

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, MARCH 4, 2026 AT 9:00 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 February 4, 2026
- 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. Design-Build Award and Approval of Final Project Charter - Bridgeton Public School District - Bridgeton High School - Additions and Renovations - ST-0047-B01-RB1 – **THE DISCUSSION REGARDING THE BID PROTEST FOR THIS MATTER WILL BE DISCUSSED IN EXECUTIVE SESSION AND THIS MATTER WILL BE VOTED ON UPON THE BOARD'S RETURN TO OPEN SESSION**
 - b. Notice of Readoption (without amendment) of Regulations at N.J.A.C. 19:34B – Delegation of School Facilities Projects
 - c. Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38C - Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants
 - d. Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38D - Procurement of Goods and Services
 - e. Settlement of Litigation Relating to the Millville High School Project - **TO BE DISCUSSED IN EXECUTIVE SESSION AND VOTED ON UPON THE BOARD'S RETURN TO OPEN SESSION**
- 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. Diversity and Workforce Participation Report
 - v. Regular Operating District Grant Activity Report
 - vi. Communications Report (*no report*)
 - vii. Monthly Financial Report (*no report*)
 - viii. Completed Executive Session Matters Report
- 8. EXECUTIVE SESSION**
 - Bid Protest – Bridgeton High School Addition and Renovation Project
 - Settlement of Litigation Relating to the Millville High School Project

9. RETURN TO OPEN SESSION

VOTING ITEMS:

- 6a. Design-Build Award and Approval of Final Project Charter - Bridgeton Public School District -
Bridgeton High School - Additions and Renovations - ST-0047-B01-RB1

- 6e. Settlement of Litigation Relating to the Millville High School Project

10. REQUEST MOTION TO ADJOURN PUBLIC MEETING

APPROVAL OF MEETING MINUTES

February 4, 2026 Open Session Minutes

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 4, 2026**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, February 4, 2026 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)

Steven Colella (DOE)

John Capo, Public Member

Lester Lewis-Powder, Public Member

Michael McLaughlin, Public Member

Michael Maloney, Public Member

Mario Vargas, Public Member

Nicole Vecchione, Public Member

being a quorum of the Board. Mr. Nixon, Mr. Capo, Mr. Colella, Mr. Lewis-Powder, Mr. Maloney, Mr. McLaughlin, Mr. Moore, Mr. Vargas and Ms. Vecchione participated by teleconference.

At the Chairman's request, Manuel Da Silva, chief executive officer; Laurette Pitts, vice president and chief financial officer; Janice Venables, vice president and assistant secretary; Ramy Kamel, vice president; Albert Barnes, chief counsel and additional assistant secretary

(teleconference) of the SDA participated in the meeting. Michael Eleneski of the Governor's Authorities Unit also participated in the meeting by teleconference.

Pledge of Allegiance

Led by 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.

Chairman's Report

Mr. Nixon said that he would like to welcome Mike McLaughlin to the SDA Board. He said that he wanted to give Mr. McLaughlin an opportunity to introduce himself. Mr. McLaughlin thanked the SDA for having him on the Board and former Governor Phil Murphy for appointing him to the SDA Board. He said that he is the president of IBEW Local 456 which is the electricals' local in New Jersey. He said that before he became an apprentice electrician many years ago, he graduated from Trenton State and was a teacher, so he is able to see the SDA mission from both the construction and the teaching side. He added that he worked at an old school in Highland Park and knows it's time to replace old schools and he hopes he can be of some service.

Approval of Meeting Minutes

The Chairman presented for consideration and approval the minutes of the Board's January 7, 2026 Open Session meeting. A copy of the meeting minutes and a resolution had been

provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Luckie, the Open Session minutes of the January 7, 2026 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3a.***

Mr. Nixon presented for consideration and approval the minutes of the Board's January 7, 2026 SDA Organizational Board meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Vargas the minutes of the January 7, 2026 SDA Organizational Board meeting were approved with the Members' unanimous 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 welcomed Mr. McLaughlin to the SDA Board.

Next, Mr. Da Silva gave an update on projects in the procurement stage. He said that for the Bridgeton High School Additions and Renovations project, three design-build bids were received and the bid opening is scheduled for this afternoon. For the Paterson STEAM High School project, he reported that the design-build notice of award was issued and will be followed by the notice-to-proceed.

Turning to design-build projects in the design phase, Mr. Da Silva said that for the Elizabeth New Elementary School project, the design-builder is responding to comments issued by Department of Community Affairs on Package 1 and SDA on Package 2. For the Trenton New Elementary School project, he explained that the design-builder is advancing demolition

and site work design documents. He said that the design-builder is responding to SDA issued comments on Design Package 1 for the West New York Middle School project and the construction manager recommendation of award is the subject of today's procurement activity.

With respect to design-build projects in construction, Mr. Da Silva said that for the Garfield New Elementary School project, the design-builder is continuing with underground mechanical, electrical and plumbing work and steel erection.

Audit Committee

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on January 20, 2026 at which time management provided the Committee with the December 2025 New Funding Allocation and Capital Plan Update. He said that staff had informed the Committee that there were no changes in the reserve balances for the SDA Districts during the reporting period. He then advised the Board that the reserve balance for the Regular Operating Districts increased by \$100,000 during the reporting period due to a reduction in state share for grant projects nearing completion.

Next, Mr. Nixon provided the Members with the 2026 Capital Spending Forecast for informational purposes. He explained that the forecast is based on Treasury Updated Spending Models which help to ensure that there is an optimum level of cash on hand. He reported that the forecast anticipates the expenditure of approximately \$365.2 million for school facilities projects, representing an increase of approximately \$169.2 million over the estimated actual spending in 2025. He advised the Board that this increase is attributable to higher amounts of forecasted spending for – construction cost, SDA district grant & funding agreements, regular operating district grants. He noted that the forecasted increases are partially offset by lower

forecasted spending on project insurance, school furniture, fixtures, equipment & technology costs and emergent and capital maintenance grants.

Next, 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 advised that management is recommending and the Committee is requesting approval of an award for a New Master Builder's Risk Program (BR insurance, Program). He advised that BR insurance is a special type of property insurance that protects the Authority from unexpected losses due to fire, lightning, and similar forces during construction of a school facilities project. He noted that in May 2020 the Board approved the purchase of Builder's Risk insurance from Liberty Mutual Insurance Company expiring July 15, 2023 and subsequently, at cost not-to-exceed (NTE) \$650,000, an extended policy through August 27, 2025. He reported that on November 6, 2024, the Board approved the purchase of Owner Controlled Insurance Program V (OCIP V), a new 5-year program that combines multiple types of insurance to cover construction projects the Authority funds and manages, effective December 1, 2024. Mr. Nixon said that the lines of coverage purchased at that time were workers' compensation, general liability and excess liability but did not include BR insurance because no capital projects were about to begin construction, and that the proposed Master Builder's Risk program, if approved by the Board, will complete the package of coverages purchased for OCIP V. He explained that the proposed new program will have a 2-year term to begin on March 1, 2026, and insure all projects in the current Capital Plan that commence construction between March 1, 2026 and March 1, 2028, including the Garfield New Elementary School and Elizabeth Pre-Kindergarten to 8 School representing a total of 8 projects. Mr. Nixon then reminded the Members that on October 4, 2023, the Board approved a contract for Alliant Insurance Services (Alliant) to market and procure the Authority's OCIP V policies. Mr. Nixon

explained that in October of 2025 Alliant was directed to market a new BR insurance program, with the goal of obtaining a minimum of 3 proposals from various insurance carriers, with an effective date of March 1, 2026. He outlined the parameters of the Total Insurable Value (TIV) of the projects covered as \$1 billion, exclusive of furniture, fixtures, technology and equipment costs. He noted that on January 8, 2026 Alliant presented SDA with an initial coverage comparison of all proposals as set forth in the memorandum presented in the materials to the Board. He said that following a detailed evaluation of each insurer's proposed terms and conditions it is the recommendation of the Audit Committee and SDA's Risk Management division that a New Master Builder's Risk insurance program be purchased through Liberty Mutual which offers the most cost effective and comprehensive program to protect the Authority. He advised that the Program will be at a cost NTE of \$630,000 for a 2-year program term with an effective date of March 1, 2026 through March 1, 2028, which can be renewed annually thereafter if the insurer and Authority mutually agree. He noted that the NTE cost is inclusive of 7.5% contingency to account for any increase in estimated TIV and/or estimated construction duration. He said that Alliant will receive a fee of \$59,558 to provide policy and claims administration services for the new Builder's Risk program, effective March 1, 2026 through the completion of all construction projects insured, which fee is included in the lump sum fee the Board approved October of 2023.

Following discussion, upon motion duly made by Mr. Vargas and seconded by Mr. Burgos, the Board approved the proposed contract award with Liberty Mutual for a New Master Builder's Risk program for a 2-year term in the amount not-to-exceed of \$630,000 with its unanimous vote in favor of ***Resolution 5a.***

School Review Committee

Next, Mr. Luckie reported that the School Review Committee met on January 20, 2026 at which time two items were discussed. Mr. Luckie said that the Committee is recommending approval of a Planning Project Charter for the New Pre-K to 8 School (School or Project) in Salem City School District (District). He reported that at the April 2022 Board meeting the Members approved the Authority's 2022 Strategic Plan Update and Capital Plan (the Plan). He advised that the Plan identified a replacement Pre-K to 8 school in the Salem City School District for 961 students to address serious existing building conditions at the existing Fenwick Elementary School and Salem Middle School, initially planned to be constructed on existing District-owned property. Mr. Luckie stated that working group discussions with the District and the Department of Education have served to validate District needs and have identified an alternative preferred location consisting of existing City-owned property that will be augmented with the acquisition by the City and/or District of seven adjacent properties. He said that SDA staff has developed a proposed Project scope based on a detailed evaluation of District needs and application of standard programmatic models. He added that the recommended Project scope calls for the construction of an approximately 142,000 square foot new school facility to provide seats to educate approximately 1,000 students in grades Pre-K to 8. He advised that advancement of this Project will provide all of the District's Pre-K to 8 students with a new, modern and educationally appropriate facility. He noted that in order to advance this Project it is necessary for the Board to approve the Planning Project Charter. He said that the estimated cost for the Project is \$121.3 million as presented in the Planning Project Charter, inclusive of all estimated costs necessary for the advancement of the Project scope, as reflected in the Planning Project Charter submitted to the Board on this date and incorporated herein. He added that SDA executive management and associated program staff recommend that the Members approve the

proposed Planning Project Charter for the Project and authorize advancement of the recommended design, procurement and related activities as reasonable, appropriate and in the best interest of the SDA and the taxpayers of New Jersey.

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 Mr. Vargas, the Board approved the awards for Planning Project Charter for the New Pre-K to 8 School in the Salem City School District with its unanimous vote in favor of ***Resolution 6a.***

Next, Mr. Luckie reported that management is also seeking approval of a Construction Manager Services (CM Services) Award for the West New York Middle School project (School or Project). By way of background, he reported that the Project is planned to be an approximately 161,730 square foot five-story facility to educate approximately 876 students in grades Six through Eight. He said that in October 2025, the Members approved the Final Project Charter and the award of a Design-Build Construction contract to Terminal Construction Corporation. He noted that a package for CM Services for the Project was advertised as a “price and other factors” solicitation beginning on November 3, 2025 with price weighted at 40% and all non-price factors weighted at 60% of the final combined score. He added that the details of the CM Services procurement process conducted by management are comprehensively set forth in the memorandum presented to the Board on this date. He advised that upon completion of the competitive procurement process for CM Services, it was determined that Epic Management, Inc. (Epic) was the highest ranked firm, with a price in the amount of \$2,194,700 for the Project, inclusive of SDA-established Allowances totaling \$555,000. He said that following review of Epic’s price proposal which was less than the SDA estimate, Epic has confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. He noted that upon completion of the procurement process, the Construction Operations Program Director

recommends award of the CM Services contract in the amount of \$2,194,700 to Epic 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. Burgos and seconded by Mr. Vargas, the Board approved an award for Construction Manager Services for the West New York Middle School project with its unanimous vote in favor of ***Resolution 6b***.

Real Estate Committee

Upon Mr. Nixon's request, Mr. Vargas advised the Members that the Real Estate Committee met on January 20, 2026 where one extension of a Lease Agreement was discussed for Board approval. He said that the extension of Lease Agreement (Leased Premises, Agreement) is between the SDA and the Housing Authority of the City of Union City (Housing Authority) regarding the Premises located at the City of Union City Tax Block 19, Lot 9. He noted that the leased premises consist of a fully fenced lot improved with a three story, twelve-family residential dwelling with one-two bedroom and three-one-bedroom units on each floor that was acquired by the SDA as a site for the Union City Magnet K-8 school facilities project (the Project). He advised that the Project is not included in the current SDA Capital Plan and, as a result, the Leased Premises is not now needed for construction of the Project and is not useful in the business operations of the SDA allowing for the temporary third-party use of the Leased Premises in accordance with the applicable provisions of N.J.A.C. 19:35. He said that on March 4, 2019, the SDA entered into a Lease Agreement with the Housing Authority of the City of Union City, as Tenant, to authorize the Housing Authority's use of the Property for the purpose of providing 12 affordable housing dwelling units to qualifying residents of Union City. Mr. Vargas explained that the Housing Authority, pursuant to the Lease Agreement, at its sole cost

and expense, is responsible for providing all required insurance coverages and any security required for the protection of the Leased Premises. He advised that the Housing Authority is also required to surrender the Leased Premises to the SDA on the termination date in substantially the same condition as existed at the commencement date, free of all occupants and restored to its condition and state of repair as it existed as of the commencement of the Lease. He added that the Lease Agreement may be terminated by either the SDA or the Housing Authority on no less than 6 months written notice. He advised that on February 2, 2022, the SDA Board approved the adoption of new rules, effective April 4, 2022, governing the Authority's disposition of surplus real and personal property N.J.A.C. 19:35. He explained 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 receive the approval of the SDA Board if the resulting renewal or extension will result in a total term exceeding 3 years. He noted that the extension proposed for Board approval on this date would result in a total term exceeding 3 years and thus requires SDA Board approval. He informed the Members that the Housing Authority wishes to extend the Lease Agreement for an additional 12 months, extending the expiration date to March 4, 2027, including the option of 2 further successive 12 month extensions with the first successive extension extending the term through March 4, 2028, and the second successive extension extending the term through March 4, 2029 if requested by the Housing Authority, and if such extensions are deemed, in the discretion of SDA management, to be in the interests of the SDA and the State of New Jersey. In response to a question by Mr. Burgos, Mr. Da Silva explained that there remains seating capacity need in Union City, and that SDA may be required to terminate the Lease Agreement in the future, but there is currently no school in the Capital Plan for this location.

A resolution pertaining the extension of Lease was provided to the Board in advance of the meeting. Upon a motion duly made by Mr. Luckie, and seconded by Mr. Capo, the Board approved the extension of the Lease Agreement between the SDA and the Housing Authority of the City of Union City regarding SDA owned property in Union City 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 February 4, 2026 meeting.

/s/ Janice Venables
Assistant Secretary

Resolution—3a.

Approval of Minutes

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

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the February 4, 2026 Board meeting of the New Jersey Schools Development Authority, for the Open Session were duly forwarded to the Office of the Governor following the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's February 4, 2026 Open Session meeting is hereby approved.

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

Dated: March 4, 2026

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)**

**Design-Build Award and Approval of Final Project Charter - Bridgeton Public School
District - Bridgeton High School - Additions and Renovations - ST-0047-B01-RB1**

MEMORANDUM

TO: Members of the Authority

FROM: Sean Murphy
Managing Director, Procurement

Steve Wendling
Program Director, Construction Operations

DATE: March 4, 2026

RE: District: Bridgeton Public School District
School: Bridgeton High School - Additions and Renovations
Description: Design-Build
Package No.: ST-0047-B01 RB1
Construction Cost Estimate (CCE): \$77,000,301
Advertised CCE Range: \$73,000,000 to \$81,000,000
Award: \$73,962,000

SUBJECT: Design-Build Award and Approval of Final Project Charter

INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$73,962,000 to Epic Management, Inc.¹ for Design-Build services for the additions and renovations to Bridgeton High School in the Bridgeton Public School District.

The Design-Build Team will complete the design of the additions and renovations to Bridgeton High School utilizing NJSDA-developed schematic design documents and will also provide construction and construction administration services, including securing of all required permits and approvals, for construction of the additions and renovations. The form of contract for this engagement is a Design-Build contract with the general contractor as the lead and with relevant trades and design disciplines serving in sub-contractor and sub-consultant roles.

We are also recommending approval by the Members of the attached Final Project Charter representing the project budget inclusive of dollar values for the award of the Design-Build package.

Pursuant to the NJSDA Operating Authority adopted by the Board on January 8, 2025, Board approval is required for the award of construction contracts greater than \$2,000,000 and for the approval of the Final Project Charter.

¹ Epic Management, Inc. listed the following subcontractors for the required trades in its Price Proposal: The Barham Group, LLC (HVACR), Brooks Mechanical Consultants, Inc. (Plumbing), Lee-Way Electrical, LLC (Electrical), Salvi Steel Fabricators, LLC (Structural Steel & Ornamental Iron), and AbateTech, Inc. (Asbestos Removal/Treatment). Epic Management, Inc. also listed a design consultant team lead by DiCara Rubino Architects (Architecture), and includes A&J Consulting Engineering Services, P.C. (HVAC Engineering, Electrical Engineering and Plumbing Engineering), French & Parello Associates, P.A. (Civil Engineering and Environmental Engineering), and Harrison-Hamnett, P.C. (Structural Engineering).

BACKGROUND

At the November 2, 2022 Board Meeting, the Members approved the Preliminary Project Charter for the Bridgeton High School project. The project scope includes 113,196 square feet of phased additions and renovations in the occupied Bridgeton High School, to provide additional capacity to educate 326 students in grades 9 to 12.

On October 1, 2025, the Members of the Authority approved the award of a Construction Manager contract to Greyhawk North America, LLC.

PROCUREMENT PROCESS

On May 16, 2025, the NJSDA advertised for Design-Build services for the project. At the bid opening on September 10, 2025, Ernest Bock & Sons, Inc. was identified as the apparent highest ranked bidder among six bidders, price and other factors considered. Subsequently, Hall Construction Co., Inc. (#4 final rank) filed a formal bid protest against four of the six bidders: Ernest Bock & Sons, Inc. (#1 final rank), Epic Management, Inc. (#2 final rank), Rycon Construction, Inc. (#3 final rank), and Daniel J. Keating Company (#5 final rank). In review of the formal protest, the NJSDA determined that it was in the public interest to cancel the procurement and to re-bid the Design-Build contract for the project. As a result, the NJSDA cancelled this bid process on October 21, 2025.

The Design-Build contract for the project was re-advertised beginning on November 17, 2025 on the NJSDA website, NJ State website, and in selected newspapers for interested firms to participate in the bidding process. For this procurement, price was weighted as more important than all other factors combined, with price equaling 60% of the overall weight, and all non-price factors (other than “Experience Criteria” as described below) having a combined weight of 40%.

In accordance with regulations, the NJSDA employed a two-step process for this procurement. The first step required interested bidders to submit a Project Rating Proposal, which was used by the NJSDA to determine each bidder’s Project Rating Limit, or maximum amount that a bidder may bid, for the project. Project Rating Proposals were received by December 1, 2025. Bidders were evaluated based on a review of two projects completed by the firm in the past ten years, reference checks, their safety rating, and their prevailing wage record. Based on evaluation of the information submitted, four (4) bidders received a Project Rating Limit. The Project Rating Limits resulting from the Project Rating Evaluations are listed in Table 1 below:

TABLE 1

Firm	Project Rating Limit
Dobco, Inc.	\$274,040,000.00
Epic Management, Inc.	\$173,886,770.00
Ernest Bock & Sons, Inc.	\$143,291,222.00
Hall Construction Company, Inc.	\$144,452,870.00

Interested bidders were required to attend a mandatory site visit held on December 4, 2025.

The second step of the process required the bidders to simultaneously submit a Technical Proposal and a sealed Price Proposal. In advance of submission of Technical and Price Proposals, bidders were permitted to submit

questions seeking clarification of the procurement documents, until December 19, 2025. An Addendum response to Bidder Questions was issued to the bidders on January 7, 2026.

Technical and Price Proposals were received on January 21, 2026 from three (3) bidders. As described in the Request for Proposals (“RFP”), the Technical Proposal submission consists of two separate portions for evaluation by two distinct committees as follows:

1. The “Experience Criteria” portion of the Technical Proposal submission was evaluated by an Evaluation Committee comprised of three (3) NJSDA staff members. The Evaluation Committee was responsible for collectively evaluating the “Experience Criteria” on a non-numeric basis and determining, on a consensus basis, whether a bidder had demonstrated sufficient experience in the following “Experience Criteria” categories:
 - Design-Builder’s Experience on Comparable Projects
 - Design-Builder’s Design Consultant’s Experience on Comparable Projects
 - Design-Builder’s Demonstrated Prior Affirmative Action Experience
2. The “Project Approach Criteria” portion of the Technical Proposal submission was evaluated by a Selection Committee comprised of four (4) NJSDA staff members and one (1) alternate, and one (1) Bridgeton School District representative. The Selection Committee was responsible for independently evaluating and scoring each bidder in each of the following “Project Approach Criteria” categories:
 - Design-Builder’s Overall Approach to the Project
 - Identification and Qualifications of Required Key Team Members
 - Design-Builder’s Approach to Schedule
 - Design-Builder’s Approach to LEED Requirements

“Evaluation Committee” Review

The Evaluation Committee determined that each of the bidders demonstrated sufficient experience in the “Experience Criteria” categories to be considered for award.

“Selection Committee” Review

The Selection Committee members conducted interviews with each of the three (3) Design-Build teams on February 3, 2026 affording committee members an opportunity to obtain any additional information from each bidder team as needed to complete their evaluations of the “Project Approach Criteria” portion of the Technical Proposal.

Each Selection Committee member evaluated the “Project Approach Criteria” portion of each Technical Proposal, assigning a raw score for each category on a scale of 0 to 10 as follows:

- 9 - 10 points - outstanding response - offers significant advantages.
- 7 - 8 points - superior response - exceeds requirements with no deficiencies.
- 5 - 6 points - sufficient response - meets the requirements with no significant deficiencies.
- 3 - 4 points - minimal response - meets the requirements but contains some significant deficiencies.
- 1 - 2 points - marginal response - comprehends requirements, but contains many significant deficiencies.

- 0 points - unsatisfactory response - requirements not addressed and lack of detail precludes adequate evaluation.

Weighting factors were then applied to each of the Selection Committee member’s raw scores for each “Project Approach Criteria” category to arrive at a total weighted score as follows in Table 2 below:

TABLE 2

Project Approach Criteria Evaluation Category	Weighting Factor (Applied to Raw Score)	Maximum Weighted Points
Design-Builder’s Overall Approach to the Project	4.0	40
Identification and Qualifications of Required Key Team Members	3.5	35
Design-Builder’s Approach to Schedule	1.5	15
Design-Builder’s Approach to LEED Requirements	1.0	10
Total Possible Points		100

For each Technical Proposal, the individual “Project Approach Criteria” category scores awarded by a particular Selection Committee member were added together to calculate a total Non-Price Score for that Technical Proposal. The maximum total Non-Price Score is 100. All of the total Non-Price Scores awarded to a Technical Proposal by the Selection Committee members were added together and averaged to arrive at a final Non-Price Score for each Technical Proposal. The results of the Selection Committee’s review of the “Project Approach Criteria” portion of each Technical Proposal are listed in Table 3 below:

TABLE 3

Contractor	Non-Price Score	Non-Price Rank
Epic Management, Inc.	62.350	1
Ernest Bock & Sons, Inc.	61.900	2
Dobco, Inc.	55.700	3

Sealed Price Proposals

Once all of the Technical Proposals were scored pursuant to the “Project Approach Criteria”, the Price Proposals² were publicly opened on February 4, 2026 in accordance with the RFP and the bids were read aloud as required by law.

The lowest responsive Price Proposal was awarded the maximum number of points for the price component, which is 100. All other Price Proposals were awarded points based on the percentage that each proposal exceeded the lowest bid. The results of the NJSDA’s review and scoring of the Price Proposals are listed in Table 4 below:

² This procurement employed an internet-based, electronic bidding platform administered by Bid Express for the submission and opening of Price Proposals.

TABLE 4

Contractor	Bid Amount	Price Score	Price Rank
Epic Management, Inc.	\$73,962,000	100.000	1
Ernest Bock & Sons, Inc.	\$77,777,000	94.842	2
Dobco, Inc.	\$80,285,000	91.451	3

As stipulated in the RFP, each Bid Amount is inclusive of NJSDA-established Allowances totaling \$1,685,000, as follows: \$850,000 for General Design and Construction; \$350,000 for Fire Pump; \$350,000 for Emergency Responder Radio System; \$85,000 for Hazardous Materials Abatement; and \$50,000 for Elevator Operator.

Final Combined Scores and Final Rankings

After the Price Scores were determined for all bidders, the Price Scores were adjusted by a weighting factor of 60%. The Non-Price Scores were adjusted by a weighting factor of 40%. The weighted Price Score and weighted Non-Price Score for each bidder were added together for a Final Combined Score. The maximum Final Combined Score is 100. The Final Combined Scores and Final Rankings are listed in Table 5 below:

TABLE 5

Contractor	Raw Non-Price Score	Raw Price Score	Weighted Non-Price Score (40%)	Weighted Price Score (60%)	Final Combined Score	Final Rank
Epic Management, Inc.	62.350	100.000	24.940	60.000	84.940	1
Ernest Bock & Sons, Inc.	61.900	94.842	24.760	56.905	81.665	2
Dobco, Inc.	55.700	91.451	22.280	54.871	77.151	3

The highest ranked bidder was Epic Management, Inc. (“Epic”).

Highest Ranked Bidder’s Price Proposal

The bid submitted by Epic was less than the CCE. In order to understand the differential between the CCE and the bid price and to ensure the contractor’s Price Proposal was inclusive of all scope of work elements, a conference was conducted on February 9, 2026 with Epic and NJSDA staff from Procurement, Construction Operations, Program Operations, Design Studio and Financial Operations to review the bid. The discussion verified that Epic had included all project scope work in its bid and identified that the majority of the overall variance between the NJSDA’s CCE and Epic’s Price Proposal is attributable to lower interior finishes and sitework costs. At the time of review, Epic confirmed that its Price Proposal is inclusive of all scope elements contained in the Contract Documents.

The Construction Operations Program Director and the Financial Operations Director recommend award of the project to Epic.

FINAL PROJECT CHARTER

The attached Final Project Budget represents the project budget inclusive of actual dollar values for the award of the Design-Build contract, current estimates for all future scope elements such as FF&E and technology, and appropriate contingencies. Additionally, the budget is inclusive of NJSDA Staff costs for both Design and Project Management. The Final Project Charter budget of \$87.2 million represents a net increase of approximately \$38.0 million from the Board-approved Preliminary Project Charter due to increased design-builder costs based upon the award value for the design-build engagement. The values estimated within the Preliminary Project Charter were based upon the application of planning assumptions to proposed project scope at the time the charter was advanced for approval in November 2022. The scope of the project has expanded since that time to include an expansion of the existing cafeteria to support the larger student population of the school. At the time the Preliminary Charter was approved it was planned that the district would be undertaking this work separately with district funds, however, it is necessary to support the educational program and as such was incorporated into our project. The Bridging Design Services, CM Fees and FF&E and Technology budgets have been increased to reflect more recent project experience. These increases are partially offset through the utilization of design contingency included within the Preliminary Project Charter to account for potential cost increases prior to the award of the design-build contract.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to the highest ranked bidder, Epic Management, Inc., for Contract No. ST-0047-B01 RB1 in the amount of \$73,962,000 inclusive of NJSDA-established Allowances totaling \$1,685,000. Prior to execution of the contract, the contract and related documentation will be reviewed and approved by the NJSDA Division of Chief Counsel.

The Members of the Authority are also requested to approve the attached Final Project Charter representing all expended and projected funds necessary for completion of the project.

/s/ Sean Murphy

Sean Murphy, Managing Director, Procurement

/s/ Steve Wendling

Steve Wendling, Program Director, Construction Operations

Reviewed and Recommended by: Manuel Da Silva, Chief Executive Officer

Reviewed and Recommended by: Janice Venables, Vice President, Corporate Governance

Reviewed and Recommended by: Ramy Kamel, Vice President, Program and Construction Operations

Reviewed and Recommended by: Laurette Pitts, Vice President and Chief Financial Officer

Reviewed and Recommended by: Gregory Voronov, Managing Director, Planning and Program Operations

Reviewed and Recommended by: Robert Carney, Director, Financial Operations

New Jersey Schools Development Authority Project Charter - Summary

Charter Date
03/04/26

Supersedes Charter Dated
11/02/22

Region: Southern
District: Bridgeton
Project Name: Bridgeton High School
School Type: High School
DOE # / Project #: 0540-020-22-1000 / 0540-020-22-0BBW
Project Type (New/Add/Reno): Add/Reno
Project Location: 111 West Ave N. Bridgeton, NJ
Number of Students: 346 (FES Capacity) 408 (Maximum Capacity)

Land Acquisition Required? Yes No
Temporary Space Required? Yes No

Funding Source
2022 Capital Plan

Project Budget: \$ 87,212,000
Anticipated Substantial Completion Date: Dec-28
Anticipated School Occupancy Date: September-28
Project Team Leader: Steve Wendling
Project Initiation Date: May-22
SDA Board - Project Charter Approval Date: Mar. 4, 2026

Funding Allocated
\$87,212,000

District Local Share
\$2,700,000

Charter Version and Date	Project Summary
<input type="checkbox"/> Planning	Additions and selective renovations to the existing HS to provide additional capacity for approximately 300 students. Additions include approximately 94,000 of new construction to support an Early College HS Education program, a classroom wing addition, cafeteria & gym addition. Renovations are limited to approximately 19,000 square feet of program driven renovations.
<input type="checkbox"/> Preliminary 11/02/22	
<input checked="" type="checkbox"/> Final 3/4/2026*	
Purpose for Advancement of Current/Revised Project Charter	
Revision # and Date	Establishment of Final Budget and Schedule based upon the award for the design builder for the project.
<input type="checkbox"/> Revision 1	* This charter replaces the charter approved by the Board in October 2025 due to the need to rebid the project subsequent to a bid protest.
<input type="checkbox"/> Revision 2	
<input type="checkbox"/> Revision 3	
<input type="checkbox"/> Revision 4	
<input type="checkbox"/> Revision 5	
<input type="checkbox"/> Revision 6	
District Project Goals	
Addition and renovations to the existing HS to address overcrowding in grades 9 to 12.	

Recommendation

/s/ Steve Wendling	Mar. 4, 2026	/s/ Gregory Voronov	Mar. 4, 2026
Program Director - Program Operations	Date	Managing Director - Planning & Prog. Ops.	Date
Steve Wendling		Gregory Voronov	
/s/ David Magyar	Mar. 4, 2026	/s/ Ramy Kamel	Mar. 4, 2026
Managing Director - Design	Date	VP - Program & Construction Ops	Date
David Magyar		Ramy Kamel	

Approval

/s/ Manuel Da Silva	Mar. 4, 2026
Chief Executive Officer	Date
Manuel Da Silva	

New Jersey Schools Development Authority Project Charter - Milestones & Delivery Method

Charter Date

03/04/26

District / Project Name:	Bridgeton / Bridgeton High School
DOE # / Project #:	0540-020-22-1000 / 0540-020-22-0BBW

Project Milestones	Date
School Occupancy Date	Sep-28

DELIVERY METHOD	Design/Build
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<u>Real Estate Services</u>	Start	Est.	Act.	Finish	Est.	Act.
Feasibility	Jul-22	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Mar-23	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Investigations	Jul-22	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Mar-23	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Acquisition	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Relocation	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Existing School Demolition & Site Work	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Early Site Package	N/A	<input type="checkbox"/>	<input type="checkbox"/>	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?	TBD	Date				
District Notified?	_____	<input type="checkbox"/>	<input type="checkbox"/>			
Classification Exception Area?	TBD					
District Notified?	_____	<input type="checkbox"/>	<input type="checkbox"/>			

Special Considerations

<u>Design:</u>	Date	Est.	Act.		Est.	Act.
Design Start (NTP)	May-22	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
	Start	Est.	Act.	Finish	Est.	Act.
Program Concept Phase	May-22	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Apr-23	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic Design	Feb-24	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Oct-24	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bridging Documents	Jul-24	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Dec-24	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design-Build Bid/Award	Nov-25	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Mar-26	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build NTP	Mar-26	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Apr-26	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Design	Apr-26	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Dec-26	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

<u>Construction:</u>	Date	Est.	Act.
Construction Start (NTP)	Jun-26	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	Dec-28	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	Sep-28	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer	N/A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	Jan-29	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	Sep-29	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	Oct-29	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Special Considerations

The School Occupancy date is reflective of the planned opening of the new additions to the school. The final renovation will occur after the new additions are occupied as represented by the substantial completion date for the entirety of the project. The existing building will be occupied for the duration of the project.

New Jersey Schools Development Authority Project Charter - Project Budget

Charter Date

03/04/26

District / Project Name:	Bridgeton / Bridgeton High School
DOE # / Project #:	0540-020-22-1000 / 0540-020-22-0BBW

2022 Capital Plan Funding Allocation	\$ 87,212,000
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Special Considerations:

The project budget is based upon the award amount for the Design-Build engagement, current estimates for all project scope elements and estimated costs for future scope elements. The award amount is inclusive of NJSDA-established Allowances totaling \$1,685,000: as follows: \$850,000 for General Design and Construction; \$350,000 for Fire Pump; \$350,000 for Emergency Responder Radio System; \$85,000 for Hazardous Materials Abatement; and \$50,000 for Elevator Operator.

Project Budget:

Gross Building Area (GSF):			Grossing Factor:
New	0		1.42
Addition	94,298		
Renovation	18,898		
Total Gross Building Area (GSF):	113,196		
Estimated Building Cost / GSF			
New Construction Cost/GSF	\$573.12		
Renovation Cost/GSF	\$427.32		

Design-Builder Costs

Design	\$3,857,646
Building Costs	\$62,119,354
Site Development Costs	\$6,300,000
Allowances	\$1,685,000
Design Contingency	\$0
Construction Contingency	\$3,400,000
Total Construction Costs	\$77,362,000

Pre-Development Costs:

Consultant Services	\$200,000
ESP Existing School Demolition	\$0
Land Acquisition	\$0
Relocation	\$0
Property Maintenance/Carry Costs	\$0
Total Pre-Development Costs	\$200,000

Other Costs: %

Bridging Design Services	\$1,500,000
In-House Design & Project Management	\$2,400,000
CM Services	\$3,250,000
FF&E & Technology	\$4,500,000
Temporary Space	\$0
Other Costs	\$700,000
Total Other Costs	\$12,350,000

Other Funding Sources

Rebates & Refunds	\$0
District Local Share Funds	(\$2,700,000)
Total Other Funding Sources	(\$2,700,000)

Total Project Budget	\$87,212,000
Funding From Prior Allocation	\$0
Preliminary Eligible Costs	\$87,212,000

**New Jersey Schools Development Authority
Project Budget Variance**

Charter Date

03/04/26

District / Project Name: Bridgeton / Bridgeton High School
DOE # / Project #: 0540-020-22-1000 / 0540-020-22-0BBW

Project Budget:

	Preliminary Charter 11/2/22	Final Charter	VARIANCE Fav/(Unfav)
Grossing Factor:	1.55	1.42	0.13
Gross Building Area (GSF):			
New	0	0	0
Addition	69,500	94,298	(24,798)
Renovation	7,100	18,898	(11,798)
Total Gross Area (GSF):	76,600	113,196	(36,596)
Design-Builder Costs			
Design	\$2,000,000	\$3,857,646	(\$1,857,646)
Building Costs	\$30,500,000	\$62,119,354	(\$31,619,354)
Site Development Costs	\$2,100,000	\$6,300,000	(\$4,200,000)
Allowances	\$1,000,000	\$1,685,000	(\$685,000)
Design Contingency	\$3,560,000	\$0	\$1,940,000
Construction Contingency	\$1,780,000	\$3,400,000	
Total Construction Costs	\$40,940,000	\$77,362,000	(\$36,422,000)
Pre-Development Costs:			
Consultant Services	\$200,000	\$200,000	\$0
ESP Existing School Demolition	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0
Relocation	\$0	\$0	\$0
Property Maintenance/Carry Costs	\$0	\$0	\$0
Total Pre-Development Costs	\$200,000	\$200,000	\$0
Other Costs:			
Bridging Design Services	\$1,000,000	\$1,500,000	(\$500,000)
In-House Design & Project Management	\$2,100,000	\$2,400,000	(\$300,000)
CM Services	\$1,900,000	\$3,250,000	(\$1,350,000)
FF&E and Technology	\$2,400,000	\$4,500,000	(\$2,100,000)
Temporary Space	\$0	\$0	\$0
Other Costs	\$700,000	\$700,000	\$0
Total Other Costs	\$8,100,000	\$12,350,000	(\$4,250,000)
Other Funding Sources			
Rebates & Refunds	\$0	\$0	\$0
District Local Share Funds	\$0	(\$2,700,000)	\$2,700,000
Total Other Funding Sources	\$0	(\$2,700,000)	\$2,700,000
Total Project Budget	\$49,240,000	\$87,212,000	(\$37,972,000)
Funding from Prior Allocation	\$0	\$0	\$0
Funding from 2022 Capital Plan	\$49,240,000	\$87,212,000	(\$37,972,000)

Budget Variance Analysis:

The project budget represents a net increase of approximately \$38.0 million from the Board approved Preliminary Project Charter due increased design-builder costs based upon the award value for the design-build engagement. The values estimated within the Preliminary Project Charter were based upon the application of planning assumptions to proposed project scope at the time the charter was advanced for approval in November 2022. The scope of the project has expanded since that time to include an expansion of the existing cafeteria to support the larger student population of the school. At the time the Preliminary Charter was approved it was planned that the district would be undertaking this work separately with district funds, however, it is necessary to support the educational program and as such was incorporated into our project. The Bridging Design Services, CM Fees and FF&E and Technology budgets have been increased to reflect more recent project experience. These increases are partially offset through the utilization of design contingency included within the Preliminary Project Charter to account for potential cost increases prior to the award of the design-build contract.

Resolution—6a.

Design-Build Award and Approval of Final Project Charter

District:	Bridgeton Public School District
School:	New Bridgeton High School-Additions and Renovations
Description:	Design Build Services
Package No.:	ST-0047-B01-RB1
CCE:	\$77,000,301
Advertised CCE Range:	\$73,000,000 to \$81,000,000
Award:	\$73,962,000
CM:	Greyhawk North America, LLC

Resolution

WHEREAS, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve the award of construction contracts greater than \$2,000,000 and final project charters; and

WHEREAS, the New Bridgeton High School project (Project) will consist of the construction of 113,196 square feet of phased additions and renovations in the occupied Bridgeton High School to provide additional capacity to educate 326 students in grades 9 to 12; and

WHEREAS, on November 2, 2022, the Members of the Authority approved the Preliminary Project Charter, thereby approving the Project and related site development work utilizing in-house design and a design-build delivery method; and

WHEREAS, a package for design-build services was advertised beginning May 16, 2025 with “price” weighted as 60% of the overall weight and “all non-price factors” having a combined weight of 40%; and

WHEREAS, upon completion of the competitive procurement process, the highest ranked bidder was Ernest Bock & Sons, Inc., (Bock) with a bid in the amount of \$72,500,000, inclusive of SDA-established allowances totaling \$1,685,000; and

WHEREAS, subsequent to the completion of the procurement process, the SDA received a bid protest from the fourth ranked bidder challenging the responsiveness of the bids submitted by Bock and the second, third and fifth ranked bidders; and

WHEREAS, after review of the formal protest, the SDA determined that it was in the public interest to cancel the procurement and to re-bid the Design-Build contract for the project, and cancelled this bid process on October 21, 2025; and

WHEREAS, the Design-Build contract for the project was re-advertised beginning on November 17, 2025, with the price weighted as more important than all other factors combined, with price equaling 60% of the overall weight, and all non-price factors having a combined weight of 40%; and

WHEREAS, at the conclusion of price scoring and non-price scoring, Epic Management, Inc. (Epic) was the highest ranked bidder with a price proposal of \$73,962,000, including SDA-established allowances totaling \$1,685,000; and

WHEREAS, a conference was conducted on February 9, 2026 with Epic and SDA staff from Procurement, Construction Operations, Program Operations, Design Studio and Financial Operations to review the bid, at which time Epic confirmed it included all project scope work in its bid; and

WHEREAS, the Construction Operations director and the Financial Operations director recommend an award to the highest ranked bidder, Epic, in the amount of of \$73,962,000, including SDA-established allowances totaling \$1,685,000; and

WHEREAS, subsequent to the completion of the procurement process, the SDA received a bid protest from the third ranked bidder challenging the responsiveness of the bids submitted by Epic, Inc. and Ernest Bock & Sons, Inc., the first and second ranked bidders; and

WHEREAS, the bid protest is pending review and the issuance of a Final Agency Decision by the SDA Vice President and Chief Financial Officer, in consultation with the SDA Division of Chief Counsel; and

WHEREAS, the Construction Operations director and the Financial Operations director recommend an award to the highest ranked bidder, Epic, Inc., contingent only upon the issuance of a Final Agency Decision rejecting the pending bid protest; and

WHEREAS, along with the contract award and contingent only upon the issuance of a Final Agency Decision rejecting the pending bid protest, SDA executive management recommends that the Members of the Authority approve the award of contract and Final Project Charter as presented to the Board on this date and representing all expended and projected funds necessary for completion of the Project; and

WHEREAS, should the pending bid protest ultimately be sustained, SDA management shall present its revised award recommendation to the full Board for approval; and

WHEREAS, the background of the Project, a detailed description of the procurement process followed and the specifics of the final charter recommended for approval are set forth in detail in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, prior to execution of the contract, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract in the amount of \$73,962,000, inclusive of SDA-established allowances totaling \$1,685,000, to the highest ranked bidder, Epic Management, Inc. for the New Bridgeton High School project in the Bridgeton Public School District and the Final Project Charter, contingent only upon the issuance of a Final Agency Decision rejecting the pending bid protest.

BE IT FURTHER RESOLVED, that, should the bid protest filed by the third ranked bidder be sustained, SDA management shall present its revised award recommendation to the full Board for approval.

BE IT FURTHER RESOLVED, that, prior to its execution, the contract and related documentation will be reviewed and approved by the SDA Division of Chief Counsel.

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 the same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Design-Build Award and Approval of Final Project Charter, Bridgeton New High School (Contract No. ST-0047-B01, RB1), Bridgeton Public School District, dated March 4, 2026

Dated: March 4, 2026

**Notice of Readoption (without amendment) of Regulations at N.J.A.C. 19:34B –
Delegation of School Facilities Projects**

MEMORANDUM

TO: Members of the Authority

FROM: Janice Venables, Vice-President, Corporate Governance

DATE: March 4, 2026

RE: Notice of Readoption (without amendment) of Regulations at N.J.A.C. 19:34B – Delegation of School Facilities Projects

The Members of the Authority are requested to approve the readoption of NJSDA regulations for the Delegation of School Facilities Projects, N.J.A.C. 19:34B (“Subchapter 34B” or “the Rules”). The Rules establish requirements, standards and procedures for the Authority’s delegation of school facilities projects to SDA School districts. A full copy of the Rules is provided with this memorandum. A Notice of Readoption, is provided with this Memorandum, as well as a full copy of the existing rules. The Rules are currently set to expire on April 16, 2026.

Regulatory History

Subchapter 34B was originally adopted in 2012 to implement Section 13.e of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, as amended by section 24 of P.L. 2007, c. 137 (EFCFA). On June 5, 2019, the Board ratified the filing of a Notice of Readoption that extended the effectiveness of the Rules until April 16, 2026.

Notice of Readoption

Management intends to accomplish the readoption of the Rules through an expedited process that permits regulations to be readopted, without amendments, and without prior publication or public comment, pursuant to a filing of the Notice of Readoption with the Office of Administrative Law, at least thirty days prior to the expiration of the regulations.

Background

The Rules implement Section 13.e of EFCFA, which provides that the NJSDA shall promulgate rules by which it shall determine the capacity of an SDA school district to manage a school facilities project after the school district has been found by the Commissioner of Education to be eligible for Authority consideration.

In accordance with section 13(e) of the Act, before the NJSDA can assess a school district's capacity to manage a school facilities project or projects, that school district must first have been

determined by the DOE Commissioner to be eligible for NJSDA consideration of capacity. The DOE has adopted its own regulations to govern its role in the delegation process, which are codified at: N.J.A.C. 6A:26-19.1 et seq.

The Rules outline the conditions, process and criteria that will govern the Authority's determination of a school district's capacity and consist of a two-phase evaluation process, as follows:

- 1) The first phase of the SDA's evaluation process focuses on whether a school district has the overall capacity to manage fundamental district responsibilities relevant to capital facilities from an administrative, financial and facility oversight perspective based on a review of its key management personnel, its past project experience and performance under DOE's performance evaluations of district facilities operations.
- 2) The second phase of the SDA's evaluation focuses on the capacity of the school district to manage the delegable portions of a particular school facilities project based on a review of its key project management personnel, their qualifications and their experience with projects of similar size, scope and complexity.

Delegable Activities: When a school district has been determined by the Authority to have the capacity to manage a school facilities project, those aspects of the project that may be delegated to the school district are the project's construction administration, construction and/or demolition activities. The districts to which construction and demolition activities have been delegated will enter into agreements with contractors to carry out the delegated activities. The SDA will ensure that the districts comply with additional SDA requirements through the inclusion of provisions in a grant agreement between the school district and the Authority.

Grant Agreement: If the Authority determines to delegate a portion or portions of a school facilities project to a school district, the Authority, the Commissioner of Education and the school district will enter into a grant agreement to effectuate the delegation. The Rules detail the requirements for grant disbursements; detail how grant adjustments and a school district's local share (if applicable) factor into this process; and address grant oversight. The process spans the initiation of delegation to the final completion and closeout of a school facilities project.

SDA Determination Not to Delegate: If the Authority determines that a school district lacks the capacity to manage the delegable portions of a school facilities project, either from a district capacity or project specific standpoint, the Rules provide that, as appropriate, the district will be offered a training program in order to receive technical assistance designed to assist in the development of such capacity.

SDA Management has reviewed Chapter 34B and determined that it remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, which is to establish the requirements, standards, and procedures for the Authority's procurement of goods and services.

Readoption of N.J.A.C. 19:34B

March 4, 2026

Page 3 of 3

Recommendation

The Members of the Authority are requested to approve the proposed readoption of the Authority's Subchapter 34B Rules for the Delegation of School Facilities Projects, and the filing of the attached Notice of Readoption with the Office of Administrative Law.

/s/ Janice Venables

Janice Venables, Vice President,
Corporate Governance

Prepared by Cecelia Haney, Deputy Chief Counsel
JV/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Notice of Readoption

Delegation of School Facilities Projects

Readoption: N.J.A.C. 19:34B

Authority: N.J.S.A. 18A:7G-13(e); N.J.S.A. 52:18A-238k

Authorized By: New Jersey Schools Development Authority, Manuel M. Da Silva, Chief Executive Officer (with the approval of the New Jersey Schools Development Authority Board).

Effective Date: March 4, 2026.

New Expiration Date: March 4, 2033.

Take notice that, in accordance with N.J.S.A. 52:14B-1, the rules at N.J.A.C. 19:34B were to expire on April 17, 2026. Chapter 34B establishes the requirements, standards, and procedures for delegation of school facilities projects to SDA districts.

The rules address the administration and performance of grant agreements; provisions regarding noncompliance and default and remedies therefor; termination of delegation grant agreements; determination of school district capacity and eligibility for delegation; requests for reconsideration and appeal of capacity and eligibility determinations; execution of grant agreements and conditions for delegation; conditions for assignment of delegation grant agreements; provisions regarding the grant amount and adjustments of the grant amount; disbursements and closeout procedures; general requirements for district procurements; prohibition of award to debarred and suspended contractors and consultants; district procurement of a construction manager; remediation services as part of construction or demolition contracts; general requirements for timely and efficient performance of the work under a grant agreement; provisions regarding required certifications to

document project progress or tax exempt status; avoidance of fraud and corrupt practices; performance evaluations; and provisions regarding disclosure, publicity and retention of and access to records for delegated projects.

The New Jersey Schools Development Authority has reviewed the rules at N.J.S.C. 19:34B and has determined them to be necessary, reasonable and responsive to the purposes for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1c(1) and N.J.A.C. 1:30-6.4(h), N.J.A.C. 19:34B is readopted and shall continue in effect for a seven year period.

Approved: _____
Manuel M. Da Silva
Chief Executive Officer, NJSDA

Date: March 4, 2026

N.J.A.C. 19:34B

TITLE 19. OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

CHAPTER 34B. SECTION 13.e DELEGATION OF SCHOOL FACILITIES PROJECTS

CHAPTER AUTHORITY:

N.J.S.A. 18A:7G-13(e) and 52:18A-238k.

CHAPTER SOURCE AND EFFECTIVE DATE:

Effective: April 17, 2019. See: 51 N.J.R. 1284(a).

CHAPTER HISTORICAL NOTE:

Chapter 34B, Section 13.e Delegation of School Facilities Projects, was adopted as new rules by R.2012 d.106, effective May 21, 2012. See: 42 N.J.R. 2380(a), 43 N.J.R. 2288(a), 44 N.J.R. 1644(b).

Chapter 34B, Section 13.e Delegation of School Facilities Projects, was readopted, effective April 17, 2019. See: Source and Effective Date.

19:34B-1.1 Purpose and applicability of rules

(a) These rules are proposed by the New Jersey Schools Development Authority (the "Development Authority," "Authority" or "SDA") to implement Section 13.e of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, as amended by section 24 of P.L. 2007, c. 137 (collectively, the "Act"). Section 13.e of the Act provides that the Development Authority shall promulgate rules by which the Authority shall determine the capacity of SDA school districts to manage a school facilities project or projects identified by the Authority. These rules outline the process and criteria for making such capacity determinations, providing for a two-step decision-making process: the first step for the purpose of evaluating a school district's abilities to manage the administrative, financial and other areas of responsibility relevant to capital facilities; and the second, for the purpose of assessing the capacity of the school district to manage the delegable portion of a particular school facilities project.

(b) When the Authority determines that a school district has the capacity to manage the delegable portions of a particular school facilities project, these rules provide for the Authority, the Commissioner and the school district to enter into a grant agreement to

effectuate the delegation. Upon the execution of the grant agreement by the Authority, the rules provide that the Authority shall take the necessary steps to enter into an agreement with the school district for the assignment and assumption of any contracts (or portions thereof) that have been previously procured by the Authority to the extent that such assignment is necessary for the school district to manage the delegated portions of the school facilities project.

(c) If a school district is determined by the Authority not to have the capacity to manage a project or projects, these rules further provide that the Authority shall provide the school district with a proposed training program and technical assistance in an effort to improve the school district's management capacity so as to increase the likelihood that the school district will achieve the capacity to manage the delegable portions of school facilities projects.

(d) These rules shall apply to SDA school districts that have been deemed by the Commissioner to be eligible to be considered by the Authority to manage a school facilities project or projects, in accordance with section 13.e of the Act.

19:34B-1.2 Definitions

(a) The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise. Words in the singular shall include the plural and words in the plural shall include the singular where the context so requires. "Act" means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), as amended, and P.L. 2007, c. 137.

"Amendment" means a written modification to a contract executed between a consultant and either the Authority or the SDA school district.

"Approved costs" means costs of the school facilities project as indicated in the final eligible cost determination made by the Department in the final project report, inclusive of the cost of construction as informed by the receipt of bids for the construction contract, as well as any other costs that are reflected in the project charter and approved by the Authority in the grant agreement.

"Authorization-to-proceed" means a written notice to the school district from the Authority directing the school district to commence performance of its responsibilities pursuant to the grant agreement, or permitting the district to proceed with a particular action, if written authorization from the SDA is required before commencement of such action.

"Authorized officer" means with respect to the school district, any person or persons authorized pursuant to a resolution of the governing body of the school district to perform any act or execute any document relating to the grant and the grant agreement including the school business administrator; and with respect to the Development Authority, any person or persons authorized to perform any act or execute any document relating to the grant and the grant agreement.

"Board" means the members of the Authority as outlined in N.J.S.A. 52:18A-237.

"Capital plan" means the Authority's Board-approved distribution of statutorily-allocated funding among specific, identified, current and future school facilities projects, and adequate reserves to address unforeseen conditions and emergent conditions. The school facilities projects included in the capital plan are selected and sequenced based on an assessment of the educational priority needs and long-term capital project requirements of SDA districts, and other compelling state interests, in an effort to address such needs and requirements in a timely and cost-effective fashion within the limitations of the Authority's finite funding allocation.

"Change(s) in the work" means a change in the work or the construction contract, including, but not limited to, an increase or decrease in the scope of work, or an acceleration of time for the performance of the work, or a change in the sequence in which the work is to be performed.

"Checklist" means a form to be provided by the Authority and to be completed by the school district at a milestone or milestones during the district's management of the delegated portions of a school facilities project to be submitted to the Authority for review and approval prior to receiving an authorization-to-proceed and/or certain disbursements of the grant.

"Commencement date" means the date on which the grant agreement has been fully executed by all the parties thereto and the school district has delivered, to the satisfaction of the Authority, the documentation required by the grant agreement.

"Completion date" means the date specified in the construction contract for completion of the school facilities project which may be changed by the Authority, upon the written request of the school district to the Authority and upon the Authority's written approval in its sole discretion.

"Construction contract" means the agreement between the contractor and either the Authority or the SDA school district, together with the general conditions, supplementary conditions, plans, specifications, scope of work, the request for qualifications and/or the request for proposals, instructions to bidders and addenda, change orders, other amendments and all exhibits, appendices and documents attached to or referenced in any of the foregoing materials, which governs the construction, including the procurement of goods and services, of all or any portion of the school facilities project, and any documents attached thereto and amendments thereof contract. There may be one or more construction contracts for the school facilities project.

"Construction manager" or "CM" means the person or firm engaged by the Authority or the SDA school district to provide construction management services, including oversight and reporting services in connection with the construction of a school facilities project.

"Construction phase" means that phase of the school facilities project in which the school facilities project is undertaken by a contractor or contractors.

"Consultant" means a consultant, including a design consultant, engaged for the school facilities project providing professional services associated with research, development, design and construction administration, alteration, or renovation of real property, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform. A consultant may provide services including studies, investigations, surveys, evaluations, consultations, planning, programming, conceptual designs, plans and specifications, cost estimates, construction management, inspections, shop drawing reviews, preparation of operating and maintenance manuals, and other related services. There may be one or more consultants engaged for the school facilities project.

"Contract" means any contract relating to the school facilities project between a contracted party on the one hand, and the SDA school district or the Authority on the other hand.

"Contract price" means the amount stated in the construction contract, as it may be adjusted in accordance with terms of the construction contract, representing the total amount payable by the Authority or the SDA school district to the contractor for the performance of the work.

"Contracted party" means the consultants, contractors, and their subconsultants and subcontractors and any other party providing material or services to the Authority or the SDA school district in connection with the school facilities project.

"Contractor" means those persons or firms engaged by the Authority or the SDA school district for construction of the school facilities project in accordance with the construction contract.

"Current working estimate" or "CWE" means the estimated cost to complete the delegated portion of the schools facility project, as calculated by the Authority. The Authority shall utilize the CWE to determine the grant amount when offering the grant agreement to the district. The CWE shall be updated, as needed, and upon receipt of bids for the delegated portion of the school facilities project.

"DCA" means the New Jersey Department of Community Affairs.

"Delegable portions of a school facilities project" means the portions of a school facilities project that are eligible for delegation to an SDA school district, which are limited to some or all of the following:

1. Construction administration;
2. Construction; and/or
3. Demolition services.

"Demolition services" means the removal of asbestos and hazardous building materials, such as lighting fixtures, and thermostats containing mercury, air conditioning units containing chlorofluorocarbons (CFCs) and light ballasts containing PCBs, followed by the razing of existing structures and removal of building foundations not beneficial to the construction of the proposed school facilities project, disposal of demolition debris and the backfill of the demolition area with fill suitable for unrestricted residential use, and the removal of underground storage tanks and associated remediation of any soil impacted by a discharge from the tank.

"Department" means the New Jersey Department of Education.

"Department rules" means rules issued by the Commissioner and/or the State Board of Education that govern the financing, construction and maintenance of the school facilities project, as may be in effect as of the date of the grant agreement and thereafter.

"Development Authority," "Authority" or "SDA" means the New Jersey Schools Development Authority, an entity which undertakes and funds school facilities projects under the Act and which is the entity formed pursuant to P.L. 2007, c. 137, as successor to the New Jersey Schools Construction Corporation.

"Disbursement" means a release of a portion of the grant to the SDA school district to pay for approved costs.

"District assessment committee" means a committee comprised of Authority staff, including, but not limited to, personnel with expertise in the areas of strategic planning, facilities project planning, budgeting, real estate services and procurement activities, with responsibility for evaluating and assessing an SDA school district's ability to manage school facilities projects.

"Event of default" means any event specified in N.J.A.C. 19:34B-1.4.

"Excess costs" means the additional costs of the school facilities project, if any, which shall be borne by the SDA school district.

"Final completion" means that point in time on the school facilities project when the project is 100 percent complete and:

1. All requirements of the construction contract have been completed;
2. All items on the punch list have been performed; and
3. A certificate of occupancy, or a certificate of acceptance, as applicable, has been issued by DCA.

"Final eligible costs" means the calculation of costs as determined pursuant to N.J.S.A. 18A:7G-5.h(2) and

N.J.A.C. 6A:26-3.5, and for purposes of the grant agreement, shall be set forth in the final project report.

"Final grant amount" means the final amount of the grant as determined by the Authority, in accordance with N.J.A.C. 19:34B-5.1.

"Final project report" means the report prepared by the Department pursuant to N.J.A.C. 6A:26-3.5(i) which contains all of the information included in the preliminary project report and, in addition, includes: the final eligible costs, the excess costs, if any, the State share and the local share.

"Grant" means the funds to be provided to the SDA school district by the Authority to pay for the approved costs subject to the terms and conditions of the grant agreement.

"Grant agreement" means the agreement (and all attachments thereto) by and among the Authority, the Commissioner of Education and an SDA school district setting forth the contractual terms and conditions under which the Authority funds the State share in connection with the portion of a school facilities project delegated by the Authority to an SDA school district pursuant to this chapter.

"Key district personnel" means those individuals identified by the SDA school district with overall district management responsibility for functions including, but not limited to, administrative, financial and facilities oversight, who shall serve as the principal contacts for the Authority's district assessment committee.

"Key project management personnel" means those individuals identified by the SDA school district, including school district staff and professional consultants, with management responsibility for administration of maintenance and school facilities, who shall serve as the principal contacts for the Authority's project assessment committee.

"Licensed site remediation professional" means an individual who is licensed pursuant to section 7 of P.L. 2009, c. 60 (N.J.S.A. 58:10C-7), by the Site Remediation Professional Licensing Board established pursuant to section 3 of P.L. 2009, c. 60 (N.J.S.A. 58:10C-3), or by the Department of Environmental Protection pursuant to section 12 of P.L. 2009, c. 60 (N.J.S.A. 58:10C-12).

"Local share" means the total costs of the school facilities project less the State share as determined pursuant to section 5 of the Act.

"Long range facility plan" or "LRFP" means the plan required to be submitted to the Commissioner by a district pursuant to N.J.S.A. 18A:7G-4 and N.J.A.C. 6A:26-2.

"Lot and block designation" means the identification of the boundaries and location of a parcel of land by reference to the parcel's unique lot and block numbers as that parcel is represented on the currently applicable municipal tax assessment map.

"NJEDA" means the New Jersey Economic Development Authority established pursuant to P.L. 1974, c. 80 (N.J.S.A. 34:1B-1 et seq.).

"Other capital projects" means all projects or portions thereof that are not eligible for State support under the Act, as defined in N.J.A.C. 6A:26.

"Project assessment committee" means the committee, comprised of staff of the Authority, with expertise in the area of project management and project controls, including budgeting and scheduling and grants administration, which evaluates the ability of a school district to manage the delegable portions of a particular school facilities project.

"Project charter" means the document that sets forth the scope, budget and schedule of a school facilities project, which is approved by the Board of the Authority and updated from time to time during the course of the school facilities project with Board approval.

"PSCL" means the Public School Contracts Law, N.J.S.A. 18A:18A-1 et seq., together with all applicable rules and guidance issued by DCA and the Department in connection with N.J.S.A. 18A:18A-1.

"Punch list" means the contract document used to organize the completion of a school facilities project. The punch list is created by the design consultant for a project and includes a list of the incomplete or defective work to be performed or remedied by the contractor in order to complete the school facilities project.

"Remedial Action Work Plan" or "RAWP" means the written documentation prepared and certified by licensed site remediation professionals to satisfy New Jersey Technical Requirements for Site Remediation (N.J.A.C. 7:26E-6.2). The RAWP will include, among other things, a summary of findings and recommendations generated by any Remedial Investigation Report, an identification of areas of concern, and a detailed description of the remedial action to be conducted and the remedial technology to be employed on the project site.

"Required maintenance" means the specific maintenance activities required for system warranty purposes which are approved for repairs and replacements for the purpose of keeping a school facility open and safe for use or in its original condition, including repairs and replacements to a

school facility's heating, lighting, ventilation, security and other fixtures to keep the facility or fixtures in effective working condition, as more particularly set forth in N.J.A.C. 6A:26-1.2.

"Routine maintenance" means contracted custodial or janitorial services, expenditures for the cleaning of a school facility or its fixtures, the care and upkeep of grounds or parking lots, and the cleaning of, or repairs and replacements to, movable furnishings or equipment, as set forth in N.J.A.C. 6A:26-1.2.

"School district" or "SDA school 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 § 39.

"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 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.

"School facility" means and includes any structure, building or facility used wholly or in part for educational purposes by a school district and facilities that physically support such structures, buildings and facilities such as district wastewater treatment facilities, power generating facilities, steam generating facilities, but shall exclude other facilities.

"Section 13D Maintenance Agreement" means the Educational Facilities Construction and Financing Act Section 13D Maintenance Agreement between the school district and the Authority which provides for the maintenance of school facilities projects by the district commencing upon substantial completion of a project.

"State Comptroller" means the Office of State Comptroller, created pursuant to P.L. 2007, c. 52, in, but not of, the State Department of Treasury, which is responsible for financial auditing; performance and management reviews; and contract procurement reviews, of the Executive Branch of State government, independent State authorities, public institutions of higher education, units of local government and boards of education.

"State share" means the State's proportionate share of the final eligible costs of a school facilities project as determined pursuant to section 5 of the Act (N.J.S.A. 18A:7G-5). For the SDA districts, the "State share" equals 100 percent of the final eligible costs of a school facilities project.

"Substantial completion" means that point in time on the school facilities project when all of the following have occurred:

1. All essential requirements of the construction contract have been performed so that the purpose of the construction contract is accomplished;
2. A Temporary Certificate of Occupancy has been issued by the DCA;
3. The punch list has been created;
4. There are no material omissions or technical defects or deficiencies, as identified by the Authority; and

5. The school facilities project is 100 percent ready for occupancy in accordance with its intended use.

"Tax lot" means a particular parcel of land, the location and boundaries of which are identified by reference to the parcel's unique lot and block numbers as that parcel is represented on the currently applicable municipal tax assessment map.

"Termination" means the cancellation of the grant agreement by the Authority as a result of:

1. An event of default or other noncompliance;
2. The failure by the school district to obtain the local share (if applicable) within one year of the Department determination of final eligible costs;
3. Mutual consent of the parties; or
4. Upon the Authority's determination that termination is in the best interests of the school facilities project.

"Total costs" means the actual total amount spent on the school facilities project.

"Work" means all work performed by the contractor and its subcontractors and suppliers, including providing all material, equipment, tools and labor, necessary to complete the construction of the school facilities project, as described in and reasonably inferred from the construction contract.

(b) Words and terms implementing the Act but not defined in this section shall have the meanings defined in N.J.A.C. 19:34 and 19:34A.

19:34B-1.3 Administration and performance of grant agreements

The school district is responsible for the administration and success of the delegated portion of the school facilities project. The provision of a grant by the Authority shall not in any way be deemed to imply that the Authority shall have any responsibility for the administration or success of that portion of the school facilities project that has been delegated. Although school districts are encouraged to seek the advice and opinion of the Authority on problems that may arise regarding the delegated portion of the school facilities project, the giving of such advice by the Authority shall not shift the responsibility for final decisions from the school district to the Authority, nor render the Authority responsible for such advice. Moneys awarded pursuant to this chapter shall be used in conformance with the Act, this chapter and the provisions of the grant agreement to achieve the grant objectives and to insure that the purposes set forth in the Act are fully executed.

19:34B-1.4 Noncompliance and default

(a) Any of the following events shall constitute an event of default under the grant agreement and noncompliance with this chapter:

1. Failure by the school district to observe and perform any duty, covenant, condition or agreement on its part to be observed or performed under the grant agreement, which

failure shall continue for a period of 30 days after receipt of written notice specifying such failure and requesting that it be remedied is given to the district by the Authority, unless the Authority shall agree in writing to any extension of such time prior to its expiration, provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the Authority may not unreasonably withhold its consent to an extension of such time up to 120 days from delivery of the written notice referred to above or if corrective action is instituted by the district within the applicable period and diligently pursued until the event of default is corrected;

2. Any representation made by or on behalf of the school district contained in the agreement, or in any instruction furnished in compliance with or with reference to the grant agreement or the grant, is false or misleading in any material respect;
3. A determination made by the Authority that:
 - i. The grant was obtained by fraud; or
 - ii. Gross abuse or corrupt practices have occurred in the administration and/or management of the delegated portions of the school facilities project by the district;
4. A failure to commence construction of the school facilities project within 18 months after the commencement date, subject to unavoidable delays (for example, delays due to wars, floods, hurricanes, tornadoes, acts of terrorism, earthquakes, and other acts of God);
5. A failure to reach final completion of the school facilities project on or before the completion date, subject to unavoidable delays (for example, delays due to wars, floods, hurricanes, tornadoes, acts of terrorism, earthquakes, and other acts of God);
6. The district's use of grant moneys for costs that are not approved costs;
7. The suspension or cessation of work on the delegated portion of the school facilities project without good cause as agreed to by the Authority. The term "good cause" shall include, but not be limited to, circumstances beyond the control of the district or any of the contracted parties such as wars, floods, hurricanes, tornadoes, acts of terrorism, earthquakes, and other acts of God;
8. The district's award or issuance of a contract, or payment of an invoice for work performed by a contractor, subcontractor, consultant or subconsultant who has not been prequalified by the Authority, if such prequalification would be required for the performance of similar work on an Authority-managed school facilities project;
9. The disbursement of grant moneys by the district to a firm which is debarred, suspended or disqualified from State or Authority contracting or to a firm which has not been prequalified;
10. The district's failure to permit the Authority, DCA, the Department or the State Comptroller immediate entry to or inspection of, the school facilities project, the project site, or project files or related files located at the site or at district offices, or at another location within the control of the district; or

11. The district's utilization of grant funds to pay for additional work, increased scope or changes to the work without appropriate approval or authorization by the Authority, and/or the Department.

(b) In addition to (a) above, other non-compliance events may include any failure on the part of the school district to comply with any provision of the Act, this chapter, or any law, regulation, or rule applicable to the grant agreement.

19:34B-1.5 Remedies for events of default and noncompliance

(a) In addition to any other remedies as may be provided by law or by the grant agreement, in the event of noncompliance with any provisions of the Act, any condition of the grant agreement, or any requirement of this chapter, or upon the occurrence of an event of default, the Authority, after taking the action in (a)1 below, may take any of the actions or combinations thereof set forth in (a)2 through 5 below. The notice provided to the school district under (a)2 through 5 below shall notify the school district of the Authority's determination to exercise its right to take such action, and shall provide the reasons for such action, together with the date on which the selected action shall take effect.

1. Issue a notice of noncompliance in writing to the school district stating the nature of the noncompliance or default, and further stating that if corrective action is not taken within 30 days, or such longer time period as may be specified in the notice; or if the corrective action is inadequate or ineffective to correct the noncompliance issue as determined by the Authority, the Authority may take one or more of the actions contained in (a)2 through 5 below. A district may request in writing additional time for corrective action beyond the period specified in the notice, and the Authority, in its discretion, may consent to such extension of time;
2. Withhold grant disbursements or any portion thereof, upon 15 days written notice to the school district providing the reason(s) for the withholding;
3. Suspend the grant agreement and withhold further payments thereunder and prohibit the school district from incurring additional obligations of grant funds pending corrective action by the school district upon 30 days written notice to the school district;
4. Terminate the grant agreement and/or rescind the grant monies upon 30 days written notice to the Department and the SDA school district. Upon termination of the grant agreement, the Authority may demand that an amount equal to the grant received by the school district be immediately returned to the Authority and the school district shall waive payment by the Authority of the undistributed balance, and upon notice to the school district, the amount of the grant disbursed by the Authority shall be immediately due and payable by the school district together with any costs to the Authority resulting from an event of default by the district; and/or
5. In addition to any withholding, suspension or termination action, the Authority retains the right to pursue any and all other remedies as may be available under State law as warranted.

(b) At the option of the Authority, in its sole discretion, the Authority may, without prejudice to any other rights or remedies, take an assignment from the district of any of the contracts with contracted parties, in order to complete the delegated portion of the school facilities project, and the school district shall take whatever actions are necessary in order to ensure the proper assignment to the Authority of such contracts.

(c) In the event of termination of the grant agreement, the Authority shall determine the method and direction for proceeding with the project, in the best interests of the project and the public interest.

(d) The school district shall, on demand, pay to the Authority the reasonable fees and expenses of attorneys and other reasonable expenses (including without limitation the reasonable costs of in-house counsel and legal staff) incurred by the Authority in the collection of the repayment of the grant or in the enforcement of performance or observation of any other duties, covenants, obligations or agreements, of the district upon an event of default or non-compliance with this chapter.

19:34B-1.6 Termination by mutual agreement

The Authority, the Department or the SDA school district may terminate the grant agreement when the parties agree that the continued delegation to the district under the grant agreement would not produce beneficial results commensurate with the further expenditure of funds. The Authority and the district shall agree upon the conditions for termination including the date on which the termination shall take effect. The closeout provisions specified in N.J.A.C. 19:34B-5.4 shall apply in the event of a termination by mutual agreement. In the event of termination of the grant agreement, the Authority shall determine the method and direction for proceeding with the project, in the best interests of the project and the public interest.

19:34B-1.7 Termination in the best interest of the school facilities project

(a) If the Authority determines that it is in the best interests of the school facilities project to terminate the grant agreement, the following shall apply:

1. The Authority shall promptly notify the Department and the school district, in writing, of its determination to terminate the grant agreement and the reasons for the termination, together with the date on which the termination shall take effect; and
2. At the option of the Authority, in its sole discretion, the Authority may, without prejudice to any other rights or remedies, take an assignment of any of the contracts in order to complete the school facilities project, and the school district shall take whatever actions are necessary in order to ensure the proper assignment to the Authority of such contracts.

(b) In the event of termination of the grant agreement, the Authority shall determine the method and direction for proceeding with the project, in the best interests of the project and the public interest.

19:34B-1.8 Waiver

Any school district desiring a waiver or release from the express provisions of any of the rules in this chapter may submit a written request to the Authority. Waivers may be granted by the Authority, only when the Authority determines that such a waiver would not contravene the provisions of the Act and upon a finding that, in granting the waiver, the Authority will be promoting the statutory purposes expressed in the Act.

19:34B-2.1 Applicability

This subchapter establishes the Authority's procedures and criteria for evaluating the project management, administrative and financial expertise of an SDA school district to successfully manage school facilities projects; and for assessing the ability of such districts to manage the delegable portion(s) of a particular school facilities project, pursuant to N.J.S.A. 18A:7G-13.e.

19:34B-2.2 Request for SDA determination of school district capacity

(a) A school district that wishes to manage construction and/or demolition services associated with a school facilities project or projects contained in its LRFP shall apply, on a form provided by the Authority, for the Authority's determination of the school district's ability to manage delegable portions of a school facilities project or projects. The Authority will not make a determination regarding a school district's capacity until the Authority receives from the school district a transmittal from the Department determining that the school district is eligible to be considered by the Authority to manage its school facilities projects, or portions thereof.

(b) The application for the determination of district capacity shall be accompanied by a resolution adopted by the board of education of the school district requesting the district capacity determination.

(c) The application shall require the school district to provide information about the experience and qualifications of its key district personnel, and about the district's experience with the management of capital improvement projects, routine and required maintenance tasks or projects, and/or school facilities projects. The application shall include, in addition to any specific information requested:

1. Identification of the management personnel of the school district, and provision of an organizational chart which sets forth the position(s) within the school district of such management personnel;
2. Identification of key district personnel and the experience and qualifications of same;
3. A description of the routine and required maintenance at the school and district level, and, if applicable, maintenance required in accordance with any Section 13D Maintenance Agreement;

4. A description of the experience of the school district over the previous five years, in managing the planning, procurement activities, contract management, budgeting and scheduling necessary for required maintenance, school facilities projects, any previous or ongoing grant projects funded by the Authority, and other capital projects; and
5. Any other criteria deemed relevant by the Authority to an assessment of the school district's capacity.

19:34B-2.3 Evaluation of district capacity

(a) The Authority's district assessment committee shall evaluate the school district's application to determine whether the school district possesses the ability to manage school facilities projects.

1. With respect to the committee's evaluation of whether the school district possesses the requisite capacity, such determinations shall be based upon the following factors:
 - i. The current capacity of the school district to administer fundamental district responsibilities relevant to capital facilities, including, but not limited to, maintenance, planning, procurement, construction, budgeting, accounting, scheduling, and any other similar essential responsibilities;
 - ii. The qualifications of key district personnel to administer the fundamental district responsibilities as outlined above, as determined by the Authority in its sole discretion;
 - iii. The school district's performance of routine maintenance and required maintenance on school facilities projects in accordance with operations and maintenance manuals, warranties and guarantees so as to fully achieve the useful life of all components of school facilities projects, including the district's demonstrated compliance with the maintenance obligations of any Section 13D Maintenance Agreement;
 - iv. The school district's performance with respect to the administration or management of any Authority- funded grant projects, if applicable;
 - v. The Department's rating with respect to the school district's performance on the operations management component of the Department's Quality Single Accountability Continuum District Performance Review for Facilities Operations specific to school facilities; and
 - vi. Any other factor deemed relevant by the Authority to an assessment of the school district's capacity.
2. Each member of the district assessment committee shall review the application for determination of district capacity based on the applicable evaluation criteria. The committee may require a meeting with the school district to obtain additional technical and/or organizational information.

3. If the district assessment committee determines that the school district does not have the necessary capacity to manage the delegable portions of school facilities projects, the application shall be denied, and the school district will be promptly notified in writing of the reasons for the denial. The Authority shall thereafter, in conjunction with the Commissioner, devise and offer a proposed training program if the reason for the denial is of the type that can be remedied with training. Such training program shall be designed to provide the district with technical assistance intended to address any identified deficiencies and/or increase the district's capacity to manage school facilities projects. The proposed training program may include, but is not limited to, training in the following areas:
 - i. Financial, accounting, and budgeting;
 - ii. Planning;
 - iii. Procurement and/or prequalification;
 - iv. Evaluation of architectural plans;
 - v. Construction management;
 - vi. Documentation of best practices; and/or
 - vii. Governance and compliance.
4. If the school district is determined by the district assessment committee to possess the requisite capacity, the district will be so notified in writing and the Authority will transmit a project delegation application to the school district to complete and submit to the Authority.

(b) The Authority shall review applications for school district capacity assessments from interested school districts in the order in which completed applications are received by the Authority, unless the Authority determines that scheduling concerns or project needs require expedited review of a district's application.

(c) In making the determination that a school district possesses the necessary capacity to manage school facilities projects, the SDA may, in its sole discretion, determine that the scope of responsibilities delegable to the school district may include the procurement and/or management of the following:

1. Construction management and administration;
2. Construction; and/or
3. Demolition services.

(d) In the event that the Authority determines that a particular school facilities project shall be procured and managed as a design-build project, such determination shall preclude delegation of the project, with the exception of procurement or management of demolition services.

(e) In the event that the Authority determines that a school district has the necessary district capacity to manage school facilities projects, such determination shall remain effective for a period of three years from date of notification by the Authority unless the

Authority, in its sole discretion, determines that a reassessment is warranted. The school district shall provide written notice to the Authority of any key district personnel changes within seven days of their effective date which may result in a determination by the Authority that a reassessment is required

19:34B-2.4 Evaluation of district eligibility for project delegation

(a) In the event a school district is determined to have the capacity to manage school facilities projects, it may apply to the Authority for the Authority's delegation of the delegable portions of a particular school facilities project that is within the Authority's current capital plan.

(b) The following conditions shall be satisfied before the Authority will consider whether to delegate portions of a particular school facilities project:

1. The district, as determined by the Authority, possesses the requisite capacity to manage delegable portions of school facilities projects, as determined pursuant to N.J.A.C. 19:34B-2.3(c).
2. The Department has approved the educational specifications for the school facilities project.
3. The SDA school district has submitted an application to the Authority, on a form provided by the Authority, for the delegation of portions of a particular school facilities project, which shall be accompanied by a resolution adopted by the board of education of the school district requesting the delegation.

(c) The project delegation application shall require the school district to provide information about the experience and qualifications of the key project management personnel for the proposed project, and about the district's experience with the management of similar capital projects or school facilities projects, as well as information regarding the current resources and capacity of the district as affected by any current or ongoing school facilities projects. The application shall set forth, in addition to the specific information requested:

1. Any change(s) in key district personnel effective since the Authority's determination of district capacity pursuant to N.J.A.C. 19:34B-2.3(a)4;
2. The school district's key project management personnel and their experience and qualifications;
3. The experience of the school district and its key project management personnel on school facilities projects and/or other capital projects similar in scope, size and complexity;
4. The existing school facilities projects currently under management by the school district for which a certificate of final completion has not been issued, the personnel staffing each such project, and any other information concerning those projects and whether the school district can accommodate and effectively manage the project

activities proposed for delegation in addition to the existing projects being managed;
and

5. Any other criteria deemed relevant by the Authority to an assessment of the school district's capacity to manage the proposed delegation.

(d) The Authority's project assessment committee shall evaluate a school district's application to determine whether the school district possesses the ability to manage the delegable portions of a particular school facilities project.

1. With respect to the committee's evaluation of whether the school district possesses the ability to manage the delegable portions of a particular school facilities project, its determination shall be based upon the following factors:
 - i. The project's size, scope and complexity, including, but not limited to, environmental remediation, scheduling, project phasing, construction management and any other project-related responsibilities that the Authority determines in its sole discretion to be relevant to its capacity determination;
 - ii. The current ability of the school district to manage the delegable portions of the particular school facilities project, considering the district's commitment of staff or resources to existing school facilities projects then under district management;
 - iii. The experience and qualifications of key project management personnel to manage the delegable portions of a particular school facilities project;
 - iv. The delegation, as determined by the Authority in its sole discretion, is in the best interests of the school facilities project; and
 - v. Any other factor deemed relevant by the Authority to an assessment of the school district's capacity to manage the proposed delegation.
2. Each member of the project assessment committee shall review and evaluate the application submitted pursuant to this section and in accordance with the evaluation criteria in (d)1 above. The committee may require a meeting with an applicant SDA school district to review additional clarifying technical and/or organizational information.
3. If the project assessment committee determines that an SDA school district lacks the capacity to manage the delegable portions of a particular school facilities project, the district's application shall be denied, and the Authority will promptly notify the school district in writing of the reasons for its denial. The Authority will thereafter, in conjunction with the Commissioner, devise and offer the SDA school district a proposed training program, if the reason for the denial is of the type that can be remedied with training. Such training program shall be designed to provide the district with technical assistance intended to address any identified deficiencies and/or increase the district's capacity to manage facilities projects of the type for which it sought delegation, but was denied. The proposed training program may include, but is not limited to, training in the following areas:

- i. Financial, accounting, and budgeting;
 - ii. Planning;
 - iii. Procurement and/or prequalification;
 - iv. Evaluation of architectural plans;
 - v. Construction management;
 - vi. Documentation of best practices; and/or
 - vii. Governance and compliance.
4. If the Authority's project assessment committee determines that a school district has the capacity to manage the delegable portions of a particular facilities project, the school district shall be notified of such in writing and detail the portions of the school facilities project that have been approved for delegation.

19:34B-2.5 Requests for reconsideration and appeal

(a) The Authority's district assessment committee shall evaluate the school district's application to determine whether the school district possesses the ability to manage school facilities projects.

1. With respect to the committee's evaluation of whether the school district possesses the requisite capacity, such determinations shall be based upon the following factors:
 - i. The current capacity of the school district to administer fundamental district responsibilities relevant to capital facilities, including, but not limited to, maintenance, planning, procurement, construction, budgeting, accounting, scheduling, and any other similar essential responsibilities;
 - ii. The qualifications of key district personnel to administer the fundamental district responsibilities as outlined above, as determined by the Authority in its sole discretion;
 - iii. The school district's performance of routine maintenance and required maintenance on school facilities projects in accordance with operations and maintenance manuals, warranties and guarantees so as to fully achieve the useful life of all components of school facilities projects, including the district's demonstrated compliance with the maintenance obligations of any Section 13D Maintenance Agreement;
 - iv. The school district's performance with respect to the administration or management of any Authority- funded grant projects, if applicable;
 - v. The Department's rating with respect to the school district's performance on the operations management component of the Department's Quality Single Accountability Continuum District Performance Review for Facilities Operations specific to school facilities; and

- vi. Any other factor deemed relevant by the Authority to an assessment of the school district's capacity.
2. Each member of the district assessment committee shall review the application for determination of district capacity based on the applicable evaluation criteria. The committee may require a meeting with the school district to obtain additional technical and/or organizational information.
3. If the district assessment committee determines that the school district does not have the necessary capacity to manage the delegable portions of school facilities projects, the application shall be denied, and the school district will be promptly notified in writing of the reasons for the denial. The Authority shall thereafter, in conjunction with the Commissioner, devise and offer a proposed training program if the reason for the denial is of the type that can be remedied with training. Such training program shall be designed to provide the district with technical assistance intended to address any identified deficiencies and/or increase the district's capacity to manage school facilities projects. The proposed training program may include, but is not limited to, training in the following areas:
 - i. Financial, accounting, and budgeting;
 - ii. Planning;
 - iii. Procurement and/or prequalification;
 - iv. Evaluation of architectural plans;
 - v. Construction management;
 - vi. Documentation of best practices; and/or
 - vii. Governance and compliance.
4. If the school district is determined by the district assessment committee to possess the requisite capacity, the district will be so notified in writing and the Authority will transmit a project delegation application to the school district to complete and submit to the Authority.

(b) The Authority shall review applications for school district capacity assessments from interested school districts in the order in which completed applications are received by the Authority, unless the Authority determines that scheduling concerns or project needs require expedited review of a district's application.

(c) In making the determination that a school district possesses the necessary capacity to manage school facilities projects, the SDA may, in its sole discretion, determine that the scope of responsibilities delegable to the school district may include the procurement and/or management of the following:

1. Construction management and administration;
2. Construction; and/or
3. Demolition services.

(d) In the event that the Authority determines that a particular school facilities project shall be procured and managed as a design-build project, such determination shall preclude delegation of the project, with the exception of procurement or management of demolition services.

(e) In the event that the Authority determines that a school district has the necessary district capacity to manage school facilities projects, such determination shall remain effective for a period of three years from date of notification by the Authority unless the Authority, in its sole discretion, determines that a reassessment is warranted. The school district shall provide written notice to the Authority of any key district personnel changes within seven days of their effective date which may result in a determination by the Authority that a reassessment is required.

19:34B-3.1 Applicability

This subchapter establishes the eligibility requirements and procedures and requirements of the Authority governing the execution of grant agreements pursuant to section 13.e of the Act. Any school district applying for a grant shall at a minimum conform with the requirements of this subchapter, as applicable.

19:34B-3.2 District execution of grant agreement and other conditions for delegation

(a) After the Authority has determined that a school district has the capacity to manage the delegated portions of a school facilities project, the Authority shall offer the grant agreement to the school district. The grant amount at the time of the offering of the grant agreement shall be based upon the CWE, pursuant to N.J.A.C. 19:34B-5.1.

(b) The school district shall execute the grant agreement within such period of time and pursuant to such terms and conditions as the Authority may determine in its sole discretion and return the grant agreement together with all applicable attachments to the Authority for execution by the Authority. Such terms and conditions shall include:

1. Delivery by the school district to the Authority of a certified copy of a resolution of the district board authorizing the execution and delivery of the agreement and proof of the district board's delegation of authority to the school business administrator or other authorized officer for supervision of the delegated portions of the school facilities project;
2. Delivery by the school district to the Authority of confirmation that the district has obtained approval of its long-range facilities plan pursuant to N.J.A.C. 6A:26-2.3; and
3. Delivery by the school district to the Authority of a certificate executed by the school business administrator or other authorized officer as to the following:
 - i. All adoptions and approvals required to be given by the school district or by any other governmental entity with respect to the agreement have been obtained;

- ii. The school district has full legal right, power and authority to enter into the agreement to consummate the transactions contemplated thereby; and
- iii. The grant agreement has been duly authorized, executed and delivered by the school district, and constitutes a valid and binding agreement of the district enforceable in accordance with its terms.

(c) The school district shall not assign the grant agreement or its rights to disbursements of the grant. The Authority may, at any time and in its sole option, assign the grant agreement to another instrumentality of the State.

19:34B-3.3 Authority execution of grant agreement for delegated demolition activities

(a) Upon the Authority's written approval of the bid specifications for demolition services for the school facilities project, which shall be drafted for procurement as a single overall contract (not multi-prime) under paragraph 2 of N.J.S.A. 18A:18A-18(b) of the PSCL, and upon the Authority's approval of the CWE for such demolition services, the Authority shall give the school district written authorization to seek bid proposals for demolition services in accordance with the PSCL. The school district shall include in its bid documents the statement that its ability to enter into a contract shall be contingent upon the receipt of an executed grant agreement from the Authority, and a statement that an extension of the time period for consideration of bids under N.J.S.A. 18A:18A-36 may be required, and shall include in the demolition services contract all of the requirements of N.J.A.C. 19:34B-6.3, as indicated. Once the bid proposals for the demolition services contract are received, the school district shall, within two business days of the receipt of bids, forward the bid proposals to the Authority for review.

(b) Upon the district's receipt of bids for the demolition services portion of the school facilities projects, and the subsequent forwarding of such bids to the Authority, the Authority shall use the bids received to revise its CWE for the delegated demolition services portion of the school facilities project, if warranted, and shall modify the grant amount accordingly if the CWE has been modified. The Authority shall prepare a proposed charter for the school facilities project if one has not already been approved by the Board of the Authority.

(c) After the Authority revises the CWE for demolition services based on the bids, Authority staff shall submit any proposed or revised charter for the project to the Authority Board for approval, if there is no approved charter, or if the existing charter must be modified as a result of a CWE revision. Following approval of the project charter by the Board of the Authority, the Authority shall execute the grant agreement and issue a written authorization to the district to proceed with the engagement of a contractor for the demolition services portion of the school facilities project, in accordance with N.J.A.C. 19:34B-6. The Authority shall endeavor to complete all reviews and approvals under this section, and to issue to the district an authorization to proceed, if approved, within 60 days of the district's receipt of bids. If the Authority determines that additional time is needed to secure the necessary reviews and approvals, the Authority shall notify the district before expiration of the 60-day period, so that

the district may request that bidders agree to extend the time for consideration of bids for an additional period.

19:34B-3.4 Authority execution of grant agreement for delegated construction activities

(a) Upon the Authority's written approval of the bid specifications for construction of the school facilities project, which shall be drafted for procurement as a single overall contract (not multi-prime) under paragraph 2 of N.J.S.A. 18A:18A-18(b) of the PSCL, and upon the Authority's approval of the CWE, the Authority shall give the school district written authorization to seek bid proposals for construction in accordance with the PSCL. The school district shall include in its bid documents the statement that its ability to enter into a contract shall be contingent upon the receipt of an executed grant agreement from the Authority, and a statement that an extension of the time period for consideration of bids under N.J.S.A. 18A:18A-36 may be required, and shall include in construction contract all of the requirements of N.J.A.C. 19:34B-6.3, as indicated. Once the bid proposals for the construction contract are received, the school district shall, within two business days of the receipt of bids, forward the bid proposals to the Authority for review.

(b) Upon the district's receipt of bids for the construction phase of the school facilities projects, and the subsequent forwarding of such bids to the Authority, the Authority shall use the bids received to formulate its recommendation of final eligible costs of the school facilities project, which recommendation shall be submitted to the Department for determination of final eligible costs, pursuant to N.J.A.C. 6A:26-3.5.

(c) For school facilities projects without a local share, after the Authority receives a final project report evidencing final eligible costs, and following approval of the project charter by the Board of the Authority, the Authority shall execute the grant agreement and issue a written authorization to the district to proceed with the engagement of a contractor for the construction of the school facilities project, in accordance with N.J.A.C. 19:34B-6.

(d) In the event that a school facilities project subject to delegation includes excess costs or other costs that must be borne by the district as a local share, the Authority shall not execute the grant agreement until the district provides the following evidence that the local share has been approved in accordance with the provisions for the approval of capital projects pursuant to N.J.S.A. 18A:22-1 et seq., 18A:24-1 et seq., and 18A:7A-46.1 et seq., as applicable to the district pursuant to N.J.S.A. 18A:7G-11 and N.J.A.C. 6A:26-3.7.

1. If the local share is funded all or in part through the issuance of school bonds, a certified copy of the referendum that the school district submitted to the voters for approval of the local share evidencing proof of voter approval of the local share; or
2. If the local share is funded through sources other than school bonds, such as the capital reserve account or lease purchase, the school district shall obtain approval of local share in accordance with N.J.A.C. 6A:26-3.7 and any statutory and regulatory authorities specifically governing that source of local share, such as N.J.S.A. 18A:20-4.2(f) and 18A:7G-31, and N.J.A.C. 6A:26-8.1 and 10.

3. Upon receipt by the Authority of evidence of approval of the local share, the Authority shall execute the grant agreement and the Authority and the school district shall proceed in accordance with (c) above.
4. If the school district fails to submit evidence that the local share has been approved, the Authority shall not issue an authorization-to-proceed with engagement of a contractor and the school district shall not proceed with the engagement of a contractor or the commencement of construction. The Authority's approval to delegate portions of the school facilities project shall be rescinded if a district fails to obtain approval of the local share while the winning construction bid upon which the final eligible costs are based is still valid.
5. In the event a district fails to obtain approval of the local share and the Authority's approval is rescinded, and, further, in the event that the district fails to evidence diligent and good faith efforts to obtain the local share, the district shall be obligated to refund to the Authority any moneys disbursed to the district under the agreement.

(e) The Authority shall endeavor to complete all reviews and approvals under this section, and to issue to the district an authorization to proceed, if approved, within 60 days of the district's receipt of bids. If the Authority determines that additional time is needed to secure the necessary reviews and approvals, the Authority shall notify the district before expiration of the 60-day period, so that the district may request that bidders agree to extend the time for consideration of bids for an additional period.

19:34B-4.1 Conditions for assignment

(a) Upon the offer of the grant agreement, the Authority shall take all necessary steps to assign the contracts or portions of contracts relating to those aspects of the school facilities project that the Authority has determined to delegate to the school district. In furtherance of such assignments, the Authority shall provide the school district with the following:

1. An assignment and assumption agreement for the contracts or portions thereof pertaining to the delegated aspects of the school facilities project;
2. A copy of all other contractual documents, between the Authority and the design consultant, construction contractor(s), the construction manager and any other contracted party;
3. All design documents for the school facilities project; and
4. Any other documentation determined by the Authority to be necessary for the assignment.

(b) The school district shall execute the agreement(s) for assignment and assumption within such period of time and pursuant to such terms and conditions as the Authority may determine in its sole discretion, and return the agreement together with all applicable attachments to the Authority for execution by the Authority. Such terms and conditions shall include:

1. Delivery by the district to the Authority of a certified copy of a resolution of the district board authorizing the execution and delivery of the agreement for assignment and assumption; and
2. Delivery by the district to the Authority of a certificate executed by the school business administrator or other authorized officer as to the following:
 - i. All adoptions and approvals required to be given by the district or by any other governmental entity with respect to the agreement for assignment and assumption have been obtained;
 - ii. The district has full legal right, power and authority to enter into the agreement for assignment and assumption to consummate the transactions contemplated thereby; and
 - iii. The agreement for assignment and assumption has been duly authorized, executed and delivered by the district, and constitutes a valid and binding agreement upon the district enforceable in accordance with its terms.

19:34B-4.2 Assignment of specific contracts and Authority execution

(a) Upon the offer of the grant agreement, the Authority shall take all necessary steps to assign the construction administration and project close out portion of the design consultant contract to the SDA school district, in accordance with the grant agreement and N.J.A.C. 19:34B-4.1, upon the Authority's approval of the completed bid specifications.

(b) If the Authority has engaged a construction manager for the project, the Authority shall, at the time of offer of the grant agreement, take all necessary steps to assign the construction manager contract to the SDA school district, in accordance with the grant agreement and N.J.A.C. 19:34B-4.1.

(c) Upon receipt of the executed agreement(s) for assignment and assumption from the school district in accordance with N.J.A.C. 19:34B-4.1(b), the Authority shall execute the agreement for assignment and assumption, thereby granting and assigning to the school district all liabilities, duties and obligations of the Authority arising out of or relating to the assigned contract or portion thereof, from the date of the agreement for assignment and assumption forward.

19:34B-5.1 Grant amount

(a) At the time the grant agreement is offered to the school district and the Authority, the grant for the delegated portions of the school facilities project shall become effective and shall constitute an obligation of moneys in the amount and for the purposes set forth in the grant agreement.

(b) At the time of execution of the grant agreement by the district, the grant amount shall equal the State share of the costs of the delegated portions of the school facilities project, as informed by the CWE calculated by the Authority. The grant amount shall thereafter be adjusted:

1. In accordance with, and upon approval of the final eligible costs, if the grant agreement is for delegation of construction; or
2. Upon the revision of the CWE in accordance with the award of a contract for demolition and/or construction management.

(c) The grant may be further adjusted in accordance with N.J.A.C. 19:34B-5.2.

(d) The grant shall be used only to pay for approved costs as specified in the grant agreement and this chapter

19:34B-5.2 Adjustments to the grant

(a) During the term of the grant agreement, the grant may be adjusted to reflect any changes in, or increased costs of, the school facilities project that have been approved by the Authority, and the final grant amount shall equal the grant amount determined in accordance with N.J.S.A. 19:34B-5.1(b), plus the costs of any additional amounts approved by the Authority pursuant to this section.

(b) If, during demolition services or the construction of the school facilities project, a school district determines that a change in the work or an increase in costs is required, or additional services are required, the following shall apply:

1. Any proposed or contemplated change in the work or increase in services, regardless of the cost, shall be submitted to the Authority for review and prior approval before commencement or execution of any work constituting a change in the work, or commencement of any additional services.
2. Any proposed or contemplated change in the work, regardless of the cost, which affects the number, configuration, size, location or use of the educational spaces, or the square footage of the project, shall be submitted to the Department for approval in accordance with Department rules with simultaneous notification to the Authority.

(c) Only upon receipt of a written authorization from the Authority to proceed with a change in the work or with additional services, may the school district authorize the contracted party to proceed with additional services pursuant to an amendment (if the contracted party is a consultant) or to proceed with a change order for a change in the work (if the contracted party is a contractor). Disbursement of grant funds for any additional services or change in the work performed by a consultant or contractor prior to Authority approval of such additional services or change in the work shall be at the risk of the district and the contracting party.

(d) After receipt by the Authority of the final project report, and the calculation of final eligible costs, the school district shall be responsible for:

1. The local share, if applicable;
2. The costs associated with any changes to the scope of the school facilities project, unless the school district provides evidence satisfactory to the Authority that the scope change or the amendment and/or change in the work underlying such scope change was the result of factors that were beyond the control of the school district; and
3. The costs associated with any unauthorized changes in the work, any unauthorized additional services, and any changes in the scope of the project that are not approved by both the Department and the Authority.

19:34B-5.3 Disbursements

(a) Disbursement of grant funds shall be made as set forth in (d) below. Total disbursements shall not exceed the grant amount.

(b) Prior to the Authority's initial disbursement of grant funds, the school district shall establish an account with the State of New Jersey Cash Management Fund, created pursuant to N.J.S.A. 52:18A-90.4, for the deposit of grant disbursements made by the Authority pursuant to (d) below. The school district shall be prohibited from withdrawing, encumbering or otherwise spending the interest earnings on this account, and shall transmit all interest earned on the account to the Authority on an annual basis and upon final completion of the school facilities project.

(c) No disbursement of grant funds shall be made until the Authority receives the following documentation in support of the disbursement request, which shall include:

1. Invoices with a complete description of the costs incurred;
2. Payment vouchers signed by an authorized officer of the district relating to payment of funds from the prior disbursement;
3. Submission of acceptable documentation of required insurance coverages; and
4. Completion to the satisfaction of the Authority of certifications or checklists as required by the grant agreement.

(d) The following is the disbursement schedule as may be amended from time to time by the Authority:

1. The first disbursement of the grant in the amount of 15 percent of the grant shall be made simultaneous with the execution of the grant agreement.
2. Following the first disbursement, the Authority shall make disbursements to the school district on a monthly basis, upon submission to the satisfaction of the Authority of a request for disbursement, accompanied by documentation satisfactory to the Authority, as set forth in (c) above.

(e) Upon final completion, the school district shall prepare and submit to the Authority, for review and approval, a request for disbursement together with the final completion checklist in the form attached to the grant agreement. Upon approval, the Authority shall disburse the balance of the funds due and owing under the grant agreement.

(f) The Authority shall not be under any obligation to make disbursements of the grant unless:

1. The grant agreement has been duly executed and delivered by the parties thereto;
2. No event of default or noncompliance, nor any event which with the passage of time or service of notice would constitute an event of default or noncompliance, shall have occurred and shall be continuing at the time of the request for disbursement; and
3. All of the conditions precedent to the request for disbursement, as required by the grant agreement, have been discharged completely and to the full satisfaction of the Authority.

19:34B-5.4 Closeout procedures

(a) Closeout shall occur when all applicable administrative actions and all required work have been completed by the school district. This process shall include the steps enumerated below:

1. In the event there are grant proceeds which have not been expended on approved costs, such unexpended grant proceeds shall be released to the Authority and the amount of the grant shall be reduced by the amount of the unexpended proceeds.
2. Any proceeds of school bonds issued by the district for the purposes of funding the local share of the school facilities project which remain unspent upon completion of the school facilities project shall be used by the district to reduce the outstanding principal amount of the school bonds either through redeeming bonds at the earliest call date or applying such proceeds to payment of principal as principal becomes due. In no event shall such proceeds be utilized to pay the interest expense on the school bonds issued for any school facilities project.
3. The district shall refund to the Authority any grant funds spent on any costs which were disallowed by the Authority as not being approved costs. Such refund shall be made within 30 days of the request by the Authority.
4. The district shall remit to the Authority any remaining interest earned pursuant to N.J.A.C. 19:34B-5.3(b) upon final completion of the school facilities project.
5. If a final audit has not been performed on behalf of the district prior to closeout of the school facilities project, the Authority retains the right to recover any appropriate amount after full consideration of any recommendation on disallowed costs resulting from the final audit.

6. The Authority may require additional information from the district or its consultants and contractors and/or retain any grant amount not disbursed until closeout is completed.

19:34B-6.1 General requirements for district procurements

(a) Upon the Authority's issuance to the school district of an authorization to proceed with the engagement of a contractor or consultant, the district shall proceed to engage the contractor or consultant to undertake work or services for the school facilities project. Payment by the district for any work or services performed by a contractor or consultant prior to the Authority's written approval for the engagement of the contractor or consultant shall be at the risk of the district and the contractor or consultant.

(b) The district shall procure and award all contracts for the school facilities project in accordance with N.J.S.A. 52:15C-10 and the PSCL and the rules issued pursuant thereto. The district shall utilize the bid specifications prepared by the Authority in the procurement of contracts for the school facilities project, as well as any contract documents or contract provisions required by the Authority as indicated in these regulations or the grant agreement.

(c) The district shall provide notices to the State Comptroller pursuant to the requirements of N.J.S.A. 52:15C-10 concerning the timing of the procurement process relative to the award of contracts.

(d) When procuring contracts pursuant to a delegable portion of a school facilities project, the district shall designate a portion of the contract amount to be set aside for award to subcontractors who qualify as small business enterprises, in accordance with the PSCL, N.J.S.A. 18A:18-52(c) and 18A:18-53, and the Set Aside Act, N.J.S.A. 52:32-17 et seq. This set-aside goal shall be attained by including language in the contract requiring the contracted party to award a 25 percent portion of the contract amount to subcontractors or subconsultants constituting "small businesses" or "small business enterprises" as defined by N.J.S.A. 18A:18-51(d), N.J.S.A. 52:32-19 and N.J.A.C. 17:14-1.2. The 25 percent portion of the contract shall be allocated among several subcontractors of various levels in accordance with the requirements of N.J.A.C. 17:14-4.1(a). The district shall require the contracted party to make a good faith effort to comply with the set-aside requirement, and the contracted party's compliance with this set-aside requirement shall be monitored by the Authority for good faith compliance.

19:34B-6.2 Prohibition of award to debarred or suspended contractors and consultants

(a) The district and its consultants or contractors shall not enter into a contract for work with any person or firm that has been debarred, suspended or disqualified from State, Authority or Federal government contracting.

(b) The district shall insert in all contracts with all contracted parties, and all contractors and consultants shall insert into all of their contracts with all subcontractors and

subconsultants, a clause stating that the contracted party, its subcontractors or subconsultants may be debarred, suspended or disqualified from contracting and/or working on the approved school facilities project if the contracted party commits any of the acts listed in N.J.A.C. 17:19-3 or any applicable regulation issued by the Authority.

(c) The district's bid specification for any work or services on an approved school facilities project shall require all bidders to submit a sworn statement by the bidder, or an officer or partner of the bidder, indicating whether or not the bidder is, at the time of the bid, included on the State Treasurer's, the Authority's or the Federal government's list of debarred, suspended or disqualified bidders as a result of action taken by any State or Federal agency, as the case may be. Bid specifications for the approved school facilities project shall state that the district shall immediately notify the Authority in writing whenever it appears that a bidder is on the Treasurer's, the Authority's or the Federal government's list. The Authority reserves the right in such circumstances to immediately suspend such bidder from contracting and/or engaging in work or services on the approved school facilities project and to take such other action as it deems appropriate pursuant to N.J.A.C. 17:19-3 or any applicable regulation issued by the Authority.

19:34B-6.3 General requirements for district contracts

(a) All contractors and consultants with whom the district contracts, and their subcontractors and subconsultants, must be prequalified by the Authority if such prequalification would be required for the performance of similar work on an Authority-managed school facilities project.

(b) The district shall submit proof to the Authority that it and any contracted party shall comply with all insurance requirements of the grant agreement and, when appropriate, shall certify that the insurance is in full force and effect and that the premiums have been paid.

(c) The district shall require the provision of performance bonds or other security pursuant to N.J.S.A. 18A:18A-25.

(d) The district shall not take any action or omit to take any action that would result in the loss of the exclusion of the interest on any NJEDA bonds from Federal gross income for Federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended.

(e) The following requirements shall apply to contracts awarded by the district in connection with the school facilities project:

1. The district shall include the following statements in each contract awarded by the district in connection with the school facilities project: "This contract or subcontract is or may be funded in part with funds from the New Jersey Schools Development Authority. Neither the State, the New Jersey Schools Development Authority, the New Jersey Economic Development Authority, nor any of their departments, agencies, board members or employees is or will be a party to this contract or subcontract or any lower tier contract or subcontract, with the exception of the New

Jersey Schools Development Authority, which shall only become a party to this contract upon a legally executed assignment of the contract to the SDA. This contract or subcontract is subject to the requirements contained in N.J.A.C. 19:34B and the contractor (subcontractor) (consultant) (subconsultant) agrees to comply with those requirements."

2. The district shall include a provision in each contract awarded by the district in connection with the school facilities project which states that the contract is assignable by the district to the Authority.
3. The district shall include a provision in each contract awarded by the district in connection with the school facilities project which states that the contract is terminable for convenience as well as for cause.
4. The district shall include a provision in each contract awarded by the district in connection with the school facilities project which requires the contracted party to comply with the anti-discrimination provisions of N.J.S.A. 10:2-1 et seq., the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq., N.J.A.C. 17:27 and N.J.A.C. 6:4-1.6. The district and its contracted parties shall in addition agree by contract and guarantee to afford equal opportunity in the performance of the contracts in accordance with an affirmative action program approved by the State Treasurer. The district shall require its contracted parties to submit affirmative action workforce documentation to the Authority, in the form and manner specified by the grant agreement, for monitoring of the contracted party's compliance with state affirmative action workforce compliance goals under N.J.A.C. 17:27-7.3. The district shall further permit, and require its contracted parties to permit, the Authority's representatives to have access to the project site in order to allow Authority to inspect and monitor the contracted party's compliance with the affirmative action workforce compliance goals. The NJSDA's authority to monitor workforce compliance is in accordance with the NJSDA's independent monitoring and enforcement authority for school facility projects in SDA Districts under N.J.S.A. 52:18A-240 and the Act, as recognized by the Division of Contract Compliance and Equal Employment Opportunity in the Department of Treasury.
5. The district shall include a provision in each contract awarded by the district in connection with the school facilities project which requires the contracted party to enter into certifications at the times and in the manner specified by the Authority in the grant agreement. Such certifications may include a certification by a consultant or a contractor upon award of contract, or certifications upon substantial or final completion of the work or services under a given contract.
6. The district shall include in all contracts for construction or demolition services provisions requiring that the contractor and its subcontractors, as applicable, shall comply with the New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.25 et seq. The district shall not hire any contractor, and shall not permit a contractor to hire a subcontractor, to perform any construction work or demolition services if such contractor or subcontractor is listed or is on record in the Office of the Commissioner, Department of Labor and Workforce Development, as having failed to pay prevailing wages in accordance with the provisions of the New Jersey Prevailing Wage Act.

7. Any construction contract or demolition services contract funded in whole or in part by a Federal grant or appropriation requiring compliance with the Davis-Bacon Act, 40 U.S.C. §§ 3141 through 3148, and the regulations promulgated thereunder (the "Davis-Bacon Act"), including construction or demolition contracts funded through the issuance of Qualified School Construction Bonds under the American Recovery and Reinvestment Act of 2009 (see 26 U.S.C. § 54F), shall require compliance with and shall include provisions as required by the Davis-Bacon Act. The district shall be responsible to monitor and assure compliance with applicable Davis-Bacon Act requirements.

(f) The Authority may impose such other conditions as may be necessary and appropriate to implement the laws of the State and effectuate the purpose and intent of the Act

19:34B-6.4 District procurement of construction manager

(a) In the event that the Authority has not engaged a construction manager for the project prior to the execution of the grant agreement, and upon the Authority's issuance to the school district of an authorization to proceed with the procurement of a construction manager, the district shall seek to procure a construction manager pursuant to the terms of the PSCL.

(b) The construction manager with whom the district contracts, and its subconsultants, must be prequalified by the Authority if such prequalification would be required for the performance of similar services on an Authority-managed school facilities project.

(c) The school district shall include in its bid documents the statement that its ability to enter into a contract shall be contingent upon the receipt of an executed grant agreement from the Authority.

(d) The district shall procure and engage the construction manager utilizing the form of construction manager agreement prepared by the Authority. The district shall forward to the Authority all proposals received from prospective construction manager firms for review and approval. Upon approval by the Authority of the district's selection of a construction manager, and upon the Authority's approval of the proposed fee for the construction manager as an approved cost, the grant shall be adjusted to include the amount of the construction manager's fee.

19:34B-6.5 Remediation services as part of construction contract

(a) The Authority shall perform any necessary remediation to prepare a site for construction. The Authority may also delegate to the district, in accordance with N.J.A.C. 19:34B-2.3, certain remediation services or activities that are necessary to be undertaken during the construction of the school facilities project. All such remediation services or activities delegated to the district and occurring during the construction of the school facilities project shall be performed under the supervision of a Licensed Site Remediation Professional retained by the Authority, and shall be consistent with the Remedial Action Work Plan for the

property. Remediation activities that are necessary as part of long-term stewardship obligations of the district as owner of the project site, and which occur after the completion of construction and either the Authority's transfer of occupancy to the district or after the transfer of the project site property to the district, shall be performed under the supervision of a Licensed Site Remediation Professional retained by the district.

(b) If the Authority determines to delegate remediation services to the district as part of the construction contract, the district shall comply with any and all local, State, and Federal standards or requirements for the performance of such activities, and shall be responsible for obtaining all reports and any required governmental approvals and/or permits.

(c) The district shall be responsible for, and shall require its contractors to be responsible for, documenting and tracking the nature and costs of any remediation services performed by contractors or consultants engaged or managed by the district. Such remediation services shall be documented and tracked separately from other construction activities and costs, and shall be tracked with reference to the lot and block designation of the parcels on which such remediation activities occur. Where remediation activities extend beyond the boundaries of a single tax lot, the costs of such activities shall be apportioned between the affected tax lots, and documented and tracked accordingly.

19:34B-6.6 Remediation services as part of demolition services contract

(a) Upon the Authority's determination, in accordance with N.J.A.C. 19:34B-2.3, to delegate demolition services, if the services delegated include the removal of an underground storage tank, the Authority may either undertake or delegate to the district the associated remediation of soil impacted by a discharge from the tank. All such remediation services or activities delegated to the district and occurring during demolition activities in advance of construction of the school facilities project shall be performed under the supervision of a Licensed Site Remediation Professional retained by the Authority, and shall be consistent with the Remedial Action Work Plan for the property. Remediation activities that are necessary as part of long-term stewardship obligations of the district as owner of the project site, and which occur after the completion of construction and either the Authority's transfer of occupancy to the district or after the transfer of the project site property to the district, shall be performed under the supervision of a Licensed Site Remediation Professional retained by the district.

(b) If the Authority determines to delegate remediation services to the district as part of the demolition services contract, the district shall comply with any and all local, State, and Federal standards or requirements for the performance of such activities, and shall be responsible for obtaining all reports and any required governmental approvals and/or permits.

(c) The district shall be responsible for, and shall require its contractors to be responsible for, documenting and tracking the nature and costs of any remediation services performed by contractors or consultants engaged or managed by the district. Such remediation services shall be documented and tracked separately from other construction activities and costs, and shall be tracked with reference to the lot and block designation of the parcels on which such

remediation activities occur. Where remediation activities extend beyond the boundaries of a single tax lot, the costs of such activities shall be apportioned between the affected tax lots and documented and tracked accordingly.

19:34B-7.1 General requirements

(a) The district shall, with all due diligence, proceed to manage the delegated portion of the school facilities project in accordance with the plans and specifications, as applicable. The school facilities project shall be constructed in conformity with the New Jersey Uniform Construction Code, N.J.A.C. 5:23, and the Department's rules governing educational facility planning standards at N.J.A.C. 6A:26-6.2.

(b) The district shall continually monitor the performance of the delegated portion of the school facilities project to ensure that time schedules and the grant budget are being met and that the completion of the delegated portion of the school facilities project will occur in a timely, efficient and cost-effective manner.

(c) The district shall supply to the Authority certain certifications in the form and at the times specified in and required by the grant agreement. Such certifications may include, without limitation: certifications by the school business administrator upon either award of a contract or substantial or final completion of the construction contract or both; tax certifications by the district as may be required by the Authority or the NJEDA to ensure the tax-exempt status of NJEDA bonds; and such other certifications as may be specified in the grant agreement.

(d) In the event that a contracted party defaults under any contract, or in the event of a breach of warranty with respect to any contract, the district shall reasonably exhaust the remedies against the defaulted contracted party and against each such surety for the performance of such contracts.

19:34B-7.2 Avoidance and redress of fraud and other unlawful or corrupt practices

(a) The district shall administer monies pursuant to this chapter, the grant agreement and any contracts entered into in connection with a school facilities project free from bribery, graft and corrupt practices. The district has the primary responsibility for the prevention, detection and cooperation in the prosecution of any such conduct. The Authority shall have the right to pursue administrative or other legally available remedies in the event it suspects the occurrence of such conduct.

(b) The district shall diligently pursue judicial and administrative remedies and take any other appropriate remedial action with respect to any allegations or evidence of such illegality or corrupt practices. The district shall immediately notify the Authority and the State Comptroller in writing when any such allegation or evidence comes to its attention and shall

periodically advise the Authority and the State Comptroller in writing of the status and ultimate disposition of any related matter

19:34B-7.3 Performance evaluation policy and procedure

The Authority may establish and maintain a consultant and contractor performance evaluation policy and procedure. The performance of any consultants and contractors engaged by the school district for the delegated portion of the school facilities project shall be evaluated by the district at the times and in the form and manner specified by the Authority. This evaluation shall consider, among other things, the consultant's and contractor's ability to deliver and complete the school facilities project within the specified time frame established by the construction contract, within the final eligible costs and local share, if any, as determined by the Department, and consistent with the requirements of the contracts.

19:34B-7.4 Disclosure and publicity

(a) Submissions received by the Authority under this chapter which are government records as defined in the Open Public Records Act, P.L. 2001, c. 404, shall be made available to persons who request their release as provided by State law.

(b) Press releases and other public dissemination of information by the school district concerning the school facilities project shall acknowledge Department approval and Authority financial assistance when such assistance is provided.

19:34B-7.5 Access and record retention

(a) The Authority and the district shall make available records and accounts pertaining to school facilities projects undertaken by the school district to the State Comptroller and the State Auditor in their investigations, examinations and inspections of the activities related to the financing and undertaking of school facilities projects. The Authority shall also cooperate, upon request, in sharing information with other entities.

(c) The Authority shall keep those records and accounts and shall require all contracted parties to keep those records and accounts for the school facilities project as necessary in order to evidence compliance with the Act and all applicable regulations and requirements. Such records shall be retained for 10 years following completion of the school facilities project and any additional period required for the resolution of litigation, claims or audit findings.

Resolution—6b.

Notice of Readoption (without amendment) of Regulations at N.J.A.C. 19:34B --
Delegation of School Facilities Projects

Resolution

WHEREAS, Section 4 of the legislation creating the New Jersey Schools Development Authority (SDA or the Authority), P.L. 2007, c. 137 §4 (codified at N.J.S.A. 52:18A-238k) grants the Members of the Authority the power to adopt, amend and repeal rules and regulations to carry out the provisions of the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (codified at N.J.S.A. 18A:7G-1 et seq.), and the legislation creating the SDA, P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.); and

WHEREAS, on April 4, 2012 the Members of the SDA Board approved for final adoption new regulations for the Delegation of School Facilities, N.J.A.C. 19:34B (the Rules), which implement Section 13e of EFCFA and provide the framework for SDA school districts to demonstrate their capacity to manage their own school facilities construction projects, as fully described in the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the Members of the SDA Board subsequently approved the readoption of such Rules on June 5, 2019, by ratifying the filing of a Notice of Readoption that extended the effectiveness of the Rules until April 17, 2026; and

WHEREAS, pursuant to N.J.S.A. 52:14B-5.1c(1), State agencies and authorities may utilize an expedited process to readopt existing regulations when no amendments to the existing regulations are sought, by filing of a Notice of Readoption with the Office of Administrative Law (OAL) at least thirty days prior to the expiration of the regulations; and

WHEREAS, while Executive Order No. 7 (2026, Sherrill) has imposed a 90-day pause on all new or pending regulatory matters, including rule proposals and readoptions, to allow sufficient time for the new administration to effectively review such new and pending regulatory matters, SDA has sought an exemption from the effect of Executive Order No. 7 to allow the advancement of this Notice of Readoption; and

WHEREAS, on February 17, 2026 the Governor's Office approved SDA's exemption request, which allows the SDA to place this matter before the Board of Directors to seek their approval to file the Notice of Readoption with OAL; and

WHEREAS, management is seeking Board approval of the proposed readoption of the Authority's Subchapter 34B Rules for the Delegation of School Facilities Projects, and the filing of the attached Notice of Readoption with the OAL consistent with the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the proposed Notice of Readoption process will involve no amendments or modifications to the Rules and, upon readoption, the Rules will remain in their current form; and

WHEREAS, a complete copy of the Rules was provided to the Members of the Authority for review.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby approve the proposed readoption of the Authority's Subchapter 34B Rules for the Delegation of School Facilities Projects, and the filing of the Notice of Readoption with the Office of Administrative Law consistent with the memorandum presented to the Board on this date and incorporated herein.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for her 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, Notice of Readoption (without amendment) of Regulations at N.J.A.C.19:34B, Delegation of School Facilities Projects, dated March 4, 2026

Dated: March 4, 2026

**Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38C -
Procurement of Architects, Engineers, Land Surveyors and other Professional Services
Consultants**

MEMORANDUM

TO: Members of the Authority

FROM: Janice Venables, Vice-President, Corporate Governance

DATE: March 4, 2026

RE: Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38C -- Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants

The Members of the Authority are requested to approve the readoption of NJSDA regulations for the Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, N.J.A.C. 19:38C (“Subchapter 38C” or “the Rules”). The Rules establish standards and procedures for the procurement of contracts for professional A Notice of Proposal for readoption of the Rules, in their current form without amendment, is provided with this Memorandum, as well as a full copy of the existing rules. The Rules are currently set to expire on March 4, 2026.

Regulatory History

Subchapter 38C was originally adopted in 2005 by the Authority’s predecessor entity, the Schools Construction Corporation (SCC), to carry out its broad statutory mandate under the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.) (the “Act”) to plan, design, and construct school facilities projects and effectively administer a schools construction program. Subchapter 38C was readopted in 2012 with substantive amendments to provide additional clarity, conform to statutory requirements, and reflect procurement best practices influenced by case law and advocated by the Office of the State Comptroller. On April 3, 2019 the Board ratified the filing of a Notice of Readoption to readopt Subchapter 38C without amendment, which extended the effectiveness of the Rules until March 4, 2026.

Background

The Rules address requirements for prequalification, advertisement, evaluation and selection in procurements for professional services consultants; procedures regarding cancellation of procurements; inclusion of required contract terms for termination, records retention, disclosure and publicity; and provisions for performance evaluations of engaged consultants. The rules address selection procedures for procurement of professional services contracts that exceed the state bidding threshold, as well as procedures for procurements that do not exceed the state

threshold; procedures for procurements subject to a waiver of advertising; procedures for procurement of term contracts for professional services; procurements of title insurance companies, appraisers, and experts; and provisions for protests and hearing procedures for objections relating to procurements of professional services consultants.

SDA Management has reviewed Chapter 38C and determined that it remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, which is to establish the requirements, standards, and procedures for the Authority's procurement of architects, engineers, land surveyors, and other professional services consultants.

Recommendation

The Members of the Authority are requested to approve the proposed readoption of the Authority's Subchapter 38C Rules for the Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, and the filing of the attached Notice of Proposal with the Office of Administrative Law.

/s/ Janice Venables

Janice Venables, Vice President,
Corporate Governance

Prepared by Cecelia Haney, Deputy Chief Counsel
JV/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consulting Services

Proposed Readoption: N.J.A.C. 19:38C

Authorized By: New Jersey Schools Development Authority, Manuel M. Da Silva, Chief Executive Officer (with the approval of the New Jersey Schools Development Authority Board).

Authority: N.J.S.A. 52:18A-238k and N.J.S.A. 52:34-9 et seq.

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

Proposal Number: PRN 2026-

Submit written comments by [DATE] to:

Cecelia Haney, Administrative Practice Officer

New Jersey Schools Development Authority

PO Box 991

Trenton, NJ 08625-0991

The agency proposal follows:

Summary

The New Jersey Schools Development Authority (“Authority” or “SDA”) proposes to readopt its rules for procurement of professional consulting services, codified at N.J.A.C. 19:38C. Pursuant to N.J.S.A. 52:14B-1, the rules at N.J.A.C. 19:38C are set to expire on March 4, 2026. The Authority has reviewed Chapter 38C and has determined that it remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, which is to establish the

requirements, standards, and procedures for the Authority's procurement of architects, engineers, land surveyors, and other professional services consultants.

Subchapter 38C was originally adopted in 2005 by the Authority's predecessor entity, the Schools Construction Corporation (SCC), to carry out its broad statutory mandate under the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.) (the "Act") to plan, design, and construct school facilities projects and effectively administer a schools construction program. The SCC was abolished in 2007 by P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.), which simultaneously created the Authority to assume all of the functions, powers, and duties of the former SCC.

The rules proposed for readoption:

- (a) comply with N.J.S.A. 52:34-9 et seq., which governs the procurement of architects, engineers, and land surveyors by the Authority;
- (b) implement Executive Order No. 37 (2006), which sets guidelines for the procurement of professional services by State authorities; and
- (c) provide assurance to vendors and other stakeholders that the SDA procurement process is fair, transparent, and results in the retention of quality professional services consultants at competitive prices.

As the Authority 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.

Chapter 38C consists of 11 subchapters. Subchapter 1 sets forth general provisions, which include definitions and generally provides that the NJSDA's procurement of professional services consultants including architects, engineers, surveyors and the like, in furtherance of its statutory mission to effectively administer the schools construction program, shall be governed by the provisions of Chapter 38C. Subchapter 2 addresses the manner in which SDA shall engage a professional services consultant; provides for the methodologies; identifies the qualitative factors used in evaluating proposals; and provides the process for the rejection of proposals and the approval, execution, and termination of agreements.

Subchapter 3 sets forth the procedural requirements applicable to the procurement of professional services contracts with compensation not exceeding the State bid advertisement threshold pursuant to N.J.S.A. 52:34- 7b, except for the procurement of appraisers or title insurance companies, which are governed by Subchapters 8 and 9 of the Rules. Subchapter 4 is reserved for future use. Subchapter 5 sets forth the procurement procedures that shall apply to agreements for professional services consultants with compensation exceeding the amount set forth in N.J.S.A. 52:34-7b, except for the procurement of appraisers or title insurance companies, which are governed by Subchapters 8 and 9 of the Rules.

Subchapter 6 addresses the procurement of a professional services consultant subject to a waiver of advertising pursuant to N.J.S.A. 52:34-10. Subchapter 7 addresses the procedures for procurement of term contracts for professional services, and further provides procedures for the issuance of task orders in accordance with a term agreement. Subchapters 8, 9, and 10 govern the Authority's engagement of title insurance companies, appraisers, and experts for litigation and real estate transaction support, respectively. Finally, Subchapter 11 sets forth provisions for protests

and hearing procedures for objections relating to procurements of professional services consultants.

Social Impact

The rules proposed for readoption should establish confidence in the Authority's ability to ensure that the public's interest in the Authority's selection of professional services consultants is adequately protected and that the Authority fairly obtains the services of the most qualified professional services consultants. The rules will affect all private architects, engineers, and land surveyors, and other professional service consultants, such as construction management firms, appraisers, and title insurance companies, that desire to bid on school facilities projects constructed under the Act, as amended, in that the rules specify the requirements of advertisement of proposals, selection procedures, proposal evaluation, and contract approval and execution.

Economic Impact

The economic impact of the rules proposed for readoption is limited; the rules outline the process that will be used by the Authority in the selection of professional services consultants. This information should be beneficial to all private firms wishing to provide architectural, engineering, land surveying, construction management, and other professional services to the Authority. The rules establish a bidding process that entails certain incidental costs associated with the preparation and submission of bids. Such costs may include professional staff time associated with preliminary planning, as well as the costs associated with the production and reproduction of proposals. The Authority will incur direct and indirect costs for bid advertisements and the staff and administrative expense arising from the preparation of bid requests, the evaluation of the bids received, and the

award of contracts and agreements. The professional consulting activities are to be funded with the State share of the eligible costs of a school facilities project, which may be funded by appropriations made by the Legislature or with State contract bonds issued by the NJEDA pursuant to section 25 of the Act. Additional activity in the planning, architecture, and engineering professions may directly result from the rules, providing Statewide economic benefits in the short term.

Federal Standards Statement

The rules proposed for readoption implement a State statute, specifically P.L. 2007, c. 137, (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to the rules. A Federal standards analysis, therefore, is not required.

Jobs Impact

The rules proposed for readoption modify the Authority's process for procurement of professional services, and thus to the extent the rules have an effect on jobs, it will be to create jobs in New Jersey, primarily in the consulting and service sectors, rather than eliminate positions. Moreover, the rules are likely to support job growth to the extent that they may foster participation in the school construction program by a broader class of professional services consultants.

Agriculture Industry Impact

The rules proposed for readoption will have no direct impact on the agriculture industry.

Regulatory Flexibility Analysis

The rules proposed for re-adoption impose some compliance requirements on small businesses as the term is defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., but only for those small businesses that choose to seek to do business with the Authority. Inasmuch as the rules outline the criteria and procedures the Authority will consider for the selection of professional services consultants, the rules, at N.J.A.C. 19:38C-2.2, specify that professional consultants be prequalified by the Authority, a requirement that is imposed by public contracting provisions set forth in N.J.S.A. 52:34-9.1 et seq. As implemented by the Authority, all firms seeking prequalification will be required to submit audited financial statements, a cost which these firms might not otherwise need to incur. In the interests of financial probity, however, no exemption for small businesses would be warranted. In addition, the rules impose recordkeeping requirements on winning bidders in compliance with the Authority's contractual document retention provisions, and consistent with requirements of the Office of the State Comptroller for state contractors. Again, in the interests of financial probity, no exemption from these recordkeeping requirements would be warranted for small businesses.

Housing Affordability Impact Analysis

The rules proposed for re-adoption address the requirements and the process for the procurement of professional service consultants and, therefore, will not have an impact on affordable housing or evoke a change in the average cost of housing in the State of New Jersey.

Smart Growth Development Impact Analysis

The rules proposed for readoption govern the process by which the Authority procures professional services, and thus the rules will have no impact on smart growth development because the scope of the rules is minimal, and because it is extremely unlikely that the rules would evoke a change in the average price or availability of housing in the State of New Jersey, and it is unlikely that the rules proposed for readoption would in any way affect new construction in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:38C.

Approved: _____
Manuel M. Da Silva
Chief Executive Officer, NJSDA

Date: March 4, 2026

NEW JERSEY ADMINISTRATIVE CODE
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*** This file includes all Regulations adopted and published through the ***
*** New Jersey Register, Vol. 47 No. 4, February 17, 2015 ***

TITLE 19. OTHER AGENCIES
NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
CHAPTER 38C. PROCUREMENT OF ARCHITECTS, ENGINEERS, LAND SURVEYORS, AND OTHER PROFESSIONAL SERVICES CONSULTANTS

N.J.A.C. 19:38C (2015)

Title 19, Chapter 38C -- Chapter Notes

CHAPTER AUTHORITY:

P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); 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); and P.L. 1997, c. 399 (N.J.S.A. 52:34-9.1 et seq.) (related authority).

CHAPTER SOURCE AND EFFECTIVE DATE:

R.2012 d.085, effective April 4, 2012.

See: *43 N.J.R. 3153(a)*, *44 N.J.R. 1551(a)*.

CHAPTER EXPIRATION DATE:

Chapter 38C, Procurement of Architects, Engineers, Land Surveyors, and Other Professional Services Consultants, expires on April 4, 2019.

CHAPTER HISTORICAL NOTE:

Chapter 38C, Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consultant Services, was adopted as R.2005 d.60, effective February 7, 2005. See: *36 N.J.R. 4087(a)*, *37 N.J.R. 516(b)*.

Pursuant to Executive Order No. 1(2010), the chapter expiration date was extended from February 7, 2010 until the completion of the review of administrative regulations and rules by the Red Tape Review Group, and until such time as the extended regulation or rule was readopted pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

Chapter 38C, Procurement of Architectural, Engineering, Land Surveying, and Related Professional Consultant Services, was readopted as R.2012 d.085, effective April 4, 2012. As a part of R.2012 d.085, Chapter 38C was renamed Procurement of Architects, Engineers, Land Surveyors, and Other Professional Services Consultants; Subchapter 3, Selection Procedures--Category One Contracts, was renamed Selection Procedures--Agreements not Exceeding the State Bid Threshold Pursuant to N.J.S.A. 52-34-7b; Subchapter 4, Selection Procedures--Category Two Contracts, was repealed; Subchapter 5, Selection Procedures--Category Three Contracts, was renamed Selection Procedures--Agreements Exceeding the State Bid Threshold, as Adjusted, Pursuant to N.J.S.A. 52-34-7b; Subchapter 6, Selection Procedures--Category Four Contracts, was renamed Waiver of Advertising; Subchapter 7, Selection Procedures--Category Five Contracts, was renamed Selection Procedures--Term Agreements; and Subchapter 8, Engagement

of Title Insurance Companies, Subchapter 9, Engagement of Appraisers, Subchapter 10, Engagement of Experts and Subchapter 11, Protests and Hearing Procedures, were adopted as new rules, effective May 7, 2012. See: Source and Effective Date. See, also, section annotations.

§ 19:38C-1.1 Purpose and scope of rules

This chapter is designed to implement the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, *N.J.S.A. 18A:7G-1* et seq., as amended, and P.L. 2007, c. 137, *N.J.S.A. 52:18A-235* et seq., by establishing procedures for the procurement of professional consulting services, so that the Authority may carry out its broad statutory mandate to plan, design and construct school facilities projects and effectively administer the Authority's schools construction program. This chapter is also designed to implement the provisions of P.L. 1997, c. 399, *N.J.S.A. 52:34-9.1* et seq., which govern procedures generally applicable to the Authority's award of contracts for professional architectural, engineering, and land surveying services.

§ 19:38C-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., as amended, which mandates the school construction program.

"Agreement" means the written agreement between the Authority and the architectural, engineering, land surveying, or other professional services consultant for the provision of services.

"Appraiser" means a firm that provides an unbiased analysis, opinion, or conclusion on the value of real property.

"Authority" or "SDA" means the New Jersey Schools Development Authority, an entity formed pursuant to P.L. 2007, c. 137, *N.J.S.A. 52:18A-235* et seq., as successor to the New Jersey Schools Construction Corporation. The Authority is statutorily charged with undertaking and funding school facilities projects, pursuant to the Act.

"Board" means the governing body of the Authority, consisting of the members of the Authority as outlined in *N.J.S.A. 52:18A-237*.

"Commissioner" means the Commissioner of the Department of Education.

"Compensation" means the payment(s) due to the professional services consultant for services rendered.

"Corporation" or "SCC" means the New Jersey Schools Construction Corporation, the entity formed pursuant to *N.J.S.A. 34:1B-159* and the predecessor to the Authority, which was abolished by P.L. 2007, c. 137.

"Department" means the New Jersey Department of Education.

"Emergent project" means a capital project necessitating expedited review and, if applicable, approval, in order to alleviate a condition that, if not corrected on an expedited basis, would render a building or facility so potentially injurious or hazardous that it causes an imminent peril to the health and safety of students or staff, as defined by *N.J.A.C. 6A:26-1.2*.

"Expert" means an individual or firm with a high degree of skill or knowledge in a specific subject engaged or to be engaged by the Authority for purposes of litigation support, including, but not limited to, testimony as an expert witness.

"Fee proposal" means the proposal submitted by the professional services consultant in the form and manner provided for in the request for qualifications or request for proposals, which specifies the fees proposed for the provision of services.

"Key team member" means a principal, partner, or officer of the professional services consultant, project executive, senior principal, studio head, project manager, project architect, construction administrator, job captain, or any other

title required in the request for qualifications or request for proposals, and represented in a proposal as having a responsible role in the successful completion of services required in the agreement.

"Moral integrity review" means an investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on behalf of the Authority, of a firm that seeks to enter an agreement with the Authority.

"NJEDA" means the New Jersey Economic Development Authority established pursuant to P.L. 1974, c. 80, *N.J.S.A. 34:1B-1* et seq., as amended, or any successor thereto.

"Notice of award" means a written notice issued to a professional services consultant by the Authority indicating that the professional services consultant has been selected to perform certain services pursuant to an Authority procurement process and that upon the Authority's receipt of certain required documentation, the Authority intends to enter an agreement with the professional services consultant for the performance of those services.

"Other facilities" means those facilities that are not school facilities projects as defined by the Act, namely, athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building, or facility used solely for school administration.

"Pre-construction activities" means the work that must be undertaken prior to submitting a school facilities project application to the Department for approval and calculation of preliminary eligible costs. Such activities may include:

1. Site analysis;
2. Acquisition of land;
3. Remediation;
4. Site development;
5. Feasibility studies including studies to determine the viability of new construction versus rehabilitation;
6. Design work;
7. Acquisition of and design work for temporary facilities; and
8. Such other activities as may be specified in *N.J.S.A. 18A:7G-5* or *N.J.A.C. 19:34-1.2* or *6A:26-1.2*.

"Pre-qualified" or "pre-qualification" means the approval of a professional services consultant by the Authority pursuant to *N.J.A.C. 19:38A*.

"Preliminary eligible costs" means the initial eligible costs of a school facilities project as calculated pursuant to the formulas set forth in section 7 of P.L. 2000, c. 72, *N.J.S.A. 18A:7G-7* or as otherwise provided pursuant to section 5 of P.L. 2000, c. 72, *N.J.S.A. 18A:7G-5* and which shall be deemed to include the costs of construction and other allowable costs.

"Professional services consultant" or "consultant" means the architect, engineer, land surveyor, or other individual or professional firm providing services related to its respective occupation, which require unique professional or technical skills, licenses, or other credentials, associated with research, development, design, construction, construction administration, alteration, or improvement to real property, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform. The professional services consultant may provide services including, but not limited to, studies (including feasibility studies), investigations, surveys, evaluations, consultations, appraisals, planning, programming, conceptual designs, plans, and specifications, cost estimates, construction management, inspections, submittal reviews, testing, commissioning, provision of title insurance, preparation of operating and maintenance manuals, and other related services, and shall include those consultants who provide "professional architectural, engineering, or land surveying services" within the meaning of *N.J.S.A. 52:34-9.2*.

"Proposal" means the response submitted by a professional services consultant with respect to a request for qualifications or a request for proposals.

"Protest" means a challenge to a decision, statement, action, or alleged inaction of the Authority.

"Ranking" means the process of listing responsive professional services consultants in order of highest to lowest total scores, based upon selection criteria set forth in the RFQ and/or RFP.

"Request for proposals" or "RFP" means a request for technical proposals and/or fee proposals for the selection of a professional services consultant.

"Request for qualifications" or "RFQ" means a written request issued by the Authority seeking submissions from professional services consultants, including statements of qualifications, experience, and/or organizational information, as well as any additional information deemed necessary by the Authority, in connection with the selection of a professional services consultant for a school facilities project, pre-construction activity, or other type of engagement for the school construction program.

"School construction program" means the program of school facilities projects and related activities undertaken by the Authority 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.

"School facility" means and includes any structure, building or facility used wholly or in part for educational purposes by a district, and facilities that support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, but shall exclude other facilities as elsewhere defined in this section.

"SDA school 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, § 39, *N.J.S.A. 18A:7G-3*.

"Selection committee" means the group(s) responsible for review and evaluation of professional services consultants' responses to RFQs and/or RFPs in connection with a procurement of one or more professional services consultants for an engagement with the Authority when the compensation for the engagement is anticipated to exceed the State bid advertisement threshold pursuant to *N.J.S.A. 52:18A-243*.

"Selection coordinator" means the administrator of the operations and procedures of the selection process, whose activities shall include, but are not limited to, scheduling of meetings, preparing agendas, recording scores, preparing minutes of selection committee meetings, and other similar administrative duties.

"Services" means the duties and responsibilities to be performed by the professional services consultant pursuant to the agreement, and includes all other labor, materials, and equipment provided or to be provided to fulfill such obligations.

"Small business enterprise" or "SBE" means a firm that is registered as a "small business" with the New Jersey Department of the Treasury, Division of Minority and Women Business Development pursuant to *N.J.A.C. 17:14-3.1*.

"Task order" means a contractual document, containing a scope of work, negotiated costs, and schedule, which the Authority issues to a professional services consultant, pursuant to a term agreement.

"Term agreement" means an agreement whereby the Authority may engage a professional services consultant for a defined period of time.

"Title insurance" means a policy issued by a title insurance company insuring, guaranteeing, or indemnifying owners of real property or others interested therein against loss or damage suffered by reason of liens, encumbrances upon, defects in or the unmarketability of the title of the subject property and includes searches relating to the title of the subject property.

"Title insurance company" means a title insurance company duly authorized to transact the business of issuing title insurance in the State of New Jersey.

§ 19:38C-2.1 Scope

This subchapter addresses the manner in which SDA shall engage a professional services consultant; provides for the methodologies; identifies the qualitative factors used in evaluating proposals; and provides the process for the rejection of proposals and the approval, execution, and termination of agreements.

§ 19:38C-2.2 Pre-qualification requirement

(a) A professional services consultant seeking to be engaged by the Authority must be pre-qualified by the Authority at the time of submission of a response to an RFQ and/or an RFP, if pre-qualification is required by *N.J.A.C. 19:38A*, except if otherwise expressly provided in this chapter.

(b) The Authority shall establish pre-qualification requirements as may be necessary in order to ensure competitive proposals, or as may be dictated by the unique or specialized nature of the services to be performed under the agreement.

(c) All professional services consultants that seek to be engaged by the Authority are subject to a moral integrity review, even where Authority pre-qualification is not required. If the results of the moral integrity review are negative or unsatisfactory in that they indicate any circumstance that would justify a revocation of pre-qualification under *N.J.A.C. 19:38A-4.1*, the Authority shall reject the professional services consultant's proposal pursuant to *N.J.A.C. 19:38C-2.6*.

§ 19:38C-2.3 Selection procedures based on type of engagement

The Authority may establish different procedures, as set forth in this chapter, for the selection of professional services consultants based on the type of professional services consultant to be engaged or the contract value.

§ 19:38C-2.4 Advertising

(a) The Authority shall advertise for all procurements in accordance with *N.J.S.A. 52:18A-243(h)*. In addition, such advertising may also be placed:

1. In design and construction publications and trade journals covering the construction industry in New Jersey;
2. By written notice to New Jersey professional societies; or
3. By use of direct mailings to consultants.

(b) Any advertisement shall be made in the form and in the time required to promote competition and shall describe any specific information that an interested professional services consultant must submit, as well as the date and time of the deadline for submissions.

(c) The advertisement shall specify the evaluation criteria that shall apply to the proposals.

§ 19:38C-2.5 Evaluation

(a) The ranking of professional services consultants shall be performed pursuant to evaluation criteria established by the Authority for each particular engagement, and by the weights established for such criteria. In selecting the most highly qualified professional services consultants, the selection committee shall consider the criteria and relative weights of such criteria, as set forth in the RFP and/or RFQ.

(b) The Authority may require the submission of proposals, requests for clarifying technical and/or organizational information, interviews, site visits, and pre-proposal conferences; however, all such requirements will be set forth in the RFP and/or RFQ.

(c) Nothing in this chapter shall be construed to limit the Authority's ability to obtain services pursuant to an SBE set-aside procurement under *N.J.A.C. 19:39*.

§ 19:38C-2.6 Rejection of proposals; cancellation of procurement or award

(a) Proposals received after the submission date and time prescribed in the RFQ and/or RFP shall be rejected.

(b) The Authority may reject any proposal for any reason, in accordance with law, when it is otherwise deemed to be in the public interest to do so. The Authority may reject all proposals and cancel a procurement, for excessive cost, insufficient competition, or any other reason, in accordance with law, that it deems to be in the public interest.

(c) The Authority may cancel an award at any time before the execution of an agreement by all parties.

§ 19:38C-2.7 Approval and execution of agreement

No agreement is valid or binding on the Authority unless and until it is executed by the Authority.

§ 19:38C-2.8 Termination

All agreements executed pursuant to this chapter shall provide for, among other things, termination for the convenience of the Authority and for cause.

§ 19:38C-2.9 Disclosure and publicity

(a) Any and all submissions made in response to an RFQ and/or an RFP are subject to the provisions of the Open Public Records Act, *N.J.S.A. 47:1A-1* et seq., including the exceptions from disclosure provided therein.

(b) Consultants shall notify the Authority prior to the issuance of press releases and other public dissemination of information concerning a school facilities project and such shall acknowledge Authority financing and assistance in the undertaking of the school facilities project.

§ 19:38C-2.10 Performance evaluation

(a) The Authority shall have the right to consider the performance of a professional services consultant as a factor in the ranking of the consultant when evaluating proposals.

(b) Performance evaluations may include, but are not limited to, the following factors:

1. Quality of work;
2. Scheduling;
3. Management;
4. Cost control/amendments;
5. Subconsultants;
6. Close out; and
7. Any other factors affecting a consultant's performance.

§ 19:38C-3.1 Scope

This subchapter sets forth the procedural requirements applicable to the procurement of agreements for professional services consultants where such agreements specify compensation not exceeding the State bid advertisement threshold of \$ 36,000, as adjusted, pursuant to N.J.S.A. 52:34-7b, except for those procurements in which the Authority, at its sole option, determines to apply the procedures of N.J.A.C. 19:38C-5. This subchapter shall not apply to the procurement of appraisers or title insurance companies.

§ 19:38C-3.2 Solicitation

In accordance with *N.J.S.A. 52:34-7*, the Authority shall not be required to advertise the procurement of agreements for professional services consultants where such agreements provide for compensation below the State bid threshold. The Authority reserves the right to waive any prequalification requirements for a procurement pursuant to this subchapter.

§ 19:38C-3.3 Evaluation

Proposals shall be evaluated based on fees and/or the evaluation criteria appropriate for the particular procurement. The Authority may request clarifying technical and/or organizational information from any professional services consultant prior to finalizing the evaluation.

HISTORY:

Amended by R.2012 d.085, effective May 7, 2012.

See: *43 N.J.R. 3153(a)*, *44 N.J.R. 1551(a)*.

Substituted "fees and/or" for "price and", "Authority" for "Corporation", and "professional services consultant" for "entity submitting a proposal".

§ 19:38C-3.4 Selection

The Authority shall select the proposal that is in the best interest of the school construction program, based on fees and/or the evaluation criteria established for the selection.

Title 19, Chapter 38C, Subchapter 4. (Reserved)

§ 19:38C-5.1 Scope and applicability

This subchapter sets forth the procurement procedures that shall apply to agreements for professional services consultants with compensation exceeding the amount set forth in N.J.S.A. 52:34-7b. At the option of the Authority, the procedures specified in this subchapter may apply to an engagement with compensation below the amount set forth in N.J.S.A. 52:34-7b. This subchapter shall not apply to the procurement of appraisers or title insurance companies.

§ 19:38C-5.2 Initiation

The procurement of a professional services consultant shall be initiated by the public advertisement of a request for qualifications, a request for proposals, or both, except in circumstances where a waiver of advertising is permitted under N.J.A.C. 19:38C-6.

§ 19:38C-5.3 Selection committee

(a) Prior to the receipt of proposals, the Authority shall establish a selection committee or committees to review and evaluate the proposals. Each member of the selection committee shall have the relevant experience necessary to evaluate the proposals. Each member of a selection committee shall be responsible for independently evaluating and scoring the proposals.

(b) Once the responses are received and the identity of the vendors is ascertained and communicated to the members of the selection committee, each member of the selection committee, prior to the evaluation of any proposal, shall execute a certification that he or she has no personal interest, financial or familial, in any of the vendors to be evaluated, or the principals, subsidiaries, or parent companies thereof. Furthermore, should any of the selection committee members indicate that a conflict or personal interest exists once the identity of the vendors is revealed, that member shall not serve on the selection committee and may be replaced.

(c) The names of the members of the selection committee shall be made public once the contract is awarded, pursuant to *N.J.S.A. 52:34-10.3(c)*.

§ 19:38C-5.4 Selection evaluation criteria

(a) The selection evaluation criteria may include the following: the firm's experience on projects of a similar size and nature; project team experience; past project performance; project approach; understanding of project needs and project schedule; and budget and cost estimating. Selection evaluation criteria may also include any other criteria as determined to be appropriate in the sole discretion of the Authority.

(b) The selection evaluation criteria and the specific weight assigned to each criterion for each professional services consultant procurement shall be established by the Authority prior to advertisement and the criteria and weights shall be incorporated into the RFQ and/or RFP for the procurement.

(c) When the procurement is for professional services consultants other than architects, engineers, and/or land surveyors, the Authority may provide that a fee proposal shall be one of the qualitative factors upon which professional services consultants will be evaluated.

§ 19:38C-5.5 Selection evaluation process

(a) The members of the selection committee will evaluate the submissions and other information comprising the evaluation process and shall assign scores based upon the evaluation criteria stated in the RFQ and/or RFP.

(b) In addition to the review of responses to an RFQ and/or RFP the evaluation process may include:

1. Review of responses to requests for additional or clarifying information;
2. Participation in interviews; and/or
3. Any other components determined, in the sole discretion of the Authority, to be appropriate.

(c) Site visits, pre-proposal conferences, and interviews may be scheduled. Attendance shall be mandatory when so stipulated in the RFP or RFQ.

(d) The selection coordinator shall compile the evaluation scores of the committee members, as well as any points assigned in the consideration of a fee proposal in accordance with *N.J.A.C. 19:38C-5.7(a)*, if applicable, and shall prepare a ranking in accordance with the procedures specified in the RFQ and/or RFP, which shall be deemed a final ranking if no shortlisting process, as set forth in this section, is called for in the RFQ.

(e) If a shortlisting process is specified by the selection procedures described in the RFQ, the selection coordinator shall review the ranking and identify the short list of firms.

1. Once the short list is determined, the Authority shall publish the short list on the Authority's website and/or provide written notification to all firms that supplied responses to the RFQ of the names of the firms selected for the short list.

2. If additional information is required, the Authority shall request such information from all of the shortlisted firms prior to the final ranking. The members of the selection committee shall review and evaluate the additional information provided by the shortlisted firms, in accordance with the procedures specified in the RFQ and/or RFP, and shall assign scores based upon the evaluation criteria stated in the RFQ and/or RFP, as applicable. At the sole discretion of the Authority, interviews may be held with the shortlisted firms prior to the determination of the final ranking. The members of the selection committee shall evaluate the additional information, and interviews, if any, and shall assign scores to each. The selection coordinator shall combine all evaluation scores in accordance with the procedures outlined in the RFQ and/or RFP, and prepare a final ranking.

§ 19:38C-5.6 Submission of fee proposals

A fee proposal shall be submitted in accordance with the process set forth in either an RFQ or RFP. A fee proposal shall be submitted in a separate sealed envelope. The envelope shall indicate clearly that it is the fee proposal and shall identify the firm's name, project number, and any other information required by the RFQ or RFP. The fee proposals shall remain sealed until such time as provided in *N.J.A.C. 19:38C-5.7(a)* or (b), as applicable.

§ 19:38C-5.7 Consideration of fee proposals

(a) In the event the fee proposal is one of the qualitative factors for the evaluation of the proposals, the Authority shall open the sealed fee proposals and assign the maximum points to the lowest total fee proposal. All other proposals shall be scored based upon the percentage that each proposal exceeds the lowest proposal. The scores of the fee proposals shall then be utilized to finalize the ranking undertaken by the selection committee, pursuant to *N.J.A.C. 19:38C-5.5(d)*.

(b) In the event the fee proposal is not a qualitative factor for the evaluation of the proposal, the Authority shall open the sealed fee proposals at a predetermined date and time after the final ranking has been prepared. Using the fee proposals as a guide, the Authority shall negotiate an agreement with the highest-ranked consultant at a fee determined by the Authority to be fair and reasonable. Should the Authority be unable to negotiate a satisfactory fee with the highest-ranked consultant, the Authority shall terminate negotiations with the highest-ranked consultant, and may then terminate the procurement or may then undertake negotiations with the second-highest ranked consultant. Failing accord with the second highest-ranked consultant, the Authority shall terminate negotiations with the second highest-ranked consultant and may then terminate the procurement or may undertake negotiations with the third highest-ranked consultant. In the event that the Authority is unable to agree to a satisfactory fee with any of the three highest-ranked firms, the Authority may select additional consultants in the order of their ranking and continue negotiations, until either an agreement is reached or the procurement is canceled or terminated.

§ 19:38C-5.8 Recommendation

Based on the process set forth in this subchapter, the selection coordinator shall recommend the most technically qualified consultant at final compensation determined to be fair and reasonable. If the recommendation is approved, the Authority will issue a written notice of award to the successful professional services consultant.

§ 19:38C-5.9 Execution of agreement

Upon the successful professional services consultant's submission of any required documentation or materials as specified in the notice of award, and the Authority's acceptance of such documents, the Authority will execute the agreement and provide the successful professional services consultant with a fully-executed agreement.

§ 19:38C-5.10 Confidentiality

The selection evaluations, rankings, negotiations, and fee proposals of all firms, as well as all discussions and correspondence, relating to the selection of a professional services consultant shall remain confidential and exempt from production under the Open Public Records Act, *N.J.S.A. 47:1-1* et seq., until a notice of award has been issued.

§ 19:38C-6.1 Scope

This subchapter shall govern the procurement of an agreement through the Authority's grant of a waiver of advertising pursuant to *N.J.S.A. 52:34-10*. While the Authority shall normally procure professional services consultants through a competitive selection process initiated by advertising, in those limited situations where it is not possible, feasible or prudent to advertise, this subchapter shall apply to the procurement of professional services consultant agreements.

§ 19:38C-6.2 Circumstances justifying waiver of advertising; pre-qualification

(a) The Authority may grant a waiver of public advertisement in the following limited circumstances:

1. The engagement to be made is with the Federal government, or any State government or any agency or political subdivision thereof;

2. A public exigency exists in which professional services must be purchased immediately and are necessary to mitigate an emergency situation;

3. Only one professional services consultant is capable of or available to provide the services at the time they are required; or

4. When the services required are available through participation in an existing contract between a vendor and any department, division, office, agency, bureau, or section of the United States, or any authority or instrumentality created or chartered thereby and any department, division, office, agency, bureau, or section of New Jersey or any state of the United States other than New Jersey, or any political subdivision thereof including, but not limited to, municipalities, or any other authority or instrumentality created or chartered thereby, provided that:

i. The existing contract was the result of a competitive selection process;

ii. The terms of the existing contract permit such Authority participation;

iii. The price of the services being procured is no greater than the price offered to the original governmental unit party to the existing contract;

iv. The Authority receives the benefit of any price reductions mandated by the original governmental unit party during the term of the existing contract and is protected from price increases during that time; and

v. The price of services being procured is no greater than the price of the same or equivalent goods or services under any existing New Jersey State contract.

(b) At the option of the Authority, the Authority may waive pre-qualification of a professional services consultant procured pursuant to public exigency under (a)2 above.

§ 19:38C-6.3 Solicitation

(a) With respect to a circumstance arising under *N.J.A.C. 19:38C-6.2*, whenever practical, the Authority will undertake a competitive selection process for agreements of this type to the extent it is feasible and economical to do so. This less formal process may include obtaining at least three telephonic quotations or obtaining written quotations from at least three separate professional services consultants.

1. Proposals shall be evaluated based on proposed fees and the evaluation criteria appropriate for the particular procurement. The Authority may request clarifying technical and/or organizational information from any entity submitting a proposal, prior to finalizing the evaluation.

2. The Authority shall select the proposal that is in the best interest of the Authority and the school construction program, based on proposed fees and the evaluation criteria established for the selection.

3. The competitive selection process used shall be memorialized in the recommendation of award.

§ 19:38C-7.1 Scope

This subchapter provides for the use of term agreements by the Authority to serve a variety of consultant needs in accordance with its statutory responsibilities to administer the schools construction program. This subchapter further provides for the issuance of task orders, in accordance with a term agreement.

§ 19:38C-7.2 General requirements

(a) A term agreement is an agreement whereby the Authority may engage a professional services consultant or consultants for a defined period of time, rather than for a defined project or projects.

(b) Term agreements may be used by the Authority to retain professional services consultants when:

1. There is a need to expedite emergent projects or emergent project requirements;

2. There is a need to accomplish any study, evaluation, review, assessment, or other professional services relating to a school facilities projects on an "on call" basis; or

3. There is a need to address the program-wide requirements of the Authority.

(c) Procurement of a term agreement shall be in accordance with the selection procedures set forth at N.J.A.C. 19:38C-5, except that fee proposals may be based upon hourly or daily rates and/or other methods for determining costs over a specific time period.

(d) Term agreements shall be for a specific time period and maximum contract value, which shall be set forth in the term agreement. The Authority shall set forth a budget and schedule for each proposed task order under a term agreement prior to its assignment to a professional services consultant. The time in which services are to be performed under a task order may extend past the expiration date of a term agreement, as long as the task order was executed prior to the expiration date.

(e) The Authority may enter into a term agreement with any consultant engaged pursuant to the provisions of this chapter for a term, not to exceed three years, unless a longer time period is expressly authorized by law, and for a value that shall not exceed a ceiling stated in the agreement.

(f) Notwithstanding the foregoing, term agreements for provision of professional services in litigation matters shall be for a term not to exceed two years, pursuant to Executive Order No. 37 (2006).

§ 19:38C-7.3 (Reserved)

§ 19:38C-7.4 (Reserved)

§ 19:38C-8.1 Scope

This subchapter, exclusively, shall govern the Authority's engagement of title insurance companies.

§ 19:38C-8.2 Master list

The Authority shall establish and maintain a master list of title insurance companies, which are on the list of title insurance companies authorized to write title insurance policies in New Jersey as compiled by the New Jersey Depart-

ment of Banking and Insurance and rated "A" or higher by a major credit rating agency. The master list shall be updated by the Authority on a quarterly basis.

§ 19:38C-8.3 Procurement by competitive bidding for individual engagement

(a) When the Authority deems it in the best interest of a school facilities project or the school construction program to make use of an individual competitive procurement to secure title insurance, it shall solicit proposals for title insurance by means of a request for proposals presented to at least three separate title insurance companies randomly selected from the master list. Authority staff shall prepare a memorandum indicating the number of entities contacted and the number of proposals received, including prices.

(b) The proposals shall be evaluated by the Authority based on price and the title insurance company's experience with the property or area comprising and surrounding the site for the particular school facility at issue. The Authority may request clarifying technical and/or organizational information from those entities submitting proposals prior to determining the final ranking.

§ 19:38C-8.4 Procurement through term agreements specifying fixed rates

(a) In the event that the Authority determines that it would be in the best interest of the school construction program to make use of a term agreement approach to the procurement of title insurance, it may extend an offer to all title insurance companies on the master list to enter into an agreement that may extend for a term not to exceed three years. The compensation paid under any such term agreement shall be in accordance with a fixed schedule of rates and charges, and the contract value shall not exceed a stated ceiling during its term. The Authority may extend such term agreement offers at such frequency as it determines is in the best interest of the school construction program, provided that no title insurance company may be engaged under more than one such term agreement at a time. All term agreements with title insurance companies shall provide for, among other things, termination for the convenience of the Authority and termination for cause.

(b) During the term of such an agreement, the Authority may assign to a title insurance company one or more task orders identifying specific properties or sites for which to provide title insurance for purposes of one or more school facilities projects based upon the following criteria:

1. The title insurance company's experience with the property or area comprising and surrounding the site for the particular school facility at issue;
2. Present capacity of the firm to provide the required services; and
3. Equitable allocation of task order assignments among all title insurance companies engaged by the Authority under a term agreement.

§ 19:38C-9.1 Scope

This subchapter, exclusively, shall govern the engagement of appraisers.

§ 19:38C-9.2 Master list

(a) The Authority shall establish and maintain and update on a quarterly basis, a master list of appraisers. The master list shall be created based upon the list of appraisers maintained by the New Jersey Department of Transportation and the list of appraisers previously engaged by the Authority. Firms may apply for inclusion on the master list by submitting to the Authority a statement of qualifications, which shall include, but not limited to, the following:

1. A resume;
2. Experience with condemnation projects carried out by governmental entities and a full description of same; and

3. Experience with other governmental entities.

(b) Authority staff shall evaluate the statement of qualifications submitted by a firm seeking inclusion in the master list-based criteria including:

1. The firm's experience with condemnation projects carried out by governmental entities; and

2. The firm's compliance with the Uniform Standards of Professional Appraisal Practice, as published annually by the Appraisal Standards Board of the Appraisal Standards Foundation, 1029 Vermont Avenue, NW, Suite 900, Washington, DC 20005.

§ 19:38C-9.3 Procurement by competitive bidding for individual engagement

(a) When the Authority deems it is in the best interest of a school facilities project or the school construction program to make use of an individual competitive procurement to engage an appraiser, it shall solicit proposals for appraisal services by means of a request for proposals presented to at least three separate appraisers chosen from the master list based upon the following:

1. Geographic proximity to the school facilities project; and

2. If applicable, the need for a particular specialty.

(b) The Authority shall prepare a memorandum indicating the number of entities contacted and of proposals received, including prices.

(c) The proposals will be evaluated by the Authority based on price and the following evaluative criteria:

1. Licensing status;

2. Professional designations;

3. Previous experience on similar projects;

4. Geographic proximity to the school facilities project; and

5. Present capacity of a firm to complete solicited services.

(d) The Authority may request clarifying technical and/or organizational information from those entities submitting proposals prior to determining the final ranking.

§ 19:38C-9.4 Procurements through term agreements specifying fixed rates

(a) In the event that the Authority determines that it would be in the best interest of the school construction program to make use of a term agreement approach to the procurement of appraisal services, it may extend an offer to all firms on the master list to enter into an agreement that may extend for a term not to exceed three years. The compensation paid under any such term agreement shall be in accordance with a fixed schedule of rates and charges and the contract value shall not exceed a stated ceiling during its term. The Authority may extend such term agreement offers at such frequency as it determines is in the best interest of the school construction program, provided that no appraiser may be engaged under more than one such term agreement at a time. All term agreements with appraisers shall provide for, among other things, termination for the convenience of the Authority and termination for cause.

(b) During the term of such an agreement, the Authority may assign to an appraiser a task order identifying specific sites to appraise for purposes of one or more school facilities projects based upon the following criteria:

1. Licensing status;

2. Professional designations;

3. Previous experience on similar projects;

4. Geographic proximity to the school facilities project or projects;

5. Present capacity of the firm to complete the required services; and
6. Equitable allocation of task order assignments among all appraisers engaged by the Authority under a term agreement.

§ 19:38C-10.1 General requirements

Experts for litigation support or real estate transaction support may be retained through outside counsel on behalf of the Authority, or procured directly by the Authority, using any of the procurement methods set forth in this chapter.

§ 19:38C-11.1 Scope and purpose

(a) This subchapter sets forth the procedures that govern protests and administrative hearings regarding the Authority's conduct of procurements for professional services consultants, including protests challenging:

1. The form of advertisements for procurement;
2. The form of the RFQ or the RFP for a given procurement;
3. The scoring of proposals or the ranking of firms;
4. The selection of professional services consultants for unadvertised procurements under N.J.A.C. 19:38C-3 or 6;
5. The issuance of a task order under a term agreement under *N.J.A.C. 19:38C-7.4*; and
6. Performance evaluations for professional services consultants.

(b) For purposes of this subchapter, protests of the type described in (a) above are not contested cases subject to the requirements of the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

§ 19:38C-11.2 Subject matter, time limitations, and who may request hearings

(a) Administrative hearings before the Authority may include the following subject matter and may be requested by the following entities:

1. RFQ process or documents. A consultant that has submitted or intends to submit a proposal in response to an RFQ, may request an informal hearing before the Authority to protest the RFQ process or documents by submitting a written protest to the Authority at least five business days prior to the date and time scheduled for receipt of proposals, setting forth in detail the grounds for such protest. The protest must contain all legal and factual arguments, materials, or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for, and arguments supporting, the protest;
2. RFP process or documents. A consultant that has submitted or intends to submit a proposal in response to an RFP, may request an informal hearing before the Authority to protest the RFP process or documents, by submitting a written protest to the Authority setting forth in detail the grounds for such protest, at least five business days prior to the date and time scheduled for receipt of the proposals. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for and arguments supporting the protest;
3. Short list. A consultant protesting its failure to be included in a short list, or protesting the inclusion of another consultant on a short list, may request an informal hearing before the Authority to protest the selection of the short list, by submitting to the Authority a written protest setting forth the specific grounds for challenging the short list, within five business days of the public announcement of the short list. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public an-

nouncement of the short list, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

4. Master list. An appraiser or title insurance firm protesting its failure to be included in a master list may request an informal hearing before the Authority to protest the composition of the master list by submitting to the Authority a written protest setting forth the specific grounds for challenging the composition of the master list, within five business days of notification of the firm's failure to be included on the master list. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after notification of the firm's failure to be included on the master list, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

5. Award of contract. A consultant that has submitted a proposal in response to an RFQ or RFP may request an informal hearing before the Authority to protest the award of a contract to another professional services consultant by submitting to the Authority a written protest, setting forth the specific grounds for challenging such award, within five business days of the public announcement of the award. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

6. Unadvertised contracts. A professional services consultant may request an informal hearing before the Authority to protest the award of a contract to another professional services consultant by submitting to the Authority a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award of the contract. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for and arguments supporting the protest;

7. Task order assignment. A professional services consultant that has received an award under a term agreement procurement may request an informal hearing before the Authority to protest the award or assignment of a task order to another professional services consultant, by submitting to the Authority a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award or assignment of the task order. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award or assignment of the task order, or any protest that fails to provide the specific reasons for and arguments supporting the protest; or

8. Performance evaluation. A professional services consultant that is dissatisfied with its performance evaluation on an Authority project may request an informal hearing before the Authority by submitting to the Authority a written protest setting forth the specific grounds for such protest, within 15 calendar days after the date of receipt of written notification of the performance evaluation. The protest must contain all factual and legal arguments, materials, or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than 15 calendar days after the consultant's receipt of written notification of the performance evaluation, or any protest that fails to provide the specific reasons for and arguments supporting the protest.

§ 19:38C-11.3 Hearing procedures

(a) Hearing procedures shall be as follows:

1. The Authority, in its sole discretion, shall determine whether to grant an informal hearing regarding any protest. Informal hearings are for fact-finding purposes for the benefit of the Authority and the Authority shall have the sole discretion as to whether to hold an informal hearing. Alternatively, the Authority may determine that sufficient information already exists in the record, so that a decision may be made without a hearing, and the Authority may issue a final agency decision accordingly. In the event that the Authority determines that a hearing is not necessary, a written decision will be issued by the Authority within five business days of receipt of all documents related to the protest.

2. Informal hearings will be held, where feasible, within 14 business days of the receipt of the request. Hearings will be heard, where practicable, by a hearing officer designated by the Chief Executive Officer. The hearing officer shall issue a final written decision within 30 calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time is required. For all protests of the RFQ or RFP processes and documents, the written decision will issue prior to the opening of proposals. If a decision based upon a protest results in a modification of the aforesaid process or documents, such decision shall be conveyed by addendum to all consultants eligible for the procurement at issue.

3. In an informal hearing, the Authority may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify or amend the time frames or any other requirements provided in this subchapter. In these instances, the Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

4. For matters of dispute that may occur relative to the activities of the Authority, if formal hearings are warranted, such hearings will be held by the Chief Executive Officer or his or her designee, or by an Administrative Law Judge pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.* and *52:14F-1 et seq.*, as applicable.

5. The Board of the Authority, or the Chief Executive Officer, as its designee, shall determine whether a matter constitutes a contested case and shall retain or refer any such matter for hearing pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.* and *52:14F-1 et seq.* Upon filing of the initial pleading in a contested case, the Board of the Authority may by resolution either retain the matter for hearing directly or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.* and *52:14F-1 et seq.*, and the Uniform Administrative Procedure Rules, *N.J.A.C. 1:1*.

Resolution—6c.

Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38C -
Procurement of Architects, Engineers, Land Surveyors and other Professional
Services Consultants

Resolution

WHEREAS, Section 4 of the legislation creating the New Jersey Schools Development Authority (SDA or the Authority), P.L. 2007, c. 137 §4 (codified at N.J.S.A. 52:18A-238k) grants the Members of the Authority the power to adopt, amend and repeal rules and regulations to carry out the provisions of the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (codified at N.J.S.A. 18A:7G-1et seq.), and the legislation creating the SDA, P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.); and

WHEREAS, in 2005 the Members of the Authority originally approved the adoption of regulations governing the Authority's Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, N.J.A.C. 19:38C (the Rules), and in 2012 subsequently approved the readoption of those Rules with substantive amendments; and

WHEREAS, on April 3, 2019, the Members of the Authority most recently approved the readoption of the Rules through the filing of a Notice of Readoption to readopt Subchapter 38C without amendment, which extended the effectiveness of the Rules until March 4, 2026; and

WHEREAS, the Rules establish standards and procedures for the Authority's procurement of contracts with architects, engineers and other professional services consultants; and

WHEREAS, the Rules are scheduled to expire on March 4, 2026 unless they are otherwise extended, and management has determined that a Notice of Proposal for readoption without amendments is the appropriate mechanism to extend the efficacy of the Rules while the Authority reviews the Rules for potential substantive amendments to be advanced in a subsequent regulatory filing; and

WHEREAS, while Executive Order No. 7 (2026, Sherrill) has imposed a 90-day pause on all new or pending regulatory matters, including rule proposals and readoptions, to allow sufficient time for the new administration to effectively review such new and pending regulatory matters, SDA has sought an exemption from the effect of Executive Order No. 7 to allow the advancement of this Notice of Proposal; and

WHEREAS, on February 17, 2026 the Governor's Office approved SDA's exemption request, which allows the SDA to place this matter before the Board of Directors to seek their approval to file the Notice of Proposal with the Office of Administrative Law (OAL); and

WHEREAS, management is seeking Board approval of the proposed readoption of the Authority's Subchapter 38C Rules for the Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, and the filing of the attached Notice of Proposal with OAL consistent with the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the proposed Notice of Proposal process will involve no amendments or modifications to the Rules and, upon readoption, the Rules will remain in their current form; and

WHEREAS, a complete copy of the Rules was provided to the Members of the Authority for review.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby approve the proposed readoption of the Authority's Subchapter 38C Rules for the Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, and the filing of the Notice of Proposal 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, Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38C - Procurement of Architects, Engineers, Land Surveyors and other Professional Services Consultants, dated March 4, 2026

Dated: March 4, 2026

**Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38D
- Procurement of Goods and Services**

MEMORANDUM

TO: Members of the Authority

FROM: Janice Venables, Vice-President, Corporate Governance

DATE: March 4, 2026

RE: Notice of Proposal for Readoption (without amendment) of Regulations at N.J.A.C. 19:38D -- Procurement of Goods and Services

The Members of the Authority are requested to approve the readoption of NJSDA regulations for the Procurement of Goods and Services, N.J.A.C. 19:38D (“Subchapter 38D” or “the Rules”). The Rules establish requirements, standards and procedures for the Authority’s procurement of goods and services. A full copy of the Rules is provided with this memorandum. A Notice of Proposal for readoption of the Rules, in their current form without amendment, is provided with this Memorandum, as well as a full copy of the existing rules. The Rules are currently set to expire on March 4, 2026.

Regulatory History

Subchapter 38D was originally adopted in 2005 by the Authority’s predecessor entity, the Schools Construction Corporation (SCC), to carry out its broad statutory mandate under the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.) (the “Act”) to plan, design, and construct school facilities projects and effectively administer a schools construction program. Subchapter 38D was readopted in 2012 with substantive amendments to provide additional clarity, conform to statutory requirements, and reflect procurement best practices influenced by case law and advocated by the Office of the State Comptroller. On April 3, 2019 the Board ratified the filing of a Notice of Readoption to readopt Subchapter 38D without amendment, which extended the effectiveness of the Rules until March 4, 2026.

Background

The rules address general provisions and requirements for procurements of goods and services, including: the purpose and scope of the rules; the definition of terms used in the rules; requirements for prequalification, advertisement, evaluation and selection in procurements for goods and services; procedures regarding cancellation of procurements; and inclusion of required contract terms for termination, records retention, disclosure and publicity. The rules address selection procedures for procurement of goods and services contracts that exceed the state bidding threshold pursuant to N.J.S.A. 52:34-7b as amended, as well as procedures for procurements that do not

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Procurement of Goods and Services

Proposed Readoption: N.J.A.C. 19:38D

Authorized By: New Jersey Schools Development Authority, Manuel M. Da Silva, Chief Executive Officer (with the approval of the New Jersey Schools Development Authority Board).

Authority: N.J.S.A. 52:18A-238k

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

Proposal Number: PRN 2026-

Submit written comments by [DATE] to:

Cecelia Haney, Administrative Practice Officer

New Jersey Schools Development Authority

PO Box 991

Trenton, NJ 08625-0991

The agency proposal follows:

Summary

The New Jersey Schools Development Authority (“Authority” or “SDA”) proposes to readopt its rules for procurement of goods and services, codified at N.J.A.C. 19:38D. Pursuant to N.J.S.A. 52:14B-1, the rules at N.J.A.C. 19:38D are set to expire on March 4, 2026. The Authority has reviewed Chapter 38D and has determined that it remains adequate, reasonable, and necessary for the purposes for which it was originally promulgated, which is to establish the requirements,

standards, and procedures for the Authority's procurement of goods and services in support of the Authority's school construction program.

Subchapter 38D was originally adopted in 2005 by the Authority's predecessor entity, the Schools Construction Corporation (SCC), to carry out its broad statutory mandate under the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.) (the "Act") to plan, design, and construct school facilities projects and effectively administer a schools construction program. The SCC was abolished in 2007 by P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.), which simultaneously created the Authority to assume all of the functions, powers, and duties of the former SCC.

The rules proposed for readoption:

- (a) implement Executive Order No. 37 (2006), which sets guidelines for the procurement of goods and services by State Authorities; and
- (b) provide assurance to vendors and other stakeholders that the SDA procurement process is fair, transparent, and results in the procurement of goods and services at competitive prices.

As the Authority 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.

Chapter 38D consists of 7 subchapters. Subchapter 1 sets forth general provisions, which include definitions and generally provides that the NJSDA's procurement of goods and services in furtherance of its statutory mission to effectively administer the schools construction program shall be governed by the provisions of Chapter 38D. Subchapter 2 generally addresses the manner in

which SDA shall procure goods and services; provides requirements for prequalification and moral integrity review, advertisement, evaluation and selection in procurements for goods and services; sets forth standards for disclosure of submissions and publicity, rejection of proposals, cancellation of procurements and the approval, execution, and termination of agreements; and specifies required contract terms for records retention and termination.

Subchapter 3 sets forth the procedural requirements applicable to the procurement of goods and services with a value not exceeding the State bid advertisement threshold pursuant to N.J.S.A. 52:34- 7b, including standards for solicitation, evaluation and selection of proposals, and permits the Authority to waive prequalification requirements for procurements under the bid advertisement threshold. Subchapter 4 sets forth the procedural requirements applicable to the procurement of goods and services with a contract value exceeding the State bid advertisement threshold pursuant to N.J.S.A. 52:34- 7b; including standards and procedures for advertisement, evaluation of proposals, execution of contracts and confidentiality of submissions and evaluation materials.

Subchapter 5 addresses procedures for procurements subject to a waiver of advertising. Subchapter 6 sets forth procedures for procurement of term contracts. Lastly, Subchapter 7 sets forth provisions for protests and hearing procedures for objections relating to procurements of goods and services.

Social Impact

The rules proposed for readoption should establish confidence in the Authority's ability to ensure that the public's interest in the Authority's procurement of goods and services is adequately

protected and that the Authority fairly obtains the services of the most qualified vendors. The rules will affect all providers of goods and services that desire to bid on school facilities projects constructed under the Act, as amended, in that the rules specify the requirements of advertisement of proposals, selection procedures, proposal evaluation, and contract approval and execution.

Economic Impact

The economic impact of the rules proposed for readoption is limited; the rules outline the process that will be used by the Authority in the selection of vendors for the provision of goods or services. This information should be beneficial to all private firms wishing to provide goods or services to the Authority. The rules establish a bidding process that entails certain incidental costs associated with the preparation and submission of bids. Such costs may include professional staff time associated with preliminary planning, as well as the costs associated with the production and reproduction of proposals. The goods and services procured are to be funded with the State share of the eligible costs of a school facilities project, which may be funded by appropriations made by the Legislature or with State contract bonds issued by the NJEDA pursuant to section 25 of the Act. Additional activity in the services sectors may directly result from the rules proposed for readoption, providing obvious Statewide economic benefits in the short term; manufacturing activity may also be positively affected.

Federal Standards Statement

The rules proposed for readoption implement a State statute, specifically P.L. 2007, c. 137, (N.J.S.A. 52:18A-235 et seq.). There are no Federal standards or requirements applicable to the rules. A Federal standards analysis, therefore, is not required.

Jobs Impact

The rules proposed for readoption modify the Authority's process for procurement of goods and services, and thus to the extent the rules have an effect on jobs, it will be to create jobs in New Jersey, primarily in the service sector, rather than eliminate positions. Moreover, the rules are likely to support job growth to the extent that they may foster participation in the school construction program by a broader class of vendors.

Agriculture Industry Impact

The rules proposed for readoption will have no direct impact on the agriculture industry.

Regulatory Flexibility Analysis

The rules proposed for readoption impose some compliance requirements on small businesses as the term is defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., but only for those small businesses that choose to seek to do business with the Authority. The rules outline the criteria and procedures the Authority will consider for the selection of vendors of goods and services. The rules, at N.J.A.C. 19:38D-2.2, specify that vendors may be required to be prequalified by the Authority. As implemented by the Authority, all firms seeking prequalification will be required to submit audited financial statements, a cost which these firms might not otherwise need to incur. In the interests of financial probity, however, no exemption for small businesses would be warranted. In addition, the rules specify recordkeeping requirements imposed on winning bidders, in compliance with the Authority's contractual document retention provisions, and consistent with requirements of the Office of the State Comptroller for state contractors.

Again, in the interests of financial probity, no exemption from these recordkeeping requirements would be warranted for small businesses.

Housing Affordability Impact Analysis

The rules proposed for readoption address the requirements and the process for the procurement of goods and services and, therefore, will not have an impact on affordable housing or evoke a change in the average cost of housing in the State of New Jersey.

Smart Growth Development Impact Analysis

The rules proposed for readoption govern the process by which the Authority procures goods and services, and thus the rules will have no impact on smart growth development because the scope of the rules is minimal, and because it is extremely unlikely that the rules would evoke a change in the average price or availability of housing in the State of New Jersey, and it is unlikely that the rules proposed for readoption would in any way affect new construction in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 19:38D.

Approved: _____
Manuel M. Da Silva
Chief Executive Officer, NJSDA

Date: March 4, 2026

TITLE 19. OTHER AGENCIES
NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
CHAPTER 38D. PROCUREMENT OF GOODS AND SERVICES

Title 19, Chapter 38D -- Chapter Notes

CHAPTER AUTHORITY:

P.L. 2007, c. 137, § 4k (N.J.S.A. 52:18A-238k) (rulemaking authority); 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); and P.L. 1997, c. 399 (*N.J.S.A. 52:34-9.1 et seq.*) (related authority).

CHAPTER SOURCE AND EFFECTIVE DATE:

Effective: March 4, 2019. See: 51 N.J.R. 779(b).

CHAPTER HISTORICAL NOTE:

Chapter 38D, Procurement of Goods and Services, was adopted by R.2005 d.61, effective February 7, 2005. See: 36 *N.J.R. 4096(a)*, 37 *N.J.R. 522(a)*.

Pursuant to Executive Order No. 1(2010), the chapter expiration date was extended from February 7, 2010 until the completion of the review of administrative regulations and rules by the Red Tape Review Group, and until such time as the extended regulation or rule was readopted pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.*

Chapter 38D, Procurement of Goods and Services, was readopted as R.2012 d.086, effective April 4, 2012. As a part of R.2012 d.086, Subchapter 4, Category Two Selection Procedures, Subchapter 5, Category Three Selection Procedures, Subchapter 7, Category Five Selection Procedures, Subchapter 8, Category Six Selection Procedures and Subchapter 9, Category Seven Selection Procedures, were repealed; Subchapter 4, Selection Procedures--Agreements Exceeding the State Bid Threshold, as Adjusted, Pursuant To N.J.S.A. 52:34-7b, Subchapter 5, Term Agreements, and Subchapter 7, Protests and Hearing Procedures, were adopted as new rules; Subchapter 3, Category One Selection Procedures, was renamed Selection Procedures--Agreements not Exceeding the State Bid Threshold Pursuant to N.J.S.A. 52:34-7b; and Subchapter 6, Category Four Selection Procedures, was renamed Waiver of Advertising, effective May 7, 2012. See: Source and Effective Date. See, also, section annotations.

Chapter 38D, Procurement of Goods and Services, was readopted, effective March 4, 2019. See: Source and Effective Date.

§ 19:38D-1.1 Purpose and scope of rules

This chapter is designed to establish the procedures applicable to the award of contracts by the Authority for goods and services required for implementation of the school construction program, excluding services subject to P.L. 1997, c. 399, *N.J.S.A. 52:34-9.1 et seq.*, and *N.J.A.C. 19:38C*.

§ 19:38D-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.*) as amended, which mandates the school construction program.

"Agreement" means the written agreement between the Authority and the vendor for the provision of goods and/or services.

"Authority" or "SDA" means the New Jersey Schools Development Authority, an entity formed pursuant to P.L. 2007, c. 137, *N.J.S.A. 52:18A-235 et seq.*, as successor to the New Jersey Schools Construction Corporation. The Authority is statutorily charged with undertaking and funding school facilities projects, pursuant to the Act.

"Board" means the governing body of the Authority, consisting of members of the Authority as outlined in *N.J.S.A. 52:18A-237*.

"Compensation" means the payment due the vendor pursuant to the agreement.

"Corporation" or "SCC" means the New Jersey Schools Construction Corporation, the entity formed pursuant to *N.J.S.A. 34:1B-159* and the predecessor to the Authority, which was abolished by P.L. 2007, c. 137.

"Department" means the New Jersey Department of Education.

"Emergent project" means a capital project necessitating expedited review and, if applicable, approval, in order to alleviate a condition that, if not corrected on an expedited basis, would render a building or facility so potentially injurious or hazardous that it causes an imminent peril to the health and safety of students or staff, as defined by *N.J.A.C. 6A:26-1.2*.

"Fee proposal" means the proposal submitted by a vendor, in the form and manner provided in the request for qualifications or request for proposals, which specifies the fees proposed for the provision of goods and/or services.

"Goods" means fixtures, furnishings, equipment, technology and any other items the procurement of which the Authority deems necessary for the school construction program. For purposes of this chapter, "goods" shall not include materials to be provided in connection with the provision of services pursuant to an agreement entered into by the Authority pursuant to *N.J.A.C. 19:38C* or *N.J.S.A. 52:18A-243*.

"Key personnel" means those persons named by a vendor in response to a requirement in an RFQ or RFP for specific identification of employees or personnel having a responsible role in the successful delivery of goods or services proposed by a vendor.

"Moral integrity review" means an investigation, performed by the Authority or members of the New Jersey State Police or other investigative body on behalf of the Authority, of a vendor that seeks to enter an agreement with the Authority.

"Notice of award" means a written notice issued to a vendor by the Authority indicating that the vendor has been selected to provide certain goods or services pursuant to an Authority procurement process, and that upon the Authority's receipt of certain required documentation, the Authority intends to enter an agreement with the vendor for the provision of those goods and/or the performance of those services.

"Other facilities" means those facilities that are not school facilities projects as defined by the Act, namely, athletic stadiums, swimming pools, any associated structures or related equipment tied to such facilities including, but not limited to, grandstands and night field lights, greenhouses, facilities used for non-instructional or non-educational purposes, and any structure, building, or facility used solely for school administration.

"Pre-qualified" or "pre-qualification" means the approval of a vendor by the Authority pursuant to *N.J.A.C. 19:38A*.

"Proposal" means the response submitted by a firm with respect to a request for qualifications or a request for proposals.

"Protest" means a challenge to a decision, statement, action, or alleged inaction of the Authority.

"Ranking" means the process of listing responsive vendors in order of highest to lowest total scores, based upon selection criteria set forth in the RFQ and/or RFP.

"Request for proposals" or "RFP" means the solicitation issued by the Authority in connection with the selection of a vendor.

"Request for qualifications" or "RFQ" means the request for statements of qualifications issued by the Authority seeking submissions from vendors including statements of qualifications, experience and/or organizational information, as well as any additional information deemed necessary by the Authority, in connection with the selection of a vendor.

"Schedule of goods" means the goods required to be provided by a vendor under an agreement.

"School construction program" means the program of school facilities projects and related activities undertaken by the Authority.

"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.

"School facility" means and includes any structure, building or facility used wholly or in part for academic purposes by a district, and facilities that physically support such structures, buildings and facilities, such as district wastewater treatment facilities, power generating facilities, and steam generating facilities, but shall exclude other facilities, as elsewhere defined herein.

"Scope of services" means the extent of obligations contractually required from a vendor pursuant to an agreement.

"SDA school district" means a school district that received education opportunity aid or pre-school expansion aid in the 2007-2008 school year, as defined at P.L. 2007, c. 260, § 39, *N.J.S.A. 18A:7G-3*.

"Selection committee" means the group(s) responsible for review and evaluation of vendors' responses to RFQs and/or RFPs in connection with a procurement, when the compensation for the engagement is anticipated to exceed the State bid advertisement threshold pursuant to *N.J.S.A. 52:34-7b*.

"Selection coordinator" means the administrator of the operations and procedures of the selection process, whose activities shall include, but are not limited to, scheduling of meetings, preparing agendas, recording scores, preparing minutes of selection committee meetings and other similar administrative duties.

"Services" means the duties and responsibilities to be performed by the vendor pursuant to the agreement, including all other labor, materials and equipment provided or to be provided to fulfill such obligations, except that, for purposes of these policies and procedures, "services" shall not include:

1. Any "architectural, engineering or land surveying services" within the meaning of *N.J.S.A. 52:34-9.2*;
2. Services procured under the procedures established at *N.J.A.C. 19:38C*; and
3. Services subject to the procurement requirements established at *N.J.S.A. 52:18A-243*.

"Small business enterprise" or "SBE" means a firm that is registered as a "small business" with the New Jersey Department of the Treasury, Division of Minority and Women Business Development pursuant to *N.J.A.C. 17:14-3.1*.

"Task order" means a contractual document, containing a scope of work, negotiated costs, and schedule, which the Authority issues to a vendor, pursuant to a term agreement.

"Term agreement" means an agreement whereby the Authority may engage a vendor for a defined period of time, as provided in this chapter.

"Vendor" means a provider of goods and/or services.

§ 19:38D-2.1 Scope

This subchapter sets forth requirements applicable to procurements of goods and/or services for the Authority.

§ 19:38D-2.2 Pre-qualification and moral integrity review

(a) For all procurements requiring pre-qualification pursuant to *N.J.A.C. 19:38A*, vendors must be pre-qualified by the Authority at the time of submission of a response to an RFQ and/or an RFP, except if otherwise expressly provided in this chapter.

(b) All vendors seeking to enter into an agreement with the Authority are subject to a moral integrity review, even where Authority pre-qualification is not required. If the results of the moral integrity review are negative or unsatisfactory in that they indicate any circumstance that would justify a revocation of pre-qualification under *N.J.A.C. 19:38A-4.1*, the Authority shall reject the vendor's proposal pursuant to *N.J.A.C. 19:38D-2.6*.

§ 19:38D-2.3 Selection procedures based on type of engagement

The Authority may establish different procedures as set forth in this chapter, for the selection of vendors based on the contract type or value of the engagement.

§ 19:38D-2.4 General evaluation criteria

(a) The ranking of vendors shall be performed pursuant to evaluation criteria established by the Authority for each particular procurement and by the weights established for such criteria. In selecting the most highly qualified vendor, the selection committee shall consider the criteria and relative weights of such criteria, as set forth in the RFP and/or RFQ. Such evaluation criteria may include:

1. The experience of the vendor, and its key personnel, on projects similar in scope, size, complexity;
2. The ability of the vendor and its key personnel, to provide the required goods or services;
3. The approach set forth by the vendor with respect to the provision of the goods or services in its proposal;
4. The proposed staffing, including, but not limited to, the extent to which the ability of the vendor to fulfill the contract may be affected or compromised by the commitment of staff to another contract with the Authority, or to contracts with any other public or private entity;
5. Performance by the vendor of the goods or services on other work undertaken or funded by the Authority;
6. The proximity of the vendor of the goods or services to the site of the school facility at issue;
7. In the case of the provision of goods, the durability, and/or construction of, and related warranty provisions affecting, the goods in question; and/or
8. Such other criteria as the Authority may determine to be appropriate to a specific procurement and which shall be set forth in the pertinent advertisement and request for proposals.

(b) To the extent required by law or by order of a court of competent jurisdiction, the Authority shall abide by the provisions of *N.J.S.A. 52:32-17* et seq., and all applicable regulations, with respect to SBEs. Nothing in this chapter shall be construed to limit the Authority's ability to obtain goods or services pursuant to an SBE set-aside procurement pursuant to *N.J.A.C. 19:39*.

§ 19:38D-2.5 Rejection of proposals; cancellation of procurement or award

(a) Proposals received after the submission date and time prescribed in the RFQ or RFP shall be rejected.

(b) The Authority may reject any proposal for any reason in accordance with law, when it is otherwise deemed to be in the public interest to do so. The Authority may reject all proposals and cancel a procurement for excessive cost, insufficient competition, or any other reason, in accordance with law, that it deems to be in the public interest. The Authority may cancel an award at any time before the execution of an agreement by all parties.

§ 19:38D-2.6 Approval and execution of agreement

No agreement is valid or binding on the Authority unless and until it is executed by the Authority.

§ 19:38D-2.7 Termination

All agreements executed pursuant to this chapter shall provide for, among other things, termination for convenience and for cause.

§ 19:38D-2.8 Disclosure and publicity; records access and retention

(a) Any and all submissions made in response to an RFP and/or an RFQ are subject to the provisions of the Open Public Records Act, *N.J.S.A. 47:1A-1* et seq., including the exceptions from disclosure provided therein.

(b) Vendors shall notify the Authority prior to the issuance of press releases and other public dissemination of information concerning a school facilities project and such shall acknowledge Authority financing and assistance in the undertaking of the school facilities project.

(c) The Authority and any vendor subject to this chapter shall retain all records relating to goods or services provided under the agreement with the Authority for a specified period following expiration or termination of the agreement, as indicated in the agreement and as specified in the Authority's document retention schedule. All such records shall be provided to the Authority upon written demand, at no cost to the Authority. In the event that any litigation, claim, audit or request pursuant to the Open Public Records Act, *N.J.S.A. 47:1A-1* et seq., relating to the procurement and the provi-

sion of such services is commenced prior to expiration or termination of the agreement, such records shall be retained until all litigation, claims, audit findings, document requests, and related appeals, if any, have been resolved with finality.

§ 19:38D-2.9 Advertising

(a) The Authority shall advertise for all procurements in accordance with *N.J.S.A. 52:18A-243(h)*. In addition, such advertising may also be placed:

1. In pertinent trade publications with distribution in New Jersey;
2. By written notice to New Jersey professional societies or trade organizations; and/or
3. By use of direct mailings to appropriately selected firms.

(b) Any such advertisement shall be made in the form and in the time required to promote competition and shall describe any specific information that an interested vendor must submit, as well as the date and time of the deadline for submissions.

(c) The advertisement shall specify the evaluation criteria that shall apply to the proposals.

§ 19:38D-3.1 Scope

This subchapter sets forth the procedural requirements applicable to the procurement of agreements for goods and/or services where such agreements specify compensation that does not exceed the State bid threshold of \$ 36,000, as adjusted, pursuant to *N.J.S.A. 52:34-7b*, except for those procurements in which the Authority, at its sole option, determines to apply the procedures of *N.J.A.C. 19:38D-4*. The Authority reserves the right to waive any pre-qualification requirement for a procurement pursuant to this subchapter.

§ 19:38D-3.2 Solicitation

In accordance with *N.J.S.A. 52:34-7b*, the Authority shall not be required to advertise the procurement of agreements for goods and/or services where such agreements provide for compensation below the State bid threshold.

§ 19:38D-3.3 Evaluation

Proposals shall be evaluated based on fees and/or the evaluation criteria appropriate for the particular procurement. The Authority may request clarifying technical and/or organizational information from any vendor submitting a proposal prior to finalizing the evaluation.

§ 19:38D-3.4 Selection

The Authority shall select the proposal that is in the best interest of the Authority and the school construction program, based on fees and/or the evaluation criteria established for the selection.

§ 19:38D-4.1 Scope

This subchapter sets forth procedures that shall apply to the procurement of agreements for goods and/or services where such agreements specify compensation exceeding the amount set forth in N.J.S.A. 52:34-7b. At the option of the Authority, the procedures specified in this subchapter may apply to an engagement with compensation below the amount set forth in N.J.S.A. 52:34-7b.

§ 19:38D-4.2 Initiation

A procurement for the provision of goods and/or services under this chapter shall be initiated by the public advertisement of an RFQ, RFP, or both, except in circumstances where a waiver of advertising is permitted under N.J.A.C. 19:38D-6. The RFQ or RFP shall include the schedule of goods or the scope of services sought under the procurement, as well as the form of agreement and other related documents.

§ 19:38D-4.3 Selection committee

(a) Prior to the receipt of vendor proposals, the Authority shall establish a selection committee or committees to review and evaluate the proposals. Each member of the selection committee shall have the relevant experience necessary to evaluate the proposals. Each member of a selection committee shall be responsible for independently evaluating and scoring the proposals.

(b) Once the responses are received and the identity of the vendors is ascertained and communicated to the members of the selection committee, each member of the selection committee, prior to the evaluation of any proposal, shall execute a certification that he or she has no personal interest, financial or familial, in any of the vendors to be evaluated, or the principals, subsidiaries or parent companies thereof. Furthermore, should any of the selection committee members indicate that a conflict or personal interest exists once the identity of the vendors is revealed, that member shall not serve on the selection committee and may be replaced.

(c) The names of the members of the selection committee shall be made public once the contract is awarded, pursuant to *N.J.S.A. 52:34-10.3(c)*.

§ 19:38D-4.4 Selection evaluation criteria

(a) The selection evaluation criteria may include the criteria listed in *N.J.A.C. 19:38D-2.4*, as well as past project performance, understanding of project needs and project schedule, and budget and cost estimating. Selection evaluation criteria may also include any other criteria determined to be appropriate in the sole discretion of the Authority.

(b) The selection evaluation criteria and the specific weight assigned to each criterion for each procurement of goods and/or services under this chapter shall be established by the Authority prior to advertisement, and the criteria and weights shall be incorporated into the RFQ and/or RFP for the procurement.

(c) The Authority may consider the fee proposal as a qualitative factor upon which firms will be evaluated.

§ 19:38D-4.5 Selection evaluation process

(a) The members of the selection committee will evaluate the submissions and other information comprising the evaluation process, and shall assign scores based upon the evaluation criteria set forth in the RFQ and/or RFP.

(b) In addition to the review of responses to an RFQ and/or RFP, the evaluation process may include:

1. Review of a vendor's responses to requests for additional or clarifying information;
2. Participation in interviews; and
3. Any other components determined, in the sole discretion of the Authority, to be appropriate.

(c) Site visits, pre-proposal conferences, and interviews may be scheduled. Attendance shall be mandatory when so stipulated in the RFP or RFQ.

(d) The selection coordinator shall compile the evaluation scores of the committee members, as well as any points assigned in the consideration of a fee proposal in accordance with *N.J.A.C. 19:38D-4.7(a)*, if applicable, and shall prepare a ranking in accordance with the procedures specified in the RFQ and/or RFP, which shall be deemed a final ranking if no shortlisting process, as set forth in this section, is called for in the RFQ.

(e) If a shortlisting process is specified by the selection procedures described in the RFQ, the selection coordinator shall review the ranking and shall identify the short list of vendors.

1. Once the short list is determined in accordance with subsection (e) above, the Authority shall publish the short list on the Authority's website and/or provide written notification to all firms that supplied responses to the RFQ of the names of the firms selected for the short list.

2. If additional information is required, the Authority shall request such information from all of the shortlisted firms prior to the final ranking. The members of the selection committee shall review and evaluate the additional information provided by the shortlisted firms, in accordance with the procedures specified in the RFQ and/or RFP, and shall assign scores based upon the evaluation criteria stated in the RFQ and/or RFP. At the sole discretion of the Authority, interviews may be held with the shortlisted firms prior to the determination of the final ranking. The members of the selection committee shall evaluate the additional information, and interviews, if any, and shall assign scores to each. The selection coordinator shall combine all evaluation scores in accordance with the procedures outlined in the RFQ and/or RFP, and prepare a final ranking.

§ 19:38D-4.6 Submission of fee proposals

A fee proposal shall be submitted in accordance with the process set forth in either an RFQ or RFP. A fee proposal shall be submitted in a separate sealed envelope. The envelope shall indicate clearly that it is the fee proposal and shall identify the vendor's name, the project or procurement number and any other information required by the RFQ and/or RFP. The fee proposals shall remain sealed until such time as provided in *N.J.A.C. 19:38D-4.7(a)* or (b) below.

§ 19:38D-4.7 Consideration of fee proposals

(a) In the event the fee proposal is one of the qualitative factors for the evaluation of the proposals, the Authority shall open the sealed fee proposals and assign the maximum points to the lowest total fee proposal. All other proposals shall be scored based upon the percentage that each proposal exceeds the lowest proposal. The scores of the fee proposals shall then be utilized to finalize the ranking undertaken by the selection committee, pursuant to *N.J.A.C. 19:38D-4.5(d)*.

(b) In the event the fee proposal is not a qualitative factor for the evaluation of the proposal, the Authority shall open the sealed fee proposals at a predetermined date and time after the final ranking has been prepared. Using the fee proposals as a guide, the Authority shall negotiate an agreement with the highest-ranked vendor at a fee determined by the Authority to be fair and reasonable. Should the Authority be unable to negotiate a satisfactory fee with the highest-ranked vendor, the Authority shall terminate negotiations with the highest-ranked vendor, and may then terminate the procurement or may undertake negotiations with the second-highest ranked vendor. Failing accord with the second highest-ranked vendor, the Authority shall terminate negotiations with the second highest-ranked vendor and may then terminate the procurement or may undertake negotiations with the third highest-ranked vendor. In the event that the Authority is unable to agree to a satisfactory fee with any of the three highest-ranked firms, the Authority may select additional vendors in the order of their ranking and continue negotiations, until either an agreement is reached or the procurement is canceled or terminated.

§ 19:38D-4.8 Recommendation

Based on the process set forth in this subchapter, the selection coordinator shall recommend the most technically qualified vendor at final compensation determined to be fair and reasonable. If the recommendation is approved, the Authority will issue a written notice of award to the successful vendor.

§ 19:38D-4.9 Execution of agreement

Upon the successful vendor's submission of any required documentation or materials as specified in the notice of award, and the Authority's acceptance of such documents, the Authority will execute the agreement and provide the successful vendor with a fully-executed agreement.

§ 19:38D-4.10 Confidentiality

The selection evaluations, rankings, negotiations and fee proposals of all firms, as well as all discussions and correspondence, relating to the selection of a vendor shall remain confidential and exempt from production under the Open Public Records Act, *N.J.S.A. 47:1-1* et seq., until a notice of award has issued.

§ 19:38D-5.1 Scope

This subchapter provides for the use of term agreements by the Authority to serve a variety of needs in accordance with its statutory responsibilities to administer the school construction program. This subchapter further provides for issuance of purchase orders, or issuance of task orders in accordance with a term agreement.

§ 19:38D-5.2 General requirements

(a) A term agreement is an agreement whereby the Authority may engage a vendor for a defined period of time, rather than for a defined project or projects.

(b) Term agreements may be used by the Authority to procure goods and/or services when there is a need to:

1. Expedite emergent projects or emergent project requirements;
2. Procure goods or services for a school facilities project on an "on call" basis; or
3. Address the program-wide requirements of the Authority.

(c) Procurement of a term agreement shall be in accordance with the selection procedures pursuant to N.J.A.C. 19:38D-3 or 4, depending on whether the value of the term agreement exceeds the statutory threshold of N.J.S.A. 52:34-7b, except that fee proposals submitted under those procedures may be based upon hourly or daily rates and/or other methods of determining costs over a specific time period.

(d) Term agreements shall be for a specific time period, or maximum contract value, or both, which limitations shall be set forth in the term agreement. The Authority shall set forth a budget and schedule for each proposed purchase order or task order under a term agreement, prior to its issuance or assignment to a vendor. The time in which goods are to be supplied or services are to be performed under a purchase order or task order may extend past the expiration date of a term agreement, as long as the purchase order or task order was issued or executed prior to the expiration date.

(e) Under this subchapter, the Authority may enter into a term agreement with any vendor engaged pursuant to the provisions of this chapter for:

1. A value that shall not exceed a ceiling stated in the agreement; or
2. An initial term not to exceed three years, with an option to renew for one additional year, unless a longer time period is expressly authorized by law; or

3. A combination of both a stated value and a stated time period.

§ 19:38D-6.1 Scope

This subchapter shall apply when the Authority determines to procure goods and/or services by means of an exemption from advertising pursuant to *N.J.S.A. 52:34-10*, having found that the requirements of one of the exemption types in *N.J.A.C. 19:38D-6.2* have been satisfied, and when the Authority has established that such exemption is in the best interest of the Authority and the school construction program.

§ 19:38D-6.2 Exemption types and requirements

(a) The circumstances providing a basis for an exemption are as follows:

1. Sole source: when only one vendor is capable of or available to provide the goods or services at the time they are required.

2. Continuity: when, as a result of the vendor's previous satisfactory engagement by the Authority, a significant need arises to maintain continuity through updated or additional goods or services from the same source.

3. Governmental agreement: when the goods or services required are available from the Federal or any state government or any agency or political subdivision thereof.

4. Public exigency: when public exigency requires the immediate delivery of the goods or services. Public exigency may be found if:

- i. A health or safety hazard exists, which precludes the lead time for advertisement of a procurement for goods and/or services to rectify such condition, or renders the competitive bidding for such a procurement impractical or impossible;

- ii. A critical agency mandate, statutory or operational requirement can only be fulfilled by the sole source; or

- iii. A health or safety emergency precludes the lead time required to develop a competitive schedule of goods or scope of services.

5. Existing contract: when the goods or services required are available through participation in an existing contract between a vendor and any department, division, office, agency, bureau or section of the United States, or any authority or instrumentality created or chartered thereby and any department, division, office, agency, bureau or section of New Jersey or any state of the United States other than New Jersey, or any political subdivision thereof including, but not limited to, municipalities, or any other authority or instrumentality created or chartered thereby, provided that:

- i. The existing contract was the result of a competitive selection process;

- ii. The terms of the existing contract permit such Authority participation;

- iii. The price of the goods or services being procured is no greater than the price offered to the original governmental unit party to the existing contract;

iv. The Authority receives the benefit of any price reductions mandated by the original governmental unit party during the term of the existing contract and is protected from price increases during that time; and

v. The price of goods or services being procured is no greater than the price of the same or equivalent goods or services under any existing New Jersey State contract.

§ 19:38D-7.1 Scope and purpose

(a) This subchapter sets forth the procedures that govern protests regarding the Authority's procurements of goods and services, including protests challenging:

1. The form of advertisements for procurement;
2. The form of the RFQ or the RFP for a given procurement;
3. The scoring of proposals or the ranking of firms;
4. The selection of vendors for unadvertised procurements under N.J.A.C. 19:38D-3 or 6; and
5. The issuance of a task order under a term agreement under N.J.A.C. 19:38D-5.4.

(b) For purposes of this subchapter, protests of the type described are not contested cases subject to the requirements of the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq.

§ 19:38D-7.2 Subject matter, hearing procedures, time limitations

(a) A protest shall be made as follows:

1. RFQ process or documents. A vendor that has submitted or intends to submit a proposal in response to an RFQ may request an informal hearing before the Authority to protest the RFQ process or documents, by submitting a written protest to the Authority, at least five business days prior to the date and time scheduled for receipt of proposals, setting forth in detail the grounds for such protest. The protest must contain all legal and factual arguments, materials or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for, and arguments supporting, the protest;

2. RFP process or documents. A vendor that has submitted or intends to submit proposals in response to an RFP may request an informal hearing before the Authority to protest the RFP process or documents, by submitting a written protest to the Authority, setting forth in detail the grounds for such protest, at least five business days prior to the date and time scheduled for receipt of the proposals. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and must indicate whether the protestor requests an informal hearing. The Authority may deny any protest that is filed less than five business days prior to the date and time scheduled for receipt of proposals, or that fails to provide the specific reasons for, and arguments supporting, the protest;

3. Short list. A vendor protesting its failure to be included in a short list, or protesting the inclusion of another vendor on a short list, may request an informal hearing before the Authority to protest the selection of the short list by submitting to the Authority, a written protest setting forth the specific grounds for challenging the short list, within five business days of the public announcement of the short list. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the short list, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest;

4. Award of contract. A vendor that has submitted a proposal in response to an RFQ or RFP, may request an informal hearing before the Authority to protest the award of a contract to another vendor, by submitting to the Authority a written protest, setting forth the specific grounds for challenging such award, within five business days of the public announcement of the award. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position, and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest;

5. Unadvertised contracts. A vendor may request an informal hearing before the Authority to protest the award of an unadvertised contract to another vendor, by submitting to the Authority, a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award of the contract. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest; or

6. Task order assignment. A vendor that has received an award under a term agreement procurement may request an informal hearing before the Authority to protest the award or assignment of a task order to another vendor, by submitting to the Authority, a written protest setting forth the specific grounds for such protest, within five business days of the public announcement of the award or assignment of the task order. The protest must contain all factual and legal arguments, materials or other documents that support the protestor's position and a statement as to whether the protestor requests an informal hearing. The Authority may deny any protest that is filed more than five business days after the public announcement of the award or assignment of the task order, or any protest that fails to provide the specific reasons for, and arguments supporting, the protest.

§ 19:38D-7.3 Hearing procedures

(a) Hearing procedures shall be as follows:

1. The Authority, in its sole discretion, shall determine whether to grant an informal hearing regarding any protest. Informal hearings are for fact-finding purposes for the benefit of the Authority. Alternatively, the Authority may determine that sufficient information already exists in the record

so that a decision may be made without a hearing, and the Authority may issue a final agency decision accordingly. In the event that the Authority determines that a hearing is not necessary, a written final agency decision will be issued by the Authority within five business days of receipt of all documents related to the protest.

2. Informal hearings will be held, where feasible, within 14 business days of the receipt of the request. Hearings will be heard, where practicable, by a hearing officer designated by the Chief Executive Officer. The hearing officer shall issue a final agency decision within 30 calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a greater time is required. For all protests of the RFQ or RFP processes and documents, the written final agency decision will issue prior to the opening of proposals. If a decision based upon a protest results in a modification of the aforesaid process or documents, the modifications relating to such decision shall be conveyed by addendum to all vendors eligible for the procurement at issue.

3. In an informal hearing, the Authority may, in instances where public exigency exists or where there is potential for substantial savings to the State, modify or amend the time frames or any other requirements provided in this subchapter. In these instances, the Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

4. For matters of dispute that may occur relative to the activities of the Authority, if formal hearings are warranted, such hearings will be held by the Chief Executive Officer or his or her designee, or by an Administrative Law Judge pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.* and *52:14F-1 et seq.*, as applicable.

5. The Board of the Authority, or the Chief Executive Officer, as its designee, shall determine whether a matter constitutes a contested case and shall retain or refer any such matter for hearing pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.* and *52:14F-1 et seq.* Upon filing of the initial pleading in a contested case, the Board of the Authority may, by resolution, either retain the matter for hearing directly, or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, *N.J.S.A. 52:14B-1 et seq.* and *52:14F-1 et seq.* and the Uniform Administrative Procedure Rules, *N.J.A.C. 1:1*.

Resolution—6d.

Notice of Proposal for of Readoption (without amendment) of Regulations at N.J.A.C. 19:38D -
Procurement of Goods and Services

Resolution

WHEREAS, Section 4 of the legislation creating the New Jersey Schools Development Authority (SDA or the Authority), P.L. 2007, c. 137 §4 (codified at N.J.S.A. 52:18A-238k) grants the Members of the Authority the power to adopt, amend and repeal rules and regulations to carry out the provisions of the Educational Facilities Construction and Financing Act (EFCFA), P.L. 2000, c. 72 (codified at N.J.S.A. 18A:7G-1 et seq.), and the legislation creating the SDA, P.L. 2007, c. 137 (N.J.S.A. 52:18A-235 et seq.); and

WHEREAS, in 2005 the Members of the Authority originally approved the adoption of regulations governing the Authority's Procurement of Goods and Services, N.J.A.C. 19:38D (the Rules), and in 2012 subsequently approved the readoption of those Rules with substantive amendments; and

WHEREAS, on April 3, 2019 the Members of the Authority most recently approved the filing of a Notice of Readoption to readopt Subchapter 38D without amendment, which extended the effectiveness of the Rules until March 4, 2026; and

WHEREAS, the Rules establish standards and procedures for the Authority's procurement of goods and services; and

WHEREAS, the Rules are scheduled to expire on March 4, 2026 unless they are otherwise extended, and management has determined that a Notice of Proposal for readoption without amendments is the appropriate mechanism to extend the efficacy of the Rules while the Authority reviews the Rules for potential substantive amendments to be advanced in a subsequent regulatory filing; and

WHEREAS, while Executive Order No. 7 (2026, Sherrill) has imposed a 90-day pause on all new or pending regulatory matters, including rule proposals and readoptions, to allow sufficient time for the new administration to effectively review such new and pending regulatory matters, SDA has sought an exemption from the effect of Executive Order No. 7 to allow the advancement of this Notice of Proposal; and

WHEREAS, on February 17, 2026 the Governor's Office approved SDA's exemption request, which allows the SDA to place this matter before the Board of Directors to seek their approval to file the Notice of Proposal with the Office of Administrative Law (OAL); and

WHEREAS, management is seeking Board approval of the proposed readoption of the Authority's Subchapter 38D Rules for the Procurement of Goods and Services, and the filing of the attached Notice of Proposal with OAL consistent with the memorandum presented to the Board on this date and incorporated herein; and

WHEREAS, the proposed Notice of Re-adoption process will involve no amendments or modifications to the Rules and, upon re-adoption, the Rules will remain in their current form; and

WHEREAS, a complete copy of the Rules was provided to the Members of the Authority for review.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby approve the proposed readoption of the Authority's Subchapter 38D Rules for the Procurement of Goods and Services, and the filing of the Notice of Proposal 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, Notice of Proposal for Readoption (without amendment), N.J.A.C. 19:38D,
Procurement of Goods and Services, dated March 4, 2026

Dated: March 4, 2026

Settlement of Litigation Relating to the Millville High School Project
(to be discussed in Executive Session and voted on upon the Board's return to Open Session)

MONTHLY REPORTS
(For Informational Purposes)

ACTIVE PROJECTS STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director

DATE: March 4, 2026

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.

Portfolio Projects Activities Summary

as of 2/18/26

2022 Portfolio Projects - sorted by District, Project

District	Project	1				Delivery Method	Advancement Status	School Opening	Comments
		Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)				
Bridgeton	6-8	6-8	TBD	TBD	TBD	Design-Build	Project phased with advancement of High School Add/Reno Project.	TBD	
Bridgeton	HS Addition/Renovation	9-12	346	408	\$87.2	Design-Build	Award for D-B and Final Charter advancing to the Mar-26 Board.	TBD	
Bridgeton	PK, 6-8	PK, 6-8	TBD	TBD	TBD	Design-Build	Project phased with advancement of High School Add/Reno Project.	TBD	
Camden	New High School (East Side HS Replacement)	9 - 12	800	941	\$115.1	Design-Build	Planning Charter approved Feb-24 Board.	TBD	Capital Plan included 2 ES projects. District requested advancement of a replacement HS instead.
Elizabeth	New ES (Battin Replacement)	PK-8	973	1,068	\$101.5	Design-Build	Award for D-B and Final Charter approved Jul-25 Board. (Terminal)	3 QTR 28	ESP complete.
Garfield	New ES (No. 5 Replacement)	PK-5	767	852	\$87.6	Design-Build	Award for D-B and Final Charter approved Dec-24 Board. (Dobco)	3 QTR 27	ESP complete.
Garfield	PK-5	PK-5	TBD	TBD	TBD	Design-Build	Project phased with advancement of the New ES (No. 5 Replacement) Project.	TBD	
Jersey City	PK/K	PK/K	271	288	\$37.5	Design-Build	Preliminary Charter approved Dec-25 Board.	TBD	
New Brunswick	MS Addition	6 - 8	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing.	TBD	Need beyond acquisition of MS Annex under review with NJDOE.
New Brunswick	Pathways MS & P-Tech Academy	6-8, 9-12	765	859	\$42.0	Alternative Delivery	Building Acquisition Complete.	n/a	Facility was previously leased by the District as an active school facility.
Newark	Nelson Mandela ES (Existing Building Acq.)	PK-8	338	376	\$20.5	Alternative Delivery	Building Acquisition Complete.	Sep-23	
Newark	New University High School (Replacement)	9 - 12	920	1,082	\$153.0	Design-Build	Planning Charter approved Feb-24 Board.	TBD	Replacement HS will leverage prior SDA site acquisition and allow existing aged Hawthorne School to occupy existing University HS.
Passaic City	New Passaic High School No. 12 (Replacement)	9-12	2,400	2,823	\$328.1	Design-Build	Planning Charter approved Feb-24 Board.	TBD	
Paterson	New STEAM & STARS HS	9-12	1,329	1,564	\$200.8	Design-Build	Award for D-B and Final Charter approved Jan-26 Board. (Dobco)	3 QTR 29	
Pleasantville	New Decatur Ave ES	PK-5	601	658	\$72.6	Design-Build	Award for D-B and Final Charter approved Dec-25 Board. (Bock)	3 QTR 28	ESP Ongoing.
Salem City	PK-8	PK-8	940	1,024	\$121.3	Design-Build	Planning Charter approved Feb-26 Board.	TBD	
Trenton	ES at Dunn MS	K-6	753	837	\$89.4	Design-Build	Award for D-B and Final Charter approved Sep-25 Board. (Bock)	3 QTR 28	
West New York	New Middle School	6 - 8	788	876	\$121.8	Design-Build	Award for D-B and Final Charter approved Sep-25 Board. (Terminal)	3 QTR 28	ESP nearing completion.

Notes
PLEASE NOTE - Dates in past are actual.

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.

Portfolio Projects Activities Summary

as of 2/18/26

2012 Portfolio Projects (Recently Occupied in 2025) - sorted by District

		1							
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Delivery Method	Advancement Status	School Occupied	Comments
Union City	Ester Salas MS (New 7 to 9 School)	7-9	827	936	\$93.7	Design-Build	School occupied Sep. 2025. (Dobco, Inc.)	Sep-25	

Notes

PLEASE NOTE - Dates in past are actual.

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.

Active Project Status Report

Status as of 2/1/2026

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	Elizabeth	New ES (Battin Replacement)	New Construction	Design-Build Design	1Q 2028	On-target	Sep-28	On-target	\$ 101,454,452
2	Garfield	New ES (Washington No. 5 Replacement)	New Construction	Design-Build Construction	3Q 2027	On-target	Sep-27	On-target	\$ 87,624,000
3	Trenton	New Elementary School (Dunn MS Site)	New Construction	Design-Build Design	2Q 2028	On-target	Sep-28	On-target	\$ 89,390,000
4	West New York	New Middle School	New Construction	Design-Build Design	2Q 2028	On-target	Sep-28	On-target	\$ 121,840,256

PROJECT STATUS REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director – Planning and Program Operations

DATE: March 4, 2026

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:

No activity during the reporting period



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

Reporting Period: January 2008 to January 2026

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

No Activity To Report for Projects Active in Construction

Substantially Complete & Building Occupied

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

No Activity To Report for Projects in Close-Out

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: January 2026

#	Event Date	District	Project	Board Approved Project Charter SubComp Date	Current Contract SubComp Date	Forecasted Contract SubComp Date	# of Days Behind Schedule	Cause(s)	Current Status
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No Activity During the Reporting Period



Revisions to Project Charters

Reporting Period: January 2026

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

CONTRACTS EXECUTED REPORT/AMENDMENTS & CHANGE ORDERS REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Planning & Program Operations

DATE: March 4, 2026

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

REPORT PERIOD – January 2026

Contracts Executed Report

Noteworthy Items during the reporting period:

- No activity during the reporting period.

Amendments & Change Orders Report

Noteworthy Items during the reporting period:

- 3 Professional Services Amendments were executed during the reporting period totaling a credit of \$448k, none of the executed amendments required Board approval.
- No Construction Services Change Orders were executed during the reporting period.

Amendments & Change Orders Report

Reporting Period: 1/1/2026 through: 1/31/2026

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													
Jersey City	Frank R. Conwell ES #3 (aka New PS3 ES)	JE-0002-A01	2/25/2002	22	Edwards and Kelcey Arch. and Design	1/21/2026	\$1,134,439	\$3,039,841	(\$97,906)			\$4,076,374	259.32%
Jersey City	Frank R. Conwell MS #4 (New Middle School #4)	JE-0003-A01	2/25/2002	6	Edwards and Kelcey Arch. and Design	1/21/2026	\$1,865,490	\$1,122,810	(\$88,725)			\$2,899,574	55.43%
Constuction Management Services													
Newark	Technology H.S.	EP-0128-M02	11/2/2023	4	Accenture Infrastructure and Capital Projects, LLC	1/21/2026	\$1,334,500	(\$84,532)	(\$261,125)			\$988,843	-25.90%
Professional Services									(\$447,756)				
									Total Change Summary	Total Changes			
									(\$447,756)	3			
Grand Totals													

Column Description Legend

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

DIVERSITY AND WORKFORCE PARTICIPATION REPORT

MEMORANDUM

TO: Members of the Authority
FROM: J Manuel Castillo, Director – EEO/AA and Contracting Accountability
DATE: March 4, 2026
RE: Diversity and Workforce Participation Monthly Update for December 2025

The EEO/AA & Contracting Accountability Team consistently participates in mandatory pre-bid and pre-construction meetings. Our Team informs and provides guidance to vendors regarding SDA’s Small Business Enterprise and Workforce goals, policies and procedures in pre-construction meetings, including:

- The expectation to delegate the state-mandated 25% of the value of the contract to NJ Division of Revenue and Enterprise Services certified Small Business Enterprises (“SBEs”) and make efforts to award 3% of contract value to disabled veteran-owned businesses.
- County trade workforce participation goals for minorities and females, in accordance with N.J.A.C. 17:27-7.2.
- Post-bid advertisement Subcontractor Request for Work Review and Approval Process, and Contractor/Subcontractor Payroll Certification submission requirement.
- Our Division’s process for monitoring and tracking vendor progress to meet the mentioned goals and requirements, throughout the life cycle of each project.

During these meetings, our Team strongly encourages vendors to identify and hire minority-owned, female-owned and disabled veteran-owned firms, as well as locally based enterprises, for diverse business participation on all school building projects. As each project progresses, our Team offers vendors outreach strategies to support their efforts in reaching the above-mentioned goals.

SMALL BUSINESS ENTERPRISE ATTAINMENT

SDA contracts regularly exceed the state-mandated 25% SBE participation goal. The total SDA-awarded fully-contracted dollars in December 2025 was \$2,703,313. The overall and final dollar amount associated with NTP-issued SDA contracts in 2025 is \$35,119,244. Of that total, \$20,584,719 was awarded to SBEs, including any minority, female and disabled veteran-owned SBEs. This represents a final SBE participation of 58.61% in all NTP-issued SDA contracts awarded in calendar year 2025.

Diversity Breakdown for 2025

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
SBEs	\$ 20,584,719	58.61%
Minority Business Enterprises*	\$ -0-	0.00%
Women Business Enterprises*	\$ -0-	0.00%
Minority/Women-Owned Business Enterprises*	\$ -0-	0.00%
Disabled Veteran-Owned Business Enterprises*	\$ -0-	0.00%
TOTAL DIVERSITY CONTRACTS	\$ 20,584,719	58.61%

*non-SBE

WORKFORCE PARTICIPATION

The data submitted by Prime contractors for the month of December 2025 revealed that there was a contractor trade workforce for the month of 52 on SDA projects. That workforce amassed a total of 3,134 contractor workforce hours in December 2025. This is explained in more detail below:

Contractor Workforce Breakdown for December 2025 (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	1	48	1.53%
Hispanic	18	1,269	40.49%
Indigenous American	0	0	0.00%
Asian	0	0	0.00%
Total Minority Participation	19	1,317	42.02%
Total Non-Minority Participation	33	1,817	57.98%
Total Contractor Workforce	52	3,134	100.00%

As seen below, the overall submitted contractor workforce hours on SDA projects for the period of January 1, 2025 through December 31, 2025 amounted to 130,095. That amount includes a total of 1,880 workforce hours performed by female trade workforce in 2025.

The following table cites the mentioned overall 2025 contractor trade workforce hours and highlights the *Local County Contractor Workforce* participation in 2025:

Contractor Trade Workforce Participation	Workforce Hours	Percentage
*Total Contractor Workforce Hours	130,095	100.00%
*Total Local County Workforce Hours	0	0.00%
Total Local County Non-Minority Workforce Hours	0	0.00%
Total Local County Female Workforce Hours	0	0.00%
Total Local County Minority Workforce Hours	0	0.00%
**Local County Workforce Hours by Race/Ethnicity:		
Black	0	0.00%
Hispanic	0	0.00%
Indigenous American	0	0.00%
Asian	0	0.00%

*Total contractor workforce and total local county workforce represent all respective laborers, including females.

**Race/Ethnicity breakdown of Total Local County Minority Workforce Hours.

NOTE: Hours worked by local county female laborers who are minority are included in the Total Local County Female Workforce Hours shown above. Therefore, for the purposes of this memorandum, hours worked by local county female *minority* workforce **are not** included in the total local county minority workforce hours or local county workforce hours by Race/Ethnicity breakdown.

The following table represents contractor minority and female trade workforce for all SDA active Capital Construction Projects and all active and completed Emergent and Demolition Projects for the period of January 1, 2025 through December 31, 2025.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Female Workforce Hours and Percentage		Local County Workforce Hours & Percentage	
		Hours	Percentage	Hours	Percentage	Hours	Percentage
Millville HS	16	0	0%	0	0%	0	0%
Cleveland St ES	124	0	0%	0	0%	0	0%
Union City MS	112,738	37,458	33.23%	1,624	1.44%	0	0%
Garfield ES	9,109	3,153	34.61%	0	0%	0	0%
Emergent Projects	2,596	542	20.88%	0	0%	0	0%
Demo Projects	5,512	1,571	28.50%	256	4.64%	0	0%

Reviewed and finalized by: J Manuel Castillo
Prepared by: Charlotte Brooks

MEMORANDUM

TO: Members of the Authority
FROM: J Manuel Castillo, Director – EEO/AA and Contracting Accountability
DATE: March 4, 2026
RE: Diversity and Workforce Participation Monthly Update for January 2026

The EEO/AA & Contracting Accountability Team consistently participates in mandatory pre-bid and pre-construction meetings. Our Team informs and provides guidance to vendors regarding SDA’s Small Business Enterprise and Workforce goals, policies and procedures in pre-construction meetings, including:

- The expectation to delegate the state-mandated 25% of the value of the contract to NJ Division of Revenue and Enterprise Services certified Small Business Enterprises (“SBEs”) and make efforts to award 3% of contract value to disabled veteran-owned businesses.
- County trade workforce participation goals for minorities and females, in accordance with N.J.A.C. 17:27-7.2.
- Post-bid advertisement Subcontractor Request for Work Review and Approval Process, and Contractor/Subcontractor Payroll Certification submission requirement.
- Our Division’s process for monitoring and tracking vendor progress to meet the mentioned goals and requirements throughout the life cycle of each project.

During these meetings, our Team strongly encourages vendors to identify and hire minority-owned, female-owned and disabled veteran-owned firms, as well as locally based enterprises, for diverse business participation on all school building projects. As each project progresses, our Team offers vendors outreach strategies to support their efforts in reaching the above-mentioned goals.

SMALL BUSINESS ENTERPRISE ATTAINMENT

SDA contracts regularly exceed the state-mandated 25% SBE participation goal. The total SDA-awarded fully-contracted dollars in January 2026 was \$2,219,107. Thus far, the overall dollar amount associated with NTP-issued SDA contracts in 2026 is \$2,219,107. Of that total, \$0 was awarded to SBEs, including any minority, female and disabled veteran-owned SBEs. This represents an SBE current participation of 0% in all NTP-issued SDA contracts awarded in calendar year 2026. SBE participation routinely increases as prime contractors/consultants hire subcontractors/subconsultants with SBE certifications throughout the lifecycle of their SDA projects.

Diversity Breakdown for 2026 thus far

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
SBEs	\$ -0-	0.00%
Minority Business Enterprises*	\$ -0-	0.00%
Women Business Enterprises*	\$ -0-	0.00%
Minority/Women-Owned Business Enterprises*	\$ -0-	0.00%
Disabled Veteran-Owned Business Enterprises*	\$ -0-	0.00%
TOTAL DIVERSITY CONTRACTS	\$ -0-	0.00%

*non-SBE

WORKFORCE PARTICIPATION

The data submitted by Prime contractors for the month of January 2026 revealed that there was a contractor trade workforce for the month of 59 on SDA projects. That workforce amassed a total of 3,240 contractor workforce hours in January 2026. This is explained in more detail below:

Contractor Workforce Breakdown for January 2026 (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	3	240	7.41%
Hispanic	13	664	20.49%
Indigenous American	0	0	0.00%
Asian	0	0	0.00%
Total Minority Participation	16	904	27.90%
Total Non-Minority Participation	43	2,336	72.10%
Total Contractor Workforce	59	3,240	100.00%

As seen below, the overall submitted contractor workforce hours on SDA projects for the period of January 1, 2026 through January 31, 2026 amounted to 3,240. That amount includes a total of 0 workforce hours performed by female trade workforce in 2026 thus far.

The following table cites the mentioned overall 2026 contractor trade workforce hours and highlights the *Local County Contractor Workforce* participation in 2026 thus far:

Contractor Trade Workforce Participation	Workforce Hours	Percentage
*Total Contractor Workforce Hours	3,240	100.00%
*Total Local County Workforce Hours	0	0.00%
Total Local County Non-Minority Workforce Hours	0	0.00%
Total Local County Female Workforce Hours	0	0.00%
Total Local County Minority Workforce Hours	0	0.00%
**Local County Workforce Hours by Race/Ethnicity:		
Black	0	0.00%
Hispanic	0	0.00%
Indigenous American	0	0.00%
Asian	0	0.00%

*Total contractor workforce and total local county workforce represent all respective laborers, including females.

**Race/Ethnicity breakdown of Total Local County Minority Workforce Hours.

NOTE: Hours worked by local county female laborers who are minority are included in the Total Local County Female Workforce Hours shown above. Therefore, for the purposes of this memorandum, hours worked by local county female *minority* workforce **are not** included in the total local county minority workforce hours or local county workforce hours by Race/Ethnicity breakdown.

The following table represents contractor minority and female trade workforce for all SDA active Capital Construction Projects and all active and completed Emergent and Demolition Projects for the period of January 1, 2026 through January 31, 2026.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Female Workforce Hours and Percentage		Local County Workforce Hours & Percentage	
Union City MS	0	0	0%	0	0%	0	0%
Garfield ES	2,712	808	29.79%	0	0%	0	0%
Emergent Projects	0	0	0%	0	0%	0	0%
Demo Projects	528	96	18.18%	0	0%	0	0%

Reviewed and finalized by: J Manuel Castillo
 Prepared by: Charlotte Brooks

REGULAR OPERATING DISTRICTS (RODs) ACTIVITY REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Managing Director, Planning and Program Operations

DATE: March 4, 2026

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

REPORT PERIOD: January 2026

This report summarizes the Regular Operating District Grant activity from inception to date and for the reporting period. 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.
- 6 grants impacting 1 District were executed during the reporting period representing total project costs of \$3.3 million and state share of \$1.3 million.
- 4 grants impacting 4 Districts were closed out during the reporting period representing total project costs of \$5.7 million and state share of \$2.8 million.
- Since inception, over \$3.0 billion has been disbursed to over 525 regular operating districts through the grant program.
- Since inception nearly \$3.8 billion in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.

**Monthly Regular Operating District Grant Report - Summary
January 2026**

ROD Grant Summary Since Program Inception				
	Offered¹	Executed	Closed-Out	Active
Districts Impacted	12	529	523	212
Number of Grant Projects	21	5,934	5,328	606
Total Project Cost Estimate	\$ 40,643,399	\$ 9,735,969,374	\$ 8,912,552,931	\$ 823,416,443
Grant Amount	\$ 18,050,595	\$ 3,343,689,317	\$ 2,981,544,159	\$ 362,145,158
Amount Disbursed	NA	\$ 3,013,012,186	\$ 2,981,544,159	\$ 31,468,027

Total Funding Offered to School Districts via Grant Program	\$ 3,798,198,700
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Total ROD Grant Funding remaining for new Grant Projects	\$ 102,579,618
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1. Includes grants that have been offered to District's but have not yet been executed.

Monthly Activity ROD Grant Summary		
	Executed	Closed-Out
Districts Impacted	1	4
Number of Grant Projects	6	4
Total Project Cost Estimate	\$ 3,257,822	\$ 5,669,423
Grant Amount	\$ 1,303,129	\$ 2,758,778
Amount Disbursed	NA	\$ 2,758,778

* 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.

Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail
January 2026

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Morris	Montville Township	Cedar Hill E.S.	\$ 438,819	\$ 175,528	Roof Repairs
Morris	Montville Township	Hilldale E.S.	\$ 424,399	\$ 169,760	Roof Repairs
Morris	Montville Township	Montville H.S.	\$ 1,026,370	\$ 410,548	Roof Repairs
Morris	Montville Township	Valley View E.S.	\$ 279,564	\$ 111,826	Roof Repairs
Morris	Montville Township	William H. Mason, Jr. E.S.	\$ 246,804	\$ 98,722	Roof Repairs
Morris	Montville Township	Woodmont E.S.	\$ 841,866	\$ 336,746	Roof Repairs
Grand Total		Grants Executed - 6	\$ 3,257,822	\$ 1,303,129	

COMMUNICATIONS MONTHLY REPORT *(no report)*

MONTHLY FINANCIAL REPORT *(no report)*

COMPLETED EXECUTIVE SESSION MATTERS REPORT

MEMORANDUM

TO: Members of the Authority

FROM: Janice Venables, Vice President, Corporate Governance

DATE: March 4, 2026

SUBJECT: Report on Completed Executive Session Matters

Section 3.6 of the Bylaws of the New Jersey Schools Development Authority (NJSDA) authorizes the conduct of certain business of the Authority in Executive Session. Pursuant to Section 3.7 of the Bylaws, the Board shall determine when those matters discussed in Executive Session are appropriate for release in Open Session.

Attached is a list of matters that were the subject of discussion in an Executive Session meeting of the Board held between September 2021 and May 2025. It has been determined that the handling of these matters has now been completed. As such, it is recommended that the matters on the attached list be released by the Authority in the Open Session of the March 4, 2026 meeting of the NJSDA Board of Directors. Minutes and materials relating to these matters or any portion thereof that are exempt from disclosure under the Open Public Records Act, pursuant to attorney-client privilege or in accordance with other applicable privilege or law shall remain exempt from disclosure, notwithstanding the release in Open Session.

**New Jersey School Development Authority
 March 4, 2026 Board Of Directors Meeting
 Report on Completed Executive Session Matters
 Sorted by Date Originally Presented in Executive Session
 September 2021 – May 2025**

ORIGINALLY PRESENTED IN EXECUTIVE SESSION	DETAILS
	AMENDMENTS/CHANGE ORDERS/AWARDS/CHARTERS/MOA-MOU/RELEASE OF FUNDS
September 1, 2021	Amendment Nos. 1 & 17, Epic & Lan Associates, Orange School District, Cleveland street ES, Contract extension
August 2, 2023	Approval of Amendment to the MOA between the SDA and the NJSP for Investigative Services
July 3, 2024	Approval of Change Order No. 2, Final Project Charter, Release of Funds from Program Reserve and Reestablishment of Contract Value – Union City Public Schools District – Emerson Middle School –Emergent Project
	AGREEMENTS/SETTLEMENTS
October 6, 2021	Recommendation for Settlement in Anticipation of Claim by Terminal Construction Corporation / Dinallo Construction Corporation, a Joint Venture (New Perth Amboy High School Agreement for Design-Build Services with Terminal Construction Corporation / Dinallo Construction Corporation, a Joint Venture Contract No. ET-0099-B01)
April 6, 2022	Recommendation for Partial Settlement of and Tendering of an Offer of Judgment in Cost Recovery Litigation Relating to the Paterson International High School Project. (New Jersey Schools Development Authority v. L+C Design Consultants, P.A.; Grace Lynch, AIA, PP; Yee Engineering & Associates, Inc. d/b/a Yee Engineering Associates, Inc.; Alexander J. Kallaur, P.E.; Jacobs Facilities, Inc. New Jersey Superior Court, Law Division, Essex County Docket No. ESX-L-214-18
January 4, 2023	Grant Agreement between the New Jersey Schools Development Authority and the New Jersey Department of the Treasury
January 3, 2024	Final Settlement of Cost Recovery Litigation Relating to the Paterson International High School Project
May 1, 2024	Settlement Condemnation Trenton Roebling; Approval of Settlement of Condemnation and Cost Recovery Litigation Relating to the Disposition of the Environmental Trust Escrow Held in Connection with the Trenton Roebling School Land Acquisition.
September 4, 2024	Recommendation for Settlement of Claims Asserted by Epic Management, Inc. in Connection with the Paterson Union Avenue (Joseph A. Taub) Middle School Project and the Plainfield Elementary (Charles and Anna Booker) School Project.
October 2, 2024	Recommendation for the Settlement of Claims Asserted by Ernest Bock & Sons, Inc. in Connection with the Camden High School, Irvington Madison Avenue Elementary School, Newark Hawkins Street School and Wilson School Annex, Bridgeton Senior High School and Bridgeton Buckshutem/Quarter Mile Lane Elementary Schools Projects
April 2, 2025	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

**New Jersey School Development Authority
 March 4, 2026 Board Of Directors Meeting
 Report on Completed Executive Session Matters
 Sorted by Date Originally Presented in Executive Session
 September 2021 – May 2025**

ORIGINALLY PRESENTED IN EXECUTIVE SESSION	DETAILS
	REAL ESTATE MATTERS
August 2, 2023	Request for Real Property Acquisition in New Brunswick, NJ
December 6, 2023	Request to Lease an 8,000 square foot lot situated adjacent to the site of the new Elizabeth Elementary School, a replacement for the Joseph Battin Elementary School
	Recommendation for the Extension of Deadlines in Connection with Property Transferred to the City of Newark
September 4, 2024	Request for Approval of Proposed Agreement to Resolve Encroachment onto SDA-Owned Real Property in Jersey City.
	AUDIT COMMITTEE MATTERS
August 2, 2023	Review of Chief Operating Officer's responsibilities and Compensation
July 3, 2024	New Jersey Schools Development Authority Hiring Recommendation for the Role of SDA Vice President of Program and Construction Operations
May 7, 2025	New Jersey Schools Development Authority Hiring Recommendation for the Role of SDA Vice President and Chief Financial Officer

Prepared by: Stacy Maliszewski, Governance and Records Manager

RESOLUTION TO ADJOURN INTO EXECUTIVE SESSION

Resolution—8.

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 pending or anticipated litigation or contract negotiations in which the public body is or may become a party...falling within the attorney-client privilege, to the extent that confidentiality is required to preserve the attorney-client relationship; and

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

WHEREAS, the first matter for Executive Session involves a bid protest in connection with the Bridgeton High School Additions and Renovations Project and the second matter involves a Settlement of Litigation Relating to the Millville High School Project; and

WHEREAS, the minutes of the Board’s March 4, 2026 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, payments, agreements and leases associated therewith, as applicable.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby resolve to adjourn into Executive Session to be apprised of the matter described herein.

BE IT FURTHER RESOLVED, that the minutes of the Board’s March 4, 2026 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, payments, agreements and leases associated therewith, as applicable.

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 March 4, 2026

Dated: March 4, 2026