

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, SEPTEMBER 5, 2018**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, September 5, 2018 at 9:00 A.M. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Acting Chairman

Donna Sullivan (EDA)

Kevin Luckie (DCA)

Bernard Piaia (DOE)

Michael Kanef (Treasury)

Kevin Egan

Richard Elbert

Loren Lemelle

Lester Lewis-Powder

Michael Maloney

Mario Vargas

being all the Members of the Board. Mr. Egan, Mr. Elbert, Ms. Lemelle, Mr. Lewis-Powder, Mr. Piaia and Mr. Vargas participated in the meeting by teleconference.

At the Chairman's request, Lizette Delgado Polanco, chief executive officer; Albert Alvarez, chief of staff; Andrew Yosha, chief operating officer; Jane F. Kelly, vice president and assistant secretary; Donald Guarriello, vice president and chief financial officer; Manuel Da Silva, vice president; Thomas Schrum, vice president; and Albert Barnes, chief counsel of the SDA, participated in the meeting. Adam Sternbach of the Governor's Authorities Unit also participated in the meeting.

The meeting was called to order by Mr. Nixon, who requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and had been duly posted on the Secretary of State's bulletin board at 33 West State Street in Trenton, New Jersey. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members was present.

Approval of Meeting Minutes

The Chairman then presented for consideration and approval the Minutes of the August 1, 2018 Open and Executive Session meetings. Staff had provided a copy of both sets of minutes and a resolution to the Members for review in advance of the meeting. Upon motion duly made by Ms. Sullivan and seconded by Mr. Kanef the Members unanimously approved the Open and Executive Session minutes of the August 1, 2018 SDA Board meeting with the Members' unanimous vote in favor of ***Resolution 3a/3b***.

Authority Matters

CEO Report

Mr. Nixon asked Chief Executive Officer (CEO) Delgado Polanco for the Report of the Chief Executive Officer. Ms. Delgado Polanco began her report by announcing recent staff title changes and promotions at the Authority. She congratulated staff on their promotions and welcomed new employees to the SDA.

Next, Ms. Delgado Polanco reported that on the previous Friday, August 31, a ribbon cutting ceremony was held at the Vineland MS. She said that she was joined at the event by Governor Phil Murphy, the Commissioner of Education, State and local officials, and Vineland School District students and parents. She said that it was a great event and a wonderful kick off to the school opening season ahead. She added that there are 4 new or renovated facilities that

will be opening in September 2018. Specifically, she said that staff is working to schedule ribbon cutting events for the Newark South Street, Garfield James Madison and New Brunswick Paul Robeson ES projects.

Next, Ms. Delgado Polanco provided an update regarding the projects with September school openings. She said that for the Garfield James Madison ES No. 10 project, the Department of Community Affairs (DCA) has issued a temporary certificate of occupancy (TCO) and that today marks the first day of school there. She added that this new K-5 school provides 305 new seats. She reported that DCA has issued the certificate of occupancy (CO) for the New Brunswick Paul Robeson ES project and that the first day of school there is tomorrow (September 6). She added that this PreK-8 addition/renovation project provides 424 new seats, benefiting 893 students in total.

In continuing, Ms. Delgado Polanco reported that the DCA has issued the CO for the Newark South Street ES project, and that yesterday (September 4) was the first day of school there. She noted that this new PreK-8 school provides 657 new seats. For the Vineland New MS project, she reported that the DCA issued the CO and that the first day of school there will be the following day, September 6. She added that this new MS serves grades 6-8 and provides 624 new seats. At this time, Mr. Egan joined the meeting.

Turning to projects in design, Ms. Delgado Polanco said that for the Keansburg Port Monmouth Road ES project, LAN Associates continues with design phase services. With regard to the Orange Cleveland ES and Orange HS projects, she reported that staff anticipates advertising for construction services in September for both schools. For the Passaic Dayton Avenue Educational Campus, the CEO advised that Terminal Construction (Terminal) continues with design phase services. She noted that soil placement, bridge and other site work is expected to begin by early October.

Next, Ms. Delgado Polanco informed the Members that for the Perth Amboy HS project, solicitation documents, including in-house design documents, are being finalized for advertisement for design-build services. For the Pemberton Denbo Crichton ES project, she said that design-builder Ernest Bock & Sons, Inc. (EBS) continues with design phase services. She added that staff issued the limited notice-to-proceed (NTP) with footings, foundations, under slab utilities and structural steel.

The CEO then gave an update on projects with early site packages. She reported that for the Camden HS project, demolition of the 1916 building is complete and site leveling work is nearly complete. She said that the NTP with design-build services is anticipated to be issued to EBS later this month. For the Paterson Union Avenue MS project (former site of Don Bosco Academy), she advised that early site package work is now complete. She noted that a recommendation of award for design-build services is on today's agenda. In regard to the Plainfield Woodland ES project, Ms. Delgado Polanco said that Two Brothers Contracting Inc. was issued the NTP with demolition last month. She added that temporary classroom units have been installed to provide temporary space during advancement of the new Woodland ES project.

With respect to design-build projects in construction, Ms. Delgado Polanco reported that for the East Orange George Washington Carver ES project, Dobco, Inc., the design-builder, continues with design phase services. She added that slab on grade installation is ongoing there. For the Harrison New ES project, she said that design phase services are complete and the DCA has initiated review of the final design package. She advised that Brockwell & Carrington continues with the installation of footings, foundations, grade beams and structural steel. With regard to the Irvington Madison Avenue ES project, the CEO said that current work being performed by EBS includes roofing, masonry, exterior brick veneer, interior partitions and mechanical, electrical and plumbing rough-in.

In continuing, Ms. Delgado Polanco informed the Members that for the Millville HS addition and renovation project, Hall Construction continues with design phase services. She said that demolition and renovation work is ongoing, temporary cafeteria installation work is complete and the DCA has issued the CO. For the Passaic Leonard Place ES project, the CEO reported that Dobco continues with electrical, plumbing, HVAC, interior partition and site work. With regard to the Perth Amboy Seaman Avenue ES project, she said that current work being performed by Epic Management, Inc. (EPIC) includes electrical and plumbing rough-in, interior partition, ductwork and site work. For the Trenton Central HS (TCHS) project, the CEO advised that Terminal continues with interior rough-in for HVAC, fire suppression, electric and plumbing. She also advised that site work and parking lot paving installation work is ongoing there.

Ms. Delgado Polanco said that for the Elizabeth New ES, a project in closeout, Torcon, the design-builder, continues to address closeout activities. She added that the 11-month walk-through was conducted late last month.

Turning next to ongoing procurement activity, the CEO said that, later in the meeting, management will be presenting a design-build services award for the Paterson Union Avenue MS project and a construction services award for emergent projects at the Hawkins Street and Wilson Annex Schools in the Newark Public School District. She said that other activity currently underway includes procurements for construction management services for the Orange HS and Cleveland ES projects, and the furniture, fixtures and equipment term contract.

School Review Committee

Release of Funds from Program Reserve, Award of Contract, and Final Project Charter – Newark Public School District – Hawkins Street and Wilson Annex Schools – Emergent Projects – Chimney Repairs/Replacement; Design-Build Award and Final Project Charter - Paterson School District – New Middle School at Union Avenue

Mr. Nixon asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie reported that the School Review Committee met on August 20, 2018. He said that the Committee had considered four items at the meeting—two that will be discussed in Open Session and two that will be presented in Executive Session.

He said that the first item for Board consideration in Open Session is a contract award, final project charter and release of funds from the program reserve for the Newark Hawkins Street and Wilson Annex Schools emergent projects (the Projects). He informed the Members that, in July 2008, the Board approved the 2008 New Funding Allocation and Capital Plan which allocated \$97 million to fund emergent projects in the 31 SDA Districts. Mr. Luckie explained that, in March 2011, the Board approved the 2011 Capital Program which allocated an additional \$100 million creating a total reserve of \$197 million to address emergent projects throughout the SDA Districts. He said that the Hawkins Street School, built in 1887 (with three additions), is an approximately 69,000 square foot facility educating approximately 698 students in grades pre-kindergarten through 8. He added that the Newark Wilson School Annex, built in 1900, is an approximately 9,000 square foot facility educating approximately 84 students in grades PreK and K. Mr. Luckie reported that, in July 2016, the Department of Education (DOE) and SDA launched a third statewide effort to identify and evaluate potential emergent projects throughout the SDA Districts. He said that this effort resulted in the identification of conditions at the Hawkins and Wilson Annex Schools for advancement as emergent projects. He noted that, in December 2016, the SDA and DOE performed a joint site visit and, in June 2017, DOE issued preconstruction approvals for the advancement of emergent projects to provide for the replacement and/or repair of four chimneys at the Hawkins School and one chimney at the Wilson School. Mr. Luckie said that SDA determined to advance both projects by way of a rotational assignment through the SDA's GC Task Order Contract. He noted that funding for the

Projects is available within the emergent projects reserves. He informed the Members that staff reviewed EBS's cost proposal in the amount of \$624,274 and determined that it was reasonable for the elements included in the scope of work. He added that management recommends that the Board authorize the procurement to proceed through the issuance of a task order to EBS. Mr. Luckie said that EBS has confirmed its interest in the project which will be awarded on a time and material basis for the Projects' initial phase. He advised that management further recommends that the Members of the Authority approve the final charters and the release of \$849,274 from the emergent program reserve for the Projects.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Kanef, the release of funds from the program reserve, contract award and final charter for the Newark Hawkins Street and Wilson Annex Schools' emergent projects were approved with the Board's unanimous vote in favor of *Resolution 5a*.

Next, Mr. Luckie said that the Committee is recommending approval of a design-build award and final project charter for the Paterson New MS project (the Project). He reported that the Project will involve construction of an approximately 163,000 square foot building on the site of the former Don Bosco School to educate approximately 996 students in grades 6 through 8. He explained that in April 2015, the SDA Board approved a preliminary project charter, thereby approving demolition of the existing Don Bosco School facility utilizing an early site package, construction of a new middle school facility utilizing kit of parts design and a design-build delivery method. Mr. Luckie said that the Project's preliminary charter recognized the Board's December 2014 approval for the Authority's acquisition of the former Paterson Catholic HS facility to serve as a temporary space for the students displaced during the demolition of the Don Bosco School and construction of the new facility. He said that, upon completion of the

Project, it is expected that the former Paterson Catholic HS will serve as a permanent district facility to assist in addressing district-wide overcrowding. Mr. Luckie said that the abatement and demolition of the Don Bosco School was completed in July 2018 and a package for design-build services was advertised on March 23, 2018. He added that “price” was weighted as 60% of the overall weight and “all non-price factors” had a combined weight of 40%. He advised that, following the competitive procurement process, staff recommends award of a contract for design-build services in the amount of \$57,932,000 to EPIC for the Project. He noted that, at the time of review, EPIC confirmed that its price proposal is inclusive of all scope elements contained in the contract documents. Mr. Luckie said that, along with the contract award, management also recommends that the Board approve the Project’s final charter.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Maloney and seconded by Mr. Vargas, the design-build award and final charter for the Paterson New MS project were approved with the Board’s unanimous vote in favor of ***Resolution 5b***.

Mr. Luckie then reminded the Members that the Committee also will be presenting two proposed settlements when the Board adjourns into Executive Session.

Public Comments

The Chairman then opened the Public Comments portion of the meeting. He asked that all members of the public who will be offering comments to the Board limit their remarks to three minutes.

The Chairman then asked Mr. Frank Faras to address the Board. Mr. Faras advised the Board that he lives across the street from the TCHS site. He reminded the Board that at a previous Board meeting he had questioned why SDA had provided the new TCHS with a shorter swimming pool than had been promised. He said that he has checked and that the pool that SDA

is providing TCHS is not a 50 yard pool as was part of the school that is being replaced. He said that the pool that is being provided also does not meet relevant standards including NCAA standards. He said that instead of 8 lanes, the new pool only provides 6 lanes. He said that before the start of construction he had “OPRA requested” blueprints for the new school and had received in response 35 pages of redacted blank pages with only the title blocks visible. He questioned whether this was because SDA was trying to be funny or whether it was an attempt to hide the fact that the pool to be provided would shortchange the district.

Mr. Faras said that he hopes that the new Administration will be more forthcoming and will correct another problem that he has noticed, i.e. the failure of the SDA to start its meetings with the Pledge of Allegiance. Mr. Nixon said that he agreed with Mr. Faras on this point and had intended to speak with CEO Delgado Polanco about including the Pledge of Allegiance on the SDA Board agenda. He said that the Pledge would be added to the SDA’s Board meeting agenda going forward.

Mr. Faras again asked whether the SDA intended to do anything about the issue of the TCHS pool size. Mr. Nixon said that this was covered at the previous meeting. Mr. Faras said that, to clarify, SDA does not plan on doing anything about the pool size. Mr. Nixon thanked Mr. Faras for his comments.

Mr. Nixon then announced that the Board would be adjourning into Executive Session. Ms. Kelly said that the Board has resolved to adjourn into Executive Session to discuss two matters: 1) a recommendation for the comprehensive settlement of all claims asserted by Hall Construction Co. Inc. relating to the Keansburg Joseph C. Caruso ES and Paterson School No. 16 projects; and 2) a recommendation for settlement of outstanding issues and closeout of demonstration project grant agreements relating to the Union City HS demonstration project. She said that the Board’s vote on these matters would be taken upon its return to Open Session.

Thereafter, upon motion by the Chairman and with unanimous consent, the meeting adjourned into Executive Session.

Following discussion in Executive Session, the Board returned to Open Session.

Mr. Luckie said that, following discussion in Executive Session, the School Review Committee recommends that the Board approve management's recommendation for a comprehensive settlement of all claims asserted by Hall Construction Co. Inc. relating to the Keansburg Joseph C. Caruso ES and Paterson School No. 16 projects. Upon motion duly made by Mr. Vargas and seconded by Ms. Sullivan, the Board approved the Committee's recommendation in this matter with its unanimous vote in favor of ***Resolution A1***.

Next, Mr. Luckie said that the Committee recommends that the Board approve a recommendation for settlement of outstanding issues and closeout of demonstration project grant agreements relating to the Union City HS demonstration project. Upon motion duly made by Mr. Vagas and seconded by Mr. Kanef, the Board approved the Committee's recommendation in this matter with its unanimous vote in favor of ***Resolution A2***.

Adjournment

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

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its September 5, 2018 meeting.

/s/ Jane F. Kelly
Assistant Secretary