapter.

Requested Board Action

The Members of the Authority are requested to approve the proposed readoption of the Authority's Equal Employment Opportunity and Affirmative Action Rules with amendments, as well as the issuance of the attached Notice of Proposal, and the filing of the Notice with the Office of Administrative Law.

/s/ Jane F. Kelly

Jane F. Kelly, Vice President
Corporate Governance & Legal Affairs

Prepared by Cecelia Haney, Deputy Chief Counsel and Administrative Practice Officer

JFK/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Equal Employment Opportunity and Affirmative Action Rules

Proposed Readoption with Amendments: N.J.A.C. 19:39

Authorized By: New Jersey Schools Development Authority, Manuel M. Da Silva, Chief Executive Officer.

Authority: P.L. 2007, c. 137, § 6 (N.J.S.A. 52:18A-240a) (rulemaking authority for affirmative action rules); P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.) (enabling statutes).

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2022-

Summary

The New Jersey Schools Development Authority (“Authority” or “SDA”) proposes to readopt with amendments N.J.A.C. 19:39, Equal Employment Opportunity and Affirmative Action Rules (the “Rules”).

Chapter 39, which governs the SDA’s equal opportunity and affirmative action program, was previously readopted by the SDA with amendments effective May 12, 2015 and is scheduled to expire on May 12, 2022. The SDA has reviewed Chapter 39 and has determined that, with the addition of the proposed amendments, this chapter remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, which is to ensure that construction contractors and goods and services contractors comply with affirmative action requirements and employment goal obligations in connection with the SDA’s school facilities projects.

As the SDA has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

A summary of the proposed substantive amendments follows.

19:39-1.1 Purpose

This section, regarding the purpose of this chapter, has been proposed for re-adoption with amendments to implement N.J.S.A. 52:32-31.1 et seq., which requires the Authority to set aside three percent of its total contracts for construction and goods and services for contracts or subcontracts to disabled veteran owned businesses.

19:39-1.2 Definitions

This section sets forth the meaning of the words and terms used throughout this chapter. Amendments to the section include changes to previously defined terms, the addition of new terms, and the deletion of a definition rendered obsolete by the proposed amendments, as set forth below.

The following new terms have been added:

“Affirmative action” which refers to good faith steps taken to ensure equal opportunity employment for women and minority workers but does not include employment quota, except where otherwise permitted and appropriate under applicable law.

“Affirmative action plan” which refers to an outline of the steps a contractor or vendor will implement to achieve equal employment opportunity and affirmative action and/or to correct its equal employment and affirmative action deficiencies.

“Affirmative action program” which means a program that complies with the provisions of N.J.A.C. 17:27-4 or 17:27-6.

“Contractor” which refers to a firm that enters into or offers to enter into a construction or goods and services contract with the Authority. The term also includes consultants, non-profits and providers of professional services.

“Department” which refers to the Department of Labor and Workforce Development Construction

Equal Opportunity Monitoring Program. The Department is responsible for monitoring the EEO/AA compliance of construction contractors.

“Disabled Veteran Owned Business” which refers to a business that has its principal place of business in the State, is independently owned and operated, and at least 51 percent of which is owned and controlled by persons who are disabled veterans or a business which has its principal place of business in this State and has been officially verified by the United States Department of Veterans' Affairs as a service disabled veteran-owned business for the purposes of department contracts pursuant to Federal law.

“Disabled veterans’ business set-aside contract” which refers to a contract for goods, equipment, construction or services which is designated as a contract with respect to which bids are invited and accepted only from disabled veterans’ businesses, or a portion of a contract when that portion has been so designated.

“Subcontractor” which refers to a third party that is engaged by a contractor to perform, pursuant to a subcontract, all or part of the work included in a public agency contract.

The following terms are proposed for amendment:

“Division” which is proposed for amendment to correctly identify the Division of Purchase and Property Contract Compliance Audit Unit, Equal Employment Opportunity/Affirmative Action Monitoring Program, established in the State of New Jersey, Department of the Treasury, or successor entity as the entity responsible for monitoring the EEO/AA compliance of goods and services (including professional services) vendors and public agencies, respectively.

“Employee Information Report” which is proposed for amendment to clarify that the form is issued by the Division and to delete reference to the Division’s form number.

“Good faith” which is proposed for amendment to reference the contractors' obligations to provide

contracting opportunities for DVOB entities, pursuant to N.J.A.C. 19:39-2.7

“Initial Project Workforce Report”, which means SDA’s Form AA-201, and is proposed for amendment to change the title of the document from “Report” to “Form” in order to correctly reference the document that provides a projected breakdown of the number of all workers per trade and of minorities and women on a construction project.

“Monthly Project Workforce Report,” which means SDA’s Form AA-202, and which is proposed for amendment to change the title of the document to “Monthly Workforce Tracking Report” in order to correctly reference the name of the document that provides an analysis of a contractor's and its subcontractors' workforce.

“SBE Form A – Schedule of Participation,” which refers to SDA’s form that is to be completed by a contractor awarded a contract by the Authority and requires the listing of all of the SBEs that will participate in the contract, is proposed for amendment to change the name of the document to “SBE DVOB Participation Form” and to require the identification of all SBE and DVOB firms that will participate in the contract, in order to reference the DVOB participation obligations of the contractor.

“SBE Form C – Confirmation of SBE Status,” which refers to the SDA’s form that is to be completed by a proposed subcontractor or goods and services provider that has been named in a construction or goods and services contractor's SBE DVOB Participation Form, and which identifies the subcontractor or goods and services provider as a proposed SBE or DVOB on said school facilities project and which is proposed for amendment to change the name of the document to “SBE DVOB Confirmation Form” which refers to the form completed by a proposed subcontractor or goods and services provider that has been named in a construction or goods and services contractor's SBE DVOB Participation Form, to reference the DVOB participation obligations of the contractor.

The following definition is proposed for deletion:

“SBE Form B – Schedule of Participation,” which referred to a form used to indicate SBE

participation only in the context of a goods and services contract, is proposed for deletion as the form referred to, which was only utilized for goods and services contracts, has been rendered obsolete in favor of using the “SBE DVOB Participation Form” to indicate SBE and DVOB entity participation in either goods and services contracts or construction contracts.

19:39-1.3 Application

This section, regarding application of this chapter, has been proposed for readoption without amendment.

19:39-2.1 Affirmative action, and small business compliance

This section is proposed for readoption with amendments to reflect inclusion of set-aside requirements for disabled veteran owned businesses pursuant to N.J.S.A. 52:32-31.1 et seq. The title of the section is proposed for amendment from “Affirmative action, and small business compliance” to “Affirmative Action, small business and disabled veteran-owned business compliance.” Additional amendments are proposed to reflect DVOB participation in construction and goods and services contracts, and to update the titles of various forms.

19:39-2.2 Contract provisions

This section, which concerns mandatory affirmative action and employment goal compliance language for goods and services contracts and construction contracts, is proposed for readoption with amendments to clarify regulatory citations to the mandatory language.

19:39-2.3 Compliance with affirmative action employment goals for minority and women workers by goods and services contractors

This section, which concerns county affirmative action employment goals for goods and services contracts is proposed for readoption with amendments to correctly specify the website address for the published county employment goals.

19:39-2.4 Compliance with affirmative action employment goals for minority and women workers by construction contractors

This section, which concerns county affirmative action employment goals for construction contracts is proposed for readoption with amendments to correctly specify the state entity responsible for developing and publishing the employment goals, and the website address for the published county employment goals.

19:39-2.5 Set asides and goals for SBE contractors on school facilities projects

This section, which concerns the set-aside and subcontracting requirements for contracts relating to school facilities projects, is proposed for readoption without amendment.

19:39-2.6 Set asides and goals for DVOB contractors on school facilities projects

This new section is proposed to recognize and implement the DVOB set aside and subcontracting requirements to be applied to SDA construction contracts and goods and services contracts pursuant to N.J.S.A. 52:32-31.1 et seq.

19:39-2.7 Good faith efforts

This section, titled “Good faith efforts” is proposed for readoption with amendments to renumber the section and change the title of the section to “Good faith efforts with respect to SBE goals” and to make changes in the text throughout the section to specifically reference the actions and activities that constitute good faith efforts to comply with small business set asides and subcontracting goals on school facilities projects, as distinguished from efforts to comply with DVOB goals which will be addressed in a specific new rule to follow this section.

19:39-2.8 Good faith efforts with respect to DVOB goals

This proposed new section addresses the actions and activities that constitute good faith efforts to comply with DVOB set asides and subcontracting goals on school facilities projects.

19:39-3.1 Monitoring workforce affirmative action compliance and procedures

This section, which addresses the procedures for monitoring vendor compliance with workforce affirmative action goals, is proposed for readoption with minor amendments. Subsection (b) is proposed for amendment to indicate that SDA compliance officers may “request to” enter a contractor’s business or manufacturing facility or construction site, as distinguished from exercising authority to enter such sites at will. Subsection (c) is proposed for amendment to make SDA as a whole responsible for undertaking investigations of contractor compliance, rather than resting this obligation solely on the SDA compliance officer. Subsection (e) is proposed for amendment to insert the word “alleged” before the term “violator” to acknowledge that determination of non-compliance with EEO/AA employment goals is subject to investigation and dependent on evidence of failure to make good faith efforts towards compliance.

19:39-3.2 Sanctions

This section, which addresses available actions that may be taken as sanctions or penalties for failure to make good faith efforts to comply with the affirmative action and equal employment opportunity goals and small business and disabled veteran owned business set asides and subcontracting goals required under these rules, is proposed for readoption with amendments. Proposed amendments include adding the words “as applicable” before the list of actions available as sanctions for failure to demonstrate good faith compliance with the requirements of these rules, and changing the language of subsection (a)3 from “may” to “will” to indicate that the imposition of a reduction in the contractor’s compensation will only be implemented through withholding future payment amounts otherwise payable to the contractor or retention of retainage amounts, and through no other methods.

19:39-4.1 Subcontractor replacement on school facilities projects

This section, which prohibits the replacement of subcontractors named to satisfy a set aside or subcontracting goal, is proposed for readoption with amendments to implement the DVOB set aside and subcontracting goals of N.J.S.A. 52:32-31.1 et seq.

19:39-5.1 Training programs

This section, which addresses the funding of training programs pursuant to N.J.S.A. 52:38-7 for training and scholarship programs for minority group members and women in preparation for construction trade occupations or other occupations, including engineering and construction management profession, is proposed for readoption with amendments to align the language of the rule with the specific funding parameters of N.J.S.A. 52:38-7, and to incorporate DVOB firms into the other training programs to be developed and undertaken by SDA pursuant to this rule.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:39.

Full text of the proposed amendments, and new rules follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

19:39-1.1 Purpose

The purpose of this chapter is to implement section 6 of the Act, which mandates the adoption of rules to establish and provide for the administration and enforcement of an affirmative action program for the schools construction program. In addition, this chapter implements Executive Order No. 71 (2003), which requires the Authority to set aside 25 percent of its total purchases and contracts for construction and goods and services for small business enterprises; **N.J.S.A. 52:32-31.1 et seq., which requires the Authority to set aside three percent of its total contracts for construction and goods**

and services for disabled veteran owned businesses; and, in accordance with Executive Order No. 34 (2006), encourages every construction contractor and goods and services contractor to afford equal opportunity for minority- and women-owned business enterprises to participate in the purchasing and procurement opportunities available through the schools construction program.

19:39-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

“Act” means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), P.L. 2007, c. 137, and P.L. 2008, c. 39.

“Affirmative action” whether used separately or in combination with other words or phrases (including, but not limited to, “program,” “equal employment opportunity,” and “EEO/AA”) means good faith steps taken to ensure equal opportunity employment for women and minority workers but does not include employment quota, except where otherwise permitted and appropriate under applicable law.

“Affirmative action plan” means an outline of the steps a contractor or vendor will implement to achieve equal employment opportunity and affirmative action and/or to correct its equal employment and affirmative action deficiencies.

“Affirmative action program” means a program that complies with the provisions of N.J.A.C. 17:27-4 or 17:27-6.

“Authority” or **“SDA”** means the New Jersey Schools Development Authority, established pursuant to section 3 of P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.), the successor entity to the New Jersey

Schools Construction Corporation. The Authority is statutorily charged with undertaking and funding school facilities projects, pursuant to the Act.

“Certificate of employee information report” means the certificate issued by the Division upon the initial receipt of a properly completed employee information report from a vendor, including professional services contractors.

“Certified payroll report” means the form completed by the construction contractor awarded a contract by the Authority that indicates the race, gender and hours worked by each tradesperson during a pay period, certified by the construction contractor.

“Compliance inspector” means an employee of the Authority who is responsible for monitoring compliance with this chapter.

“Construction contract” means any contract between a firm and the Authority for the construction of a school facilities project, and includes contracts procured pursuant to N.J.A.C. 19:36, 19:38, or 19:38B.

“Construction contractor” means a firm that enters into or offers to enter into a construction contract with the Authority.

“Contract” means the entire and integrated agreement between a firm and the Authority.

“Contractor” means a firm that enters into or offers to enter into a construction or goods and services contract with the Authority. The term also includes consultants, non-profits and providers of professional services.

“Department” means the Department of Labor and Workforce Development Construction Equal Opportunity Monitoring Program. The Department is responsible for monitoring the EEO/AA compliance of construction contractors.

“Division” means the Division of **Purchase and Property** [Public] Contract [Equal Employment Opportunity] Compliance **Audit Unit, Equal Employment Opportunity/ Affirmative Action Monitoring Program**, established in the State of New Jersey, Department of the Treasury, or successor entity. **The Division is responsible for monitoring the EEO/AA compliance of goods and services (including professional services) vendors and public agencies, respectively.**

“**Disabled Veteran Owned Business**” means a business that has its principal place of business in the State, is independently owned and operated, and at least 51 percent of which is owned and controlled by persons who are disabled veterans or a business that has its principal place of business in this State and has been officially verified by the United States Department of Veterans' Affairs as a service disabled veteran-owned business for the purposes of department contracts pursuant to Federal law.

“**Disabled veterans’ business set-aside contract**” means a contract for goods, equipment, construction or services which is designated as a contract with respect to which bids are invited and accepted only from disabled veterans’ businesses, or a portion of a contract when that portion has been so designated.

“Employee Information Report” means [Form AA302, or successor form,] **the Division form** which provides a breakdown of the goods and services contractor's workforce.

“Firm” means any association, company, contractor, corporation, joint stock company, limited liability company, partnership, sole proprietorship, or other business entity, including their assignees, lessees, receivers or trustees.

“Good faith” means with respect to goods and services contractors' obligations pursuant to N.J.A.C. 19:39-2.3, the actions set forth in N.J.A.C. 19:39-2.3(c); with respect to construction contractors' obligations pursuant to N.J.A.C. 19:39-2.4, the actions set forth in N.J.A.C. 19:39-2.4(b); [and,] with

respect to contractors' obligations pursuant to N.J.A.C. 19:39-2.5, the actions set forth in N.J.A.C. 19:39-2.7[6]; **and, with respect to contractors' obligations pursuant to N.J.A.C. 19:39-2.6, the actions set forth in N.J.A.C. 19:39-2.8.**

“Goods and services contract” means any contract entered into by the Authority for fixtures, furnishings, equipment, and any other tangible items, and/or professional, technical, or other types of services, in accordance with N.J.A.C. 19:38D and/or 19:38C. For purposes of this definition, “goods and services” shall not include construction services and materials in connection with a construction contract.

“Goods and services contractor” means a firm that enters into or offers to enter into a goods and services contract with the Authority.

“Initial Project Workforce [Report] **Form**” means SDA’s Form AA-201, which is filed by the construction contractor and provides a projected breakdown of the number of all workers per trade and of minorities and women on a construction project.

“Minority-owned business enterprise” or “MBE” means a business that is certified as a minority-owned business enterprise by the New Jersey Department of the Treasury, Division of Revenue and Enterprise Services or successor entity.

“Minority worker” means any worker as defined by the New Jersey Department of Treasury rule N.J.A.C. 17:27-2.1.

“Monthly [Project] Workforce **Tracking** Report” means SDA’s Form AA-202, which provides an analysis of a contractor's and its subcontractors' workforce.

“Performance evaluation” means the Act-mandated uniform performance evaluation of construction or goods and services contractors on all school facilities projects that must be utilized in reviewing bid submissions.

“SBE **DVOB Participation** Form [A--Schedule of Participation” or “Form A”] means the **SDA** form completed by [the construction] a contractor awarded a contract by the Authority that lists all of the SBEs **and DVOBs** that will participate in the contract, including scope of work, actual dollar amount and percent of total contract to be performed.

[“SBE Form B--Schedule of Participation” or “Form B” means the form completed by a goods and services contractor awarded a contract by the Authority that lists all of the SBEs that will participate in the contract, including the scope of work, actual dollar amount and percent of total contract to be performed.]

“SBE **DVOB Confirmation** Form [C--Confirmation Statement of SBE Status]” [or “Form C”] means the **SDA** form completed by a proposed subcontractor or goods and services provider that has been named in a construction or goods and services contractor's **SBE DVOB Participation** Form[A or Form B, respectively], which identifies the subcontractor or goods and services provider as a proposed **SBE or DVOB** on said school facilities project, specifies the subcontract bid amount and attaches a current and valid copy of that subcontractor's or goods and services provider's **SBE or DVOB** registration form issued by the Department of the Treasury, Division of Revenue and Enterprise Services, or successor agency.

“School construction program” means the program of school facilities projects and related activities undertaken by the SDA pursuant to the Act.

“School facilities project” means the planning, acquisition, demolition, construction, improvement, alteration, modernization, renovation, reconstruction or capital maintenance of all or any part of a school facility or of any other personal property necessary for, or ancillary to, any school facility and shall include fixtures, furnishings and equipment, and shall also include, but is not limited to, site acquisition, site development, the services of design professionals, such as engineers and architects,

construction management, legal services, financing costs and administrative costs and expenses incurred in connection with the project.

“SDA district” means a school district that received education opportunity aid or preschool expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260 (N.J.S.A. 18A:7G-3).

“Small business enterprise” or “SBE” means a business that is registered as a small business enterprise with the New Jersey Department of the Treasury, Division of Revenue and Enterprise Services, or successor entity.

“Subcontractor” means a third party that is engaged by a contractor to perform, pursuant to a subcontract, all or part of the work included in a public agency contract.

“Subcontractor Projection [Report]Form” or “Form AA201a[A]” means the SDA form completed by the construction contractor awarded a contract by the Authority that provides information concerning each of the subcontractors that will participate in the contract, including a Federal identification number and status as an MBE, WBE and/or SBE.

“Women-owned business enterprise” or “WBE” means a business that is certified as a women-owned business enterprise by the New Jersey Department of the Treasury, Division of Revenue and Enterprise Services, or successor entity.

19:39-1.3 Application

This chapter applies to any firm which enters into or offers to enter into a goods and services or construction contract with the Authority.

19:39-2.1 Affirmative action, [and] small business **and disabled veteran-owned business** compliance

(a) Each construction or goods and services contractor shall designate an employee who shall serve as a liaison with the Authority's compliance inspector and who shall be responsible for coordinating the firm's affirmative action program, maintaining all records required by this chapter, and submitting the forms required by this chapter through the Authority's website, or as otherwise directed, to the SDA's designated employee or representative.

(b) Every construction contractor shall complete and submit the following forms at the times specified by the SDA in the procurement or contract documents for the construction contract:

1. An SBE **DVOB Participation** Form [A], together with all SBE **DVOB Confirmation** Forms[C];
2. An initial project workforce [report] **form**, Form AA-201;
3. A subcontractor projection [report] **form**, Form AA-[201A] 201a;
4. A monthly [project] workforce **tracking** report, Form AA-202; and
5. Certified payroll reports submitted with payment invoices as specified in the contract documents.

(c) Every goods and services contractor shall submit to the Authority an SBE **DVOB Participation** Form [B] and an SBE **DVOB Confirmation** Form [C], at the times specified by the SDA, as well as one of the following documents:

1. A Letter of approval that the contractor is operating under an existing Federally-approved or sanctioned affirmative action program; **or**
2. A Certificate of Employee Information Report approval issued in accordance with N.J.A.C. 17:27; or
3. An Employee Information Report, Form AA-302.

(d) If a contractor fails to satisfy [the] requirements (b)1 or (c) above, as applicable, the Authority shall rescind the award of contract to the firm.

(e) A goods and services contractor shall not enter into a subcontract unless the subcontractor has submitted to said contractor one of the three documents required by (c)1 through (c)3 above, unless the subcontractor, for a goods and services contract, has four or fewer employees.

19:39-2.2 Contract provisions

(a) All goods and services contractors shall include in every subcontract the following mandatory language concerning affirmative action employment practices:

1. The affirmative action language set forth in N.J.A.C. 17:27-3.5(a)2i through **17:27-3.5(a)2iv**, as applicable; and
2. The employment goal compliance language set forth in N.J.A.C. 17:27-3.7(a)1 through **17:27-3.7(a)4**, as applicable.

(b) All construction contractors shall include in every subcontract the following mandatory language concerning affirmative action employment practices:

1. The affirmative action language set forth in N.J.A.C. 17:27-3.6(a)2i through **17:27-3.6(a)2iv**, as applicable; and
2. The employment goal compliance language set forth in N.J.A.C. 17:27-3.8(a)1 through **17:27-3.8(a)3**, as applicable.

(c) Notwithstanding the mandatory subcontract language required in (b)1 above, if a subcontractor has a total workforce of four or fewer employees or is performing under an existing Federally-approved or

sanctioned affirmative action program, the subcontract need only include the mandatory language set forth in N.J.A.C. 17:27-3.6(a)2iv.

19:39-2.3 Compliance with affirmative action employment goals for minority and women workers by goods and services contractors

(a) The requirements of this section shall not apply to any goods and services contractor performing under an existing Federally approved or sanctioned affirmative action program, which is exempted from the affirmative action plan requirements under N.J.A.C. 17:27-4.3(a).

(b) A goods and services contractor will be considered to be in compliance with this chapter only if the contractor has acted in good faith to employ minority and women workers in each of the equal employment occupational categories in which the contractor has employees, in accordance with the applicable county employment goals, as established by the Division in accordance with N.J.A.C.

17:27-5.2, as updated from time to time by the Division and posted on [its] **the State** website at

www.nj.gov/treasury/contract_compliance/documents/pdf/guidelines/procurement_targets.pdf

[www.state.nj.us/treasury/contract-compliance/pdf/procurement_targets.pdf].

(c) In its determination of whether a goods and services contractor has acted in good faith, the SDA shall consider whether the contractor:

1. Has knowledge of and has considered the general availability of minorities and women having requisite skills in the immediate labor area;
2. Has knowledge of and has considered the percentage of minorities and women in the total workforce in the immediate labor area;
3. When the opportunity has presented itself, has considered promoting minority and women employees within its organization;

4. Attempted to hire minorities and women based upon the anticipated expansion, contraction and turnover of its workforce;
5. Has the ability to consider undertaking training as a means of making all job classifications available to minorities and women and whether it has done so;
6. Has utilized the available recruitment resources to attract minorities and women with requisite skills, including, but not limited to, training institutions, job placement services, referral agencies, newspapers, trade papers, faith-based organizations, and community-based organizations; and
7. Has documented its attempts to attain the applicable county employment goals.

19:39-2.4 Compliance with affirmative action employment goals for minority and women workers by construction contractors

(a) A construction contractor shall make good faith efforts to employ minority and women workers in each construction trade consistent with the applicable employment goals prescribed by N.J.A.C. 17:27-7.2[3], as updated from time to time by the [Division] **Department** and posted [at its] **on the State** website at

www.nj.gov/treasury/contract_compliance/documents/pdf/guidelines/construction_targets.pdf

[www.state.nj.us/treasury/contract-compliance/goals_construction_contractors.pdf]. The goals are expressed as percentages of the total hours worked on the school facilities project in each trade. The SDA will make these goals available as part of each construction contract.

(b) In determining if a contractor has acted in good faith, the SDA shall consider whether:

1. The contractor has notified the union with whom it has a collective bargaining agreement or referral arrangement, within three business days of the contract award, of the

obligations of the contractor under these rules and has sought the cooperation of the union in meeting the minority and women goal requirements;

2. The contractor was able to obtain assurances at least five business days prior to commencement of construction work from the construction trade union that it would refer sufficient minority and women workers directly, consistent with the applicable county employment goal, and whether the contractor attempted to hire or schedule minority and women workers directly, and if possible, minority and women workers residing within the geographical jurisdiction of the union; and
3. The hiring or scheduling of a workforce consistent with the applicable county employment goal could be achieved for each construction trade by adhering to the procedures of (b)1 and 2 above, or whether, if the contractor has a referral agreement or arrangement with a union for a construction trade, the contractor took the following actions consistent with the applicable county employment goals:
 - i. Notified the SDA's compliance inspector and at least two minority and women referral organizations, a listing of which is maintained by the Division, pursuant to N.J.A.C. 17:27-5.3, of the contractor's labor needs, and requested referrals of minority workers and women workers;
 - ii. Gave notice of employment opportunities to all minority workers and women workers who were listed with the contractor as awaiting available vacancies;
 - iii. Employed qualified minority workers and women workers who had been listed with the contractor as candidates for available vacancies; and
 - iv. Notwithstanding (b)3i through iii above, the contractor shall not be required to employ women and minority advanced trainees and trainees in numbers, which result in the employment of advanced trainees and trainees as a percentage of the total workforce

for the construction trade, which percentage significantly exceeds the apprentice-to-journey worker ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade.

(c) The contractor shall keep complete and accurate records of all requests made for the referral of workers in any trade covered by the contract and provide those upon the request of the SDA's compliance inspector.

(d) The SDA may, in its discretion, exempt a contractor from compliance with the good faith procedures prescribed by (b)1, 2, and 3 above, as long as the SDA is satisfied that the contractor is employing workers provided by a union, which provides evidence, in accordance with standards prescribed by the Division, that its percentage of active “card carrying” members who are minority and women workers is equal to or greater than the applicable employment goal established pursuant to N.J.A.C. 17:27-[7.3]7.2 and the contractor agrees to otherwise comply with the procedures set forth in this chapter.

19:39-2.5 Set asides and goals for SBE contractors on school facilities projects

(a) At the time of each school facilities project advertisement, the Authority shall announce the SBE requirements for the contract, and a construction contractor or goods and services contractor shall be required to make a good faith effort to comply fully with the SBE subcontracting goals.

(b) The SDA may set aside a school facilities construction or goods and services contract for an SBE, whenever there is a reasonable expectation that bids or proposals may be obtained from at least three qualified SBE firms capable of providing the desired services. The designation shall be made prior to advertisement for bids.

(c) When practicable, the SDA will issue several smaller contracts, in place of one large contract, in order to increase the ability of SBEs to bid on school facilities projects.

19:39-2.6 Set asides and goals for DVOB contractors on school facilities projects

(a) At the time of each school facilities project advertisement, the Authority shall announce the DVOB requirements for the contract, and a construction contractor or goods and services contractor shall be required to make a good faith effort to comply fully with the DVOB subcontracting goals.

(b) The SDA may set aside a school facilities construction or goods and services contract for a DVOB contractor, whenever there is a reasonable expectation that bids or proposals may be obtained from at least three qualified DVOB firms capable of providing the desired services. The designation shall be made prior to advertisement for bids.

(c) When practicable, the SDA will issue several smaller contracts, in place of one large contract, in order to increase the ability of DVOBs to bid on school facilities projects.

19:39-2.7[6] Good faith efforts with respect to SBE goals

(a) The good faith efforts of contractors to meet the 25 percent SBE **subcontracting** goal on school facilities projects shall include, but not be limited to, the following measures:

1. Sending solicitation letters to SBE firms registered with the Division of Revenue and Enterprise Services and to pre-qualified SBE firms on [a list that is available from] the SDA's **vendor directory accessible** [website]at www.njsda.gov;
2. Making follow-up telephone calls to firms solicited in ([a]1) above, and keeping a log of such calls and responses;
3. Breaking the work into smaller subcontracts, to make it easier for SBE firms to compete;
4. Contacting **small business groups and** community groups, [including, but not limited to, groups listed by the SDA] for this purpose, for assistance in identifying SBE firms;

5. Placing advertisements in local newspapers, construction trade letters, magazines, or special publications aimed at SBEs;
6. Negotiating in good faith with interested SBE subcontractors, so as not to disqualify a prospective subcontractor without good cause; and
7. Assisting potential SBE subcontractor firms by acting as a reference for the subcontractor, or by referring the subcontractor to the surety agent or bank officer of the contractor or consultant to satisfy bonding, insurance, or credit requirements.

(b) If the SDA determines that a contractor has failed to comply with its good faith obligations to meet the 25 percent SBE subcontracting goal, it may pursue any of the sanctions available pursuant to N.J.A.C. 19:39-3.2.

19:39-2.8 Good faith efforts with respect to DVOB goals

The good faith efforts of contractors to meet the three percent DVOB subcontracting goal on school facilities projects shall include, but not be limited to, the following measures:

- 1. Sending solicitation letters to DVOB firms registered with the Division of Revenue and Enterprise Services and DVOB firms listed in the SDA vendor directory accessible at www.njsda.gov;**
- 2. Making follow-up telephone calls to firms solicited in (1) above, and keeping a log of such calls and responses;**
- 3. Breaking the work into smaller subcontracts, to make it easier for DVOB firms to compete;**
- 4. Contacting relevant veterans' groups and other community groups for assistance in identifying DVOB firms;**

5. **Placing advertisements in local newspapers, construction trade letters, magazines, or special publications aimed at DVOB firms;**
6. **Negotiating in good faith with interested DVOB subcontractors, so as not to disqualify a prospective subcontractor without good cause; and**
7. **Assisting potential DVOB subcontractor firms by acting as a reference for the subcontractor, or by referring the subcontractor to the surety agent or bank officer of the contractor or consultant to satisfy bonding, insurance, or credit requirements.**

19:39-3.1 Monitoring workforce affirmative action compliance and procedures

(a) A goods and services or construction contractor's employee liaison designated in accordance with N.J.A.C. 19:39-2.1(a) shall meet, when requested, with the SDA's compliance inspector and/or other SDA representatives to ensure compliance with this chapter and the contractor's affirmative action plan.

(b) The SDA's compliance inspector shall conduct on-site visits and/or attend project meetings and, at reasonable times and in a reasonable manner, may **request to** enter the contractor's business facility or construction project site for the purpose of determining whether the contractor is complying with its affirmative action plan and is otherwise in compliance with the procedures set forth in this chapter.

(c) The [SDA's compliance inspector] **SDA** may investigate to determine if there is a violation of this subchapter or a contractor's affirmative action plan. If the SDA determines there is substantial probability that a violation is occurring, SDA may issue a written alert notice to a contractor. The written alert notice shall provide details of the alleged violation.

(d) If the alleged violation explained in the alert notice has not been corrected within three business days after the alert notice is received by the contractor, the SDA shall issue a violation notice to the contractor. Said violation notice shall provide details of the continuing violation.

(e) After SDA's issuance of a notice of violation, the alleged violator shall submit, within seven business days, a written statement explaining why it is not in violation of this subchapter or the affirmative action plan or an explanation of how it will correct any such violation. SDA shall review the written statement, and if the SDA determines that the **alleged** violator has not adequately explained why it is not in violation or determines that the violation is continuing to occur, then SDA shall conduct an investigatory conference to determine whether there is a violation and/or if corrective measures must be taken. The conference may also be conducted to discuss and resolve issues before taking any action pursuant to N.J.A.C. 19:39-3.2. Such investigatory conference shall be conducted within 30 business days of the contractor's submission of its written statement. The conference may involve interviews of relevant parties and SDA may request from appropriate parties the submission of additional information as is considered necessary to determine whether the alleged violation has occurred.

§ 19:39-3.2 Sanctions

(a) If the SDA determines that either a goods and services or construction contractor is in violation of this chapter or its affirmative action plan, SDA shall enforce the obligations of this chapter and the requirements of the affirmative action plan by any or all of the following actions **as applicable**:

1. Reduce the contractor's performance evaluation;
2. Reduce the contractor's project rating on subsequent bid proposals;
3. Reduce the contractor's compensation by a maximum of one and one-half percent of the contract price if the contractor is found not to have in good faith satisfied the hiring requirements set forth in the contract, because the SDA cannot and will not pay for contractual services that are not performed or contractual obligations that are not met. This reduction in the contract price [may] **will** be effectuated either by the withholding of all or part of future payments to the contractor or by a reduction in the amount of retainage otherwise due for release to the contractor under the contract;

4. Pursue any of the sanctions available under N.J.A.C. 19:38A-4, including revocation of the firm's pre-qualification and/or suspension or debarment from SDA contracting; and/or
5. Terminate the contract.

§ 19:39-4.1 Subcontractor replacement on school facilities projects

- (a) A construction or goods and services contractor shall not replace an SBE **or DVOB** subcontractor, except where such contractor is in breach of its subcontract and the SDA has provided the contractor its prior written consent to the replacement.
- (b) A request for replacement shall be in writing, with complete justification for the request. The contractor must have the written approval of the SDA before such a replacement can be made, regardless of the reason for the replacement.
- (c) The contractor shall make a good faith effort to find another SBE **or DVOB firm, as applicable**, to perform at least the same amount of work as had been allocated to the original SBE **or DVOB** subcontractor.

§ 19:39-5.1 Training programs

- (a) Pursuant to P.L. 2009, c. 313 (N.J.S.A. 52:38-7), the SDA shall allocate **an amount equal to one half of one percent of [capital funds for approved] the value of school facilities [projects] contracts in excess of \$1,000,000, that are pertinent to construction, design, and management of school facilities projects**, to fund training and scholarship programs for minority group members and women in preparation for construction trade occupations or other occupations, including engineering and construction management professions[, that are pertinent to construction, design, and management of school facilities projects].

(b) The SDA shall utilize the funds pursuant to (a) above to work with the State Higher Education Student Assistance Authority to develop a targeted scholarship program for New Jersey women and minority group members, directed toward fields of study relevant to occupations pertinent to school facilities project construction, management, and design, to increase the numbers of women and minorities in the State's construction trades and related professions.

(c) The SDA shall further utilize the funds pursuant to (a) above to create an **SBE/WBE/MBE/DVOB** training program to assist existing New Jersey **SBE/WBE/MBE/DVOB** entities in trades or professions related to school facilities project design, management, and construction to further develop their business practices, become familiar with SDA contracting and procurement requirements, and to secure SDA pre-qualification to participate in SDA procurements.

(d) To the extent practicable, the services provided pursuant to this section shall be coordinated with apprenticeship training provided under N.J.S.A. 18A:7G-38.

Resolution—6a.

**Re-adoption with Amendments
Equal Employment Opportunity and Affirmative Action Regulations, N.J.A.C. 19:39**

Resolution

WHEREAS, P.L. 2007, 137 (N.J.S.A. 52:18A-240) requires that the Members of the New Jersey Schools Development Authority (SDA) adopt rules and regulations to establish an affirmative action program for the hiring of minority workers on its school construction projects; and

WHEREAS on November 14, 2007 N.J.A.C. 19:39 (Chapter 39) was adopted by the New Jersey Schools Construction Corporation as a re-adoption and recodification of rules originally promulgated by the New Jersey Economic Development Authority to govern the affirmative action requirements for the statewide school construction program under the Educational Facilities Construction and Financing Act (“EFCFA”), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.); and

WHEREAS, Chapter 39 was subsequently readopted by the SDA with amendments effective May 12, 2015; and

WHEREAS, Chapter 39 is scheduled to expire on May 12, 2022; and

WHEREAS, the regulations proposed for re-adoption with amendments on this date address the equal employment opportunity and affirmative action requirements applicable to construction and goods and services contractors and consultants engaged for the school construction program, as well as SDA’s set-aside and subcontracting goals for small business entity participation; and

WHEREAS, the proposed substantive changes to the current regulations incorporate applicable statutory and regulatory updates, notably the set-aside and subcontracting requirements for Disabled Veteran Owned Businesses under N.J.S.A. 52:32-31.1 et seq.; and

WHEREAS, several minor amendments are proposed to add or update statutory and regulatory definitions and references, and the names of forms issued by SDA and other state entities, and to correct the names and website addresses of government entities with responsibility for affirmative action and equal employment opportunity goal setting and compliance monitoring; and

WHEREAS, additional proposed amendments would clarify provisions regarding the monitoring of equal employment opportunity and affirmative action obligations, and pertain to the imposition of sanctions on firms that have failed to meet their obligations under this chapter; and

WHEREAS, the memorandum and/or rule proposal presented to the Board on this date set forth all proposed additions or deletions to the existing rules and the memorandum describes the substantive, minor and other proposed amendments to the rules and/or the chapter title; and

WHEREAS, SDA management recommends that the Members approve the re-adoption of the Rules as proposed and presented and authorize the filing of the Notice of Proposal with the state Office of Administrative Law.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the proposed re-adoption of the Authority's Equal Employment Opportunity and Affirmative Action Rules with amendments, along with the issuance of the associated Notice of Proposal, and the filing of the Notice with the Office of Administrative Law.

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, Re-adoption with Amendments for the Equal Employment Opportunity and Affirmative Action Regulations, N.J.A.C. 19:39, dated May 4, 2022

Dated: May 4, 2022

MONTHLY REPORTS
(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: May 4, 2022

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

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

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

2011 & 2012 Portfolio Projects Activities Summary

as of 4/5/22

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 4/5/22

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 | Award for D-B approved Nov. 2017 Board. (Terminal) | 6/13/17 |
| Phillipsburg | High School | 9-12 | 1,846 | 2,172 | \$127.5 | Existing Design | School occupied Sep. 2016. (Epic Management) | 9/27/12 |
| West New York | Memorial HS | 9-12 | 1,859 | 2,194 | \$16.0 | Alternative Delivery (acquisition) & Renovation | Acquisition of Existing St. Joseph's HS complete. Renovation work delegated to District via Grant. | n/a |

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

2011 & 2012 Portfolio Projects Activities Summary

as of 4/5/22

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 | Award for D-B approved Sep. 2018 Board. (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 4/5/22

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 | \$56.1 | 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 4/1/2022

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 | \$ 38,860,332 |
| 2 | City of Orange | Orange High School | Addition/Renovation | Construction | 3Q 2022 | On-target | Phased | On-target | \$ 56,063,605 |
| 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 | Perth Amboy | New High School | New Construction | Construction | 2Q 2024 | On-target | Sep-24 | On-target | \$ 283,830,000 |
| 6 | 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 4/1/2022

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 | Achieved | 1Q 2022 | Achieved | \$ 219,819 |
| 2 | Newark | Ivy Hill School | Boiler Room Vault Repairs | Construction | 2Q 2022 | On Target | 2Q 2022 | On-Target | \$ 1,758,900 |
| 3 | Newark | Malcolm X. Shabazz HS | Structural Repairs | Construction | 2Q 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 |
| 5 | Paterson | PS #5 | Roof Replacement & Masonry Repairs | Construction | 2Q 2022 | On Target | 2Q 2022 | On-Target | \$ 10,968,112 |
| 6 | Plainfield | Plainfield HS | Boiler Room Roof Repairs | Construction | 3Q 2022 | On Target | 4Q 2022 | On-Target | \$ 674,800 |

PROJECT STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Program Operations

DATE: May 4, 2022

SUBJECT: Executive Summary – Monthly Project Status Reports

MONTHLY PROJECT STATUS REPORT

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

No activity during the reporting period

Projects Greater than 90 Days Behind Schedule:

No activity during the reporting period

Revisions to Project Charters:

Orange High School Addition and Renovation Project – Revised Final Project Charter

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

Reporting Period: January 2008 to March 2022

| District | Project | Board Approved Project Charter Contingency | Contingency Expended/Committed | Contingency Remaining ¹ | % of Contingency Expended/Committed | Project Completion % | Cause(s) | Current Status |
|----------|---------|--|--------------------------------|------------------------------------|-------------------------------------|----------------------|----------|----------------|
|----------|---------|--|--------------------------------|------------------------------------|-------------------------------------|----------------------|----------|----------------|

In Construction

| | | | | | | | | |
|-----------|---|-------------|-------------|-----------|--------|-----|--|---|
| 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 | \$4,034,365 | \$490,635 | 89.2% | 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 approved by 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. |

¹ 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: March 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 |
|---|------------|----------|---------|---|----------------------------------|--|------------------------------|----------|----------------|
|---|------------|----------|---------|---|----------------------------------|--|------------------------------|----------|----------------|

No Data During the Reporting Period



Revisions to Project Charters

Reporting Period: March 2022

| # | District | Project | Financial & Schedule Impacts | Additional Funds Approved | Additional Funds as % of Total Project Budget | Operating Authority Approval Requirement | Description of Revision |
|---|----------|---------------------------------|------------------------------|---------------------------|---|--|--|
| 1 | Orange | Orange HS Addition & Renovation | Budget Increase | \$ 4,132,387 | 7.96% | CEO Approval | Budget increase due to numerous unforeseen conditions discovered throughout the Project that necessitated the issuance of change orders to ensure that construction continued to progress. The need for oversight due to these unforeseen conditions resulted in additional Design, CM and SDA Staff costs. Additionally, the FF&E and Technology budgets were increased due to the integration team working nights and weekends during the Summer of 2021 in order to turn the building over for student occupancy in September 2021 and the still pending computer and shop equipment for the Robotics Lab. These increases are partially offset by rebates and refunds received to date and insurance recoveries for change order work. |

CONTRACTS EXECUTED REPORT/AMENDMENTS & CHANGE ORDERS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Program Operations

DATE: May 4, 2022

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

Contracts Executed Report

This report contains the activity of Contracts executed during the period March 1 through March 31, 2022.

Noteworthy Items during the reporting period:

- Execution of 1 general construction contract for an emergent project at Plainfield HS with Catcord Construction for \$284,400.

Amendments & Change Orders Report

This report contains the activity of Amendments and Change Orders executed during the period March 1 through March 31, 2022.

Noteworthy Items during the reporting period:

- 11 Professional Services Amendments were executed during the reporting period totaling a credit of \$753k, of the 11 executed amendments none required Board approval.
- 39 Construction Services Change Orders were executed during the reporting period totaling \$43k, of the 39 executed change orders 1 required Board Approval totaling \$842k.

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

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

- No Activity to Report



Contracts Executed Report

Reporting Period: 3/1/2022 through: 3/31/2022

| District | School Name(s) | Project Type | Contract Type | Contract Number | Vendor | MWSBE Cert(s) | Contract Award Amount | Contract Execution Date | Per School CCE | Total CCE |
|--------------------------------------|-----------------|--------------|---------------|-----------------|--------------------------------|---------------|-----------------------|-------------------------|----------------|-----------------|
| Part 2. Construction Services | | | | | | | | | | |
| Contractor | | | | | | | | | | |
| Plainfield | Plainfield H.S. | Reno | Construction | EP-0108-C01 | Catcord Construction Co., Inc. | | \$248,400 | 3/3/2022 | \$256,163 | \$256,16 |
| Contractor | | | | | | | | | | |
| Part 2. Construction Services | | | | | | | \$248,400 | | | \$256,16 |

Contracts Executed Report

Reporting Period: 3/1/2022 through: 3/31/2022

| District | School Name(s) | Project Type | Contract Type | Contract Number | Vendor | MWSBE Cert(s) | Contract Award Amount | Contract Execution Date | Per School CCE | Total CCE |
|---|---------------------------|--------------|---------------|-----------------|---|---------------|-----------------------------|-------------------------|--------------------------------|-----------|
| Part 4. Other Contracts & Services | | | | | | | | | | |
| Others | | | | | | | | | | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-K01 | Tequipment, Inc. | | \$94,570 | 03/24/2022 | - | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-K02 | Turn-Key Technologies, Inc. | | \$126,640 | 03/24/2022 | - | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-K03 | Washington Computer Services | | \$127,625 | 03/25/2022 | - | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-K04 | Datamation Systems Inc | | \$19,425 | 03/28/2022 | - | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-K05 | Apple Inc. | | \$212,310 | 03/29/2022 | - | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-Q07 | LakeshoreEquip.Co.dba Lakeshore Learning Materials | | \$12,870 | 03/08/2022 | - | |
| Keansburg Borough | Port Monmouth Road School | RenoAdd | FFE | ET-0098-Q08 | Community Products LLC dba Community Playthings | | \$386,155 | 03/30/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K37 | Keyboard Consultants | | \$137,636 | 03/15/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K38 | SHI International, Inc | | \$36,434 | 03/15/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K39 | Apple Inc. | | \$458,544 | 03/24/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K40 | Computer Logic Group, Inc. | | \$177,848 | 03/24/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K41 | Washington Computer Services | | \$26,689 | 03/25/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K42 | MRA International, Inc. | | \$32,904 | 03/25/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K43 | Washington Computer Services | | \$429,880 | 03/25/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K44 | Washington Computer Services | | \$17,856 | 03/25/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-K45 | Washington Computer Services | | \$18,716 | 03/30/2022 | - | |
| Millville | High School | RenoAdd | FFE | ST-0046-Q41 | Krueger International, Inc. | | \$154,144 | 03/08/2022 | - | |
| Others | | | | | | | | | | |
| Part 4. Other Contracts & Services | | | | | | | \$2,470,246 | | | |
| | | | | | | | Total Contract Award | | | |
| Grand Totals - Professional and Construction Services Combined | | | | | | | \$2,718,646 | | | |
| | | | | | | | | | Total Contracts Awarded | 18 |



Contracts Executed Report

Reporting Period: 3/1/2022 through: 3/31/2022

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

Project Types Legend

| | |
|---------|-----------------------|
| HS | Health & Safety |
| New | New Constuction |
| Add | Addition |
| RenoAdd | Addition & Renovation |
| Reno | Renovation |

Contract Types Legend

| | |
|----------------|------------------------------------|
| Aquisition | Property Acquisition Related Costs |
| Appraisal | Appraisal, Appraisal Review, NRE |
| Construction | Construction |
| Design | Design or Site Investigation |
| DB | Design-Build |
| E-Rate | E-Rate |
| FFE | Furniture, Fixtures, and Equipment |
| General | General Program Cost |
| Legal | Legal |
| Material | Material Supply |
| ProjectMgmt | Project Management Firm |
| PreDevelopment | Predevelopment or Demolition |
| Relocation | Relocation Services |
| SiteInvstgtn | Site Investigation |
| Testing | Testing |
| Title | Title Services |
| Utilities | Utilities Services |

MWSBE CERTIFICATIONS

M = Minority Business Enterprise
W = Women Business Enterprise
S = Small Business Enterprise

Amendments & Change Orders Report

Reporting Period: 3/1/2022 through: 3/31/2022

| 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 % | |
|---|--------------------------------|-----------------|-------------------------|------|---|-------------------|-----------------------|-------------------------|--------------------|-------------------------|---------------------|-------------------------|-----------------|--|
| Professional Services | | | | | | | | | | | | | | |
| Design Consultant | | | | | | | | | | | | | | |
| Newark | Cleveland E.S. | EP-0109-A01 | 11/7/2018 | 1 | STV Architects, Inc. | 3/8/2022 | \$186,450 | \$0 | (\$100,000) | | | \$86,450 | -53.63% | |
| Newark | Cleveland E.S. | EP-0109-A01 | 11/7/2018 | 2 | STV Architects, Inc. | 3/8/2022 | \$186,450 | (\$100,000) | (\$24,568) | | | \$61,882 | -66.81% | |
| Newark | Technology H.S. | EP-0112-A01 | 11/7/2018 | 1 | STV Architects, Inc. | 3/23/2022 | \$200,345 | \$0 | (\$100,000) | | | \$100,345 | -49.91% | |
| Newark | Technology H.S. | EP-0112-A01 | 11/7/2018 | 2 | STV Architects, Inc. | 3/23/2022 | \$200,345 | (\$100,000) | (\$22,001) | | | \$78,344 | -60.89% | |
| Newark | Harriet Tubman E.S. | EP-0115-A01 | 8/21/2018 | 1 | Netta Architects, LLC | 3/8/2022 | \$148,000 | \$0 | (\$97,962) | | | \$50,038 | -66.19% | |
| Plainfield | Plainfield H.S. | EP-0108-A01 | 8/1/2018 | 2 | HAKS Engineers, Architects and Land Surveyors, PC | 3/8/2022 | \$139,340 | \$91,450 | (\$65,874) | | | \$164,916 | 18.35% | |
| Design Consultant | | | | | | | | | | | | | | |
| Construction Management Services | | | | | | | | | | | | | | |
| City Of Orange Township | Cleveland Street E.S. | ES-0043-M01 | 1/9/2019 | 2 | Epic Management, Inc. | 3/25/2022 | \$1,185,078 | \$272,467 | \$6,000 | | | \$1,463,545 | 23.49% | |
| City Of Orange Township | Cleveland Street E.S. | ES-0043-M01 | 1/9/2019 | 3 | Epic Management, Inc. | 3/25/2022 | \$1,185,078 | \$278,467 | \$29,000 | | | \$1,492,545 | 25.94% | |
| City Of Orange Township | Cleveland Street E.S. | ES-0043-M01 | 1/9/2019 | 4 | Epic Management, Inc. | 3/25/2022 | \$1,185,078 | \$307,467 | \$27,000 | | | \$1,519,545 | 28.22% | |
| City Of Orange Township | Cleveland Street E.S. | ES-0043-M01 | 1/9/2019 | 5 | Epic Management, Inc. | 3/25/2022 | \$1,185,078 | \$334,467 | \$30,000 | | | \$1,549,545 | 30.75% | |
| Passaic City | Dayton Ave. Educational Campus | NT-0052-M02 | 5/21/2018 | 1 | Gilbane Building Company | 3/4/2022 | \$4,043,560 | \$0 | (\$434,787) | | | \$3,608,773 | -10.75% | |
| Construction Management Services | | | | | | | | | | | | | | |
| Professional Services | | | | | | | | | | | | | | |
| | | | | | | | | | (\$753,192) | | | | | |
| Construction Services | | | | | | | | | | | | | | |
| Contractor | | | | | | | | | | | | | | |
| Bridgeton | Bridgeton Senior H.S. | EP-0105-C01 | 8/27/2020 | 3 | Ernest Bock & Sons, Inc. | 3/21/2022 | \$6,535,000 | \$39,037 | (\$148,281) | | | \$6,425,756 | -1.67% | |
| Bridgeton | Bridgeton Senior H.S. | EP-0105-C01 | 8/27/2020 | 4 | Ernest Bock & Sons, Inc. | 3/21/2022 | \$6,535,000 | (\$109,244) | (\$79,420) | | | \$6,346,336 | -2.88% | |
| Bridgeton | Bridgeton Senior H.S. | EP-0105-C01 | 8/27/2020 | 5 | Ernest Bock & Sons, Inc. | 3/21/2022 | \$6,535,000 | (\$188,664) | (\$150,000) | | | \$6,196,336 | -5.18% | |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 52 | Terminal Construction Corp. | 3/21/2022 | \$37,000,000 | \$3,558,940 | \$41,145 | | | \$40,600,086 | 9.72% | |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 70 | Terminal Construction Corp. | 3/21/2022 | \$37,000,000 | \$3,600,086 | \$44,850 | | | \$40,644,936 | 9.85% | |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 89 | Terminal Construction Corp. | 3/21/2022 | \$37,000,000 | \$3,644,936 | \$10,541 | | | \$40,655,477 | 9.87% | |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 97 | Terminal Construction Corp. | 3/21/2022 | \$37,000,000 | \$3,655,477 | \$2,116 | | | \$40,657,592 | 9.88% | |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 33 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,657,592 | \$21,068 | | | \$40,678,660 | 9.94% | |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 90 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,678,660 | \$19,534 | | | \$40,698,194 | 9.99% | |

Amendments & Change Orders Report

Reporting Period: 3/1/2022 through: 3/31/2022

| 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 | 91 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,698,194 | \$21,879 | | | \$40,720,073 | 10.05% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 93 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,720,073 | \$26,917 | | | \$40,746,991 | 10.12% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 94 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,746,991 | \$23,417 | | | \$40,770,408 | 10.19% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 95 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,770,408 | \$10,997 | | | \$40,781,405 | 10.22% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 98 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,781,405 | \$7,731 | | | \$40,789,136 | 10.24% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 101 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,789,136 | \$94,309 | | | \$40,883,446 | 10.49% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 103 | Terminal Construction Corp. | 3/22/2022 | \$37,000,000 | \$3,883,446 | \$20,000 | | | \$40,903,446 | 10.54% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 13 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,903,446 | \$5,865 | | | \$40,909,311 | 10.56% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 26 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,909,311 | \$35,608 | | | \$40,944,919 | 10.66% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 88 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,944,919 | \$18,394 | | | \$40,963,313 | 10.71% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 92 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,963,313 | \$9,034 | | | \$40,972,347 | 10.73% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 96 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,972,347 | \$6,803 | | | \$40,979,150 | 10.75% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 99 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,979,150 | \$6,158 | | | \$40,985,308 | 10.77% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 100 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,985,308 | \$8,699 | | | \$40,994,007 | 10.79% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 102 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$3,994,007 | \$18,206 | | | \$41,012,213 | 10.84% |
| City Of Orange Township | Orange H.S. | ES-0042-C01 | 4/29/2019 | 104 | Terminal Construction Corp. | 3/23/2022 | \$37,000,000 | \$4,012,213 | \$22,151 | | | \$41,034,365 | 10.90% |
| Irvington Township | Augusta Street Preschool | ES-0022-C05 | 7/19/2021 | 3 | Catcord Construction Co., Inc. | 3/8/2022 | \$303,781 | (\$5,399) | (\$49,560) | | | \$248,822 | -18.09% |
| Millville | Millville Early Childhood Center (-E01) | ST-0010-C02 | 8/20/2021 | 1 | T.N. Ward Company | 3/25/2022 | \$434,943 | \$0 | (\$10,000) | | | \$424,943 | -2.29% |
| Neptune Township | Shark River Hills E.S. | ET-0012-C02 | 8/2/2021 | 2 | Epic Management, Inc. | 3/23/2022 | \$423,525 | (\$10,000) | (\$97,243) | | | \$316,282 | -25.32% |
| Paterson | Number 5 E.S. | EP-0113-C01 | 6/15/2021 | 6 | Paul Otto Building Co., Inc. | 3/3/2022 | \$7,494,000 | \$261,677 | \$43,384 | | | \$7,799,062 | 4.07% |
| Paterson | Number 5 E.S. | EP-0113-C01 | 6/15/2021 | 7 | Paul Otto Building Co., Inc. | 3/25/2022 | \$7,494,000 | \$305,062 | \$4,098 | | | \$7,803,159 | 4.12% |
| Millville | High School | ST-0046-B01 | 5/24/2017 | 10 | Hall Construction Co., Inc. | 3/8/2022 | \$114,453,000 | \$5,618,788 | \$22,254 | | | \$120,094,042 | 4.92% |
| Millville | High School | ST-0046-B01 | 5/24/2017 | 46 | Hall Construction Co., Inc. | 3/11/2022 | \$114,453,000 | \$5,641,042 | \$32,514 | | | \$120,126,556 | 4.95% |
| Passaic City | Dayton Ave. Educational Campus | NT-0052-B01 | 1/2/2018 | 31 | Terminal Construction Corp. | 3/24/2022 | \$163,560,000 | \$545,326 | (\$405,378) | | | \$163,699,948 | 0.08% |
| Passaic City | Dayton Ave. Educational Campus | NT-0052-B01 | 1/2/2018 | 32 | Terminal Construction Corp. | 3/24/2022 | \$163,560,000 | \$139,948 | (\$247,049) | | | \$163,452,899 | -0.06% |
| Passaic City | Dayton Ave. Educational Campus | NT-0052-B01 | 1/2/2018 | 33 | Terminal Construction Corp. | 3/24/2022 | \$163,560,000 | (\$107,101) | (\$821) | | | \$163,452,078 | -0.06% |
| Passaic City | Dayton Ave. Educational Campus | NT-0052-B01 | 1/2/2018 | 34 | Terminal Construction Corp. | 3/24/2022 | \$163,560,000 | (\$107,922) | (\$95,124) | | | \$163,356,954 | -0.12% |

Amendments & Change Orders Report

Reporting Period: 3/1/2022 through: 3/31/2022

| 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 % |
|--------------|--------------------------------|-----------------|-------------------------|------|-----------------------------|-------------------|-----------------------|-------------------------|-------------------|-------------------------|---------------------|-------------------------|-----------------|
| Passaic City | Dayton Ave. Educational Campus | NT-0052-B01 | 1/2/2018 | 35 | Terminal Construction Corp. | 3/24/2022 | \$163,560,000 | (\$203,046) | (\$93,401) | | | \$163,263,553 | -0.18% |
| Passaic City | Dayton Ave. Educational Campus | NT-0052-B01 | 1/2/2018 | 36 | Terminal Construction Corp. | 3/24/2022 | \$163,560,000 | (\$296,447) | (\$487) | | | \$163,263,066 | -0.18% |
| Plainfield | New K-5 Elementary School | ET-0100-B01 | 3/11/2020 | 4 | Epic Management, Inc. | 3/28/2022 | \$45,335,000 | (\$309,387) | \$842,075 | Y | 1/5/2022 | \$45,867,688 | 1.17% |

| | |
|------------------------------|-----------------|
| Contractor | |
| Construction Services | \$42,984 |

| |
|-----------------------------------|
| Total Change Order Summary |
| (\$710,208) |

| |
|----------------------------|
| Total Change Orders |
| 50 |

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

CONTRACT TERMINATIONS REPORT *(no activity)*

SETTLEMENT CLAIMS *(no activity)*

DIVERSITY AND WORKFORCE PARTICIPATION REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Karon L. Simmonds, Director, Risk Management

DATE: May 4, 2022

SUBJECT: Diversity and Workforce Participation Monthly Update for February 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. The total SDA contract dollars awarded through February 28, 2022 was \$1,941,714. The total contract dollars awarded to all SBE contractors was \$248,228 (including minorities, women and veterans). This represents an initial participation of 12.79% 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 | \$ 173,303 | 8.93% |
| Small/ Minority Business Enterprises | \$ 74,925 | 3.86% |
| Small/Women Business Enterprises | \$ -0- | 0.00% |
| Small/Veteran Owned Business Enterprises | \$ -0- | 0.00% |
| Small/Minority/Women Business Enterprises | \$ -0- | 0.00% |
| TOTAL DIVERSITY CONTRACTS | \$ 248,228 | 12.79% |

WORKFORCE PARTICIPATION

For the month of February 2022, there was a contractor workforce of 517 on SDA projects. This represents a total of 35,924 contractor workforce hours as follows:

| Contractor Workforce Breakdown (All Trades/Districts/Counties) | | | |
|---|------------------------|------------------------------|-----------------------------------|
| Ethnicity | Total Workforce | Total Workforce Hours | Workforce Hours Percentage |
| Black | 32 | 2,279 | 6.34% |
| Hispanic | 118 | 7,292 | 20.30% |
| American Indian | 0 | 0 | 0.00% |
| Asian | 2 | 146 | 0.41% |
| Total Minority Participation | 152 | 9,717 | 27.05% |
| Total Non-Minority Participation | 365 | 26,207 | 72.95% |
| Total Contractor Workforce | 517 | 35,924 | 100.00% |

There was a contractor workforce of 68,717 total workforce hours and 150 total female workforce hours on SDA projects for the period of January 1, 2022 through February 28, 2022. The following table highlights the *Local County Contractor Workforce* participation for this period:

| Local County Contractor Workforce Participation | Workforce Hours | Percentage |
|--|------------------------|-------------------|
| *Total Workforce Hours | 68,717 | 100.00% |
| *Total Local County Workforce Hours | 7,685 | 11.18% |
| Total Local County Non-Minority Workforce Hours | 3,838 | 5.59% |
| Total Local County Female Workforce Hours | 0 | 0.00% |
| Total Local County Minority Workforce Hours | 3,847 | 5.60% |
| **Local County Workforce Hours by Ethnicity: | | |
| Black | 1,348 | 1.96% |
| Hispanic | 2,499 | 3.64% |
| 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 February 28, 2022.

| SDA Managed Project | Total Workforce Hours | Minority Workforce Hours & Percentage | | Local County Workforce Hours & Percentage | |
|----------------------------|------------------------------|--|--------|--|--------|
| Port Monmouth Road School | 6,821 | 1,716 | 25.16% | 0 | 0.00% |
| Millville HS | 13,706 | 3,188 | 23.26% | 1,773 | 12.94% |
| Dayton Ave Campus | 779 | 97 | 12.45% | 0 | 0.00% |
| Union Ave MS | 435 | 114 | 26.21% | 0 | 0.00% |
| Cleveland ES | 698 | 75 | 10.74% | 0 | 0.00% |
| Orange HS | 3,887 | 1,072 | 27.58% | 0 | 0.00% |
| Perth Amboy HS | 27,707 | 5,411 | 19.53% | 2,004 | 7.23% |
| Plainfield ES | 11,679 | 3,804 | 32.57% | 3,908 | 33.46% |
| Emergent Projects | 2,981 | 1,377 | 46.19% | 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: May 4, 2022

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

This report summarizes the Regular Operating District Grant activity from inception to date and for the month of March 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.
- No grants were closed out during the reporting period.
- 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.



| ROD Grant Summary Since Program Inception | | | | |
|---|----------------------|------------------|------------------|----------------|
| | Offered ¹ | Executed | Closed-Out | Active |
| Districts Impacted | - | 524 | 520 | 53 |
| Number of Grant Projects | - | 5,404 | 5,193 | 211 |
| Total Project Cost Estimate | \$ - | \$ 8,942,334,663 | \$ 8,771,276,988 | \$ 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 |
|---|------------------|

| | |
|--|----------------|
| Total ROD Grant Funding remaining for new Grant Projects | \$ 117,794,080 |
|--|----------------|

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 | - | - |
| Number of Grant Projects | - | - |
| Total Project Cost Estimate | \$ - | \$ - |
| Grant Amount | \$ - | \$ - |
| Amount Disbursed | NA | \$ - |

* 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

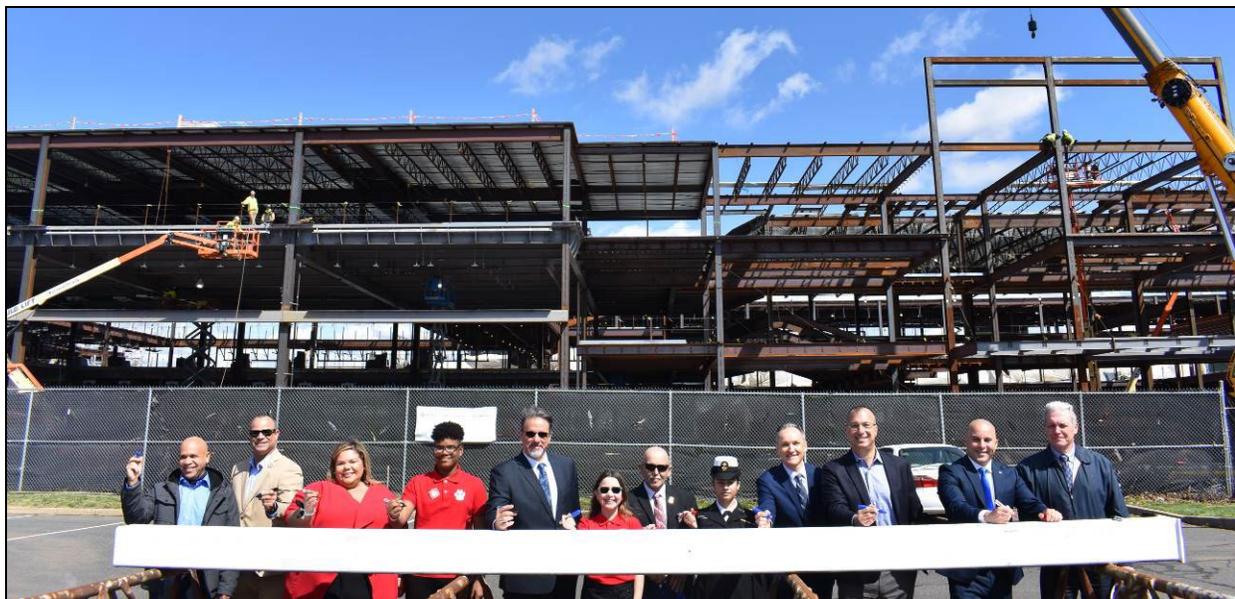
TO: Members of the Authority

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

DATE: May 4, 2022

SUBJECT: Monthly Communications Report

SDA Celebrates the Beam Signing for the New Perth Amboy High School



On April 8, SDA CEO Manuel Da Silva and several SDA Board Members joined Perth Amboy School District officials, students, and local officials at a ceremonial beam signing for the new Perth Amboy High School. The event highlighted the construction progress of the new school, with the steel structure nearly complete.

The new Perth Amboy High School will be an approximately 576,000 square-foot, three-story facility designed to educate a maximum of 3,300 students in ninth to twelfth grades. In addition to general classrooms and science labs, the school will include specialized educational spaces such as an automotive lab, culinary arts lab, black box studio, dance studio, ROTC classroom, world languages classroom, life skills lab, and a daycare center. This is the largest project ever undertaken by the Schools Development Authority.

MONTHLY FINANCIAL REPORT



MEMORANDUM

TO: Members of the Authority

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

DATE: May 4, 2022

SUBJECT: Monthly Financial Report – March 2022

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

For March 2022 year to date, Authority operating expenses, **\$5.2M**, are **\$730K** lower than budget for the corresponding period. This variance is attributable to lower employee salary and benefit costs as compared to budget, **\$775K**, partially offset by a lower payroll and benefits expense allocation to project costs, **\$538K**. Other contributing factors include lower spending for; contracted services, **\$213K**, general office expenses, **\$81K**, SDA-owned vehicles, **\$67K** and information system purchases, **\$62K**.

The full time employee (FTE) headcount is 143 as of March 31, 2022. This total represents a 21 FTE decrease in comparison to the year to date budget.

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

For March 2022 year to date, Authority operating expenses, **\$5.2M**, are **\$449K** lower when compared to the corresponding prior year. This variance is due to a decrease in year over year employee salary and benefit costs, **\$889K**, partially offset by a lower payroll and benefits expense allocation to project costs, **\$385K**.

The current number of FTEs, 143, is down 26 FTEs as compared to the corresponding prior year.

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

For March 2022 year to date, project expenditures, **\$105.0M**, are **\$31.0M** higher than the capital spending forecast for the corresponding period. This variance is due to higher than forecasted spending for grant activity, **\$45.9M**, and school furniture and fixture purchases, **\$2.3M**, partially offset by lower than forecasted spending for construction work, **\$16.5M**.

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

For March 2022 year to date, project expenditures **\$105.0M**, are higher by **\$49.1M**, when compared to the corresponding prior year. This variance is related to increased spending activity in grants, **\$46.0M**, and school furniture and fixtures, **\$8.1M**, slightly offset by a decrease in spending activity for construction work, **\$4.8M**.

Other

Since program inception, 91.3% 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
March 2022

New Jersey Schools Development Authority

Overview of Financial Position

March 31, 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, March 31, 2022.

► Overall **Cash and Cash Equivalents** have decreased by \$110.8 million to \$510.4 million, as follows:

| | |
|---|------------------|
| ■ Receipt of bond and note proceeds (Issued by EDA) | \$ - |
| ■ Investment earnings | 164,325 |
| ■ Miscellaneous revenue | 12,984 |
| ■ Project costs | (104,991,849) |
| ■ SDA operating expenses | (5,950,403) |
| ■ SDA capital expenditures | - |
| ■ Deposits (primarily district local shares) | 2,040 |
| Net Change in Cash | \$ (110,762,903) |

► **Prepaid Expenses** total \$449,041 as follows:

- Prepaid insurance of \$419,124.
- Prepaid rents of \$0 for the Authority's leased office space.
- Prepaid MIS maintenance service contracts of \$27,366.
- Other prepaids of \$2,551.

► **Capital Assets** total \$1,418,818 (net of accumulated depreciation of \$4,802,619), 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 \$137,482.

► **Accrued Liabilities** total \$95.0 million, as follows:

- Accrued project costs of \$18.9 million consisting of unpaid invoices (\$.7 million) and retainage (\$18.2 million).
- Net pension liability of \$42.4 million.
- Other post-employment benefits obligation of \$29.4 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$2.1 million (PRO liability \$2.1 million, offset by expected cost recoveries of \$0 million).
- Estimated liability for loss contingencies totaling \$0.4 million.
- Payroll related liabilities of \$1.5 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 \$396.6 million.

New Jersey Schools Development Authority

School Facilities Project Expenditures & Funding Allocation

March 31, 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 \$24.2 million and \$105.0 million, respectively, as follows:

| <u>Category</u> | <u>Current Month</u> | <u>Current Year-To-Date</u> | <u>Since Program Inception</u> |
|---|--------------------------|---------------------------------|------------------------------------|
| Construction | \$ 13,511,496 | \$ 40,611,928 | \$ 5,539,853,862 |
| Design Services | 125,096 | 654,627 | 413,397,471 |
| PMF/CM Services | 500,206 | 1,379,407 | 476,548,494 |
| SDA Project Management | 1,047,440 | 2,534,975 | 124,152,582 |
| Property Acquisition, Relocation & Enviro | 201,653 | 462,107 | 585,378,374 |
| School Furniture, Fixtures & Equipment | 1,249,374 | 8,231,473 | 229,626,958 |
| Project Insurance | 53,918 | 24,511 | 114,615,899 |
| NJ State Inter-Agency Transfers | - | - | 52,505,486 |
| SDA District Grant & Funding Agreements | 4,132,670 | 36,864,341 | 915,829,076 |
| Regular Operating District Grant Agreements | 3,232,940 | 14,011,229 | 2,968,696,523 |
| Real-Time Project Audits | 16,741 | 78,532 | 869,241 |
| Property Management, Maintenance & Utils | 54,699 | 63,452 | 18,917,868 |
| Outside Legal & Claims Resolution Services | 19,554 | 49,913 | 11,563,498 |
| Temporary Staffing | 5,985 | 21,898 | 10,698,462 |
| Other Project Costs | 233 | 3,456 | 62,196,059 |
| Project Credits | - | - | (54,902,944) |
| Total Project Expenditures | 24,152,005 | 104,991,849 | 11,469,946,909 |
| Less: Local Share Contributions | - | - | (185,112,439) |
| Project Expenditures (State Share) | \$ 24,152,005 | \$ 104,991,849 | \$ 11,284,834,470 |
| 2022 Capital Spending Forecast | \$ 23,464,452 | \$ 74,038,327 | |

Allocations Since Program Inception

► **Bond/Note Funding & Expenditures**

| | <u>Bonding Caps</u> ¹ | <u>Total Funding</u> ² | <u>Paid to Date</u> ³ |
|-------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| ■ SDA Districts | \$ 8,900,000,000 | \$ 9,027,135,562 | \$ 8,244,407,960 |
| ■ Regular Operating Districts | 3,450,000,000 | 3,500,312,515 | 3,274,012,360 |
| ■ Vocational Schools | 150,000,000 | 152,010,639 | 122,600,099 |
| Total - State Share | \$ 12,500,000,000 | \$ 12,679,458,716 | \$ 11,641,020,419 |

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

| | |
|-------------------------------|--------------|
| ■ SDA Districts | 91.3% |
| ■ Regular Operating Districts | 93.5% |
| ■ Vocational Schools | 80.7% |
| Total - State Share | 91.8% |

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 \$513,638,323.

New Jersey Schools Development Authority
Fund Reporting Operating Expenses vs Budget
March 31, 2022

| <u>Category</u> | <u>Actual</u> | <u>Budget</u> | <u>Over/</u> |
|--|----------------------------|----------------------------|-----------------------|
| | <u>Year-To-Date</u> | <u>Year-To-Date</u> | <u>(Under)</u> |
| Personnel Expenses: | | | |
| Employee Salaries | \$ 3,274,639 | \$ 3,882,825 | \$ (608,186) |
| Employee Benefits | 3,359,203 | 3,513,623 | (154,420) |
| Direct Hire Temporary Employee Costs | - | 12,111 | (12,111) |
| Total Employee Salaries & Benefits Costs | 6,633,842 | 7,408,559 | (774,717) |
| <u>Less:</u> Employee Salaries & Benefits Costs | | | |
| Charged to Projects | 2,534,975 | 3,072,515 | (537,540) |
| Salaries & Benefits Charged to Operating Expense | 4,098,867 | 4,336,044 | (237,177) |
| Temporary Staffing Services | - | 37,500 | (37,500) |
| Travel & Expense Reimbursements | 3,824 | 6,552 | (2,728) |
| Training & Professional Development | 10,587 | 24,627 | (14,040) |
| Total Personnel Expenses | 4,113,278 | 4,404,723 | (291,445) |
| Non-Personnel Operating Expenses: | | | |
| Facilities & General Office Expenses | 531,640 | 612,147 | (80,507) |
| Information Systems | 369,166 | 430,818 | (61,652) |
| Professional & Other Contracted Services | 66,699 | 280,032 | (213,333) |
| Property & Casualty Insurance | 113,213 | 116,826 | (3,613) |
| SDA-Owned Automobiles | 14,411 | 81,249 | (66,838) |
| Communications & Outreach | - | 450 | (450) |
| Reserve for Unforeseen Events & New Initiatives | - | 12,501 | (12,501) |
| Total Authority Operating Expenses | \$ 5,208,407 | \$ 5,938,746 | \$ (730,339) |

2022 Annual Operating Budget

\$ 15,754,151

New Jersey Schools Development Authority

Fund Reporting Operating Expenses vs Prior Year

March 31, 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> |
|---|--------------------------------------|------------------------------------|--------------------------------|
| Personnel Expenses: | | | |
| Employee Salaries | \$ 3,274,639 | \$ 3,689,359 | \$ (414,720) |
| Employee Benefits | 3,359,203 | 3,833,460 | (474,257) |
| Direct Hire Temporary Employee Costs | - | - | - |
| Total Employee Salaries & Benefits Costs | 6,633,842 | 7,522,819 | (888,977) |
| Less: Employee Salaries & Benefits Costs | | | |
| Charged to Projects | 2,534,975 | 2,920,329 | (385,354) |
| Salaries & Benefits Charged to Operating Expense | 4,098,867 | 4,602,490 | (503,623) |
| Temporary Staffing Services | - | - | - |
| Travel & Expense Reimbursements | 3,824 | 2,982 | 842 |
| Training & Professional Development | 10,587 | 8,763 | 1,824 |
| Total Personnel Expenses | 4,113,278 | 4,614,235 | (500,957) |
| Non-Personnel Operating Expenses: | | | |
| Facilities & General Office Expenses | 531,640 | 511,081 | 20,559 |
| Information Systems | 369,166 | 384,533 | (15,367) |
| Professional & Other Contracted Services | 66,699 | 32,721 | 33,978 |
| Property & Casualty Insurance | 113,213 | 100,683 | 12,530 |
| SDA-Owned Automobiles | 14,411 | 13,714 | 697 |
| Communications & Outreach | - | - | - |
| Reserve for Unforeseen Events & New Initiatives | - | - | - |
| Total Authority Operating Expenses | \$ 5,208,407 | \$ 5,656,967 | \$ (448,560) |

New Jersey Schools Development Authority

Employee Headcount

March 31, 2022

| | <u>Current Month End</u> | <u>Budget</u> | <u>Over/ (Under)</u> |
|--|------------------------------|-------------------|--------------------------|
| Office of Chief Executive Officer | 3 | 3 | - |
| Human Resources | 4 | 4 | - |
| Vacant Positions | 0 | 8 | (8) |
| Communications | 3 | 3 | - |
| Information Systems | 12 | 13 | (1) |
| Central Records Management | 3 | 3 | - |
| Legislative Affairs | 1 | 1 | - |
| Office of Program Operations & Strategic Planning | 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 | - |
| Office of Construction Operations | 0 | 0 | - |
| Project Teams | 23 | 26 | (3) |
| Office of Corporate Governance & Legal Affairs | 5 | 5 | - |
| Chief Counsel | 7 | 8 | (1) |
| Safety | 8 | 8 | - |
| Internal Audit | 2 | 3 | (1) |
| Office of Chief Financial Officer | 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 | - |
| Total Full-Time Employees at Month End | <u>143</u> | <u>164</u> | <u>(21)</u> |
| Total Full-Time Employees at Year End | | <u>175</u> | |

New Jersey Schools Development Authority

Statement of Net Position

March 31, 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> |
|--|------------------------------------|--------------------------------|--------------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 510,397,260 | \$ 621,160,163 | \$ (110,762,903) |
| Receivables | 4,380 | 4,847 | (467) |
| Prepaid Expenses | 449,041 | 155,694 | 293,347 |
| Capital Assets (Net of Accumulated Depr.) | 1,418,818 | 1,556,300 | (137,482) |
| Total Assets | 512,269,499 | 622,877,004 | (110,607,505) |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Amount for Pensions & OPEB | 12,191,178 | 14,663,260 | (2,472,082) |
| TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES | | | |
| | \$ 524,460,677 | \$ 637,540,264 | \$ (113,079,587) |
| LIABILITIES | | | |
| Accrued Project Costs | \$ 21,364,458 | \$ 52,907,777 | \$ (31,543,319) |
| Net Pension Liability | 42,434,159 | 42,434,159 | - |
| Accrued Other Post-Employment Benefits | 29,419,498 | 29,188,405 | 231,093 |
| Other Accrued Liabilities | 1,769,492 | 4,690,689 | (2,921,197) |
| Deposits | 6,625,409 | 6,623,369 | 2,040 |
| Total Liabilities | 101,613,016 | 135,844,399 | (34,231,383) |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Amount for Pensions & OPEB | 26,235,802 | 26,235,802 | - |
| NET POSITION | | | |
| Invested in Capital Assets | 1,418,818 | 1,556,300 | (137,482) |
| Restricted for Schools Construction: | | | |
| Special Revenue Fund | 395,193,041 | 473,903,763 | (78,710,722) |
| Net Position | 396,611,859 | 475,460,063 | (78,848,204) |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION | | | |
| | \$ 524,460,677 | \$ 637,540,264 | \$ (113,079,587) |

New Jersey Schools Development Authority
Statement of Activities
March 31, 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> |
|--|---------------------------------------|------------------------------------|--------------------------------|
| REVENUES | | | |
| Program Revenues: | | | |
| Bond and Note Proceeds (Issued by EDA) | \$ - | \$ 350,000,000 | \$ (350,000,000) |
| Bidding Fees-Plans & Specs | - | - | - |
| General Revenues: | | | |
| Investment Earnings | 164,325 | 60,837 | 103,488 |
| Rental Income | 2,000 | 3,000 | (1,000) |
| Other Revenue-OPRA | 10,984 | - | 10,984 |
| Total Revenues | 177,309 | 350,063,837 | (349,886,528) |
| EXPENSES | | | |
| Administrative & General Expenses | 5,439,500 | 5,856,624 | (417,124) |
| Capital Depreciation | 137,482 | 145,675 | (8,193) |
| School Facilities Project Costs | 73,448,531 | 41,087,796 | 32,360,735 |
| Total Expenses | 79,025,513 | 47,090,095 | 31,935,418 |
| CHANGE IN NET POSITION | (78,848,204) | 302,973,742 | (381,821,946) |
| Beginning of Period Net Position | 475,460,063 | 132,495,342 | 342,964,721 |
| NET POSITION END OF PERIOD | \$ 396,611,859 | \$ 435,469,084 | \$ (38,857,225) |

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