

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 5, 2023**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, April 5, 2023 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:

Mario Vargas, Public Member, Vice-Chairman

Juan Burgos (EDA)

Kevin Luckie (DCA)

David Moore (Treasury)

Bernard Piaia (DOE)

John Capo, Public Member

Daniel Gumble, Public Member

Lester Lewis-Powder, Public Member

Michael Maloney, Public Member

being a quorum of the Members of the Board. Mr. Gumble, Mr. Moore, Mr. Lewis-Powder and Mr. Piaia participated in the meeting by teleconference. In the absence of the Chairman, Vice-Chairman Vargas chaired the meeting.

At the Vice-Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Jane F. Kelly, vice president and assistant secretary; and Albert Barnes, chief counsel of the SDA, participated in the meeting. Janice Venables of the Governor's Authorities Unit (GAU) also participated in the meeting.

Pledge of Allegiance

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

The meeting was called to order by Mr. Vargas, 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 been duly posted on the Secretary of State's bulletin board at 20 West State Street in Trenton, New Jersey and on the SDA Website. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members of the Board was present.

Authority Matters

Chairman's Report

Mr. Vargas announced that before proceeding with the formal agenda, it was his pleasure to formally welcome John Capo to the Authority's Board of Directors. He informed the Members that Mr. Capo's nomination to serve on the SDA Board was released by the Senate Judiciary Committee on Monday March 13 and confirmed by the full Senate Monday on March 20. He said that Mr. Capo joins the Board having served as Director of the Bricklayers and Allied Craftworkers Administrative District Council of New Jersey since June 2020. He added that, for the past 16 years, Mr. Capo has been Vice-President of the Passaic County Building Trades and was appointed to the International Union Executive Council as Cement Craft Committee Vice-President in 2010. He said that Mr. Capo is a Trustee of the New Jersey State Bricklayers and Allied Craftworkers Health and Welfare Fund and a Trustee and Co-Chairman of the Local #4 Pension and Annuity Fund. He advised the Board that Mr. Capo is a Trustee of the NJ State Labor Management Committee and, since 2017, has also served as a Councilman in

Totowa. Mr. Vargas shared that the issues that come before the Board each month can be challenging. He said that, as a Board Member, he encourages Mr. Capo when the opportunity arises, to visit a project. He said that there is nothing more rewarding than going out to the field to witness one of the SDA's projects commence and then reach completion. Mr. Vargas said that there is no greater, more rewarding mission than that of the SDA---providing good quality schools for children who deserve the best we can provide. He added that he is certain that Mr. Capo's background and experience will be an asset to the Board. In concluding his remarks, the Vice-Chairman welcomed Mr. Capo on behalf of Chairman Nixon, the Members and the Authority's staff.

Mr. Capo said that he is honored and humbled by his appointment to serve on the SDA Board. He added that he appreciates the Mr. Vargas' comments and looks forward to working with the Board Members and doing good things for the children who deserve it.

Approval of Meeting Minutes

The Vice-Chairman then presented for consideration and approval the minutes of the Board's March 1, 2023 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. Maloney and seconded by Mr. Luckie, the Open Session minutes of the March 1, 2023 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3a***.

Next, the Vice-Chairman presented for consideration and approval the minutes of the Board's March 1, 2023 Executive Session meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Maloney, the Executive Session minutes

of the March 1, 2023 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3b***.

CEO Report

Next, Mr. Vargas asked Mr. Da Silva for the report of the CEO. Mr. Da Silva also welcomed Mr. Caputo to the Authority's Board of Directors. He advised that the SDA staff relies heavily on the guidance and input they receive from the Board when presenting both project-related and organizational matters for approval. He added that management finds that the diversity and varied perspectives of the Board Members strengthen staff's ability to move and advance the Authority's projects forward. He said that management is extremely grateful for the amount of time SDA's Board Members devote to the Authority each and every month. He added that the SDA's staff members also come from a variety of backgrounds and are dedicated to the SDA's mission. He said that he is honored to serve as the CEO and to lead the organization. He said that management appreciates Mr. Caputo's willingness to serve on Board and to share his expertise.

Next, Mr. Da Silva provided an update on design-bid-build projects in the design stage. He said that for the Union City New Grade 7-9 School project, the design-builder has mobilized to the site and work is ongoing.

Turning to design-build projects in construction, Mr. Da Silva reported that Phase IV auditorium addition interior finishes are ongoing for the Millville High School addition and renovations project. He said that management expects the work will be completed and that turn over to the District will take place this month. For the Perth Amboy High School project, he advised that exterior masonry and roof work is being completed. He added that management anticipates a 2024 school delivery. With respect to the Plainfield Woodland Avenue Elementary

School project, he said that HVAC commissioning work is ongoing as equipment is being brought online. He added that the elevator inspection has been completed and approved. He noted that media center furniture installation has commenced.

In continuing, Mr. Da Silva gave an update on design-bid-build projects in construction. He informed the Members that final inspections are ongoing for the Keansburg Port Monmouth Road School project. He added that management anticipates turning the school over to the District next week. For the Orange High School project, he said that all areas of the original project based scope have been turned over the District.

With respect to projects in the procurement stage, Mr. Da Silva said that for the Orange Cleveland Street Elementary School project, bids for general contractor (GC) services are due today. He advised the Members that management will be presenting its recommended GC services contract award for the School at the Special Board Meeting scheduled for Wednesday, April 12. He thanked the Members for adjusting their schedules to participate in the Special Meeting as this will allow the SDA to continue to advance this Project as expeditiously as possible.

Turning to Authority events, outreach and other activities, Mr. Da Silva reminded the Members that Ms. Kelly had recently reached out to them regarding their need to file their annual Financial Disclosure Statements (FDS) with the State Ethics Commission by May 15. He thanked the Members who have already completed their FDS filings and reminded the remaining Members to submit their receipts to the Authority's Ethics Office upon completion.

In concluding his report, Mr. Da Silva advised that he will be testifying before the Senate Budget Committee on April 18 and before the Assembly Budget Committee on April 24.

School Review Committee

The Vice-Chairman asked Mr. Luckie to provide the report of the School Review Committee. Mr. Luckie said that the School Review Committee met on March 20, 2023. He advised the Board that the Committee advanced six items for Board consideration today. He said that the first matter involves the Harrison Elementary School (School) project (Project). He advised the Members that the School is a 67,800 square foot facility educating 392 students in grades Pre-Kindergarten through 1. He reported that the Authority delivered the School in 2020 through a \$26 million design-build construction contract with Brockwell & Carrington Contractors, Inc. (B&C). He informed the Members that in 2016 the Governor signed New Jersey's "School Security Law" (Law) which required that certain school security measures be incorporated in architectural designs for new school construction. He noted that the Law also addressed security measures for existing school buildings. He explained that, after enactment of the Law, SDA developed School Security Systems Guidelines (Standards): first, to ensure a consistent approach in the design of school security systems, and second, to bring those designs into conformance with the new Law. He said that management determined to apply the Standards to all projects then under contract for design or construction that were scheduled to be delivered for opening in September 2019 or later.

In continuing, Mr. Luckie said that after developing the Standards, staff established a security enhancement scope for the Project and presented it for review by the District. He reported that the SDA was not able to utilize the Project's GC, B&C, for the School's Security Work or to complete the work prior to the required School opening date. He explained that, for this reason, management engaged a GC through the Authority's GC Task Order Contract following Project completion and District occupancy of the School. He said that the package was awarded to Catcord Construction Company, Inc. (Catcord) and, in October 2021, Catcord

provided a cost proposal which included design services and the most extensive scope of work. He reported that a notice-to-proceed (NTP) was issued to Catcord in January 2022 and, after completing the design phase, Catcord submitted a finalized construction cost estimate. He reported that the Board memorandum discusses the identification of a \$109,000 insufficiency in the amount allocated for Catcord's performance of the work, noting that this is the basis for management's recommendation today for Board approval of Change Order (CO) No. 2. Mr. Luckie advised the Board that the CO, in the total lump sum value of \$109,438.00, would provide the additional funds required to furnish and install the Safety, Security and Other Upgrades at the School.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Vargas, Change Order No. 2 for Catcord Construction Company, Inc. for Safety, Security and Other Upgrades at the Harrison Elementary School project was approved with the Board's unanimous vote in favor of ***Resolution 5a.***

Next, Mr. Luckie said the Committee recommends that the Board approve CO No. 56 in connection with the Millville High School (School) addition and renovation project (Project). He reported that, like the Harrison Elementary School project matter, this CO would enable Safety, Security and Other Upgrades at the School. He advised the Board that the Project would increase the High School's capacity by 860 new seats to 2,026 students in grades 9 through 12. He informed the Members that on May 24, 2017, SDA issued Hall Construction Company, Inc. (Hall) an NTP for the Project's design phase and, while the High School has been partially occupied since 2018, the Project is now nearing completion of all work. He explained that, in order to comply with the new Law, management requests that the Board approve CO No. 56 in the not-to-exceed (NTE) amount of \$1.7 million to fund security enhancements at the High

School. He said that CO No. 56 is submitted for Board approval with an NTE cost since final costs are still being negotiated. He said that the Project team is also awaiting Department of Community Affairs' (DCA) design acceptance and release. Mr. Luckie advised the Members that Board approval of CO No. 56 with an NTE value is necessary in order to support the Project schedule.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Piaia, Change Order No. 56 for Hall Construction Company, Inc. for the Millville High School addition and renovation project was approved with the Board's unanimous vote in favor of **Resolution 5b**.

In continuing, Mr. Luckie said that management is seeking Board approval of Amendment No. 11 for the Orange Cleveland Street Elementary School (School) project (Project). He advised that the School is a 38,750 square foot facility educating 306 students in grades Kindergarten through 7. He reported that in March 2019 the SDA Board approved an award for construction services to B&C and a final charter for a project at the School. He explained that the Project scope includes an 11,550 square foot addition and renovations to address overcrowding at the existing facility. He noted that it will also allow a change in grade alignment to grades Pre-kindergarten through 6 consistent with the District's Long Range Facilities Plan. He said that on January 15, 2020, B&C began providing construction services for the Project, with Epic Management, Inc. (Epic) serving as CM. He advised the Board that two years later, SDA issued a Notice of Termination for Convenience to B&C in accordance with the contract and directed them to complete portions of the work and demobilize from the project site by March 1, 2022.

Mr. Luckie said that management is currently soliciting bids for the procurement of a new contract for construction services with revised design documents in order to complete the

Project. He reported that the Project's remaining construction duration will be approximately 15 months, with a May 2023 NTP and a substantial completion date of August 2024. He said that, given this shortened construction duration, along with the anticipated need for overtime and weekend work and the complexities of the Project, Epic's engagement of a full-time mechanical electrical plumbing (MEP) manager for the remaining months of the Project is critical to ensuring its timely completion. He advised that the Board memorandum describes the terms and duration of the MEP position engagement which would be funded through the proposed contract Amendment No. 11. He noted that the total cost would be a time and materials based NTE value of \$256,000. He added that the project team reviewed and compared this proposal to other projects and believes that the cost as proposed is fair and reasonable.

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, Amendment No. 11 for Epic Management, Inc. for the Orange Cleveland Street Elementary School project was approved with the Board's unanimous vote in favor of ***Resolution 5c***.

Next, Mr. Luckie presented the Committee's recommendation for Board approval of Amendment No. 21 for the Orange Cleveland Street Elementary School (School) project (Project). He reminded the Members that the Project is in the bid stage for procurement of a new GC and has a revised forecasted substantial completion date of August 2024. He advised that the Board is requested to approve Amendment No. 21 for LAN Associates (LAN), the firm that provides design and construction administrative services (Services) for the Project. He explained that this amendment, in the amount of \$180,107, is required in order for LAN to continue to provide these Services during the current GC procurement phase through to the Project's substantial completion. He noted that the additional Services would be performed by LAN on a time and materials basis and be confirmed by a review of relevant records by the CM and the

SDA project team. He said that all documents supporting Amendment No. 21 have been reviewed by SDA staff who concluded that all items are justified and the amount is reasonable and appropriate.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Vargas and seconded by Mr. Burgos, Amendment No. 21 for LAN Associates for the Orange Cleveland Street Elementary School project was approved with the Board's unanimous vote in favor of ***Resolution 5d***.

In continuing, Mr. Luckie said that management also discussed a third Orange Cleveland Street Elementary School related item with the Committee—a contract award for GC services. He noted, however, that this matter is not yet ready for Board review and would be presented next week at the Special Board Meeting scheduled for April 12.

Finally, Mr. Luckie said that also before the Board are two regulatory matters for consideration. He said that management is seeking Board approval of the proposed re-adoption of the Authority's Preconstruction Activities Rules (Rules). He explained that the Rules establish the standards and procedures for SDA's advancement of preconstruction activities on behalf of SDA school districts. He reported that these Rules were last approved by the Board for final adoption in May 2016 and will expire on May 26, 2023. He noted that the Board memorandum describes in detail those activities that are governed by the Rules. He said that the Members have also been provided with a copy of the Rules in their entirety and a proposed form of Notice of Re-Adoption. He added that the Notice of Re-Adoption process is a statutorily-authorized expedited process that allows regulations to be re-adopted without amendments to be adopted without prior publication or public comment, upon their filing with the Office of Administrative Law at least thirty days prior to their expiration. Mr. Luckie said that management is requesting

Board authorization to utilize this process for re-adoption of the Rules. He added that, upon their publication in the New Jersey Register, the Rules would be effective for a period of seven years.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Piaia and seconded by Mr. Burgos, the Board approved the Re-Adoption of the Authority's Preconstruction Activities Rules, the issuance of the Notice of Re-Adoption and the filing of the Notice with the Office of Administrative Law upon the Board's unanimous vote in favor of ***Resolution 5e***.

Finally, Mr. Luckie reported that management requests Board approval of the proposed re-adoption of the Authority's Section 13(a) Delegation Agreement Rules (Rules). He explained that these Rules set forth the conditions, eligibility criteria, and process for capital maintenance projects to be delegated to an SDA school district by the Authority. He reported that the Authority previously adopted the Rules on May 4, 2016 and that they are scheduled to expire on May 26, 2023. He said that management is proposing amendments to the current rules that will enable the use of electronic submissions in applications seeking the delegation to SDA Districts of capital maintenance projects. He noted that the amendments will also eliminate an obsolete signage requirement. He advised that a Notice of Proposal describing the proposed amendments was provided to the Members along with a full copy of the existing Rules. He noted that the Board memorandum provides the Rules' background, regulatory history and a summary of the proposed amendments as well.

A resolution pertaining to this matter was provided to the Board for review in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Vargas, the Board approved the Re-Adoption of the Authority's Delegation Agreement Rules with amendments, the issuance of the Notice of Re-Adoption and the filing of the Notice with the Office of Administrative Law upon the Board's unanimous vote in favor of ***Resolution 5f***.

Public Comment

The Vice-Chairman then opened the Public Comment portion of the meeting. He invited Nikki Baker of the Healthy Schools Now/Work Environment Council to address the Board. Ms. Baker congratulated the Authority on its addition of a new Board Member and on its ongoing work. Ms. Baker said that the Authority's work begins with funding and noted that Healthy School Now continues to advocate for the provision of funding for needy schools. She said that she was looking forward to Mr. Da Silva's upcoming testimony before the State Legislature. Ms. Baker encouraged the Members to visit SDA construction sites from the beginning of a project to its completion. She also encouraged the Members to tour school districts with high need buildings where children are learning and teachers are working under adverse conditions. In concluding her remarks, Ms. Baker expressed appreciation for the Authority's work.

Adjournment

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

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its April 5, 2023 meeting.

/s/ Jane F. Kelly
Assistant Secretary