

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD MEETING  
WEDNESDAY, DECEMBER 4, 2024 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 Executive Session Meeting Minutes of October 2, 2024
  - b. Board Open Session Meeting Minutes of November 6, 2024
- 4. AUTHORITY MATTERS**
  - a. CEO Report
  - b. Chairman's Report
- 5. REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (CHAIRMAN'S REPORT)**
  - a. Business and Real Estate Property and Casualty Insurance Program Renewal
  - b. Proposed 2025 SDA Staffing Plan
  - c. Proposed 2025 SDA Operating Budget
- 6. REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE (CHAIRMAN'S REPORT)**
  - a. Design-Build Award and Approval of Final Project Charter – Garfield Public School District - New Elementary School
  - b. Recommendation to Fund District Property Acquisition - Union City School District – Mother Seton School **(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
- 8. EXECUTIVE SESSION**
  - Recommendation to Fund District Property Acquisition - Union City School District – Mother Seton School
  - Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)  
CCD Report *(no activity)*
- 9. REQUEST MOTION TO ADJOURN PUBLIC MEETING**

**APPROVAL OF MEETING MINUTES**

**November 6, 2024 Open Session Minutes**

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, NOVEMBER 6, 2024**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, November 6, 2024 at 9:00A.M. in the Joseph A. McNamara Board Room at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Robert Nixon, Public Member, Chairman

Juan Burgos (EDA)

Kevin Luckie (DCA)

David Moore (Treasury)

Bernard Piaia (DOE)

Daniel Gumble, Public Member

Lester Lewis-Powder, Public Member

Michael Maloney, Public Member

Mario Vargas, Public Member

Nicole Vecchione, Public Member

being a quorum of the Members of the Board. Mr. Nixon, Mr. Luckie, Mr. Vargas, Mr. Gumble, Mr. Lewis-Powder, Mr. Maloney, Mr. Moore and Mr. Piaia participated by teleconference.

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

## ***Pledge of Allegiance***

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

The meeting was called to order by Mr. Nixon, who requested that Ms. Henneke read the requisite notice of public meeting. Ms. Henneke announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and was duly posted on the Secretary of State's bulletin board at 225 West State Street in Trenton, New Jersey and on the SDA Website. Ms. Henneke then conducted a roll call and indicated that a quorum of the Members of the Board was present.

## ***Authority Matters***

### ***CEO's Report***

Mr. Nixon asked Mr. Da Silva for the report of the CEO. Mr. Da Silva provided an update on design-build projects in construction. He said that for the Millville High School addition and renovations project, the Department of Community Affairs final inspection remain to advance the project into close-out. He said that for the Perth Amboy Seaman Avenue Elementary School project, management is waiting on the equipment to be delivered to complete the work by the end of this month. With respect to the Union City New Grade 7-9 School project, he advised that exterior veneer and roofing activities are ongoing as well interior rough-in work throughout the building.

Turning to projects with active early site preparation, Mr. Da Silva reported that for the Garfield New Elementary School project, the early site preparation contractor has completed the work and is de-mobilizing from the site. He advised that the design-build procurement is ongoing with the receipt of technical and price proposals from 3 bidders (Dobco, Inc., Hall Construction Co. Inc. and Terminal Construction Corporation) for the new Elementary School.

He added that bid openings are scheduled for later today. For the Elizabeth New Elementary School project, Mr. Da Silva said that demolition has advanced into the final phase, Phase 4, the main building, which is approximately 60% demolished.

Turning to Authority events, outreach and other activities, Mr. Da Silva informed the Members the SDA was an exhibitor at the annual New Jersey School Board Association School Boards Convention Workshop in Atlantic City on October 22 and 23. He noted that staff from our Grants Department and Communications there to answer questions from school district representatives. He added that he and David Magyar were also in attendance on different days and had the opportunity to speak with architects and district representatives. He noted that they answered questions related to ROD Grant projects and funding available for the Capital maintenance and emergent grants.

Next, Mr. Da Silva said that tomorrow he will speak at the annual Construction Forecast meeting at the Alliance for Action Construction Forecast. He added that between Capital projects, ROD projects, and Capital maintenance/emergent projects, he will share that SDA-related projects will represent \$560-\$660 million of work from now through the end of 2025.

Mr. Da Silva said that he wanted to remind the Designees that the annual ethics training must be completed by November 15. He noted that Public Members have already completed this training.

Finally, Mr. Da Silva said that on November 1, Susan B. Pacuta, a former SDA employee living in Yardville, passed away peacefully. He said that she worked for the Economic Development Authority and then the SDA giving us 17 years, and retiring in 2018 as our Director of Internal Audits. He added that he doesn't normally talk about retirees, however Sue is different since she was instrumental in transitioning this Authority into who we are today. He added that services are on Thursday and Friday.

Mr. Nixon said that he worked very closely with Sue. He said that her passion for the SDA, doing things right and putting the taxpayer and the Authority first was really so evident. He said that she was funny and irreverent at times and he really enjoyed knowing her.

### *Audit Committee*

Mr. Nixon, as Audit Committee Chairman, said that the Committee received a draft 2025 Operating Budget for the Authority that was prepared by management. He advised that management is still in the process of finalizing certain budgetary line items and that a revised proposed budget will be presented to the Committee at its November meeting. He said that the budget for 2025 is basically flat from 2024 and noted that management plans to present the final proposed budget to the Board for consideration at its December Meeting.

Mr. Nixon then provided the September 2024 Financial Report. He said that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$9.4 million, down \$2.6 million as compared to the budget for the corresponding period. He said that this variance is attributable to lower activity for personnel costs, professional and other contracted services, informational systems, facilities and general office expenses and SDA owned automobiles, offset by lower payroll and benefits expense allocation to project costs. He noted that the current full time equivalents (FTE) headcount is 130 through September 30, 2024 representing a 17 FTE decrease compared to year-to-date projections. Mr. Nixon then reported that school facilities project expenditures (Actual vs. Forecast) for the year-to-date period total \$209.9 million, are \$61.4 million lower as compared to the capital spending forecast for the corresponding period. He advised that this variance is due to lower costs associated with construction work, grant agreements, project insurance, property acquisitions and construction management services. He further reported that project expenditures (Actual vs. Prior Year Actual), at \$209.9 million, are \$12.5 million higher when compared to the capital spending

forecast for the corresponding prior year period. He said that this variance is a result of an increase in spending for property acquisitions, grant agreements and school furniture, fixtures and equipment, partially offset by a spending decrease in construction work. He said that, since program inception, 82.3% of the funds authorized for the SDA districts have been disbursed. Additionally, he noted that 96% of all SDA disbursements relate to school facilities projects, while 4% relate to operating expenses. He advised that the estimated value of active school facilities, capital projects, along with emergent and regular operating district grant projects, is approximately \$1.2 billion.

Mr. Nixon then advised the Members that the Committee discussed various proposed revisions to SDA's Operating Authority. He said that management plans to present the revisions in more detail with the Audit and School Review Committee's at the November Committee Meetings.

Next, Mr. Nixon advised the Board 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 the need to purchase Owner Controlled Insurance Program (OCIP V or Program). He noted that, since 2003, the Authority has implemented an OCIP (I through IV) to "wrap-up" multiple types of insurance coverage into one program. He said that management recommends that the Members authorize the SDA to continue the Program for the Authority's managed school facilities projects anticipated to commence construction during the period from the effective Program date of December 1, 2024 through December 1, 2027, and will enroll eligible projects that begin construction within the term. Mr. Nixon said that all enrolled projects will be expected to be completed within five years of the effective date-- i.e., by December 1, 2029 advising that each project when completed will have operations coverage for ten years --the statute of repose for construction projects in New Jersey-- starting on the date that



it is put to its intended use. He explained that these wrap-up policies included in OCIP V are workers' compensation, general liability and excess liability. He said that the Program is calculated on an aggregate construction value of \$1.293 billion based on the Authority's 2022 Capital Plan. Mr. Nixon said that management and the Audit Committee recommend the purchase of the various OCIP V wrap-up policies from Liberty Mutual and the excess liability insurers for a cost not-to-exceed \$25.5 million. In conclusion, Mr. Nixon noted the rising costs of insurance and lauded management for all their hard work and expertise in negotiating the proposed rates.

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. Luckie, the Board authorized management to award a contract to Liberty Mutual and the excess liability insurers for OCIP V wrap-up insurance as presented in the memorandum to the Board with its unanimous vote in favor of *Resolution 5a*.

### ***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.

### ***Approval of Meeting Minutes***

The Chairman presented for consideration and approval the minutes of the Board's October 2, 2024 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. Piaia and seconded by Mr. Burgos, the Open Session minutes of the October 2, 2024 SDA Board

meeting were approved with the Members' vote in favor of the resolution attached hereto as

*Resolution 3a.*

### *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 November 6, 2024 meeting.

/s/ Manuel Da Silva  
Chief Executive Officer

***Resolution—3a/3b.***

**Approval of Minutes**

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

**WHEREAS**, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the October 2, 2024 Executive Session Board Meeting and November 6, 2024 Open Session Board meeting of the New Jersey Schools Development Authority 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 October 2, 2024 Executive Session meeting and November 6, 2024 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: December 4, 2024

## **AUTHORITY MATTERS**

## **CEO REPORT**

## **CHAIRMAN'S REPORT**

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



**Business and Real Estate Property and Casualty Insurance Program Renewal**

**MEMORANDUM**

TO: Members of the Authority

FROM: Curtis Cooper  
Manager, Insurance Risk Management

DATE: December 4, 2024

SUBJECT: Business and Real Estate Property and Casualty  
Insurance Program Renewal

On November 1, 2023, following a competitive procurement, the Members of the Authority approved the award of a contract to The Safeguard Group, Inc., A Division of Patriot Growth Insurance Services, LLC (“Safeguard”), to place and service the Authority’s Business and Real Estate Property and Casualty Insurance Program (“Business Insurance Program”), for three years, commencing at 12:01 AM on December 14, 2023. Concurrent with that approval, the Board approved a not-to-exceed amount of \$705,000.00 for the initial policy year --- December 14, 2023 to December 14, 2024 --- to renew all of the policies in the Business Insurance Program, plus contingency, for potential increases in the Authority’s insurable exposures during the policy year.

In July, 2024, Safeguard began soliciting quotes for the annual renewal of the business insurance policies, which are to take effect on December 14, 2024. The total quoted cost for year two of the Business Insurance Program is \$691,831.99, an increase of 2.75% over the cost of the current policies. Accordingly, Management requests that the Board approve a not-to exceed amount of \$713,000, including contingency, to renew the Business Insurance Program for the policy year commencing on December 14, 2024. The premiums for all of the Authority’s Business Insurance policies, are included in its annual operating budget approved by the Board, except for the Commercial General Liability policy covering the Real Estate portfolio, which is accounted for as a project cost.

**DESCRIPTION**

The annual premiums for the business insurance policies, for the policy year commencing on December 14, 2024, including taxes and broker commissions, are listed in the Table below:

Coverage	12/14/2023-12/14/2024	12/14/2024-12/14/2025
Business Personal Property	\$22,057.00	<b>\$22,445.00</b>
Commercial General Liability - Business	\$11,223.00	<b>\$11,420.00</b>
Commercial General Liability - Real Estate	\$11,389.00	<b>\$13,910.00</b>
Automobile	\$33,754.94	<b>\$40,693.46</b>
Workers’ Compensation	\$82,628.00	<b>\$67,559.00</b>

Coverage	12/14/2023-12/14/2024	12/14/2024-12/14/2025
Umbrella Liability	\$17,016.66	<b>\$30,646.66</b>
Excess Liability Layer 1	\$18,894.00	<b>Included in Umbrella Liability Premium</b>
Excess Liability Layer 2	\$15,091.00	<b>\$17,209.62</b>
Public Officials' Liability / Employment Practices	\$307,279.76	<b>\$327,145.59</b>
Excess Public Officials' Liability / Employment Practices	\$100,384.43	<b>\$106,654.01</b>
Cyber Enterprise Risk Management	\$40,248.24	<b>\$40,241.21</b>
Workplace Violence / Active Shooter	\$8,154.90	<b>\$8,154.90</b>
Crime	\$5,184.87	<b>\$5,752.54</b>
<b>Total Excluding Contingency</b>	<b>\$673,305.80</b>	<b>\$691,831.99</b>
<u>Contingency:</u>		
Commercial General Liability - Real Estate	\$10,611.00	<b>\$10,168.01</b>
All Other Lines of Coverage	\$21,083.20	<b>\$11,000.00</b>
<b>Total</b>	<b>\$705,000.00</b>	<b>\$713,000.00</b>

RECOMMENDATION

Management requests the Board's approval to renew the Authority's Business Insurance Program for one year, beginning on December 14, 2024, for a cost not-to-exceed \$713,000.00. That amount is based on the annual premiums listed in the table above, plus contingency of approximately 3%, to account for potential increases in the Authority's insurable exposures during the policy year, such as additions to its real estate portfolio or vehicle fleet.

/s/Curtis Cooper  
 Curtis Cooper, Insurance Risk Manager

Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial Officer

## ***Resolution—5a.***

### Business and Real Estate Property and Casualty Insurance Program Renewal

#### **Resolution**

**WHEREAS**, the Operating Authority of the New Jersey Schools Development Authority (SDA or the Authority) requires that the Members of the Authority approve contracts for Goods and Services exceeding \$100,000; and

**WHEREAS**, on November 1, 2023 the Members of the Authority approved a contract to the Safegard Group, Inc. (Safegard) to place and service the Authority's Business and Real Estate Property and Casualty Insurance Program for three years beginning December 14, 2023; and

**WHEREAS**, in July 2024, Safegard began to solicit quotes for the annual renewal of the business insurance policies which will take effect on December 14, 2024, and the total quoted cost of year two of the Business Insurance Program is \$691,831.99, representing an increase of 2.75% over the cost of the current policies; and

**WHEREAS**, as fully described in the memorandum presented to the Board on this date, the Business Insurance Program includes multiple layers of various types of policies that are required to be maintained in order to adequately protect the Authority, with each individual policy quote included in the memorandum; and

**WHEREAS**, management recommends that the Members of the Authority approve the contract for the renewal of the incumbent policies for the Authority's Business Insurance Plan for the cost of \$691,831.99 plus a contingency amount of \$21,168.01, which is approximately 3% to account for potential increases in the Authority's insurable exposures during the policy year, for a not-to-exceed amount of \$713,000, consistent with the memorandum provided to the Members of the Authority; and

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

**NOW, THEREFORE, BE IT RESOLVED** that, consistent with the provisions of the memorandum presented to the Board on this date, the Members of the Authority hereby authorize and approve the SDA contracting with The Safegard Group, A Division of Patriot Growth Insurance Services, LLC for the placement and servicing of the SDA's Business Insurance Program.

**BE IT FURTHER RESOLVED** that, prior to execution of the contract, the contract and related documentation shall 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 same, in which case such action shall become effective upon such approval.

Attached: Memorandum, Business Insurance Program Renewal, dated December 4, 2024

Dated: December 4, 2024

## **Proposed 2025 SDA Staffing Plan**



**2025 Staffing Plan**  
Forecasted Staff Utilization  
December 4, 2024

## 2025 Project Work Load

Effective January 1, 2025, SDA will have following workload:

**Capital Projects** – 18 projects in various phases of planning, design or construction utilizing internal and external resources. The status of the projects consists of 7 are either in planning or phased advancement, 4 have planning charters, 5 have preliminary charters and 2 have design-build awards. Therefore, in 2025, 11 projects will be actively advancing toward development while the remaining 7 require additional discussions or completion of a prior phase;

**Emergent Projects** – We are currently advancing our last emergent project in the SDA portfolio;

**Capital Maintenance/Emergent Grants** – Administration of the remaining \$8.7 million in the FY 2022, 23, and 24 grant program. In addition, we will be administering the \$50 million allocated to SDA Districts in the FY 2025 budget appropriation.

**Regular Operating District (ROD) Grants** – In 2024, we offered grants to fund 657 projects in 259 school districts. The grant projects will advance throughout 2025 and beyond requiring project progress inspections and grant payments;

**Review Plans** – SDA is in the process of implementing a Annual Policy Review Plan to ensure that policies and procedures are reviewed annually. 2025 will be an opportunity for SDA to review and update policies and procedures that have not been updated for over 10 years. In addition, we will review our materials systems and standards to update them with the support and feedback of our consultants and contractors focusing on industry standards, operational efficiencies, cost and longevity.

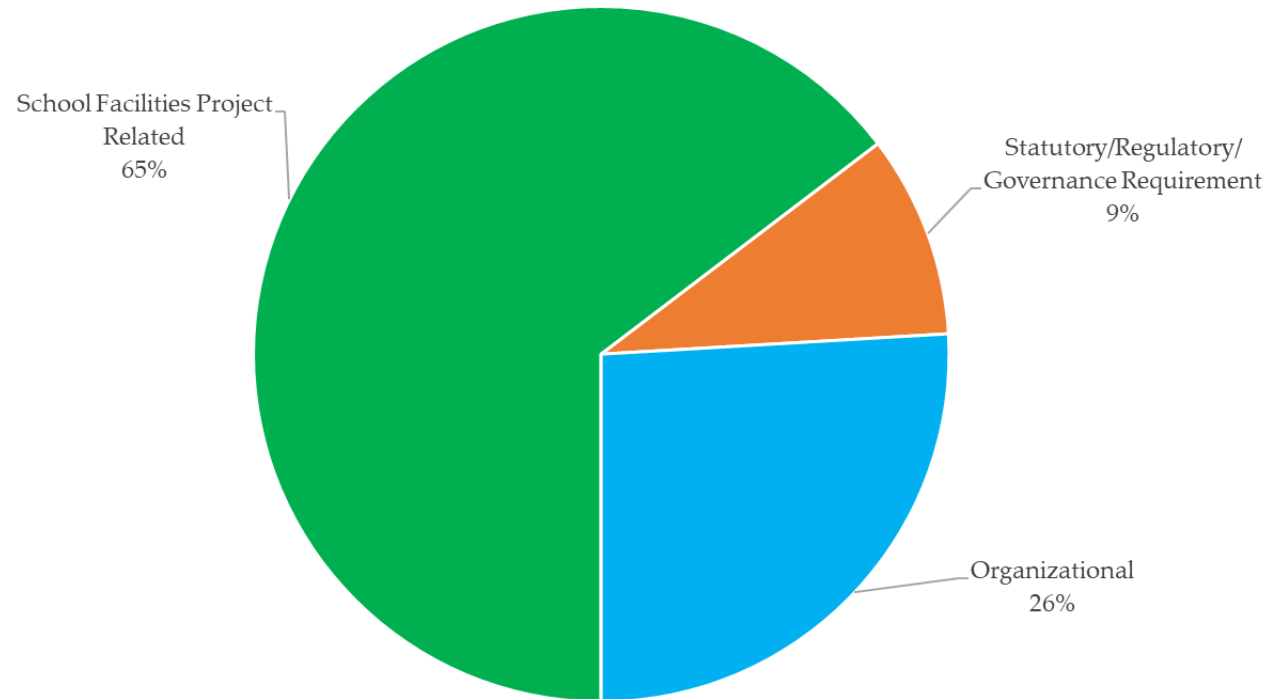
<b>Project Data</b>				
Year	Staff	Capitals	Emergents	Project Load
2022	175	6	13	<b>19</b>
2023	150	5	13	<b>18</b>
2024	150	3	12	<b>15</b>
2025	140	11	1	<b>12</b>

The above project data demonstrates the number of capital and emergent projects being managed by year and total staff count. Since 2022 the total number of capitals and emergent projects have decreased.

The pie chart on the right is reflective of 2024's staff utilization by activity. Staff utilization remains relatively the same from year to year since our overall program has not changed. SDA's activities have remained the same in terms of project types:

- Capital projects
- Emergent projects, and
- Grants administration

SDA  
Staff Utilization by Activity Type





## Conclusion

SDA's staffing plan is grounded in the workload anticipated during 2025 as explained above. In summary, SDA's workload will ramp up during 2025 starting the year with two design-build projects already awarded that will be joined by additional projects as 2025 progresses. The project workload will increase as more design-build projects are brought online from the 2022 Strategic Plan Update and Capital Plan. There will be a focused effort to update our standards, policies and procedures implementing an annual review process that will continue beyond 2025.

In conclusion, SDA's proposed staffing plan calls for the reduction of 10 positions resulting in a proposed staffing of 140 FTE's for the 2025 fiscal year. Based upon a January 1<sup>st</sup>, 2025 review of staffing, the SDA will have 125 FTE's and the capability to expand staffing as the need arise to a maximum of 140 FTE's in fiscal year 2025 subject to Audit Committee review as defined in the Charter.

***Resolution-5b.***

**Resolution Approving the  
2025 Staffing Plan  
of the New Jersey Schools Development Authority**

**Resolution**

**WHEREAS**, the New Jersey Schools Development Authority (SDA or the Authority) was established by law pursuant to P.L.2007, C.137 (N.J.S.A. 52:18A-235 et. seq.) and P.L. 2023, c.311 as an entity “in but not of” the New Jersey State Department of the Treasury; and

**WHEREAS**, pursuant to law, the Authority is authorized to “adopt bylaws for the regulation of its affairs and the conduct of its business”, which bylaws were adopted by the Authority on August 15, 2007 and amended by the Board of Directors in 2014, 2019 and 2024; and

**WHEREAS**, Article IX, Section 9.1 of the Authority’s Bylaws (Bylaws) establishes the Audit Committee as a standing committee of the Authority; and

**WHEREAS**, the Audit Committee’s Charter (Charter) sets forth the authority, composition, meetings, voting, and other responsibilities of the Audit Committee; and

**WHEREAS**, the Members of the Authority have approved amendments to the SDA Bylaws and Charter to clarify and strengthen the Board’s oversight role in matters involving personnel and compensation; and

**WHEREAS**, among the amendments to the Bylaws and Charter approved by the Board are amendments requiring the annual establishment of a “Staffing Plan” for the Authority; and

**WHEREAS**, Article V., Section 5.1 of the SDA Bylaws requires that the SDA’s Chief Executive Officer, upon establishment of the Authority’s annual Staffing Plan as defined in Article I, Section 1.7 of the Bylaws, present the same for consideration and adoption by the SDA Board of Directors; and

**WHEREAS**, Section G.2 of the SDA Audit Committee Charter stipulates that the SDA Audit Committee as well as the Board shall review the annual Staffing Plan as submitted by the SDA Chief Executive Officer; and

**WHEREAS**, on November 18, 2024, the SDA Audit Committee conducted a detailed review of the 2025 Staffing Plan prepared and submitted by the Chief Executive Officer and recommends approval of the same by the SDA Board of Directors.

**NOW, THEREFORE, BE IT RESOLVED**, that the Members of the Authority hereby adopt the 2025 Staffing Plan prepared and submitted by the SDA Chief Executive Officer for comprehensive review by the Authority’s Audit Committee on November 18, 2024, and for Board consideration and adoption on this date, and authorize its implementation.

**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, Approval of SDA 2025 Staffing Plan, dated December 4, 2024

Dated: December 4, 2024

**Proposed 2025 Operating Budget**



**MEMORANDUM**

TO: The Members of the Authority

FROM: Manuel Da Silva, Chief Executive Officer  
Donald Guarriello, Chief Financial Officer

RE: Proposed 2025 Operating Budget

DATE: December 4, 2024

**Justification for Budget Request**

Pursuant to Article V, Section 5.1.B of the Authority's By-Laws, the Chief Executive Officer is required to prepare and submit a proposed annual budget for the Authority for adoption by the Members. Accordingly, in support of the Authority's current and projected project activities and other initiatives, we are submitting to the Board of Directors for their consideration a calendar year 2025 Operating Budget of \$15.5M, a decrease of \$105K as compared to the 2024 Operating Budget. The 2025 Operating Budget includes a proposed headcount of 140 full-time equivalents (FTE) which is a decrease of 10 FTEs as compared to the 2024 budget. Combined with the prior five budget years, headcount is reduced by a total of 65 positions.

In April and September of 2022, the SDA Board of Directors approved amendments to SDA's Capital Plan authorizing the advancement of 19 additional capital projects. These capital projects will be funded largely from the \$200 million authorized for the Authority in the State FY 2022 budget, until these funds are fully exhausted, and then from the \$1.55 billion approved for appropriation from the State of New Jersey Debt Defeasance and Prevention Fund on June 30, 2022. An additional \$350 million was approved for appropriation from the Debt Defeasance and Prevention Fund, also on June 30, 2022, for Regular Operating District grant projects. Although SDA executive management is recommending a small staffing decrease in the 2025 operating budget, staffing may need to be increased in subsequent budgets, above the proposed headcount of 140, as the new projects further evolve.

The management and administration of a \$300 million to \$350 million a year School Construction Program requires significant human resources. These resources and the functional areas they support have diverse responsibilities and accountabilities, but frequently their work is interrelated and all are critical to the successful management and administration of the Program. Several functional areas directly or indirectly impact school facilities projects such as capital planning, project controls and budgeting, real estate, design, construction management, contract management, project insurance and safety. Several other functional areas directly or indirectly

touch projects, although their involvement may not be as apparent. These include procurement, accounts payable and legal. The Authority also administers a grants program providing state funding to regular operating districts for school facilities projects. In fact, nearly 70% of SDA's employees either directly or indirectly touch school facilities projects.

The management and oversight of numerous school construction capital projects, emergent projects and a grants program is not possible without back office support and necessary control functions. These functional areas include human resources, payroll, information systems, records management, internal auditing, communications, corporate governance and financial and risk management, including accounting, operational budgeting, treasury operations and risk mitigation (i.e., insurance).

### **Budget Approach**

To appropriately assign accountability, operating expenses are budgeted on a departmental basis. Departmental budget information supplied to the budget team is aggregated to arrive at divisional and Authority totals. Once approved, the budget is apportioned for 2025 monthly reporting.

Consistent with prior years, a portion of the Authority's employee salaries and benefits costs will be appropriately charged to school facilities projects based upon employee weekly time sheet data. For budget year 2025, the Authority has estimated the amount of such costs to be charged to school facilities projects at \$11.2M, which amount has been backed out of operating expense as presented in the attached materials.

### **Significant Operating Budget Variances**

- Employee salaries charged to operating expense are projected to decrease by \$305K to approximately \$6.6M. The 2025 Operating Budget includes a proposed headcount of 140, which is a decrease of 10 position from 2024. The amount of salaries estimated to be charged to school facilities projects is expected to increase by \$94K. This is due to the fact that nine open positions - which have been approved and advertised - are for staff members involved with projects.
- Employee benefit costs charged to operating expense are projected to increase by \$82K as compared to the current year budget to approximately \$3M. This is primarily due to an increase of \$143,500 to Pension & Life Insurance, Prescription Drug Insurance Cost of \$47K, and an overall decrease in employee benefit costs charged to projects of \$111K – which serves to increase the remaining Operating Expense portion of benefit costs. This increase is partially offset by a decreased expenses for Health Insurance of \$166K, Social Security of \$15K, Workers Compensation of \$21K and Dental Care of \$13K.

Overall, employee benefit costs are estimated to comprise approximately 44.57% of gross payroll in 2025. This represents an increase of 0.45% over the 2024 Budgeted figure of 44.12%.

- General Office & Facilities costs are expected to increase by \$164K due mainly to an increase in Building Safety & Security enhancements of \$115K and Utility Costs of \$20K, which is offset by a decrease in Parking Costs of \$18K.
- Information Systems expenses are \$71K higher than the current year budget due primarily to increases in Maintenance & Support of \$117K, and On-Line Subscription Services of \$63K. These increases are partially offset by decreases in System Software General of \$68K and Internet Service Provider of \$18K.
- Professional and Other Contracted Services are expected to decrease by \$95K for the 2025 Budget due mainly to a decrease in Outside Legal Services of \$125K, which is offset by an increase in Internal Audit Costs of \$40K.
- Property & Casualty Insurance costs are anticipated to increase by \$17K for the 2025 Budget due primarily to the persistence of a “hard market” in the insurance industry which has resulted in commercial insurance premiums increasing at higher-than-average rates across nearly all lines of coverage. For SDA, Public Officials’ Liability, including Excess coverage increased by \$25K, which is offset by a decrease in Cyber Liability Insurance of \$7K.
- The overall 2025 Operating Budget amount for SDA-owned automobile costs is increased by \$10K. The 2025 Budget includes costs for the replacement of three SDA-owned vehicles nearing the end of their useful lives, which is increased by \$10K over the 2024 amount to reflect current pricing. In 2024, three SDA vehicles having between 162,000 miles and 185,000 miles were taken out of service, and an additional four vehicles currently in use exceed 150,000 miles, with another two that exceed 125,000 miles.

### **Proposed 2024 Capital Budget and Carryforward Items (Non-School Facilities Capital Projects)**

- The 2025 budget does not anticipate any new SDA capital projects. However, certain costs shown as expense in the 2025 Operating Budget (e.g., automobile and Information Systems purchases), will have to be capitalized if the cost exceeds the SDA’s capitalization threshold.

### **Accompanying Materials**

The accompanying 2025 Operating Budget materials include the following: (1) Operating Budget Summary, (2) Operating Budget Details, (3) Employee Salaries and Fringe Benefit Expense Details, (4) Employee Headcount, and (5) 5-Year Operating Budget Summary Comparison.

The Members of the Authority  
December 4, 2024  
Page 4

**Recommendation**

The Members of the Authority are recommended to approve the proposed 2025 Operating Budget as presented in the accompanying materials. The proposed 2025 Operating Budget is for the amount of \$15.5 million, and includes a headcount of 140.

Prepared by: James Wiegartner and Robert Carney



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**New Jersey Schools Development Authority**  
**Proposed 2025 Operating Budget**  
**Presentation to the Board of Directors**

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# New Jersey Schools Development Authority

## Proposed 2025 Operating Budget

### Presentation to the Board of Directors

	Proposed 2025 Budget	2024 Budget	2024 Reforecast	Over/(Under)	
				2025 Budget vs 2024 Budget	2025 Budget vs 2024 Reforecast
<b>Personnel Expenses:</b>					
Employee Salaries	\$ 14,389,800	\$ 14,600,000	\$ 13,600,000	\$ (210,200)	\$ 789,800
Employee Benefits	6,413,600	6,442,126	6,200,000	(28,526)	213,600
Direct Hire Temporary Employee Costs	50,000	50,000	50,000	-	-
Total Employee Salaries & Benefits Costs	20,853,400	21,092,126	19,850,000	(238,726)	1,003,400
<u>Less:</u> Employee Salaries Costs Charged to Projects	(7,766,400)	(7,672,076)	(7,233,208)	(94,324)	(533,192)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,417,700)	(3,528,372)	(3,245,138)	110,672	(172,562)
Salaries & Benefits Costs Charged to Operating Expense	9,669,300	9,891,678	9,371,654	(222,378)	297,646
Temporary Staffing Services	50,000	100,000	-	(50,000)	50,000
Travel & Expense Reimbursements	32,600	30,540	27,540	2,060	5,060
Training & Professional Development	95,400	96,726	40,426	(1,326)	54,974
Total Personnel Expenses	9,847,300	10,118,944	9,439,620	(271,644)	407,680
<b>Non-Personnel Expenses:</b>					
Facilities & General Office Expenses	2,186,800	2,022,440	2,035,240	164,360	151,560
Information Systems	1,788,500	1,718,000	1,625,437	70,500	163,063
Professional & Other Contracted Services	840,600	935,600	760,800	(95,000)	79,800
Property & Casualty Insurance	610,800	594,000	553,400	16,800	57,400
SDA-Owned Automobiles	210,000	200,000	200,000	10,000	10,000
Communications & Outreach	4,000	4,000	4,000	-	-
Reserve for Unforeseen Events & New Initiatives	25,000	25,000	25,000	-	-
<b>Total Operating Expenses</b>	<b>\$ 15,513,000</b>	<b>\$ 15,617,984</b>	<b>\$ 14,643,497</b>	<b>\$ (104,984)</b>	<b>\$ 869,503</b>
<b>Total Full-Time Employees (FTEs)</b>	<b>140</b>	<b>150</b>	<b>130</b>	<b>(10)</b>	<b>10</b>

# New Jersey Schools Development Authority

## Proposed 2025 Operating Budget

### Presentation to the Board of Directors

	Proposed 2025 Budget	2024 Budget
<b>PERSONNEL EXPENSES:</b>		
<b>Employee Salaries &amp; Benefits</b>		
Employee Salaries	\$ 14,389,800	\$ 14,600,000
Employee Benefits	6,413,600	6,442,126
Direct Hire Temporary Employee Costs	50,000	50,000
<b>Total Employee Salaries &amp; Benefits Costs</b>	<b>20,853,400</b>	<b>21,092,126</b>
<u>Less:</u> Employee Salaries Costs Charged to Projects	(7,766,400)	(7,672,076)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,417,700)	(3,528,372)
<b>Total Salaries &amp; Benefits Costs Charged to Operating Expense</b>	<b>9,669,300</b>	<b>9,891,678</b>
<b>Temporary Staffing Services</b>	<b>50,000</b>	<b>100,000</b>
<b>Travel &amp; Expense Reimbursements</b>		
Mileage Reimbursements	9,700	7,740
Tolls & Parking	22,900	22,800
<b>Total Travel &amp; Expense Reimbursements</b>	<b>32,600</b>	<b>30,540</b>
<b>Training &amp; Professional Development</b>		
Conferences & Seminars	31,200	37,611
HR Training - Authority Wide	15,000	15,000
Career Development	10,000	10,000
Publications & Subscriptions	23,000	17,050
Professional Memberships & Licenses	16,200	17,065
<b>Total Training &amp; Professional Development</b>	<b>95,400</b>	<b>96,726</b>
<b>TOTAL PERSONNEL EXPENSES</b>	<b>9,847,300</b>	<b>10,118,944</b>
<b>NON-PERSONNEL EXPENSES:</b>		
<b>FACILITIES &amp; GENERAL OFFICE EXPENSES</b>		
<b>Office Leases &amp; Parking</b>		
Trenton	1,174,600	1,170,140
<b>Total Office Leases &amp; Parking</b>	<b>1,174,600</b>	<b>1,170,140</b>
<b>Telephone</b>		
Private-VoIP	15,000	15,000
Cellular	107,000	110,000
Cellular - GPS/Engine & Maint Status	2,500	4,000
<b>Total Telephone</b>	<b>124,500</b>	<b>129,000</b>
<b>Utilities</b>		
Trenton Office	215,000	195,000
<b>Total Utilities</b>	<b>215,000</b>	<b>195,000</b>

# New Jersey Schools Development Authority

## Proposed 2025 Operating Budget

### Presentation to the Board of Directors

	Proposed 2025 Budget	2024 Budget
<b>Postage &amp; Delivery</b>		
Meter Usage	1,200	1,500
Post Office Box Rental	2,100	1,900
State of NJ	400	400
Package Delivery	3,500	4,000
<b>Total Postage &amp; Delivery</b>	<b>7,200</b>	<b>7,800</b>
<b>Furniture &amp; Equipment</b>		
Furniture Purchases	1,500	1,500
Equipment Purchases	3,000	1,500
Equipment Leases/Maintenance	45,000	45,000
<b>Total Furniture &amp; Equipment</b>	<b>49,500</b>	<b>48,000</b>
<b>Office Supplies</b>		
Stationery & Supplies	11,000	15,000
Printer & Copier Paper	5,000	8,000
Toner	10,000	20,000
Business Cards	500	500
<b>Total Office Supplies</b>	<b>26,500</b>	<b>43,500</b>
<b>Building Security</b>		
Building Safety & Security	115,000	-
<b>Total Building Security</b>	<b>115,000</b>	<b>-</b>
<b>Mechanical Maintenance</b>		
Repairs & Maintenance	25,000	30,000
Common Area Maintenance Fees	425,000	372,000
<b>Total Mechanical Maintenance</b>	<b>450,000</b>	<b>402,000</b>
<b>Other</b>		
Refreshments & Supplies	10,000	12,500
Employee Services	1,500	1,500
Recruitment Expense	13,000	13,000
<b>Total Other</b>	<b>24,500</b>	<b>27,000</b>
<b>TOTAL FACILITIES &amp; GENERAL OFFICE EXPENSES</b>	<b>2,186,800</b>	<b>2,022,440</b>

# New Jersey Schools Development Authority

## Proposed 2025 Operating Budget

### Presentation to the Board of Directors

	Proposed 2025 Budget	2024 Budget
<b>INFORMATION SYSTEMS</b>		
<b>Maintenance and Support</b>	1,044,000	927,000
<b>Media Storage</b>	33,000	32,000
<b>System Supplies</b>	34,000	30,000
<b>System Software</b>		
General	20,000	88,000
Software-Crowdstrike	9,000	5,000
<b>Total System Software</b>	29,000	93,000
<b>System Hardware</b>		
General	118,500	100,000
<b>Total System Hardware</b>	118,500	100,000
<b>Technology Projects</b>		
CFO Projects	-	50,000
Governance & Compliance Projects	-	45,000
Document Management	30,000	30,000
Authority Infrastructure Projects	95,000	110,000
Real Estate Projects	-	45,000
Corporate Infrastructure Cloud Transition	75,000	-
PM Web	75,000	50,000
<b>Total MIS Projects</b>	275,000	330,000
<b>External Services</b>		
Internet Service Provider	136,000	154,000
On-Line Subscription Services	109,000	46,000
<b>Total External Services</b>	245,000	200,000
<b>Information Systems Staff Technical Training</b>	10,000	6,000
<b>TOTAL INFORMATION SYSTEMS</b>	1,788,500	1,718,000
<b>PROFESSIONAL &amp; OTHER CONTRACTED SERVICES</b>		
<b>Auditing</b>		
Independent Auditor Services	122,000	135,000
Internal Audit	220,000	180,000
<b>Total Auditing</b>	342,000	315,000

# New Jersey Schools Development Authority

## Proposed 2025 Operating Budget

### Presentation to the Board of Directors

	Proposed 2025 Budget	2024 Budget
<b>Outside Legal &amp; Related Services</b>		
Outside Legal Services	275,000	400,000
DAG Legal Services	55,000	55,000
OAL Annual Assessment	15,000	15,000
<b>Outside Legal &amp; Related Services Total</b>	<b>345,000</b>	<b>470,000</b>
<b>Interagency Services</b>		
Authorities Unit Assessment	7,000	7,000
<b>Total Other Professional Services</b>	<b>7,000</b>	<b>7,000</b>
<b>Other Professional Services</b>		
ADP Services	50,000	50,000
Actuary Services	7,000	7,000
<b>Total Other Professional Services</b>	<b>57,000</b>	<b>57,000</b>
<b>Other</b>		
Document Storage (Off Site)	75,000	75,000
Computer Checks	600	600
Shredding Services	8,000	5,000
Bank Service Charges	6,000	6,000
<b>Total Other</b>	<b>89,600</b>	<b>86,600</b>
<b>TOTAL PROFESSIONAL &amp; OTHER CONTRACTED SERVICES</b>	<b>840,600</b>	<b>935,600</b>
<b>PROPERTY &amp; CASUALTY INSURANCE</b>		
Package-Owned	33,900	34,000
Automobile	40,700	38,200
Umbrella Liability	30,700	17,100
Umbrella Liability-Excess	17,300	34,000
Public Officials Liability	327,200	308,000
Public Officials Liability-Excess	106,700	101,000
Cyber Liability	40,300	47,500
Workplace Violence	8,200	8,200
Employee Dishonesty	5,800	6,000
<b>TOTAL PROPERTY &amp; CASUALTY INSURANCE</b>	<b>610,800</b>	<b>594,000</b>
<b>SDA-OWNED AUTOMOBILES</b>		
Automobile Purchase Cost	120,000	110,000
State of NJ Central Motor Pool Charges	90,000	90,000
<b>TOTAL SDA-OWNED AUTOMOBILES</b>	<b>210,000</b>	<b>200,000</b>

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# New Jersey Schools Development Authority

## Proposed 2025 Operating Budget

### Presentation to the Board of Directors

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	Proposed 2025 Budget	2024 Budget
<b>COMMUNICATIONS &amp; OUTREACH</b>		
External Communications		
General	4,000	4,000
External Communications Total	4,000	4,000
<b>TOTAL COMMUNICATIONS &amp; OUTREACH</b>	4,000	4,000
<b>RESERVE FOR UNFORSEEN EVENTS &amp; NEW INITIATIVES</b>	25,000	25,000
<b>TOTAL OPERATING EXPENSES</b>	\$ 15,513,000	\$ 15,617,984
<b>Full-Time Employees (FTEs)</b>		
Current Actives	128	130
Replacement Positions	12	20
<b>Total Full-Time Employees</b>	140	150

**New Jersey Schools Development Authority**  
**Proposed 2025 Operating Budget**  
**Presentation to the Board of Directors**

	Proposed 2025 Budget	2024 Budget	2025 Budget vs 2024 Budget
<b>Employee Salaries:</b>			
Employee Salaries	\$ 14,389,800	\$ 14,600,000	\$ (210,200)
Direct Hire Temporary Employee Costs	50,000	50,000	-
Total Employee Salaries	14,439,800	14,650,000	(210,200)
<u>Less:</u> Employee Salaries Costs Charged to Projects	(7,766,400)	(7,672,076)	(94,324)
Total Employee Salaries Charged to Operating Expense	6,673,400	6,977,924	(304,524)
<b>Employee Benefits:</b>			
Social Security	1,094,100	1,109,527	(15,427)
Unemployment Insurance	50,000	50,000	-
Workers Compensation Insurance	68,000	89,000	(21,000)
Long-Term Disability	89,200	90,618	(1,418)
Pension and Life Insurance	2,298,500	2,155,000	143,500
Health Insurance	1,814,200	1,980,640	(166,440)
Prescription Drug Insurance	531,700	484,770	46,930
Dental Care	114,900	127,571	(12,671)
Vision Care	28,000	30,000	(2,000)
Post Retirement Benefits	325,000	325,000	-
Total Employee Benefits	6,413,600	6,442,126	(28,526)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,417,700)	(3,528,372)	110,672
Total Employee Benefits Charged to Operating Expense	2,995,900	2,913,754	82,146
<b>Total Salaries &amp; Benefits Charged to Operating Expense</b>	<b>\$ 9,669,300</b>	<b>\$ 9,891,678</b>	<b>\$ (222,378)</b>
<b>Fringe Benefit Rate</b>	<b>44.57%</b>	<b>44.12%</b>	



**New Jersey Schools Development Authority**  
**Proposed 2025 Operating Budget**  
**Presentation to the Board of Directors**

SDA Division/Unit	Employee Headcount			Proposed Headcount vs.	
	Proposed 2025 Budget	2024 Budget	12/31/2024 Actual	2024 Budget	12/31/2024 Actual
Office of Chief Executive Officer (CEO)	2	2	2	-	-
Human Resources	4	4	4	-	-
Communications	3	3	3	-	-
Legislative Affairs	1	1	1	-	-
EEO/AA & Contracting Accountability	4	4	4	-	-
Office of Corporate Governance	3	4	3	(1)	-
Chief Counsel	8	8	8	-	-
Information Systems	11	11	11	-	-
Central Records Management	3	3	3	-	-
Safety	4	4	4	-	-
Internal Audit	3	3	3	-	-
Office of Construction Operations	-	-	-	-	-
Northern/Southern Regions	18	20	17	(2)	1
Office of Program Operations	1	1	1	-	-
Planning & Program Operations	9	10	9	(1)	-
Design Studio	13	13	12	-	1
Grants Administration	7	7	7	-	-
Real Estate & Predevelopment	3	3	3	-	-
Office of Chief Financial Officer	1	1	1	-	-
Financial Operations	7	7	7	-	-
Financial Accounting & Disbursements	11	11	10	-	1
Procurement	10	10	10	-	-
Risk Management	2	2	1	-	1
Facilities	4	5	4	(1)	-
Replacement Positions*	8	13	-	(5)	8
<b>Total Full-Time Employees (FTEs)</b>	<b>140</b>	<b>150</b>	<b>128</b>	<b>(10)</b>	<b>12</b>

\* These replacement positions to be determined at a later time, on an as needed basis.

**New Jersey Schools Development Authority**  
**Proposed 2025 Operating Budgetg**  
**Calendar Years 2025 - 2021**

	2025 Budget	2024 Budget	2023 Budget	2022 Budget	2021 Budget
<b>Personnel Expenses:</b>					
Employee Salaries	\$ 14,389,800	\$ 14,600,000	\$ 14,535,760	\$ 15,593,100	\$ 16,287,680
Employee Benefits	6,413,600	6,442,126	6,541,014	6,633,366	7,087,010
Direct Hire Temporary Employee Costs	50,000	50,000	48,443	48,443	48,443
Total Employee Salaries & Benefits Costs	20,853,400	21,092,126	21,125,217	22,274,909	23,423,133
<u>Less:</u> Employee Salaries Costs Charged to Projects	(7,766,400)	(7,672,076)	(7,640,240)	(8,594,438)	(9,291,136)
<u>Less:</u> Employee Benefits Costs Charged to Projects	(3,417,700)	(3,528,372)	(3,487,316)	(3,695,608)	(3,828,243)
Salaries & Benefits Costs Charged to Operating Expense	9,669,300	9,891,678	9,997,661	9,984,863	10,303,754
Temporary Staffing Services	50,000	100,000	150,000	150,000	150,000
Travel & Expense Reimbursements	32,600	30,540	30,900	26,200	24,660
Training & Professional Development	95,400	96,726	94,806	98,499	94,140
Total Personnel Expenses	9,847,300	10,118,944	10,273,367	10,259,562	10,572,554
<b>Non-Personnel Expenses:</b>					
Facilities & General Office Expenses	2,186,800	2,022,440	2,342,477	2,448,559	2,690,240
Information Systems	1,788,500	1,718,000	1,612,500	1,378,000	1,458,500
Professional & Other Contracted Services	840,600	935,600	930,100	1,003,930	961,700
Property & Casualty Insurance	610,800	594,000	553,400	467,300	406,300
SDA-Owned Automobiles	210,000	200,000	145,000	145,000	150,000
Communications & Outreach	4,000	4,000	4,000	1,800	3,000
Reserve for Unforeseen Events & New Initiatives	25,000	25,000	50,000	50,000	50,000
<b>Total Operating Expenses</b>	<b>\$ 15,513,000</b>	<b>\$ 15,617,984</b>	<b>\$ 15,910,844</b>	<b>\$ 15,754,151</b>	<b>\$ 16,292,294</b>
<b>Total Full-Time Employees (FTEs)</b>	<b>140</b>	<b>150</b>	<b>150</b>	<b>175</b>	<b>205</b>

***Resolution—5c.***

**Approval of the Fiscal Year 2025 SDA Annual Operating Budget**

**Resolution**

**WHEREAS**, the New Jersey Schools Development Authority (SDA or the Authority) was established by law pursuant to P.L.2007, C.137 (NJSA 52:18A-235 et. seq.) and P.L. 2023, c.311 as an entity “in but not of” the New Jersey State Department of the Treasury; and

**WHEREAS**, pursuant to law, the Authority is authorized to “adopt bylaws for the regulation of its affairs and the conduct of its business” and bylaws were adopted by the Authority on August 15, 2007 and amended in 2014, 2019 and 2024; and

**WHEREAS**, pursuant to Article IX of the Authority’s bylaws, there was established an SDA Audit Committee, the duties and responsibilities of which are set forth in the Audit Committee Charter; and

**WHEREAS**, pursuant to Article VII, Section 7.1 of the Authority’s bylaws, “the fiscal year of the Authority shall commence on the first day of January of each calendar year and conclude on the last day of December of the same calendar year; and

**WHEREAS**, pursuant to Article V. Section 5.1B of the Authority’s bylaws, the Authority’s “Chief Executive Officer shall prepare and submit a proposed annual budget for the Authority for each ensuing year for adoption by the members of the Authority”; and

**WHEREAS**, pursuant to Article V. Section 5.1B of the Authority’s bylaws, the Chief Executive Officer submitted to the Audit Committee for consideration a proposed operating budget for the Authority’s Fiscal Year 2025; and

**WHEREAS**, at its October 21, 2024 and November 18, 2024 meetings, the Audit Committee reviewed and discussed the Fiscal Year 2025 budget proposal submitted by the Chief Executive Officer; and

**WHEREAS**, pursuant to Article VII A.1 of the Audit Committee Charter and following deliberations, the Audit Committee recommends for approval by the Members of the Authority the \$15.5 million budget proposal recommended by SDA management for Fiscal Year 2025 and it is so presented in the attachment hereto.

**NOW THEREFORE BE IT RESOLVED**, that the Board hereby approves the attached Fiscal Year 2025 Annual Operating Budget for staffing, general and administrative expenses and capital expenditures in support of SDA operations totaling \$15.5 million and authorizes the Chief Executive Officer to expend funds on behalf of the Authority pursuant to this Budget as required.

**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, Proposed Fiscal Year 2025 Annual Operating Budget, dated  
December 4, 2024

Dated: December 4, 2024

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

**Design-Build Award and Approval of Final Project Charter - Garfield Public School District  
- New Elementary School**



MEMORANDUM

**TO:** Members of the Authority

**FROM:** Sean Murphy  
Managing Director, Procurement

Joseph Lucarelli  
Program Director, Construction Operations

**DATE:** December 4, 2024

**RE:** District: Garfield Public School District  
School: New Elementary School  
Description: Design-Build  
Package No.: NT-0053-B01  
CCE: \$58,250,000  
Advertised CCE Range: \$55,000,000 to \$64,000,000  
Award: \$69,500,000  
CM: TBD

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

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INTRODUCTION

We are writing to recommend approval by the Members of the Authority of the award of a contract in the amount of \$69,500,000 to Dobco, Inc.<sup>1</sup> for Design-Build services for the New Elementary School in the Garfield Public School District.

The Design-Build Team will complete the design of the New Elementary School facility 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 a new elementary school for grades Kindergarten through 5. 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.

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<sup>1</sup> Dobco, Inc. listed the following subcontractors for the required trades in its Price Proposal: Mechanical Associates of NJ, Inc. (HVACR), ABCO Electric, LLC (Electrical), Galdi Mechanicals Corporation (Plumbing), and B&B Iron Works, Inc. (Structural Steel & Ornamental Iron). Dobco, Inc. also listed a design consultant team lead by NK Architects, P.A. (Architecture), and includes Greenman-Pedersen, Inc. (HVAC Engineering, Electrical Engineering and Plumbing Engineering), Matrix New World Engineering, Land Survey & Landscape Architecture (Civil Engineering), Harrison-Hamnett, P.C. (Structural Engineering), and GZA GeoEnvironmental, Inc. (Environmental Engineering).

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, as amended March 7, 2012, Board approval is required for the award of construction contracts greater than \$500,000 and for the approval of the Final Project Charter.

## BACKGROUND

At the November 2, 2022 Board Meeting, the Members approved the Preliminary Project Charter for the New Garfield Elementary School project. The project is planned to be an approximately 132,000 SF new school to educate 767 students in grades Kindergarten through Five.

An Early Site Package was awarded to APS Contracting, Inc. and a Notice to Proceed was issued on December 15, 2023. This package was for the demolition of the old school and site preparation for the new school. This work has been completed and the site is ready for construction of the new school.

A Construction Management Firm will be engaged to manage the construction of the New Elementary School. Advertisement for the procurement of these services will initiate during the fourth quarter of 2024.

## PROCUREMENT PROCESS

This package was advertised as a design-build solicitation beginning on July 26, 2024 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%.

Interested bidders were required to attend a mandatory site visit held on August 15, 2024.

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 August 16, 2024. Bidders were evaluated based on the largest of four projects completed in the past ten years, safety records as well as reference checks. Based on evaluation of the information submitted, six (6) bidders received a Project Rating Limit.

The Project Rating Limits resulting from the Project Rating Evaluations are listed in Table 1 below:

**TABLE 1**

<b>Firm</b>	<b>Project Rating Limit</b>
Del-Sano Contracting Corporation	\$ 90,431,757
DMR Construction Services, Inc.	\$ 59,160,000
Dobco, Inc.	\$201,092,068
Ernest Bock & Sons, Inc.	\$143,439,924
Hall Construction Company, Inc.	\$103,266,224
Terminal Construction Corporation	\$555,399,602

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 September 13, 2024.



Addenda responses to Bidder Questions were issued to the bidders on August 27, September 23, October 1 and October 3, 2024.

Technical and Price Proposals were received on October 23, 2024 from three (3) bidders. As described in the 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 five (5) NJSDA staff members and one (1) alternate, and one (1) Garfield 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 at NJSDA offices in Trenton on November 4, 2024 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**

<b>Project Approach Criteria Evaluation Category</b>	<b>Weighting Factor (Applied to Raw Score)</b>	<b>Maximum Weighted Points</b>
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
<b>Total Possible Points</b>		<b>100</b>

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**

<b>Contractor</b>	<b>Non-Price Score</b>	<b>Non-Price Rank</b>
Terminal Construction Corporation	79.125	1
Hall Construction Company, Inc.	64.542	2
Dobco, Inc.	57.250	3

***Sealed Price Proposals***

Once all of the Technical Proposals were scored pursuant to the “Project Approach Criteria”, the Price Proposals<sup>2</sup> were publicly opened on November 6, 2024 in accordance with the RFP and the bids were read aloud as required by law.

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

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:

**TABLE 4**

<b>Contractor</b>	<b>Bid Amount</b>	<b>Price Score</b>	<b>Price Rank</b>
<b>Qualified and Responsive Bidders</b>			
Dobco, Inc.	\$69,500,000	100.000	1
Hall Construction Company, Inc.	\$83,500,000	79.856	2
<b>Non-Responsive Bidder – Bid Rejected</b>			
Terminal Construction Corporation	\$81,862,000	N/A	N/A

As stipulated in the RFP, each Bid Amount is inclusive of NJSDA-established Allowances totaling \$2,150,000, as follows: \$1,000,000 for General Design and Construction; \$500,000 for Subsurface Conditions; \$250,000 for Fire Pump; \$200,000 for Emergency Responder Radio System; \$100,000 for Outdoor LED Signage; and \$100,000 for Tree Trimming/Removal.

***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**

<b>Contractor</b>	<b>Raw Non-Price Score</b>	<b>Raw Price Score</b>	<b>Weighted Non-Price Score (40%)</b>	<b>Weighted Price Score (60%)</b>	<b>Final Combined Score</b>	<b>Final Rank</b>
Dobco, Inc.	57.250	100.000	22.900	60.000	82.900	1
Hall Construction Co, Inc.	64.542	79.856	25.817	47.913	73.730	2

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

***Highest Ranked Bidder’s Price Proposal***

The bid submitted by Dobco was greater 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 November 12, 2024 with Dobco and NJSDA staff from Procurement, Construction Operations, Program Operations, Design Studio and Financial Operations to review the bid. The discussion focused on the variances between NJSDA’s CCE and Dobco’s Price

Proposal. At the time of review, Dobco advised that it received multiple bids for portions of the work and would be self-performing other portions of the work. After reviewing each of the variance work elements, Dobco affirmed that its Price Proposal is inclusive of all work required by the Contract Documents and confirmed that it could completed the project as bid.

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

### 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 costs incurred related to site investigation and demolition of the existing School #5, as well as NJSDA Staff costs for both Design and Project Management. The Final Project Charter budget of \$87.6 million represents a net increase of approximately \$7.4 million from the Board-approved Preliminary Project Charter due to increased design-build design and construction costs based upon the award value of 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 increased cost are attributable to cost escalation, site logistics and increased site related construction costs. Additionally, the Bridging Design Services, CM Fees, and FF&E & 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, Dobco, Inc., for Contract No. NT-0053-B01 in the amount of \$69,500,000 inclusive of NJSDA-established Allowances totaling \$2,150,000. 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/ Joseph Lucarelli

Joseph Lucarelli, Program Director, Construction Operations

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

Reviewed and Recommended by: Donald Guarriello, Vice President and Chief Financial 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: 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

<b>Charter Date</b>
12/04/24
<b>Supersedes Charter Dated</b>
11/02/22

**Region:** Northern  
**District:** Garfield  
**Project Name:** New ES (School #5 Replacement)  
**School Type:** Elementary School (K to 5)  
**DOE # / Project #:** 1700-N22-22-1000 / 1700-N22-22-0BBX  
**Project Type (New/Add/Reno):** New  
**Project Location:** 205 Outwater Lane Garfield, NJ  
**Number of Students:** 767 (FES Capacity) 852 (Maximum Capacity)

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

<b>Funding Source</b>
2022 Capital Plan

**Project Budget:** \$ 87,624,000  
**Anticipated Substantial Completion Date:** July-27  
**Anticipated School Occupancy Date:** September-27

<b>Funding Allocated</b>
\$87,624,000

**Project Team Leader:** Joseph Lucarelli  
**Project Initiation Date:** May-22  
**SDA Board - Project Charter Approval Date:** 12/04/24

<b>District Local Share</b>
\$0

Charter Version and Date	Project Summary
<input type="checkbox"/> Planning	New grade Kindergarten to Five Elementary School on the existing District owned Woodrow Wilson School No. 5 site to educate 767 students. The project scope includes demolition of the existing school prior to construction of the new facility.
<input type="checkbox"/> Preliminary      11/02/22	
<input checked="" type="checkbox"/> Final                      12/04/24	
<b>Purpose for Advancement of Current/Revised Project Charter</b>	
<b>Revision # and Date</b>	Approval of the Final Project Charter inclusive of final budget and schedule for the project based upon the award of the Design-Build contract.
<input type="checkbox"/> One	<b>District Project Goals</b>
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	
<input type="checkbox"/> Four	
<input type="checkbox"/> Five	
<input type="checkbox"/> Six	
<b>District Project Goals</b>	
A new replacement school to mitigate district-wide overcrowding at the elementary school grade levels.	

### Recommendation

/s/ Joseph Lucarelli	Dec 4, 2024	/s/ Gregory Voronov	Dec 4, 2024
Program Director - Program Operations	Date	Managing Director - Planning & Program Operation	Date
Joseph Lucarelli		Gregory Voronov	
/s/ David Magyar	Dec 4, 2024	/s/ Ramy Kamel	Dec 4, 2024
Director - Design	Date	VP - Program & Construction Operations	Date
David Magyar		Ramy Kamel	

### Approval

/s/ Manuel Da Silva	Dec 4, 2024
Chief Executive Officer	Date
Manuel Da Silva	

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

**Charter Date**

12/04/24

**District / Project Name:** Garfield / New ES (School #5 Replacement)  
**DOE # / Project #:** 1700-N22-22-1000 / 1700-N22-22-0BBX

<b>Project Milestones</b>	<b>Date</b>
School Occupancy Date	Sep-27

<b>DELIVERY METHOD</b>	<b>Design/Build</b>
------------------------	---------------------

<u>Real Estate Services</u>	Start	Est.	Act.	Finish	Est.	Act.
Feasibility	<u>08/15/22</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>02/17/23</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Investigations	<u>08/15/22</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>02/17/23</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Acquisition	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>
Relocation	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>
Existing School Demolition & Site Work	<u>12/15/23</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>01/02/25</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Early Site Package	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>	<u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>
Deed Restriction Required?	<u>TBD</u>	<b>Date</b>				
District Notified?	<u>                    </u>	<input type="checkbox"/>	<input type="checkbox"/>			
Classification Exception Area?	<u>TBD</u>					
District Notified?	<u>                    </u>	<input type="checkbox"/>	<input type="checkbox"/>			

**Special Considerations**

<u>Design:</u>	Date	Est.	Act.		Est.	Act.
Design Start (NTP)	<u>05/26/22</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
	<b>Start</b>	<b>Est.</b>	<b>Act.</b>	<b>Finish</b>	<b>Est.</b>	<b>Act.</b>
Program Concept Phase	<u>05/26/22</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>01/24/23</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schematic Design	<u>05/10/23</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>02/21/24</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bridging Documents	<u>12/04/23</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>07/25/24</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Design-Build Bid/Award	<u>07/26/24</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>12/26/24</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Design-Build NTP	<u>12/26/24</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>01/20/25</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Design	<u>01/20/25</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>10/29/25</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Special Considerations**

<u>Construction:</u>	Date	Est.	Act.
Construction Start (NTP)	<u>10/30/25</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Substantial Completion (TCO)	<u>07/22/27</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School Occupancy Date	<u>Sep-27</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Title Transfer	<u>N/A</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Final Completion (C of O)	<u>10/15/27</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Post Occupancy Walk Through	<u>06/15/28</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Project Close-Out	<u>07/14/28</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Special Considerations**

The above schedule information is based upon the NJSDA's schedule for project completion consistent with the contract requirements for the design-build engagement. Adjustments to the Charter schedule may be made after review and approval of the design-builder awardee's proposed project schedule.

**New Jersey Schools Development Authority  
Project Charter - Project Budget**

**Charter Date**

12/04/24

**District / Project Name:** Garfield / New ES (School #5 Replacement)  
**DOE # / Project #:** 1700-N22-22-1000 / 1700-N22-22-0BBX

**2022 Capital Plan Funding Allocation**      \$      **87,624,000**

**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 \$2,150,000, as follows: \$1,000,000 for General Design and Construction; \$500,000 for Subsurface Conditions; \$250,000 for Fire Pump; \$200,000 for Emergency Responder Radio System; \$100,000 for Outdoor LED Signage; and \$100,000 for Tree Trimming/Removal.

**Project Budget:**

<b>Gross Building Area (GSF):</b>		<b>Grossing Factor:</b>
		<b>1.58</b>
	New	132,000
	Addition	0
	Renovation	0
<b>Total Gross Building Area (GSF):</b>		<b>132,000</b>
<b>Estimated Building Cost / GSF</b>		
New Construction Cost/GSF	<b>\$421.78</b>	
Renovation Cost/GSF		

**Design-Builder Costs**

Design	\$3,000,000
Building Costs	\$55,675,000
Site Development Costs	\$8,675,000
Allowances	\$2,150,000
Design Contingency	\$0
Construction Contingency	\$3,370,000
<b>Total Construction Costs</b>	<b>\$72,870,000</b>

**Pre-Development Costs:**

Consultant Services	\$410,000
ESP Existing School Demolition	\$1,671,000
Land Acquisition	\$0
Relocation	\$0
Property Maintenance/Carry Costs	\$0
<b>Total Pre-Development Costs</b>	<b>\$2,081,000</b>

**Other Costs:**      %

Bridging Design Services	\$1,533,000
In-House Design & Project Management	\$2,200,000
PMF/CM	\$2,600,000
FF&E and Technology	\$5,240,000
Temporary Space	\$0
Other Costs	\$1,100,000
<b>Total Other Costs</b>	<b>\$12,673,000</b>

**Other Funding Sources**

Rebates & Refunds	\$0
District Local Share Funds	\$0
<b>Total Other Funding Sources</b>	<b>\$0</b>

<b>Total Project Budget</b>	<b>\$87,624,000</b>
<b>Funding from Prior Allocation</b>	<b>\$0</b>
<b>Funding from 2022 Capital Plan</b>	<b>\$87,624,000</b>

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

**Charter Date**

12/04/24

**District / Project Name:** Garfield / New ES (School #5 Replacement)  
**DOE # / Project #:** 1700-N22-22-1000 / 1700-N22-22-0BBX

**Project Budget:**

	<b>Preliminary Charter 11/2/22</b>	<b>Final Charter</b>	<b>VARIANCE Fav/(Unfav)</b>
Grossing Factor:	1.55	1.58	-0.03
Gross Building Area (GSF):			
New	125,000	132,000	(7,000)
Addition	0	0	0
Renovation	0	0	0
<b>Total Gross Area (GSF):</b>	<b>125,000</b>	<b>132,000</b>	<b>(7,000)</b>
<b>Design-Builder Costs</b>			
Design	\$3,200,000	\$3,000,000	\$200,000
Building Costs	\$51,300,000	\$55,675,000	(\$4,375,000)
Site Development Costs	\$3,600,000	\$8,675,000	(\$5,075,000)
Allowances	\$1,000,000	\$2,150,000	(\$1,150,000)
Design Contingency	\$5,910,000	\$0	\$5,910,000
Construction Contingency	\$2,960,000	\$3,370,000	(\$400,000)
<b>Total Construction Costs</b>	<b>\$67,970,000</b>	<b>\$72,870,000</b>	<b>(\$4,900,000)</b>
<b>Pre-Development Costs:</b>			
Consultant Services	\$410,000	\$410,000	\$0
ESP Existing School Demolition	\$1,200,000	\$1,671,000	(\$471,000)
Land Acquisition	\$0	\$0	\$0
Relocation	\$0	\$0	\$0
Property Maintenance/Carry Costs	\$0	\$0	\$0
<b>Total Pre-Development Costs</b>	<b>\$1,610,000</b>	<b>\$2,081,000</b>	<b>(\$471,000)</b>
<b>Other Costs:</b>			
Bridging Design Services	\$800,000	\$1,533,000	(\$733,000)
In-House Design & Project Management	\$2,200,000	\$2,200,000	\$0
PMF/CM	\$2,000,000	\$2,600,000	(\$600,000)
FF&E & Technology	\$4,500,000	\$5,240,000	(\$740,000)
Temporary Space	\$0	\$0	\$0
Other Costs	\$1,100,000	\$1,100,000	\$0
<b>Total Other Costs</b>	<b>\$10,600,000</b>	<b>\$12,673,000</b>	<b>(\$2,073,000)</b>
<b>Other Funding Sources</b>			
Rebates & Refunds	\$0	\$0	\$0
District Local Share Funds	\$0	\$0	\$0
<b>Total Other Funding Sources</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Project Budget</b>	<b>\$80,180,000</b>	<b>\$87,624,000</b>	<b>(\$7,444,000)</b>
<b>Funding from Prior Allocation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Funding from 2022 Capital Plan</b>	<b>\$80,180,000</b>	<b>\$87,624,000</b>	<b>(\$7,444,000)</b>

**Budget Variance Analysis:**

The project budget represents a net increase of approximately \$7.4 million from the Board approved Preliminary Project Charter due to increased construction costs based upon the award value of 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 increased cost are attributable to cost escalation, site logistics and increased site related construction costs. Additionally, the Bridging Design Services, CM Fees, FF&E & 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 Services Award and Approval of Final Project Charter

District:	Garfield Public Schools
School:	New Elementary School
Description:	Design-Build
Package No.:	NT-0053-B01
CCE:	\$58,250,000
Advertised CCE Range:	\$55,000,000 to \$64,000,000
Award:	\$69,500,000
CM:	TBD

**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 \$500,000 and final project charters; and

**WHEREAS**, the New Garfield Elementary School (New School) project (Project) will consist of the construction of an approximately 132,000 square foot building to educate 767 students in grades Kindergarten through 5; and

**WHEREAS**, on November 2, 2022, the Members of the Authority approved the preliminary project charter, thereby approving the demolition of the old school and construction of a new elementary school facility 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 July 26, 2024 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 construction operations directors and the financial operations director recommend award of the contract to the highest ranked bidder, Dobco, Inc., in the amount of \$69,500,000, inclusive of SDA-established allowances totaling \$2,150,000; and

**WHEREAS**, along with the contract award, SDA executive management recommends that the Members of the Authority approve the 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**, 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 \$69,500,000, inclusive of SDA-established allowances totaling \$2,150,000, to the highest ranked bidder, Dobco, Inc. for the New Garfield Elementary School project in the Garfield Public School District and the Final Project Charter .

**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, Dobco, Inc., Garfield New Elementary School (Contract No. NT-0053-B01), Garfield School District, dated December 4, 2024

Dated: December 4, 2024

**Recommendation to Fund District Property Acquisition - Union City School District - Mother  
Seton School**

**(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: December 4, 2024

SUBJECT: Active Project Status Report  
(For Informational Purposes Only)

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The 1<sup>st</sup> section of the report includes an Activities Summary of projects identified for advancement in the Authority's Capital Plans.

The 2<sup>nd</sup> 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 11/20/24

**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	326	384	\$49.2	Design-Build	Preliminary Charter approved Nov-22 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 replacement ES projects however District has requested advancement of a replacement HS project instead.
Elizabeth	New ES (Battin Replacement)	PK-8	973	1,068	\$96.2	Design-Build	Preliminary Charter approved Nov-22 Board.	TBD	ESP Ongoing.
Garfield	New ES (No. 5 Replacement)	PK-5	767	852	\$80.2	Design-Build	Advertisement for D-B 7/26/24. Proposals received 10/23/24. Award for DB advancing to the Dec-24 Board.	TBD	ESP Ongoing.
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	PK	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing	TBD	
New Brunswick	MS Addition	6 - 8	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing. Note: Need beyond acquisition of Middle School Annex under review with NJDOE.	TBD	
New Brunswick	Pathways MS & P-Tech Academy (Middle School Annex, 40 Van Dyke Ave.)	6-8, 9-12	765	859	\$42.0	Alternative Delivery	Building Acquisition Complete.	n/a	Facility acquired in March-2024.
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	\$129.2	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	1,200	1,532	\$160.3	Design-Build	Preliminary Charter approved Jul-23 Board.	TBD	
Perth Amboy	K-5	K - 5	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing	TBD	
Pleasantville	New Decatur Ave ES	PK-5	601	658	\$65.8	Design-Build	Preliminary Charter approved Jan-24 Board.	TBD	
Salem City	PK-8	PK-8	TBD	TBD	TBD	Design-Build	DOE/District/SDA Working Group Meetings ongoing.	TBD	
Trenton	ES at Dunn MS	K-6	753	837	\$83.8	Design-Build	Preliminary Charter approved Jul-23 Board.	TBD	
West New York	New Middle School	6 - 8	788	876	\$110.1	Design-Build	Planning Charter approved Mar-24 Board.	TBD	Capital Plan included new PK - 5 school. Identified project will allow 6th grade students to move to MS and alleviate overcrowding in existing elementary schools.

**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 11/20/24

**2012 Portfolio Projects (Active) - sorted by District**

		1							
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Delivery Method	Advancement Status	School Occupied	Comments
Orange	Cleveland St. ES	PK-6	316	348	\$51.7	Design-Bid-Build	Award for GC approved Apr. 2023. (Terminal).	Sep-24	Previous GC Terminated for convenience 3/1/22. (B&C)
Perth Amboy	High School	HS	2,800	3,295	\$283.8	Design-Build	Award for D-B approved Nov. 2019 Board. (Terminal)	Sep-24	
Union City	New Grade 7 to 9 School	7-9	827	936	\$93.7	Design-Build	Award for D-B approved Jun. 2022 Board. (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.



**Portfolio Projects Activities Summary**

as of 11/20/24

**2012 Portfolio Projects (Completed) - sorted by District**

District	Project	1				Delivery Method	Advancement Status	School Occupied	Comments
		Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)				
Camden	High School	9-12	1,244	1,468	\$132.6	Design-Build	School occupied Sep. 2021. (Bock)	Sep-21	
East Orange	Sheila Y. Oliver Academy (GW Carver ES)	PK-5	470	512	\$41.2	Design-Build	School occupied Sep. 2020. (Dobco)	Sep-20	
Elizabeth	New ES @ Halloran PS #22 ES Site	2-8	860	956	\$55.3	Design-Build	School occupied Sep. 2017. (Torcon)	Sep-17	
Garfield	James Madison ES	K-5	275	305	\$29.7	Design-Bid-Build	School occupied Sep. 2018. (Brockwell & Carrington)	Sep-18	
Gloucester City	Elementary/Middle School	4-8	687	763	\$65.3	Design-Build	School occupied Sep. 2017. (Terminal)	Sep-17	
Harrison	New ES	PK - 1	392	432	\$36.1	Design-Build	School delivered Nov. 2020. (Bock)	Nov-20	
Irvington	Madison Avenue ES	PK-5	463	504	\$38.6	Design-Build	School occupied Sep. 2019. (Bock)	Sep-19	
Keansburg	Caruso ES	K-4	758	842	\$50.9	Design-Build	School occupied Sep. 2016. (Hall Construction)	Sep-16	
Keansburg	Port Monmouth Road School	PK	318	318	\$28.4	Design-Bid-Build	School occupied Sep. 2023 (Niram)	Sep-23	
Millville	Senior HS Addition/Renovation	HS	2,026	2,384	\$149.2	Design-Build	School occupied Sep. 2023 (Hall Construction)	May-23	
New Brunswick	Robeson ES	PK-5	823	893	\$48.5	Design-Build	School occupied Sep. 2018. (Hall Construction)	Sep-18	
Newark	Elliot Street ES	PK-8	848	932	\$46.7	Design-Build	School occupied Jan. 2016. (Hall Construction)	Jan-16	
Newark	South Street ES	PK-8	597	657	\$69.9	Design-Build	School occupied Sep. 2018. (Bock)	Sep-18	
Orange	High School	9-12	1,440	1,694	\$59.8	Design-Bid-Build	School occupied Sep. 2023. (Terminal)	Sep-23	
Passaic	Dayton Ave. Campus	PK-8	2,760	3,020	\$240.9	Design-Build	Sub. Comp. achieved Nov. 2021. (Terminal)	Nov-21	
Passaic	Sonia Sotomayor ES (New ES @ Leonard Place)	K-5	628	698	\$55.9	Design-Build	School occupied Sep. 2019. (Dobco, Inc.)	May-19	
Paterson	Joseph A. Taub MS (New MS @ Union Ave.)	6-8	996	1,107	\$113.9	Design-Build	School Delivered 1 QTR 2022. (Epic Management)	1 QTR 22	
Pemberton	Denbo-Crichton ES	K-5	846	930	\$58.7	Design-Build	School occupied Sep. 2020. (Bock)	Sep-20	
Perth Amboy	Rose M. Lopez ES (Seaman Avenue ES)	K-5	724	804	\$56.4	Design-Build	School occupied Sep. 2019. (Epic Management)	Sep-19	
Phillipsburg	High School	9-12	1,846	2,172	\$127.5	Design-Bid-Build	School occupied Sep. 2016. (Epic Management)	Sep-16	
Plainfield	New Woodland ES	K-5	756	840	\$59.4	Design-Build	School occupied Sep. 2023. (Epic Management)	Sep-23	
Trenton	Central HS	10-12	1,850	2,176	\$155.4	Design-Build	School occupied Sep. 2019. (Terminal)	Sep-19	
Vineland	Lincoln Ave. MS (New MS)	6-8	562	624	\$49.8	Design-Build	School occupied Sep. 2018. (Bock)	Sep-18	
West New York	Memorial HS	9-12	1,859	2,194	\$16.0	Alternative Delivery	Acquisition of Existing St. Joseph's HS complete.	n/a	Renovation work delegated to District via Grant.

**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 11/20/24

**2011 Portfolio Projects (Completed) - sorted by District**

		1							
District	Project	Grade Alignment	FES Capacity	Max. Capacity	Total Estimated Cost (millions)	Delivery Method	Advancement Status	School Occupied	Comments
Bridgeton	Buckshutem ES	K-8	581	645	\$23.3	Design-Build	School occupied Sep. 2016. (Bock)	Sep-16	
Bridgeton	Quarter Mile Lane ES	PK-8	731	795	\$39.0	Design-Build	School occupied Sep. 2017. (Bock)	Sep-17	
Elizabeth	Frank J. Cicarell Academy (Academic HS)	9-12	1,091	1,284	\$64.1	Design-Bid-Build	School occupied Sep. 2016. (Patock)	Sep-16	
Jersey City	Patricia M. Noonan ES (ES 3)	PK-5	778	848	\$54.0	Design-Build	School occupied Sep. 2017. (Dobco, Inc.)	Sep-17	
Jersey City	Dr. Maya Angelou PS #20	K-5	628	698	\$49.3	Design-Bid-Build	School occupied Sep. 2016. (Dobco, Inc.)	Sep-16	
Long Branch	Catrambone ES	PK-5	794	867	\$40.0	Design-Bid-Build	School occupied Sep. 2014. (Terminal Construction)	Sep-14	
New Brunswick	Redshaw ES	PK-5	906	990	\$51.2	Design-Build	School occupied Jan. 2015. (Hall Construction)	Jan-15	
Newark	Oliver St. ES	PK-8	848	932	\$73.6	Design-Build	School occupied May 2016. (Epic Management)	May-16	
Paterson	Dr. Hani Awadallah ES (Marshall St. ES)	K-8	650	722	\$55.2	Design-Bid-Build	School occupied Sep. 2016. (Dobco, Inc.)	Sep-16	
Paterson	PS 16	PK-8	641	705	\$62.4	Design-Build	School occupied Sep. 2016. (Hall Construction)	Sep-16	
West New York	Harry L. Bain PS 6	PK-6	736	814	\$16.8	Design-Bid-Build	School occupied Sep. 2017. (Paul Otto)	Aug-17	

**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 11/1/2024

### 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	Union City	New Grade 7 to 9 School	New Construction	Design-Build Construction	3Q 2025	On-target	Sep-25	On-target	\$ 93,696,300



## Active Project Status Report Status as of 11/1/2024

### Emergent Projects - With Contract for Construction Awarded

#	District	Project Name	Project Scope	Project Phase	Substantial Completion	Status Substantial Completion	Final Completion	Status of Final Completion	Total Estimated Project Cost
1	Burlington City	Samuel Smith ES	Windows Repair/Replacement Partial Roof Replacement	Construction	4Q 2024	On Target	4Q 2024	On-Target	\$ 3,920,500
2	Camden City	Veteran's Memorial School	Exterior Masonry, Windows, Roofing & Site Work	Substantial Completion	3Q 2024	Achieved	4Q 2024	On-Target	\$ 6,588,900
3	East Orange	Fresh Start Academy	Building Envelope Repairs	Construction	2Q 2025	On Target	2Q 2025	On-Target	\$ 3,909,963
4	Irvington	Grove Street School	Boiler Replacement	Construction	4Q 2024	On Target	4Q 2024	On-Target	\$ 3,968,782
5	Newark	Branch Brook School	Building Envelope Repairs	Construction	4Q 2024	On Target	4Q 2024	On-Target	\$ 1,064,542
6	Newark	Technology High School	Structural Vault Repairs and Façade Repairs	Construction	1Q 2025	On Target	1Q 2025	On-Target	\$ 2,867,680
7	Newark	University High School	Building Envelope Repairs	Substantial Completion	3Q 2024	Achieved	4Q 2024	On-Target	\$ 2,269,484
8	Trenton	Franklin ES	Exterior Structural Repairs	Substantial Completion	3Q 2024	Achieved	4Q 2024	On-Target	\$ 476,424
9	Union City	Emerson Middle School	Roof, Masonry & Stucco Repairs	Construction	4Q 2024	On Target	4Q 2024	On-Target	\$ 4,599,273
10	Union City	Union Hill Middle School	Roof, Masonry, Stucco & Chimney Repairs	Construction	4Q 2024	On Target	4Q 2024	On-Target	\$ 4,685,783

## **PROJECT STATUS REPORT**



**MEMORANDUM**

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director – Planning and Program Operations

DATE: December 4, 2024

SUBJECT: Executive Summary – Monthly Project Status Reports

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**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 October 2024

District	Project	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining <sup>1</sup>	% 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

<sup>1</sup> 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: October 2024

#	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: October 2024

#	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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<p>No Activity During the Reporting Period</p>
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**CONTRACTS EXECUTED REPORT/AMENDMENTS & CHANGE ORDERS REPORT**



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov  
Managing Director, Planning & Program Operations

DATE: December 4, 2024

SUBJECT: Contracts Executed Report and Amendments & Change Orders Report  
(For Informational Purposes Only)

**Contracts Executed Report**

This report contains the activity of Contracts executed during the period October 1, 2024 through October 31, 2024.

**Noteworthy Items during the reporting period:**

- Execution of 1 task order contract for bridging design services for the Pleasantville New Decatur Avenue Elementary School to STV Architects for \$1.2 million.

**Amendments & Change Orders Report**

This report contains the activity of Amendments and Change Orders executed during the October 1, 2024 through October 31, 2024.

**Noteworthy Items during the reporting period:**

- No Professional Services Amendments were executed during the reporting period.
- 7 Construction Services Change Orders were executed during the reporting period totaling \$18.1k, none of the executed change orders required Board approval.

**Report of change orders less than \$10,000 yet requiring Board Approval**

In accordance with the Operating Authority adopted by the Members on December 1, 2010 as amended on March 7, 2012, the Members are to be provided a report of any change order which received delegated approval by the CEO due to the fact that they are valued at less than \$10,000 yet require Board approval due the total change orders exceeding 10% of the contract value.

- No Activity to Report

## Contracts Executed Report

Reporting Period: 10/1/2024 through: 10/31/2024

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
<b>Part 1. Professional Services</b>										
<b>Design Consultant</b>										
Pleasantville	New Decatur Avenue Elementary School	New	Design	ET-0102-A01	STV Architects, Inc.		\$1,237,195	10/22/2024	-	
<b>Design Consultant</b>										
<b>Part 1. Professional Services</b>							<b>\$1,237,195</b>			

## Contracts Executed Report

Reporting Period: 10/1/2024 through: 10/31/2024

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
<b>Part 4. Other Contracts &amp; Services</b>										
<b>Others</b>										
City Of Orange Township	Orange H.S.	RenoAdd	General	ES-0042-R07	District - Orange Board of Education		\$579,287	10/18/2024	-	
<b>Others</b>										
<b>Part 4. Other Contracts &amp; Services</b>										
							<b>\$579,287</b>			<b>Total Contracts Awarded</b>
							<b>Total Contract Award</b>		<b>2</b>	
<b>Grand Totals - Professional and Construction Services Combined</b>							<b>\$1,816,482</b>		<b>2</b>	

\*\* Contracts less than \$10,000 are not displayed

**Project Types Legend**

HS Health & Safety  
 New New Constuction  
 Add Addition  
 RenoAdd Addition & Renovation  
 Reno Renovation

**Contract Types Legend**

Aquisition Property Acquisition Related Costs  
 Appraisal Appraisal, Appraisal Review, NRE  
 Construction Construction  
 Design Design or Site Investigation  
 DB Design-Build  
 E-Rate E-Rate  
 FFE Furniture, Fixtures, and Equipment  
 General General Program Cost  
 Legal Legal  
 Material Material Supply  
 ProjectMgmt Project Management Firm  
 PreDevelopment Predevelopment or Demolition  
 Relocation Relocation Services  
 SiteInvstgtn Site Investigation  
 Testing Testing  
 Title Title Services  
 Utilities Utilities Services

**MWSBE CERTIFICATIONS**

M = Minority Business Enterprise  
 W = Women Business Enterprise  
 S = Small Business Enterprise

## Amendments & Change Orders Report

Reporting Period: 10/1/2024 through: 10/31/2024

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 %	
<b>Construction Services</b>														
<b>Contractor</b>														
Burlington City	Samuel Smith E.S.	EP-0122-C01	9/6/2023	2	Hall Construction Co., Inc.	10/8/2024	\$2,998,000	\$199,000	\$28,000			\$3,225,000	7.57%	
City Of Orange Township	Cleveland Street E.S.	ES-0043-C02	5/2/2023	46	Terminal Construction Corp.	10/9/2024	\$19,434,958	\$123,407	\$1,720			\$19,560,085	0.64%	
City Of Orange Township	Cleveland Street E.S.	ES-0043-C02	5/2/2023	38	Terminal Construction Corp.	10/28/2024	\$19,434,958	\$125,127	\$13,699			\$19,573,784	0.71%	
City Of Orange Township	Cleveland Street E.S.	ES-0043-C02	5/2/2023	47	Terminal Construction Corp.	10/28/2024	\$19,434,958	\$138,826	\$5,193			\$19,578,977	0.74%	
City Of Orange Township	Cleveland Street E.S.	ES-0043-C02	5/2/2023	49	Terminal Construction Corp.	10/28/2024	\$19,434,958	\$144,019	\$9,893			\$19,588,870	0.79%	
Irvington Township	Grove Street E.S.	EP-0119-C01	3/29/2022	8	Catcord Construction Co., Inc.	10/28/2024	\$2,832,782	\$544,716	(\$12,897)			\$3,364,601	18.77%	
Camden City	Camden H.S.	CA-0022-B01	9/26/2018	21	Ernest Bock & Sons, Inc.	10/31/2024	\$99,585,000	\$1,429,031	(\$27,512)			\$100,986,519	1.40%	
<b>Contractor</b>														
<b>Construction Services</b>														
									<b>\$18,096</b>					

<b>Total Change Order Summary</b>	<b>Total Change Orders</b>
<b>\$18,096</b>	<b>7</b>

<b>Grand Totals</b>	
<b>Column Description Legend</b>	
<b>CO Execution Date</b>	<b>Date the Change Order was entered into the SIMS system</b>
<b>Revised Contract Amount</b>	<b>Current value of the contract (excluding additional assignments) including current change order</b>
<b>RBC Value</b>	<b>Revised Basis Contract Value - This value is the Original Award amount for contracts executed after July 27, 2005 or contracts for</b>

## **DIVERSITY AND WORKFORCE PARTICIPATION REPORT**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** J Manuel Castillo, Director – EEO, Affirmative Action and Contracting Accountability  
**DATE:** December 4, 2024  
**RE:** Diversity and Workforce Participation Monthly Update for September 2024

The EEO, Affirmative Action & Contracting Accountability Team consistently participates in mandatory pre-bid and pre-construction meetings to inform and provide guidance to vendors regarding SDA’s Small Business Enterprise and Workforce goals, policies and procedures. The guidance provided in such meetings is on, among other things, the following:

- Expectation to delegate 25% of value of contract to NJ Division of Revenue certified Small Business Enterprises (“SBEs”) and efforts to award 3% of contract value to disabled veteran-owned businesses.
- Local county workforce participation goals for minorities and females.
- Post-bid advertisement Subcontractor Approval Process and Certified Payroll Records 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 provides vendors outreach strategies to support their efforts in reaching the above-mentioned goals.

**SMALL BUSINESS ENTERPRISE ATTAINMENT**

SDA contracts regularly exceeds the State-mandated 25% SBE participation goal. The total SDA-awarded fully-contracted dollars in September 2024 was \$1,952,315. Thus far, the overall fully-contracted dollars associated with SDA contracts in 2024 is \$10,382,425. Of that total, \$6,859,350 was awarded to SBEs, including any minority, female and disabled veteran-owned SBEs. This represents an SBE current participation of 66.07% in all NTP-issued SDA contracts awarded in calendar year 2024. SBE participation will remain above the State-mandated 25% as prime contractors/consultants with 2024-issued contracts continue to hire subcontractors/subconsultants throughout the lifecycle of their construction projects.

**Diversity Breakdown for 2024 thus far**

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
SBEs	\$ 6,859,350	66.07%
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%
<b>TOTAL DIVERSITY CONTRACTS</b>	<b>\$ 6,859,350</b>	<b>66.07%</b>

\*non-SBE



**WORKFORCE PARTICIPATION**

For the month of September 2024, there was a contractor trade workforce of 237 on SDA projects. This workforce amassed a total of 17,293 contractor workforce hours in September 2024. This is explained in more detail below:

<b>Contractor Workforce Breakdown for September 2024 (All Trades/Districts/Counties)</b>			
<b>Ethnicity</b>	<b>Total Workforce</b>	<b>Total Workforce Hours</b>	<b>Workforce Hours Percentage</b>
Black	14	1,426	8.25%
Hispanic	70	5,554	32.12%
Indigenous American	0	0	0.00%
Asian	7	315	1.82%
<b>Total Minority Participation</b>	<b>91</b>	<b>7,295</b>	<b>42.19%</b>
Total Non-Minority Participation	146	9,998	57.81%
Total Contractor Workforce	237	17,293	100.00%

The collective contractor workforce hours on SDA projects for the period of January 1, 2024 through September 30, 2024 amounted to 177,403. That amount includes a total of 5,903 workforce hours performed by female workers in 2024 thus far.

The following table highlights the *Local County Contractor Workforce* participation in 2024 thus far:

<b>Contractor Workforce Participation</b>	<b>Workforce Hours</b>	<b>Percentage</b>
*Total Contractor Workforce Hours	177,403	100.00%
<b>*Total Local County Workforce Hours</b>	<b>1,214</b>	<b>0.64%</b>
<b>Total Local County Non-Minority Workforce Hours</b>	<b>798</b>	<b>0.45%</b>
<b>Total Local County Female Workforce Hours</b>	<b>112</b>	<b>0.06%</b>
<b>Total Local County Minority Workforce Hours</b>	<b>304</b>	<b>0.17%</b>
<b>**Local County Workforce Hours by Race/Ethnicity:</b>		
Black	304	0.17%
Hispanic	0	0.00%
Indigenous American	0	0.00%
Asian	0	0.00%

\*Total contractor workforce and total local county workforce represent all 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 above. Therefore, for the purposes of this memorandum, hours worked by female minority laborers **are not** included in the minority breakdown.

The following table represents contractor minority and female workforce for all SDA active Capital Projects and all active and completed Emergent Projects for the period of January 1, 2024 through September 30, 2024.

SDA Managed Project	Total Workforce Hours	Minority Workforce Hours & Percentage		Female Workforce Hours & Percentage		Local County Workforce Hours & Percentage	
		Hours	Percentage	Hours	Percentage	Hours	Percentage
Millville HS	6,742	712	10.56%	112	1.66%	800	11.87%
Perth Amboy HS	33,777	9,763	28.90%	3,258	9.65%	0	0.00%
Cleveland St ES	37,859	10,836	28.62%	1,122	2.96%	134	0.35%
Union City MS	66,242	26,640	40.22%	72	0.11%	0	0.00%
Orange HS	32	32	100.00%	0	0%	0	0.00%
Emergent Projects	32,751	16,938	51.72%	1,339	4.09%	280	0.85%

Reviewed and recommended 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: December 4, 2024

SUBJECT: Regular Operating District Grant Activity Report  
(For Informational Purposes Only)

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This report summarizes the Regular Operating District Grant activity from inception to date and for the month of October 2024. 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.
- 15 grants impacting 7 Districts were executed during the reporting period representing total project costs of \$27.3 million and state share of \$12.6 million.
- No grants were closed out during the reporting period.
- Since inception, over \$2.96 billion has been disbursed to over 520 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  
October 2024**

<b>ROD Grant Summary Since Program Inception</b>				
	<b>Offered<sup>1</sup></b>	<b>Executed</b>	<b>Closed-Out</b>	<b>Active</b>
<b>Districts Impacted</b>	104	527	522	197
<b>Number of Grant Projects</b>	266	5,783	5,270	513
<b>Total Project Cost Estimate</b>	\$ 455,251,917	\$ 9,532,141,970	\$ 8,842,061,445	\$ 690,080,525
<b>Grant Amount</b>	\$ 187,429,957	\$ 3,264,309,332	\$ 2,951,788,798	\$ 312,520,534
<b>Amount Disbursed</b>	NA	\$ 2,968,084,216	\$ 2,951,788,798	\$ 16,295,418

Total Funding Offered to School Districts via Grant Program	\$ 3,798,198,700
Total ROD Grant Funding remaining for new Grant Projects	\$ 24,655,112

1. Includes grants that have been offered to District's but have not yet been executed.

<b>Monthly Activity ROD Grant Summary</b>		
	<b>Executed</b>	<b>Closed-Out</b>
<b>Districts Impacted</b>	7	-
<b>Number of Grant Projects</b>	15	-
<b>Total Project Cost Estimate</b>	\$ 27,343,135	\$ -
<b>Grant Amount</b>	\$ 12,620,672	\$ -
<b>Amount Disbursed</b>	NA	\$ -

\* 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  
October 2024**

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Bergen	East Rutherford	Alfred S. Faust MS	\$ 165,100	\$ 66,040	Roofs. See DOE Approval for Detailed Project Scope.
Bergen	East Rutherford	McKenzie E.S.	\$ 520,720	\$ 208,288	Roofs. See DOE Approval for Detailed Project Scope.
Camden	Pennsauken Township	Baldwin School	\$ 858,450	\$ 548,280	Roofs. See DOE Approval for Detailed Project Scope.
Essex	Bloomfield Township	Oak View E.S.	\$ 1,742,400	\$ 696,960	Windows. See DOE Approval for Detailed Project Scope.
Essex	Bloomfield Township	Oak View E.S.	\$ 3,788,500	\$ 1,515,400	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Essex	Cedar Grove Township	North End E.S.	\$ 938,750	\$ 375,500	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Essex	Cedar Grove Township	South End E.S.	\$ 938,750	\$ 375,500	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Ocean	Lacey Township	Lacey Township H.S.	\$ 5,000,000	\$ 2,000,000	Roofs. See DOE Approval for Detailed Project Scope.
Ocean	Lacey Township	Lacey Township M.S.	\$ 600,000	\$ 240,000	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Somerset	Somerville Borough	Somerville H.S.	\$ 3,800,000	\$ 1,520,000	HVAC System upgrades. See DOE Approval for Detailed Project Scope.
Union	Roselle Borough	Abraham Clark H.S.	\$ 1,628,232	\$ 919,062	Roofs. See DOE Approval for Detailed Project Scope.
Union	Roselle Borough	Dr. Charles C. Polk	\$ 361,765	\$ 204,200	Roofs. See DOE Approval for Detailed Project Scope.
Union	Roselle Borough	Harrison E.S.	\$ 3,342,239	\$ 1,886,540	Boilers and Domestic HW Heaters. See DOE Approval for Detailed Project Scope.
Union	Roselle Borough	Leonard V. Moore M.S.	\$ 694,662	\$ 392,105	Roofs. See DOE Approval for Detailed Project Scope.
Union	Roselle Borough	Washington E.S.	\$ 2,963,567	\$ 1,672,797	Boilers and Domestic HW Heaters. See DOE Approval for Detailed Project Scope.
<b>Grand Total</b>		<b>Grants Executed - 15</b>	<b>\$ 27,343,135</b>	<b>\$ 12,620,672</b>	

**COMMUNICATIONS MONTHLY REPORT** *(no report)*

## **MONTHLY FINANCIAL REPORT**





**MEMORANDUM**

**TO:** The Members of the Authority

**FROM:** Sherman E. Cole, MBA, CPA  
Controller

**DATE:** December 4, 2024

**RE:** Monthly Financial Report – October 2024

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**Fund Reporting Operating Expenses (Year-to-Date Actual vs. Budget)**

For October 2024 year to date, Authority operating expenses, **\$10.6M**, are **\$2.6M** lower than budget for the corresponding period. This variance is attributable to lower spending activity for personnel costs **\$1.9M**, professional and other contracted services **\$579K**, information systems **\$519K**, and SDA owned automobiles **\$136K**. This variance is offset by a lower payroll and benefits expense allocation to project costs, **\$826K**.

The full time employee (FTE) headcount is 128 as of October 31, 2024. This total represents a 22 FTE decrease in comparison to the year to date budgeted headcount.

**Fund Reporting Operating Expenses (Year-to-Date Actual vs. Prior Year Actual)**

For October 2024 year to date, Authority operating expenses, **\$10.6M**, are **\$106K** lower when compared to the corresponding prior year. This variance is primarily attributable to a year-over-year decrease in facilities and general office expenses **\$209K**, and professional and other contracted services **\$55K** offset by an increase in information systems costs **\$78K**, property & casualty insurance **\$58K** and personnel costs **\$31K**.

The current number of FTEs, 128, is the same when compared to the corresponding prior year headcount.

**School Facilities Project Expenditures (Year-to-Date Actual vs. Forecast)**

For October 2024 year to date, project costs, **\$230.9M**, are **\$57.9M** lower than the capital spending forecast for the corresponding period. This variance is attributable to decreased spending for construction work **\$20.4M**, grant agreements **\$19.0M**, project insurance **\$7.9M**, property acquisitions, relocation, and environmental expenses **\$3.4M** (net from the offset of the \$1.2M sale of Westside (Newark) Properties), and construction management services **\$1.9M**.

**School Facilities Project Expenditures (Year-to-Date Actual vs. Prior Year Actual)**

For October 2024 year to date, project expenditures, **\$230.9M**, are higher by **\$18.0M** when compared to the corresponding prior year. This variance is attributable to increases in spending for property acquisitions, relocation, and environmental expenses **\$24.3M**, grant agreements **\$17.8M**, school furniture, fixtures and equipment **\$10.2M** and design services **\$1.2M**. This variance is partially offset by a spending decrease for construction work **\$32.2M**.

**Other**

Since program inception, 82.5% of the funds authorized for the SDA Districts have been disbursed. Additionally, since program inception, 96% of all SDA disbursements relate to school facility projects and 4% relate to operating expense.

The estimated value of active school facilities, capital, emergent and ROD grant projects is approximately \$1.2B.

Attachment

**New Jersey Schools Development Authority**  
**Monthly Financial Report**  
**October 2024**  
**(Unaudited)**

# New Jersey Schools Development Authority

## Overview of Financial Position

### October 31, 2024

**To:** The Audit Committee

**From:** Sherman E. Cole, Controller

The information contained in this monthly financial report is for the period as of, and for the year-to-date ending, October 31, 2024.

► Overall **Cash and Cash Equivalents** have decreased by \$178.0 million to \$308.6 million, as follows:

■ Appropriation from State	\$ 50,665,000
■ Investment earnings	16,070,269
■ Miscellaneous revenue	5,357
■ Project costs	(230,869,899)
■ SDA operating expenses	(10,703,281)
■ SDA capital expenditures	(65,355)
■ Deposits (primarily district local shares)	(3,089,295)
Net Change in Cash	\$ (177,987,204)

► **Prepaid Expenses** total \$227,349 as follows:

- Prepaid insurance of \$110,318.
- Prepaid security deposit of \$53,848 for the Authority's leased swing space.
- Prepaid MIS maintenance service contracts of \$60,614.
- Other prepaids of \$2,569.

► **Capital Assets** total \$4,182,826 (net of accumulated depreciation of \$7,983,554), consisting of leasehold improvements (SDA office), and capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is generally calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$65,355 and **Depreciation Expense** is \$448,358.

► **Accrued Liabilities** total \$287.7 million, as follows:

- Accrued project costs of \$8.8 million consisting of unpaid invoices (\$1.2 million) and retainage (\$7.6 million). Project-related lease liabilities are \$0.1 million.
- Net pension liability of \$23.2 million.
- Unearned grant revenues of \$226.7 million.
- Other post-employment benefits obligation of \$17.4 million.
- Pollution remediation obligations (PRO) under GASB 49 net to \$1.9 million (PRO liability \$2.0 million, offset by expected cost recoveries of \$0.1 million).
- Estimated liability for loss contingencies totaling \$3.8 million.
- Payroll related liabilities of \$1.7 million.
- Other accrued liabilities of \$4.1 million, including non-project lease liabilities of \$3.7 million.

► **Deposits** total \$2.4 million, as follows:

- \$2.4 million is held for local share agreements (pass-through item).

► The Authority's **Net Position** at month end is \$(1.6) million.

# New Jersey Schools Development Authority

## School Facilities Project Expenditures & Funding Allocation

### October 31, 2024

► **School Facilities Construction Bond/Note Proceeds/Appropriations & Project Expenditures**

- During the current year to date, the SDA has received \$0.0 million in bond/note proceeds & \$0.0 million in appropriations. The total amount received since program inception is \$12.5 billion.
- Project expenditures for the month and year-to-date periods total \$21.0 million and \$230.9 million, respectively, as follows:

<u>Category</u>	<u>Current Month</u>	<u>Year-To-Date</u>	<u>Since Inception</u>
Construction	\$ 13,884,755	\$ 82,243,762	\$ 5,882,277,682
Design Services	549,230	2,531,759	416,874,077
PMF/CM Services	376,411	2,561,877	484,987,857
SDA Project Management	798,836	8,435,781	149,382,688
Property Acquisition, Relocation & Enviro	133,540	40,916,653	644,908,026
School Furniture, Fixtures & Equipment	381,741	15,082,932	259,701,007
Project Insurance	527,540	438,227	116,159,213
NJ State Inter-Agency Transfers	13,776	462,440	54,182,769
SDA District Grant & Funding Agreements	-	50,015,000	1,030,319,987
Regular Operating District Grant Agreements	4,276,498	31,063,627	3,043,237,265
Real-Time Project Audits	-	150,599	1,400,124
Property Management, Maintenance & Utils	13,500	188,685	19,598,844
Outside Legal & Claims Resolution Services	13,697	327,806	12,359,324
Temporary Staffing	1,710	16,863	10,778,357
Other Project Costs	67	280,469	62,995,858
Project Credits	-	-	(54,902,944)
<b>Total Project Expenditures</b>	<b>20,971,301</b>	<b>234,716,480</b>	<b>12,134,260,134</b>
Less: Local Share Contributions	-	(3,846,581)	(192,045,211)
<b>Project Expenditures (State Share)</b>	<b>\$ 20,971,301</b>	<b>\$ 230,869,899</b>	<b>\$ 11,942,214,923</b>
2024 Capital Spending Forecast	\$ 17,467,573	\$ 288,807,909	

#### Allocations Since Program Inception

► **All Funding Sources & Expenditures**

- SDA Districts
- RODs Incl Vo-Tech Schools
- Total - State Share

	<u>All Sources</u> <sup>1</sup>	<u>Total Funding</u> <sup>2</sup>	<u>Paid to Date</u> <sup>3</sup>
SDA Districts	\$ 10,800,000,000	\$ 10,958,414,163	\$ 9,035,308,267
RODs Incl Vo-Tech Schools	4,025,000,000	4,086,090,753	3,451,677,725
<b>Total - State Share</b>	<b>\$ 14,825,000,000</b>	<b>\$ 15,044,504,916</b>	<b>\$ 12,486,985,992</b>

► **Percentage of Total Funding Paid to Date**

- SDA Districts 82.5%
- RODs Incl Vo-Tech Schools 84.5%
- Total - State Share 83.0%

1 Of the \$14.8 billion authorized for the school construction program (including bond funds & appropriations), \$12,573,367,648 has been received to date.

2 Includes bonding cap amounts, appropriations and other income and miscellaneous revenue earned to date (i.e., interest income on invested funds).

3 These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$544,771,069.

**New Jersey Schools Development Authority**  
**Fund Reporting Operating Expenses vs Budget**  
**October 31, 2024**

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 10,848,112	\$ 12,053,729	\$ (1,205,617)
Employee Benefits	4,962,604	5,680,911	(718,307)
Direct Hire Temporary Employee Costs	28,389	41,670	(13,281)
Total Employee Salaries & Benefits Costs	15,839,105	17,776,310	(1,937,205)
<b>Less:</b> Employee Salaries & Benefits Costs Charged to Projects	8,435,781	9,261,902	(826,121)
Salaries & Benefits Charged to Operating Expense	7,403,324	8,514,408	(1,111,084)
Temporary Staffing Services	-	83,330	(83,330)
Travel & Expense Reimbursements	18,660	25,430	(6,770)
Training & Professional Development	22,300	80,600	(58,300)
Total Personnel Expenses	7,444,284	8,703,768	(1,259,484)
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,598,747	1,685,370	(86,623)
Information Systems	855,122	1,374,100	(518,978)
Professional & Other Contracted Services	163,462	742,330	(578,868)
Property & Casualty Insurance	485,486	494,990	(9,504)
SDA-Owned Automobiles	49,464	185,000	(135,536)
Communications & Outreach	2,242	3,330	(1,088)
Reserve for Unforeseen Events & New Initiatives	-	20,830	(20,830)
<b>Total Authority Operating Expenses</b>	<b>\$ 10,598,807</b>	<b>\$ 13,209,718</b>	<b>\$ (2,610,911)</b>
 <b>2024 Annual Operating Budget</b>		 <b><u>\$ 15,617,984</u></b>	

# New Jersey Schools Development Authority

## Fund Reporting Operating Expenses vs Prior Year

### October 31, 2024

<u>Category</u>	<u>Actual</u> <u>Year-To-Date</u>	<u>2023</u> <u>Year-To-Date</u>	<u>Over/</u> <u>(Under)</u>
<b>Personnel Expenses:</b>			
Employee Salaries	\$ 10,848,112	\$ 10,445,407	\$ 402,705
Employee Benefits	4,962,604	5,197,140	(234,536)
Direct Hire Temporary Employee Costs	28,389	7,170	21,219
Total Employee Salaries & Benefits Costs	15,839,105	15,649,717	189,388
<b>Less: Employee Salaries &amp; Benefits Costs</b>			
Charged to Projects	8,435,781	8,273,546	162,235
Salaries & Benefits Charged to Operating Expense	7,403,324	7,376,171	27,153
Temporary Staffing Services	-	-	-
Travel & Expense Reimbursements	18,660	12,796	5,864
Training & Professional Development	22,300	24,020	(1,720)
Total Personnel Expenses	7,444,284	7,412,987	31,297
<b>Non-Personnel Operating Expenses:</b>			
Facilities & General Office Expenses	1,598,747	1,808,013	(209,266)
Information Systems	855,122	777,103	78,019
Professional & Other Contracted Services	163,462	218,052	(54,590)
Property & Casualty Insurance	485,486	427,224	58,262
SDA-Owned Automobiles	49,464	59,214	(9,750)
Communications & Outreach	2,242	2,420	(178)
Reserve for Unforeseen Events & New Initiatives	-	-	-
<b>Total Authority Operating Expenses</b>	<b>\$ 10,598,807</b>	<b>\$ 10,705,013</b>	<b>\$ (106,206)</b>

# New Jersey Schools Development Authority

## Employee Headcount

### October 31, 2024

	<u>Current Month End</u>	<u>Budget</u>	<u>Over/ (Under)</u>
<b>Office of Chief Executive Officer</b>	2	2	-
Human Resources	4	4	-
Vacant Positions	0	13	(13)
Communications	3	3	-
Legislative Affairs	1	1	-
EEO/AA & Vendor Services	4	4	-
<b>Office of Program Operations &amp; Strategic Planning</b>	1	0	1
Capital Planning & Program Operations	9	10	(1)
Design Studio	12	13	(1)
Grants Administration	7	7	-
Real Estate Services & Predevelopment	3	3	-
<b>Office of Construction Operations</b>	0	1	(1)
Project Teams	17	20	(3)
<b>Office of Corporate Governance &amp; Legal Affairs</b>	3	4	(1)
Chief Counsel	8	8	-
Information Systems	11	11	-
Central Records Management	3	3	-
Safety	4	4	-
Internal Audit	3	3	-
<b>Office of Chief Financial Officer</b>	1	1	-
Financial Operations	7	7	-
Financial Accounting & Disbursements	10	11	(1)
Procurement	10	10	-
Risk Management	1	2	(1)
Facilities	4	5	(1)
<b>Total Full-Time Employees at Month End</b>	<b><u>128</u></b>	<b><u>150</u></b>	<b><u>(22)</u></b>
<b>Total Full-Time Employees at Year End</b>		<b><u>150</u></b>	



**New Jersey Schools Development Authority**  
**Statement of Net Position**  
**October 31, 2024**

	<u>Current Month End</u>	<u>2023 Year End</u>	<u>Over/ (Under)</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 308,568,635	\$ 486,555,839	\$ (177,987,204)
Receivables	885	22,534,092	(22,533,207)
Prepaid expenses	227,349	83,476	143,873
Capital assets, net of accumulated depreciation	4,182,826	5,669,810	(1,486,984)
Total Assets	<u>312,979,695</u>	<u>514,843,217</u>	<u>(201,863,522)</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount for pensions and OPEB	5,212,653	7,357,357	(2,144,704)
Total Deferred Outflows of Resources	<u>5,212,653</u>	<u>7,357,357</u>	<u>(2,144,704)</u>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>\$ 318,192,348</u>	<u>\$ 522,200,574</u>	<u>\$ (204,008,226)</u>
<b>LIABILITIES</b>			
Accrued school facilities project costs	\$ 14,830,589	\$ 34,482,145	\$ (19,651,556)
Unearned revenue	226,688,559	250,000,000	(23,311,441)
Net pension liability	23,242,844	23,242,844	-
Total other postemployment benefits liability	17,411,684	17,611,947	(200,263)
Other accrued liabilities	5,520,466	8,187,435	(2,666,969)
Deposits	2,423,413	5,512,708	(3,089,295)
Total Liabilities	<u>290,117,555</u>	<u>339,037,079</u>	<u>(48,919,524)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount for pensions and OPEB	29,638,347	29,638,347	-
Deferred amount for Federal CPF grant	-	-	-
Total Deferred Inflows of Resources	<u>29,638,347</u>	<u>29,638,347</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	139,208	596,392	(457,184)
Restricted for schools construction:			
Federal CPF grant	258,650	22,533,531	(22,274,881)
Special revenue fund	111,128,380	190,411,884	(79,283,504)
Unassigned/(Unrestricted)	<u>(113,089,792)</u>	<u>(60,016,659)</u>	<u>(53,073,133)</u>
Total Fund Balance/Net Position	<u>(1,563,554)</u>	<u>153,525,148</u>	<u>(155,088,702)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>			
	<u>\$ 318,192,348</u>	<u>\$ 522,200,574</u>	<u>\$ (204,008,226)</u>

**New Jersey Schools Development Authority**  
**Statement of Activities**  
**October 31, 2024**

	<u>Current</u> <u>Year-To Date</u>	<u>2023</u> <u>Year-To Date</u>	<u>Over/</u> <u>(Under)</u>
<b>REVENUES</b>			
School Construction Program:			
Appropriation from State	\$ 36,212,416	\$ 325,000,000	\$ (288,787,584)
Federal CPF grant	15,230,494	-	15,230,494
Bidding fees-plans and specs			
General:			
Investment earnings	16,070,269	13,531,246	2,539,023
Rental property income	-	5,000	(5,000)
Other revenue	5,357	17,958	(12,601)
Total Revenues	<u>67,518,536</u>	<u>338,554,204</u>	<u>(271,035,668)</u>
<b>EXPENSES</b>			
Administrative and general expenses	10,949,082	11,439,623	(490,541)
School facilities project costs	211,658,156	190,809,939	20,848,217
Total Expenditures/Expenses	<u>222,607,238</u>	<u>202,249,562</u>	<u>20,357,676</u>
<b>CHANGE IN NET POSITION</b>	<b>(155,088,702)</b>	<b>136,304,642</b>	<b>(291,393,344)</b>
Beginning of Period Net Position	<u>153,525,148</u>	<u>273,468,663</u>	<u>(119,943,515)</u>
<b>NET POSITION END OF PERIOD</b>	<b><u>\$ (1,563,554)</u></b>	<b><u>\$ 409,773,305</u></b>	<b><u>\$ (411,336,859)</u></b>

**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 one matter, pursuant to N.J.S.A. 10:4-12, is appropriate for consideration in Executive Session; and

**WHEREAS**, the matter for Executive Session involves a Recommendation to Fund District Property Acquisition for the Mother Seton School in the Union City School District and amend the Authority’s 2022 Strategic Plan Update and Capital Plan; and

**WHEREAS**, the minutes of the Board’s December 4, 2024 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 December 4, 2024 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 December 4, 2024

Dated: December 4, 2024