

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, OCTOBER 2, 2024**

A meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, October 2, 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)  
John Capo, 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. Capo, Mr. Lewis-Powder, Mr. Maloney, Mr. Moore, Mr. Piaia, Mr. Vargas and Ms. Vecchione participated by teleconference.

At the Chairman's request, Manuel Da Silva, chief executive officer; Donald Guarriello, vice president and chief financial officer; Janice Venables, vice president and assistant secretary; Ramy Kamel, vice president; and Albert Barnes, chief counsel 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 the Chairman, the assembled Members stood and recited the Pledge of Allegiance.

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

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

The Chairman presented for consideration and approval the minutes of the Board's September 4, 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. Luckie and seconded by Mr. Piaia, the Open Session minutes of the September 4, 2024 SDA Board meeting were approved with the Members' vote in favor of the resolution attached hereto as ***Resolution 3a***.

Mr. Nixon presented for consideration and approval the minutes of the Board's September 4, 2024 Executive Session meeting. A copy of the meeting minutes and a resolution had been provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Luckie and seconded by Mr. Piaia, the Executive Session minutes of the September 4, 2024 SDA Board meeting were approved with the Members' unanimous vote in favor of the resolution attached hereto as ***Resolution 3b***.

### ***Authority Matters***

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

Mr. Nixon asked Mr. Da Silva for the report of the CEO. Mr. Da Silva provided an update on design-build projects in construction. He said that for the Millville High School addition and renovations project, new unit ventilators were installed and the work is complete and students are occupying the spaces. For the Perth Amboy High School project, he advised that management received the certificate of occupancy (CO) recommendations from all trades and the balancing of the HVAC was finalized. With respect to the Orange Cleveland Street Elementary School project, he said that the School is being occupied under a temporary CO and management is working on the CO. For the Union City New Grade 7-9 School project, he noted that the exterior veneer activities have started and interior partition walls continue on all floors. He added that underground basin activities are almost complete in the playground lot.

Turning to projects with active early site preparation, Mr. Da Silva informed the Members that the early site package contractor on the Garfield New Elementary School project is performing underground utility removal and final grading. He said that, simultaneously, SDA is in the procurement phase of the design-build, with technical and price proposals due October 23. For the Elizabeth New Elementary School project, the early site package contractor has advanced demolition into the mail building which is approximately 40% demolished.

Turning to Authority events, outreach and other activities, Mr. Da Silva informed the Members that the SDA launched applications for the 2024 contractor training program last week. He said that applications are available on the SDA website and have been sent to our contractor database as well as stakeholder groups throughout the state. He noted that the program will take place on December 10th and 11th.

Finally, Mr. Da Silva reported that the Authority's Annual Report for 2023 has been prepared by management in compliance with the SDA's bylaws and in accordance with Executive Order No. 37. He explained that the Annual Report includes, among other things, the

Authority's audited financial statements, and identifies internal controls that govern Authority expenditures, procurements and other financial matters and transactions. He said that management is recommending that the Board approve the Authority's 2023 Annual Report. He asked that the Chairman to present *Resolution 4ai*. for a vote.

A resolution pertaining to the 2023 SDA Annual Report was provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Luckie and seconded by Mr. Vargas, the Authority's 2023 Annual Report was approved by the Board upon its unanimous vote in favor of the resolution attached hereto as *Resolution 4ai*.

### *Audit Committee*

Mr. Nixon, as Audit Committee Chairman, reported that the Audit Committee met on September 16, 2024 at which time management provided the Committee with the August 2024 New Funding Allocation and Capital Plan Update. He advised that there were no changes in any of the SDA reserve balances for the reporting period. He reported that there was a \$600,000 decrease in the reserve balance for the Regular Operating Districts due to reductions in state share for grant projects nearing completion.

Next, Mr. Nixon advised that the Internal Audit (IA) staff presented the Committee with the results of one audit. He noted that SDA's outside consultants, Experis US, LLC for its Jefferson Wells Division, provided the results of the operational audit. He noted that SDA's IA director, Mohammed Kathawala, reported that there were no findings.

Mr. Nixon then presented the August 2024 Financial Report. He said that the Authority's operating expenses (Actual vs. Budget) for the year-to-date period totaled \$8.9 million, down \$2.1 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 August 31 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 \$200.6 million, are \$54.9 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 \$200.6 million, are \$15.2 million higher when compared to the capital sending forecast for the corresponding prior year period. He said that this variance is a result of an increases 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, 82.2% 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 \$1.55 billion.

### ***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 being no public speakers, Mr. Nixon asked for a motion to adjourn the Open Session of the meeting into Executive Session. He asked Ms. Venables to announce the matters to be considered by the Board in Executive Session. Ms. Venables advised that, the Board will adjourn into Executive Session to to discuss Recommendation for the Settlement of Claims Asserted by Ernest Bock & Sons, Inc. in Connection with the Camden High School, Irvington Madison Avenue Elementary

School, Newark Hawkins Street School and Wilson School Annex, Bridgeton Senior High School and Bridgeton Buckshutem/Quarter Mile Lane Elementary Schools Projects. She said that the Board will vote on these matters upon return to Open Session.

Upon motion by Mr. Luckie and seconded by Mr. Burgos the Board unanimously voted to approve ***Resolution No. 8.*** and thereby adjourn the Open portion of the meeting into Executive Session.

At this time, Mr. Lewis-Powder left the meeting.

Following the Board's return to Open Session, Mr. Luckie announced that in Executive Session the Board had discussed management's and the School Review Committee's recommendation for approval of a recommendation for the Settlement of Claims Asserted by Ernest Bock & Sons, Inc. in Connection with the Camden High School, Irvington Madison Avenue Elementary School, Newark Hawkins Street School and Wilson School Annex, Bridgeton Senior High School and Bridgeton Buckshutem/Quarter Mile Lane Elementary Schools Projects.

A resolution pertaining to this matter was provided to the Board in advance of the meeting. Upon motion duly made by Mr. Burgos and seconded by Mr. Vargas, the Board approved a recommendation for the Settlement of Claims Asserted by Ernest Bock & Sons, Inc. in Connection with the Camden High School, Irvington Madison Avenue Elementary School, Newark Hawkins Street School and Wilson School Annex, Bridgeton Senior High School and Bridgeton Buckshutem/Quarter Mile Lane Elementary Schools Projects with its unanimous vote in favor of ***Resolution 6a.***

### ***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 October 2, 2024 meeting.

/s/ Janice Venables  
Assistant Secretary