

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, MAY 7, 2025 AT 9:15 A.M.
32 E. FRONT STREET, TRENTON, NJ
JOSEPH A. MCNAMARA 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 2, 2025
 - b. Board Executive Session Meeting Minutes of April 2, 2025
- 4. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN’S REPORT)**
 - a. New Jersey Schools Development Authority Hiring Recommendation for the Role of SDA Vice President and Chief Financial Officer **(to be discussed in Executive Session and voted on upon the Board's return to Open Session)**
- 5. EXECUTIVE SESSION**
 - New Jersey Schools Development Authority Hiring Recommendation for the Role of SDA Vice President and Chief Financial Officer
- 6. REQUEST MOTION TO ADJOURN PUBLIC MEETING**

APPROVAL OF MEETING MINUTES

April 2, 2025 Open Session Minutes

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 2, 2025**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, April 2, 2025 at 9:00A.M. in the Joseph A. McNamara Board Room at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Public Member, Chairman

Juan Burgos (EDA)

Kevin Luckie (DCA)

Anthony Longo (Treasury)

Bernard Piaia (DOE)

John Capo, Public Member

Joseph DeCotiis, Public Member

Lester Lewis-Powder, Public Member

Michael Maloney, Public Member

Mario Vargas, Public Member

Nicole Vecchione, Public Member

being a quorum of the Members of the Board. Mr. Capo, Mr. DeCotiis, Mr. Lewis-Powder, Mr. Longo, Mr. Maloney, Mr. Piaia and Mr. Vargas participated by teleconference.

At the Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Ramy Kamel, vice president; Albert Barnes, chief counsel and additional assistant secretary; and Jamie Henneke, governance coordinator and ethics manager of the SDA participated in the meeting. Alexis Franklin of the Governor's Authorities Unit (GAU) also attended the meeting.

Pledge of Allegiance

Led by the Mr. Da Silva, the assembled Members stood and recited the Pledge of Allegiance.

The meeting was called to order by Mr. Nixon, who requested that Ms. Henneke read the requisite notice of public meeting. Ms. Henneke announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and was duly posted on the Secretary of State's bulletin board at 225 West State Street in Trenton, New Jersey and on the SDA Website. Ms. Henneke 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 5, 2025 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 5, 2025 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3a.***

The Chairman presented for consideration and approval the minutes of the Board's February 5, 2025 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. Piaia, with Mr. De Cotiis abstaining, the Executive Session minutes of the February 5, 2025 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3b.***

Authority Matters

CEO's Report

Mr. Nixon 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 for the Garfield New Elementary School project, the design is ongoing and the design-builder is mobilizing to commence Package 1 site work. He added that the construction management procurement is complete and a recommendation for award is on today's agenda. For the Union City New Grade 7-9 School project, he reported that the building's exterior metal panel system is ongoing, as are interior partition wall finishes, ceiling grid, lighting, and devices throughout the building. He noted that the playground lot construction activities are scheduled to resume this month.

Turning to design-bid-build projects in the construction close-out phase, Mr. Da Silva informed the Members that for the Orange Cleveland Street Elementary School project, the certificate of occupancy application has been submitted and is under review.

Next, Mr. Da Silva gave an update on projects in the procurement stage. He advised that for the Elizabeth New Elementary School project, the early site package contractor is finalizing site grading, placing of stone and fence installation as SDA advertises for design-build services. He added that proposals for design-build services are due in May. For the Pleasantville New Elementary School project, he said that the early site package was advertised on March 13. With respect to the Trenton New Elementary School project at the Dunn Middle School, he reported that the small business enterprise set-aside for the transformer replacement/relocation was advertised March 21. For the West New York Middle School project, he advised that the recommendation for award to the early site package contractor is on today's agenda.

Turning to Authority events, outreach and other activities, Mr. Da Silva informed the Members that the SDA joined the Orange School District on February 27 to celebrate the addition/renovation project to the Cleveland Street Elementary School. He said that attendees were treated to an energetic performance by the Orange High School Marching Band. He thanked Mr. Lewis-Powder, who was able to join us for the event. He noted that the SDA had an opportunity to tour the school and see this renovated space in use by students and staff. He noted that the students all expressed overwhelming excitement about the facility.

Next, Mr. Da Silva said that in celebration of Read Across America Week, he stopped by the Kennedy Elementary School in Harrison on March 5. He explained that SDA opened the Kennedy School in September 2020, right in the middle of the COVID pandemic. He said that this was a great opportunity to revisit the facility and see it in use by students and staff. He added that he visited with a class of kindergarten students and a class of first grade students. He noted that the students shared with us that they especially love the gym, playground, and specialized classroom spaces.

In continuing, Mr. Da Silva informed the Members that in late-February, Governor Murphy delivered the Fiscal Year 2026 Budget Address. He explained that according to the Budget in Brief, \$350 million (from previously allocated funding) will be made available for the SDA to continue moving forward with its ongoing projects from the Capital Plan. He said that Governor Murphy is also proposing an additional \$50 million of General Fund appropriations to be distributed to SDA Districts as capital and maintenance grants.

Finally, Mr. Da Silva said that, Financial Disclosure Statement (FDS) notices will be sent to all filers on Friday, April 4. He noted that the FDS filing date deadline is May 15 for all FDS

filers. He added that if FDS filers don't file by the deadline, a \$50 per day late fee will be assessed.

Audit Committee

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on February 18 and March 17, 2025 at which time management provided the Committee with the January/February 2025 New Funding Allocation and Capital Plan Update. He advised that there were no changes in any of the SDA reserve balances for the reporting period. He reported that there was a \$300,000 decrease in commitments in the reserve balance for the Regular Operating Districts due to reductions in state share for grant projects nearing completion. Next, Mr. Nixon said that the Internal Audit (IA) staff presented the Committee with the results of four final audits prepared by IA staff and SDA's contracted outside consultants, Baker Tilly. He noted that the Audits were conducted to comply with the statutory requirement that Capital Portfolio Projects with a state share over \$10 million be reviewed to assess whether State funds were expended in accordance with contractual terms, SDA practices and state rules and regulations. He said that IA also presented four operational audits to the Committee along with the proposed 2025 audit plan that includes two project audits and eight operational audits. He noted that the proposed plan equates to approximately 4,500 audit hours – 3,500 staff hours and 1,000 hours for Jefferson Wells, the SDA's currently contracted internal audit consultants. Mr. Nixon then provided the Board with the February 2025 Monthly Financial Report. He advised the Members that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled approximately \$2.2 million, down \$172,000 as compared to the budget for the corresponding period. He explained that this decrease is largely attributable to lower personnel costs, professional and other contracted services, facilities and general office expenses, partially offset

by lower payroll and benefit expense allocation to project costs and an increase in information systems expenses. He advised that the current full time equivalents (FTE) headcount is 126 through February 28, 2025 representing a 6 FTE decrease compared to year-to-date budgeted headcount. Mr. Nixon then reported that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total approximately \$39 million, \$9.4 million lower than the capital spending forecast for the corresponding period. He said that this variance is the result of decreased spending in grant activity, property acquisition, relocation and environmental expenses and construction work. He then reported that project expenditures (Actual vs. Prior Year Actual), at \$39 million, are \$9.3 million lower when compared to the capital spending forecast for the corresponding prior year period. He advised that this variance is due mainly to a decrease in grant activity, construction work, and school furniture, fixtures, technology and equipment offset by increases in project insurance and property acquisition, relocation and environmental expenses. Mr. Nixon then advised that, since program inception, 82.3% 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 \$1.2 billion. He noted that that, in compliance with the 2019 changes to the SDA By-laws and Audit Committee Charter, the CEO reported to the Committee regarding Authority personnel matters in his quarterly staffing report.

Lastly, Mr. Nixon advised the Members that management presented the Committee with one matter requiring Board action. Referencing a memorandum that was distributed to the Members in advance of the meeting, he said that management and the Committee request approval for addendum No. 6 of the Memorandum of Understanding (MOU) between the SDA

and the Higher Education Student Assistance Authority (HESAA). He explained that the SDA is statutorily required to implement or fund implementation of an outreach and training program for minorities and women in construction trade occupations. He noted that HESAA administers the Governor's Industry Vocations Scholarship Program (NJ-GIVS) for NJ students continuing their education in construction trades. He explained that under the proposed MOU extension the SDA provides funds for the HESAA administered NJ-GIVS scholarship program across various institutions of higher education throughout the State. He said that the original MOU was executed in 2013 with extensions approved in 2016, 2019 and 2022. He advised that the current MOU expires April 30, 2025. He noted that since inception, the Authority has expended more than \$2 million on the NJ-GIVS scholarship program, inclusive of administrative fees paid to HESAA. He said that the Audit Committee and management is requesting that the Board approve Addendum No. 6, a 3-year extension of the HESSA MOU effective May 1, 2025 and ending on April 30, 2028 with an annual budget in an amount not-to-exceed \$330,000.00 including a flat 10% rate for administrative fees. Mr. Nixon explained that Addendum No 6 allows HESAA to choose to reduce or forego the allotted administrative expenses to allow for additions scholarships to students, additionally, unused funds during year one or year two of the proposed MOU period may be reallocated to the subsequent years within the MOU period, if needed.

A resolution pertaining to the Memorandum of Understanding was provided to the Board in advance of the meeting. Upon motion duly made by Burgos, and seconded by Ms. Vecchione the Board authorized management to approve addendum No. 6, of the Memorandum of Understanding between the SDA and Higher Education Student Assistance Authority for a three

extension of the Governor's Industry Vocations Scholarship Program with its unanimous vote in favor of ***Resolution 5a***.

School Review Committee

Mr. Vargas, as School Review Committee Acting Chairman said that the School Review Committee met on March 17, 2025 at which time two items were discussed in Open Session and one item was discussed in Executive Session. He advised that the first matter for approval is a Construction Management Award for the Garfield New Elementary project (School or Project). By way of background, he advised that in November 2022, the Members approved the Preliminary Project Charter for a new approximately 132,000 square foot school facility for the New Garfield Elementary School project designed to educate 767 students in grades Kindergarten through 5. He reported that an early site package was awarded to APS Contracting, Inc. (APS) and a notice-to-proceed (NTP) was issued on December 15, 2023, for the demolition of the old school and site preparation, which has been completed, with the site now ready for construction of the new School. He said that on December 4, 2024, the Members approved a Final Project Charter and the award of a Design-Build Construction contract for the Project to Dobco, Inc (Dobco). He said that on December 19, 2024, Dobco was issued a notice of award for the construction of the new School and on January 24, 2025, Dobco received the NTP with the design phase of the Project.

In continuing, Mr. Vargas reported that a package for Construction Management Services (CM Services) for the Project was advertised as a "price and other factors" solicitation beginning on January 15, 2025 with price weighted at 50% and all non-price factors weighted at 50% of the final combined score. He explained that upon completion of the competitive procurement process for CM Services, it was determined that Anser Advisory Management, LLC (Anser) was the

highest ranked firm, with a price in the amount of \$2,520,120 for the Project, inclusive of SDA-established allowances totaling \$455,000. He advised that following review, Anser has confirmed that its price proposal is inclusive of all scope elements contained in the contract documents and upon completion of the procurement process, the Construction Operations Director and Financial Operations Director recommend award of the CM Services contract in the amount of \$2,520,120 to Anser for the Project. He added that prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Piaia and seconded by Mr. Luckie, the Board approved a Construction Management Award for the Garfield New Elementary project with its unanimous vote in favor of ***Resolution 6a***.

Next, Mr. Vargas said that management is seeking Board approval of an award for Demolition and Early Site Preparation for the West New York New Middle School project (School or Project). He advised that the School is planned to be a new approximately 147,000 square foot facility for 788 students in grades 6 to 8 on the approximately 1.147-acre site. He said that on March 6, 2024, the Members approved a Preliminary Project Charter for the Project. He advised that in preparation for the design and construction of the School, the SDA seeks to engage a contractor to perform demolition and remediation of the existing Warminster Building site and construction of the School. He explained that the package for the required services was advertised beginning on January 10, 2025 and, upon completion of a competitive procurement process, the responsive low bidder was APS Contracting, Inc. He said that following a review, APS confirmed that its price proposal is inclusive of all scope elements contained in the contract

documents

In continuing, Mr. Vargas said that management now requests and recommends that the Members authorize and approve the award of a contract in the amount of \$2,248,000, inclusive of SDA-established Allowances totaling \$80,000, to APS to perform demolition of all existing structures and associated site conditions in preparation for the delivery of the Project by the SDA. He noted that the SDA Construction Operations Director and Financial Operations Director recommend award of the contract to APS. He added that prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Piaia and seconded by Mr. Capo, the Board approved an award for Demolition and Early Site Preparation for the West New York New Middle School with its unanimous vote in favor of ***Resolution 6b.***

Next, Mr. Vargas said that the third item for Board consideration will be discussed in Executive Session.

Public Comments

At this time Mr. Nixon announced that the public comments portion of the Meeting will commence consistent with the New Jersey Open Public Meetings Act. There being no public speakers, Mr. Nixon asked for a motion to adjourn the Open Session of the meeting into Executive Session. He asked Ms. Henneke to announce the matter to be considered by the Board in Executive Session. Ms. Henneke advised that, the Board will adjourn into Executive Session to discuss a recommendation for Settlement in Anticipation of Claim by Terminal Construction Corporation/Dinallo Construction Corporation, a Joint Venture in Connection with the Perth

Amboy High School Project. She said that the Board will vote on this matter upon return to Open Session.

Upon motion by Mr. Burgos seconded by Mr. Piaia the Board unanimously voted to approve ***Resolution No. 8.*** and thereby adjourn the Open portion of the meeting into Executive Session.

Following the Board's return to Open Session, Mr. Vargas announced that in Executive Session the Board had discussed management's and the School Review Committee's recommendation for Settlement in Anticipation of Claim by Terminal Construction Corporation/Dinallo Construction Corporation, a Joint Venture in Connection with the Perth Amboy High School Project.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Piaia and seconded by Mr. Luckie, the Board, approved the Settlement in Anticipation of Claim by Terminal Construction Corporation/Dinallo Construction Corporation, a Joint Venture in Connection with the Perth Amboy High School Project with the SDA with its unanimous vote in favor of ***Resolution 6c.***

Adjournment

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

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its April 2, 2025 meeting.

/s/ Albert Barnes
Additional Assistant Secretary

Resolution—3a./3b.

Approval of Minutes

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

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the April 2, 2025 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 2, 2025 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 7, 2025

AUTHORITY MATTERS

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

**New Jersey Schools Development Authority Hiring Recommendation for the Role of SDA
Vice President and Chief Financial Officer**

(to be discussed in Executive Session and voted on upon the Board's return to Open Session)

RESOLUTION TO ADJOURN INTO EXECUTIVE SESSION

Resolution—5.

Resolution to Adjourn into Executive Session

Resolution

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

WHEREAS, N.J.S.A. 10:4-12 (b) provides that a public body may exclude the public from that portion of a meeting at which the public body discusses, among other things, any matter involving the employment, appointment, termination of employment, terms and conditions of employment... of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body; and

WHEREAS, the Members of the New Jersey Schools Development Authority (SDA or the Authority) have before them on this date one matter that, pursuant to N.J.S.A. 10:4-12, is appropriate for consideration in Executive Session; and

WHEREAS, the matter for Executive Session is the approval of the hiring of Vice President and Chief Financial Officer as recommended by the executive management; and

WHEREAS, the minutes of the Board’s May 7, 2025 Executive Session meeting will be available for release for public review upon the full and final conclusion of all negotiations, legal proceedings, and settlements, and associated matters and/or the execution of all documentation, agreements and leases associated therewith.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby resolve to adjourn into Executive Session to consider and deliberate with regard to the matter described herein.

BE IT FURTHER RESOLVED, that the minutes of the Board’s May 7, 2025 Executive Session meeting will be available for release for public review upon the full and final conclusion of all negotiations, legal proceedings, settlements, and associated matters, and/or the execution of all documentation, agreements and leases associated therewith.

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

Attached: Resolution to Adjourn into Executive Session, dated May 7, 2025

Dated: May 7, 2025