

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 4, 2025**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, June 4, 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)

David Moore (Treasury)

Bernard Piaia (DOE)

John Capo, Public Member

Joseph DeCotiis, Public Member

Daniel Gumble, Public Member

Michael Maloney, Public Member

Nicole Vecchione, Public Member

being a quorum of the Members of the Board. Mr. Nixon, Mr. Capo, Mr. DeCotiis, Mr. Gumble. Mr. Moore, Mr. Maloney, Mr. Piaia and Ms. Vecchione participated by teleconference.

At the Chairman's request, Manuel Da Silva, chief executive officer; Janice Venables, vice president and assistant secretary; Laurette Pitts, vice president and chief financial officer; Ramy Kamel, vice president; and Albert Barnes, chief counsel (teleconference) of the SDA participated in the meeting. Alexis Franklin of the Governor's Authorities Unit also attended the meeting by teleconference.

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. Venables read the requisite notice of public meeting. Ms. Venables 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. Venables 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 May 7, 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. Piaia, the Open Session minutes of the May 7, 2025 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3a.***

Next, Mr. Nixon presented for consideration and approval the minutes of the Board's May 7, 2025 Executive Session meeting. The meeting minutes and a resolution were provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Luckie, the Executive Session minutes of the May 7, 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 said that he would like to introduce and welcome the SDA's new vice president and chief financial officer, Laurette Pitts. He advised that Ms. Pitts brings more than 15 years of experience working at an executive level role in finance and accounting. He said that Ms. Pitts also brings deep expertise in financial management and reporting, human resources management, capital planning, mergers and acquisitions, and system implementation in industries that include marketing, food & beverage, gaming, hotel operations, administrative functions, security, surveillance, information technology and facilities management. He noted that Ms. Pitts has played a key leadership role in multiple major development projects including overseeing the full construction lifecycle of Resorts World Catskills and the Hard Rock Hotel & Casino. He added that her deep involvement in capital planning, vendor negotiations, regulatory compliance, and strategic budgeting has consistently ensured that construction projects were completed efficiently, cost-effectively, and in alignment with broader business goals. He informed the Members that Ms. Pitts holds a Bachelor of Arts in Accounting from Richard Stockton University and a Master of Business Administration from Metropolitan State University. He added that the SDA is very excited about having Ms. Pitts as part of the management team.

Ms. Pitts said that she is excited to be working for an organization that has a positive mission. She said that the mission is very important to her and what the Authority does brings great value to the State and to the children of the State. She said she is looking forward to having a positive impact and to getting to know everyone.

Next, Mr. Da Silva gave an update on design-build projects in the design phase. He said that for the Garfield New Elementary School project, the design packages are progressing and being prepared for the Department of Community Affairs submission.

Turning to design-build projects in construction, Mr. Da Silva reported that for the Union City New Grade 7-9 School project, interior finishes continue on all floors as is the exterior site work. He said that management is working with the District toward a phased delivery with most of the school targeted for a June 29 completion with the exception of the large spaces, cafeteria and gym, which are scheduled for a July delivery. He noted that furniture, fixtures, technology and equipment and information technology delivery and installation is ongoing. He advised that, simultaneously, the City is performing hardscape improvements along the streets surrounding the school including milling and repaving.

With respect to projects with active early site preparation, Mr. Da Silva said that for the West New York Middle School project, the early site package contractor is preparing to mobilize. He added that the advertisement for design-build services will be advertised this month.

Next, Mr. Da Silva gave an update on projects in the procurement stage. He said that for the Elizabeth New Elementary School project, the design-build procurement is ongoing. He noted that the SDA received proposals from six design-build contractors with bids scheduled to be opened next week. For the Pleasantville New Elementary School project, he advised that management advertised for early site preparation mid-March and the recommendation of award is part of today's agenda. With respect to the Trenton New Elementary School project, he said that the early site preparation bid for the electrical service relocation is currently under review. He added that that last month management advertised for design-build services for the New

Elementary School. For the Bridgeton High School addition and renovations project, he advised the project was advertised the previous month.

Turning to Authority events, outreach and other activities, Mr. Da Silva informed the Members that on May 7, he had the opportunity to speak with SDA District superintendents and Business Administrators about the SDA's program and processes at a meeting with Great Schools New Jersey. He said that earlier in the day, attendees heard from ELC representatives and Senator Teresa Ruiz. He noted that it was a great opportunity to speak with our key stakeholders and engage in dialogue regarding the facility issues they encounter in their districts.

Next, Mr. Da Silva advised that on May 8, Ramy Kamel presented at a meeting of the American Council of Engineering Companies of New Jersey. He said that Mr. Kamel spoke about the steps needed to work with the SDA and the specific breakdown of experience/technical experience in our procurement process.

In continuing, Mr. Da Silva informed the Members that the SDA completed its budget testimony for Fiscal Year 2026. He noted that he, along with Donald Guarriello and Gregory Voronov testified before the Assembly Budget Committee and the Senate Budget and Appropriations Committee on April 21 and May 13, respectively. He advised that management provided an update on our latest operations and answered questions from legislators. He added that feedback from legislators was positive and management did not receive any follow-up questions. He said that management will continue to engage with and be available to legislators and elected officials through Legislative Affairs staff.

Finally, Mr. Da Silva thanked the Members for submitting their Financial Disclosure Statements with the State Ethics Commission on a timely basis.

Next, Mr. Nixon said that on behalf of the Board, he wanted to welcome SDA's chief financial officer. He said that he is very excited to have Ms. Pitts join the SDA. He added that as Chairman of the Audit Committee, he is looking forward to working with Ms. Pitts.

Audit Committee

Mr. Nixon, as Audit Committee Chairman, advised that the Audit Committee met on May 19, 2025, at which time management provided the Committee with the March and April 2025 New Funding Allocation and Capital Plan Update. He reported a \$4.8 million decrease in commitments in the 2011 Emergent Projects Reserve balance during the reporting period due to the return of budgeted funds from several projects that have been completed and closed out. He said that there were no changes in any of the other SDA reserve balances during the reporting period. Mr. Nixon then reported that the Reserve Balance for the Regular Operating Districts decreased by \$1.5 million during the reporting period due a reduction in state share for grant projects nearing completion. Mr. Nixon then reported that Authority's Internal Audit director presented one operational audit noting that the objective of the audit was to provide reasonable assurances that effective controls related to the Audit selection processes are in place and operating effectively. Next, Mr. Nixon presented the April 2025 monthly financial report. He advised that the Authority's year-to-date authority operating expenses (actual vs. budget) at approximately \$5.5 million, are down \$1.3 million as compared to the operating budget for the corresponding period. He noted that this variance is attributable to lower activity for personnel costs, professional and other contracted services, SDA owned automobiles, facilities and general office expenses. He said that the full time employee (FTE) headcount was 126 as of April 30, 2025 representing a 7 FTE decrease in comparison to the year-to-date budgeted headcount. He then reported that year-to-date school facilities project expenditures (actual vs. forecast) at approximately \$74.4 million, are \$16.7 million lower as compared to the capital spending

forecast for the corresponding period. He explained that this variance is due to lower costs associated with property acquisitions, construction work, school furniture, fixtures and equipment and project insurance. He said that the year-to-date school facilities project expenditures (actual vs. prior year actual) expenditures, at \$74.4 million, are lower by \$58.7 million as compared to the corresponding prior year. He explained that this variance is a result of increases in spending for property acquisitions, grant agreements, construction work and school furniture, fixtures and equipment, offset by a spending increase in project insurance. Mr. Nixon advised that since program inception, SDA has disbursed 82.5% of the funds authorized for the SDA Districts. Additionally, since program inception, 96% of all SDA disbursements relate to school facilities projects and 4% relate to operating expenses. He reported that the estimated value of active school facilities capital, emergent and regular operating districts grant projects is approximately \$1.2 billion. Next, Mr. Nixon advised that, in compliance with the Board's 2019 and 2024 amendments to the SDA Bylaws and Audit Committee Charter, the SDA's CEO provided the Committee with an update regarding Authority personnel matters.

Next, Mr. Nixon advised the Members that management provided the Committee with 2 agenda items requiring Board action today. Presenting the first agenda item and referencing material previously provided for Board review, he said that proposed for approval is the purchase and licensing of new construction, project, program management software (CPPM) as a service and associated implementation and consulting services (SaaS). He noted that the memorandum was presented for information purposes at the May 19 Schools Review Committee Meeting. Mr. Nixon reminded the Members that at the December 2017 Board Meeting, the Members approved a contract for a contract/project management SaaS that is no longer widely utilized in the construction industry and lacks the enhancements available in more modern systems to better support ongoing and anticipated future operations, including better reporting, workflow, field

management and workflow capabilities, requiring SDA to identify and obtain a new construction management solution. He said that in October 2024 SDA established an interdivisional evaluation team (ET) to support the evaluation and selection of a new system to replace the current one. He advised that the ET employed a product/software evaluation process to select the most suitable system software to meet SDA's business requirements. He said that the ET concluded that the Authority should purchase and license new CPPM SaaS model, in which software is accessed online, and where the software and applicable data are only available as a hosted platform, meaning the provider is responsible for managing the security, availability, updates and performance of the applications. Mr. Nixon advised that upon conclusion of the ET evaluation and considering SDA's system needs and costs associated with installation and implementation of a new system, management and the Audit Committee recommends that the Members of the Authority authorize SDA management to purchase Kahua SaaS and the associated implementation services for a 5-year period commencing in the third quarter of 2025 for the provision of contract management system software and implementation services.

A resolution pertaining to the software purchase was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Burgos, and seconded by Mr. Luckie, the Board authorized management to purchase the 5-year contract with Kahua SaaS and the associated implementation and consulting services with its unanimous vote in favor of ***Resolution 5a***.

Lastly, Mr. Nixon presented for Board consideration the proposed 5-year renewal of the Owners Protective Professional Indemnity (OPPI) policy (Policy). He explained that OPPI is an excess insurance policy that indemnifies the Authority for damages arising out of the professional negligence of its contracted design professionals, which exceeds their errors & omissions insurance policy limit. He reminded the Members that in September 2009 the Board approved the purchase of the SDA's first OPPI Policy to cover all projects with an anticipated

construction commencement during a five year term between October 1, 2009 and October 1, 2014. He said that the current policy, purchased in 2014, and extended in 2020, covers all Authority-managed construction projects that commenced and completed or will complete construction, between December 31, 2014 and June 30, 2025. He advised that the proposed Policy will cover SDA construction projects that commence and complete construction between the policy effective date of June 30, 2025 and the policy expiration date of June 30, 2030, which includes substantially all projects in the current SDA's Capital Plan. Mr. Nixon explained that the Policy will also provide an extended reporting period of up to 10-years years, to report claims arising out of completed projects, and policy coverage will begin on each project's substantial completion date or the policy expiration date of June 30, 2030. Mr. Nixon said that SDA management and the Audit Committee is requesting that the Members of the Authority now approve the purchase of a new five-year OPPI Policy, including excess contractors pollution liability coverage, at a cost not-to-exceed \$2,237,142. He further noted that the Policy will provide an aggregate \$25 million limit of liability for all Authority-managed capital projects commencing and completing construction between June 30, 2025 and June 30, 2030.

A resolution pertaining to a 5-year renewal of SDA's Owners Protective Professional Indemnity Policy was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Luckie, and seconded by Mr. Burgos, the Board authorized management to purchase the 5-year Owners Protective Professional Indemnity Policy with its unanimous vote in favor of ***Resolution 5b.***

School Review Committee

Next, Mr. Luckie said that School Review Committee met on May 19, 2025 at which time one action item was discussed. He reported that management is seeking Board approval of an award for Demolition and Early Site Preparation for the Pleasantville Public Schools District.

He said that by way of background, the Pleasantville New Elementary School project (School or Project) is planned to be a new approximately 91,000 square foot facility for 600 students in grades Pre-K to 5 on the approximately 3.06 acre site. He advised that the Project scope calls for the demolition of the existing Decatur Avenue School and ancillary structures, site work, and construction of the new School. He noted that on January 3, 2024, the Members approved a Preliminary Project Charter for the Project. He explained that in preparation for the design and construction of the School, the SDA seeks to engage a contractor to perform demolition of the existing Decatur Avenue School building site and construction of the School. He reported that the package for the required services was advertised beginning on March 13, 2025 and, upon completion of a competitive procurement process, the responsive low bidder was USA Environmental Management, Inc. (USA). He informed the Members that following a review, USA confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He advised that management now requests and recommends that the Members authorize and approve the award of a contract to USA in the amount of \$2,232,500, inclusive of SDA-established Allowances totaling \$350,000, to perform demolition of all existing structures and associated site conditions in preparation for the delivery of the Project by the SDA. He added that the SDA Construction Operations Director and Financial Operations Director recommend award of the contract to USA. He said that the Project background and the details of the procurement process followed for the proposed contract award are comprehensively set forth in the memorandum presented to the Board on this date and incorporated herein. He noted that prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Ms. Vecchione, the Board

approved an award for Demolition and Early Site Preparation for the Pleasantville New Elementary School with its unanimous vote in favor of ***Resolution 6a***.

Real Estate Committee

Mr. Luckie then provided the Real Estate Committee (REC) report to the Board. He advised the that the REC met on May 19, 2025 at which time Management presented for approval 5 Renewals of Use and Occupancy (U&O) Agreements (Agreements); 2 with the Jersey City Public Schools, 2 with the Passaic Board of Education and one with the City of Paterson Board of Education for NJSDA-Owned Properties (Properties). Referencing materials that previously were provided for Board review, Mr. Luckie described the 5 Properties by lot and block as presented in the materials. He noted that the Authority is authorized to permit the temporary use of SDA owned Properties pursuant to N.J.A.C. 19:35. He explained that the Authority entered into the Agreements with the Jersey City Public Schools, the Passaic Board of Education, and the City of Paterson Board of Education authorizing the use of the properties inasmuch as the Properties were not currently needed for construction of a school project and were not presently useful in the business operations of the SDA. He advised that the districts' various uses of the Properties have continued to serve the district communities, and the Districts wish to renew the agreements. Mr. Luckie said that the proposed renewal term for each Agreement is 3-years from each respective renewal commencement date, with the SDA retaining the right to terminate the agreements with a 30-days written notice. He said that the Districts will continue to assume responsibility for securing, maintaining, and insuring the Properties through the duration of the Agreements. He noted that at the February 2, 2022 Board Meeting the SDA Members approved the adoption of new N.J.A.C. 19:35 rules, effective April 4, 2022, governing the Authority's disposition of surplus real and personal property. He advised that the new rules require that any extension of a temporary lease, license, or use and occupancy

agreement originally authorized by the SDA's CEO must be approved by the SDA Board if the resulting renewal or extension will result in a total term exceeding three years. He said that the proposed extensions will result in a total term exceeding 3-years and thus requires Board approval. Mr. Luckie requested that the Members approve the proposed extension of the term of the Use and Occupancy Agreements for an additional 3-years from each respective renewal commencement date, inasmuch the renewals of the agreements are deemed to be in the interests of the SDA and the State of New Jersey. Mr. Luckie echoed that the Agreements are advantageous to all the parties and the State of New Jersey.

A resolution pertaining the Renewal of Use and Occupancy Agreements was provided to the Board in advance of the meeting. Upon a motion duly made by Mr. Burgos, and seconded by Mr. Capo, the Board approved the Renewal of Use and Occupancy Agreements with the Jersey City Public Schools, Passaic Board of Education and City of Paterson Board of Education with its unanimous vote in favor of ***Resolution 7a.***

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 were no speakers present.

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 June 4, 2025 meeting.

/s/ Janice Venables
Assistant Secretary