



Biannual Report On the Schools Construction Facilities Program

December 1, 2008

For the period
April 1 through September 30, 2008



Above: Newark Central High School

SDA Mission, Vision and Values

Mission Statement

The mission of the New Jersey Schools Development Authority (SDA) is to create a more promising future for the children of New Jersey by providing safe, healthy, and sustainable schools that create a positive learning environment and strengthen the community.

We will accomplish this by:

- Developing environmentally safe and sustainable schools
- Effectively managing the fiscal resources provided by New Jersey's taxpayers
- Involving children, teachers, parents, school districts and communities in the development of schools
- Constructing schools that are multi-functional to address the needs of the entire community
- Incorporating design features and technology that enable teachers to teach in the most effective ways
- Setting nationwide best practices for the development of schools



Vision Statement

SDA will be a nationally recognized source of best practices in facilitating the design, development and construction of schools that support academic success in partnership with the communities we serve.

SDA Shared Values

We value, in all that we do...

Accountability: We accept responsibility for our actions and our obligations to the State, its residents, and our stakeholders.

Collaboration: We are committed to building strong working relationships with school districts, state agencies, communities and other stakeholders.

Diversity: We promote a culture of inclusiveness, drawing upon and benefiting from the talents of all our colleagues from diverse cultures, backgrounds, experiences and perspectives.

Fairness and integrity: We adhere to the highest ethical standards, making decisions that are impartial and without prejudice.

Consistency and reliability: We are consistent in our approach to process, decision-making and execution, instilling confidence in all stakeholders. We do not act arbitrarily.

Professionalism: We recognize the professional expertise of our colleagues and strive for excellence in all that we do.

Respect: We cultivate an open exchange of ideas and opinions. We respect each other and our commitment to a common goal of helping children.

Teamwork: We work as a team, and share information, best practices and lessons learned.

Transparency: We conduct all our processes in an open and honest manner, internally and externally, promoting continuous improvement and success.

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Message from Barry L. Zubrow, Board Chairman

December 1, 2008

Dear Governor Corzine, Senate President Codey, Assembly Speaker Roberts and the Joint Budget Oversight Committee:

I am pleased to present the Biannual Report of the New Jersey Schools Development Authority (SDA), covering the period from April 1, 2008 through September 30, 2008. The report is submitted as required by P.L. 2007, c. 137 (“The August 2007 Legislation”), which established the Authority.

The SDA is entering a new era with Kris Kolluri assuming the reins of Chief Executive Officer, succeeding Scott Weiner. We are fortunate to have someone of Kris’ caliber, background and management experience to guide the SDA as we embark on the next critically important phase of schools development.

While serving as Commissioner of the New Jersey Department of Transportation (NJDOT) and Chairman of NJ TRANSIT, the New Jersey Turnpike Authority and the South Jersey Transportation Authority, Kris was responsible for overseeing 17,000 employees, more than \$3.6 billion in capital funds and over \$2 billion in operating funds. He assembled a record of excellence there and I am fully confident that he will continue to do so here.

I would like to thank Scott Weiner for his leadership. He arrived with me at the SDA in early 2006 and was a tremendous partner in guiding the transformation of the Schools Construction Corporation (SCC) into the SDA – an agency now equipped with the tools to provide the accountability, effectiveness and efficiency that New Jersey taxpayers have the right to expect. Confidence in the revitalized school construction program has been restored, laying the groundwork for the Governor’s signing of legislation on July 9, 2008 that authorized \$3.9 billion in new capital funding.

Scott leaves behind an agency that is not dependent upon the efforts of one individual. Systems and processes institutionalized at the SDA will continue to ensure accountability. Our new CEO will benefit from having these systems and processes in place as he works to enhance their effectiveness and to ensure that we deliver projects on time and on budget.

In that regard, perhaps the most critical piece of the new organizational foundation is the project charter. This Board allocates funds only upon approving a project charter, which contains a project’s budget, scope and schedule. The Board receives updates if the need for any significant change arises. Project charters also provide a level of transparency that had not existed before. These charters work hand-in-hand with our Board memos and backup material posted to the SDA Web site, allowing stakeholders and the general public to be kept fully informed about the school-building program.

Also, the SDA has intensified its efforts to ensure that school projects are geared to open early in the month of September, when students start their new year. A total of 38 new and renovated schools opened in 2007 and 2008, benefiting nearly 30,000 students.

The Administration and Legislature have placed in us an enormous trust to use the new funding as effectively as possible. That means striking a balance between ensuring proper controls are kept while meeting a mandate from Governor Corzine to expedite projects where possible to help New Jersey cope with a flagging nationwide economy. The SDA and Department of Education (DOE) have implemented a new design review process in order to achieve these goals – first by identifying projects where cost savings can be realized through updated design; and, second, by identifying projects that can be accelerated to create an economic stimulus.

The SDA continues in its efforts to share best practices in the field of school construction. In upcoming weeks, the SDA will release a Real Estate Guidance Manual – a companion document to the 21st Century Schools Design Manual – to inform stakeholders and the general public about best practices in the site selection and land acquisition processes.

The SDA looks forward to continued enhancements of the school construction program. Among them is establishment of a process whereby SDA Districts can manage projects on their own – and a program to increase the capacity of those districts not yet ready for such expanded project management. Also, studies will proceed, as required under the New Funding Legislation, regarding standardized use of design elements, components and construction materials to increase cost effectiveness.

I hope you find this report to be thorough and informative in updating the status of the SDA. I look forward to your continued input as we work together to build schools for the students of New Jersey.

Sincerely,



Barry L. Zubrow
Board Chairman

I. Introduction

Following is the Biannual Report of the New Jersey Schools Development Authority (SDA) for the period April 1, 2008 through September 30, 2008. This report is submitted under the provisions of P.L. 2007, c. 137 (“The August 2007 Legislation”), which established the SDA. The report requirements are attached as Appendix A.¹

The SDA operates under the Educational Facilities Construction and Financing Act (EFCFA) of 2000 and subsequent August 2007 legislative amendments. EFCFA provided initial program funding of \$8.6 billion, and then increased that funding by \$3.9 billion on July 9, 2008 upon Governor Jon S. Corzine’s approval of P.L. 2008, c. 39 (New Funding Legislation).

The program has an authorized total of \$12.5 billion comprising \$8.9 billion for SDA (formerly known as Abbott) Districts and \$3.6 billion for Regular Operating Districts (RODs). Of the ROD funding, \$150 million is set aside for vocational schools.

The history of the school construction program during the past three years has been one of change and reform. The SDA established and utilizes an array of tools to provide the accountability and the efficiency its predecessor lacked. The Authority developed comprehensive budgets and the ability to not only forecast projects, but update those forecasts monthly to ensure that management is aware of changes in its fiscal situation and can respond accordingly. The SDA Board now allocates capital before significant funds are spent on projects, approving a Project Charter that lays out a school facilities project’s expected cost, scope and schedule. The Board must approve an amended charter anytime significant changes arise, and is kept informed by management of all other changes.

The Authority is committed to complete transparency in all its processes. The Project Charter initiative provides a tool for the public to measure the agency’s performance in delivering projects on time and on budget. Also, the agency posts Board memos, agendas and prior month’s minutes online before scheduled Board meetings.

Other key initiatives have enhanced fiscal accountability and efficiency at the Authority, including in-sourcing various functions that have saved millions. The SDA also has an aggressive cost-recovery program that is recouping millions of dollars for significant project errors committed by architects, contractors and project management firms, as well as environmental remediation costs from responsible parties.

2008 saw the continuation of close collaboration between the Department of Education (DOE) and SDA, leading to the establishment of an approach to equitably distribute new capital

¹ Senators Ronald L. Rice, Sandra B. Cunningham and Dana Redd have sponsored Senate bill S1601, which would require the inclusion of the number of school facilities project construction contracts entered into between the Authority and Minority and Women contractors during the reporting period. The information would include the total value of the contracts and the percentage that those contracts represent of all school facilities project construction contracts entered into by the development authority. This report fully meets these proposed requirements.

funding. DOE developed a statewide priority list, based on educational need, of SDA District schools needing replacement or renovation. The two agencies worked together to identify a list of 52 projects² that could proceed with the \$2.9 billion in new SDA District construction funding. The agencies have collaborated also on a design review process and improved collaboration with districts in general. The design review process was necessary since the project designs associated with many of the 52 projects were several years old. The SDA and DOE have met with all SDA Districts to ensure that each project meets current student enrollment projections and educational program needs.

Furthermore, the DOE has developed an application process to be used in disbursing \$1 billion in new ROD District grant funding, covering at least 40 percent of eligible costs, with approvals based on a new project prioritization process.

The SDA continues its focus on evaluating lessons learned and sharing best practices. The agency's Real Estate Practices Manual, for example, anticipated for release in upcoming weeks, will explain the steps and processes that the SDA follows before a school project is funded for design and construction, focusing on the site planning, site selection, preconstruction and land acquisition phases.

² Previous official references cited 53 projects. One project, a pedestrian bridge for the new Elementary School at Marshall & Hazel in Paterson, is now being considered part of the school project itself, resulting in a revised total of 52. Please note that this differs from references in Appendix C of this report, which contains the original July 2008 presentation of the New Funding Capital and Allocation Plan.

For the same reason, the total of projects that were deferred in April 2007 is now considered as 26 instead of 27.

II. Measurement of Progress

The SDA's goal is to create a more promising future for the children of New Jersey by providing safe, healthy, and sustainable schools that promote a positive learning environment and strengthen the community.

September 2008 saw the opening of 16 schools, benefiting nearly 15,000 New Jersey students. Since its creation in 2007, the SDA has opened 38 schools attended by nearly 30,000 students around the state.

More details follow regarding the September 2008 school openings and SDA completed school projects. This section also provides an update on the Project Charter initiative. Project charters provide data on cost and schedule that are revised upon significant variances, serving as a key metric on SDA performance.

With the July 2008 authorization of new funding for SDA Districts and RODs, the SDA will provide additional data on the statewide construction program in upcoming Biannual Reports. The DOE has initiated a grant application process for the distribution of ROD grant funding, which will provide at least 40 percent funding of eligible costs, based on a new need-based prioritization process.

This section, as required under the August 2007 legislation, examines the SDA's performance in its construction cost per square foot in comparison to those of the New York City and Philadelphia Metropolitan Statistical Areas.

A) Completed and active projects

From inception through September 30, 2008, the school construction program has completed 585 projects in the SDA Districts. These completed projects are categorized as follows: 44 new schools; 41 extensive additions, renovations and/or rehabilitations; 21 other rehabilitation projects; 354 health and safety projects; 122 Section 13 Grants for SDA District-managed projects under the former \$500,000 cap; and three demonstration projects. Demonstration projects, funded and overseen by the SDA but managed by a municipal redevelopment entity and redeveloper, are designed to serve as a cornerstone of revitalization efforts. In addition, 19 ROD projects managed by the SDA have been completed.

During the reporting period there were eight completed SDA District school projects, one completed demonstration project completion and five completed ROD projects. These 14 school completions included seven new schools; six extensive additions, renovations or rehabilitations; and two other projects. In addition there was one Section 13 Grant project completed.

As of September 30, 2008, the SDA had 18 active construction projects in SDA Districts, three

active demonstration projects and an additional seven projects ongoing in RODs. In addition, preconstruction activity is under way for the 52 projects approved in the 2008 New Funding Allocation and Capital Plan.

B) September 2008 openings

In September 2008, the SDA opened 16 schools across the state of New Jersey. The total included 10 in SDA Districts and six in RODs. The 16 openings included seven new schools, eight extensive addition/renovation/rehabilitation projects and one other rehabilitation project. In all, nearly 15,000 students benefited from these openings. Since the creation of the SDA in 2007, the SDA has opened 38 schools, benefiting nearly 30,000 students around the state.

SDA School Openings: September 2008		
District	Project	Project Type
Barnegat	Cecil S. Collins Elementary School	Extensive Addition/Renovation/Rehab
Barnegat	High School	Extensive Addition/Renovation/Rehab
Barnegat	New Elementary School	New School
Barnegat	Russell O. Brackman Middle School	Extensive Addition/Renovation/Rehab
Burlington City	Burlington City High School	Extensive Addition/Renovation/Rehab
Cumberland Regional	Cumberland Regional High School	Extensive Addition/Renovation/Rehab
East Orange	Mildred B. Garvin MicroSociety School	Extensive Addition/Renovation/Rehab
Elizabeth	Pre K-8 No. 27	New School
Greater Egg Harbor	Oakcrest High School	Extensive Addition/Renovation/Rehab
Jersey City	Number 34 Elementary School	Other Rehabilitation Project
Neptune Township	Midtown Community Elementary School	New School
Newark	Central High School	New School
Paterson	International High School Academy	New School
Paterson	Number 24 Elementary School	Extensive Addition/Renovation/Rehab
Plainfield	Emerson Elementary School	New School
Trenton	Daylight/Twilight Alternative High School	New School
Regular Operating District Managed Project		

C) Project charters

The Project Charter Initiative has improved accountability at the SDA. Project charters, developed by Project Teams, establish the budget, scope and schedule of a project. The project team concept ensures collaboration, including any and all stakeholders who are critical to the process of meeting performance benchmarks.

A critical component of the Project Charter initiative is enhancement of SDA Board oversight. Board members are apprised of costs and schedules at the outset and must approve the project budget and life cycle before design and construction can begin. Board approval is required on significant variances, as determined by the SDA Operating Authority. Board notification of all other changes is provided as well. Variance reports are made available to the public before their consideration at a Board meeting.

As of September 30, 2008, the SDA Board has approved 34 project charters for fully-funded projects in SDA Districts and 13 in RODs (see Appendix B). The SDA Board receives monthly reports on variances to project budgets or schedules.

The Project Charter initiative extended to phase-funded projects for projects deferred in April 2007. These phase-funded charters included comprehensive budgets but no completion dates. The original approval of these phase-funded charters allowed work related to land acquisition and design to proceed while projects awaited additional funding for construction. With the July 2008 funding authorization, revised charters for the phase-funded projects are beginning to be approved under the new Capital Plan to include necessary changes to budgets and schedules, enabling work to proceed.

In November 2008, after the reporting period, the SDA Board approved an additional seven project charters totaling \$380.4 million from the 2008 Capital Plan to expedite construction, furthering Governor Corzine's economic stimulus initiative.

D) Cost of construction per square foot comparison to facilities projects within Metropolitan Statistical Areas

To address the August 2007 statutory requirement that costs of school facilities projects undertaken and funded by the SDA be compared to similar school facilities projects constructed in the New York City and Philadelphia Metropolitan Statistical Areas (MSAs), the SDA subscribes to specific statistical data reports from McGraw-Hill Dodge Construction Reports.

As defined by the United States Department of Labor, New York City and Philadelphia MSAs are identified in standards published by the federal Office of Management and Budget (OMB). The OMB Bulletin No. 08-01, November 20, 2007, issued the most recent update to all statistical areas. Listed below are the current defined areas:

Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metropolitan Statistical Area

- Philadelphia, PA Metropolitan Division: Bucks County, Chester County, Delaware County, Montgomery County, Philadelphia County
- Camden, NJ Metropolitan Division: Burlington County, Camden County, Gloucester County
- Wilmington, DE-MD-NJ Metropolitan Division: New Castle County, DE; Cecil County, MD; Salem County, NJ

New York-Northern New Jersey-Long Island, NY-NJ-PA Metropolitan Statistical Area (Principal Cities: New York, NY; Newark, NJ; Edison, NJ; New Brunswick, NJ; White Plains, NY; Union, NJ; Wayne, NJ)

- New York, NY
- Edison-New Brunswick, NJ Metropolitan Division: Middlesex County, Monmouth County, Ocean County, Somerset County
- New York-White Plains-Wayne, NY-NJ Metropolitan Division: Bergen County, NJ; Hudson County, NJ; Passaic County, NJ; Bronx County, NY; Kings County, NY; New York County, NY; Putnam County, NY; Queens County, NY; Richmond County, NY; Rockland County, NY; Westchester County, NY

- Newark-Union, NJ-PA Metropolitan Division: Essex County, NJ; Hunterdon County, NJ; Morris County, NJ; Sussex County, NJ; Union County, NJ; Pike County, PA

To broaden comparisons of SDA projects with cost per square foot of other relevant projects, the SDA has used additional recognized, national construction data sources: the School Planning and Management 2007 report, as well as information from the School District of Philadelphia and the New York City Department of Education School Construction Authority. The use of multiple sources to monitor and analyze construction costs provides assurances that industry-wide pricing trends are addressed. These sources also allow the SDA to compare cost per square foot using a common metric, such as cost-at-bid award.

The chart below provides a comparison of cost per square foot for new school construction (public and private schools) within the Philadelphia and New York MSAs. For the period from April 1, 2008 through September 30, 2008, the MSA comparative cost per square foot was measured by cost-at-bid award.

Due to the diminishment of capital funding, the SDA had limited activity during this reporting period. As a result of the New Funding Legislation of July 2008 and adoption of a new capital plan, more data will be available in subsequent reports.

The available data show the SDA's cost for construction remaining higher than in the Philadelphia MSA and below the New York City MSA. SDA costs were within or below the range of costs reported by other sources, as seen in the chart below.

The SDA had one project, the Greater Egg Harbor Regional High School, go to bid in the reporting period. This project had a cost per square foot of \$314. This figure was higher than the Philadelphia MSA average of \$263 and slightly lower than the New York City MSA average of \$322.

The SDA, which had an average elementary school cost of \$265 during the previous reporting period, did not put out to bid any elementary school projects from April through September 2008. The MSA average for new elementary schools was \$204 in Philadelphia and \$473 in New York.

The Philadelphia School District awarded one bid for construction of a new elementary school in September 2008 at \$304 per square foot. The New York City Department of Education School Construction Authority had a citywide bid award average of \$405 for new elementary schools.

New high school construction reported by the New York City construction authority averaged \$437. The Philadelphia School District reported no data.

Metropolitan Statistical Area (MSA) Totals			
Cost Per Square Foot Comparison At Bid Award Statistical Brief			
Source	Area	Elementary School	High School
McGraw-Hill Metropolitan Statistical Area (MSA) Public Schools (April 2008 - October 2008)	Philadelphia	\$204	\$263
	New York	\$473	\$322
McGraw-Hill Metropolitan Statistical Area (MSA) Private Schools (April 2008 - October 2008)	Philadelphia	\$143	None in reporting period
	New York	\$120	\$293
National Clearing House for Educational Facilities (McGraw-Hill Dodge Reports) by State Average (January - September 2008)	Pennsylvania	\$216	\$257
	New York	\$545	\$307
	New Jersey	\$214	\$294
School Planning & Management by State Average (January - December 2007)	NY, NJ, PA Average	\$233	\$287
Philadelphia School District (September 2008)	Philadelphia	\$304	None in reporting period
New York City School Construction Authority (October 2007 - September 2008)	New York City	\$405	\$437
SDA Managed Projects (2nd - 3rd Quarter Actual)	Statewide	None in reporting period	\$314*
<i>The table represents a statistical cross-section of data from numerous sources with report dates ranging from July 2007 to September 2008. Costs are at time of bid award.</i>			
<i>*Cost at bid award for an SDA Regular Operating District High School - Greater Egg Harbor Regional High School.</i>			

E) Number of new projects undertaken by SDA as approved by DOE

The SDA and DOE are implementing the next phase of a joint initiative to address projects requiring immediate repair in the state’s special-needs districts.

Though the DOE and SDA have approved and funded emergent projects previously, the need existed to implement a new process to ensure that SDA Districts could evaluate all their facilities and advance potential emergent projects. Concurrent with that effort was the establishment of a process to evaluate these requests and expedite funding as necessary.

The SDA Districts were given instructions for evaluating all their facilities for potential emergent conditions (health-and-safety type conditions requiring immediate action) and providing the information to DOE.

In the fourth quarter of 2007 the DOE reviewed and assessed a total of 515 conditions reported

by all 31 SDA Districts. Of these 515 conditions, the DOE identified 400 conditions to be assessed by the SDA through site visits. Of these 400 conditions, 141 were identified as emergent needs. This list was then submitted to SDA for funding and repair. Some schools will have multiple projects.

About 30 percent of these health-and-safety projects require roof repair or replacement. Other problems being addressed include deteriorating façades; water infiltration; heating and cooling system issues; and plumbing, electrical, mechanical and security systems.

Of the projects identified, 45 were immediately delegated to the districts for management. The delegated projects had straightforward scopes of work that did not require further development. The SDA has made grant offers to districts for these projects and is working with the districts to obtain the necessary documentation to proceed with the grant awards.

The SDA currently has consultants, competitively hired through a task-order procurement, developing scopes of work for the remaining 96 emergent conditions, located in 82 schools in 23 districts. Upon completion of this scope analysis, additional projects are expected to be delegated to the districts. It is the goal of the SDA to delegate as many emergent-condition projects as possible.

Between April 1 and September 30, 2008, the DOE approved and transmitted 141 emergent projects to the SDA. These projects are being funded through the program reserve that was established by the SDA in April 2007 with adoption of the Capital Deferral Plan.

The program reserve is maintained to address emergent conditions and other unforeseen events. As of September 30, 2008, there was \$147.9 million in the program reserve for emergent projects and other unforeseen events.

Moving forward, the SDA Districts will submit potential emergent projects to the DOE for consideration as they arise. These requests will be evaluated using the procedures developed under this initiative. Each potential emergent project will be evaluated on a case-by-case basis and involve input from the DOE, SDA and Department of Community Affairs (DCA). An additional \$40 million for future emergent projects has been allocated from the July 2008 new funding authorization.

F) New construction manager, construction and design contracts

Seven construction management contracts, 12 construction contracts and two design contracts received a Notice to Proceed (NTP) during the reporting period. Included among the 12 construction projects were two demolition contracts and one E-rate contract, which provides technology needs and participates in the federal Schools and Libraries Division E-rate program. The chart below sets forth those contracts that received an NTP during the reporting period.

These contracts will utilize previously allocated funds. The next Biannual Report will reflect contracts resulting from the New Funding Legislation.

Construction Contracts

District	Description	Contractor	NTP Date	Award Amount
Newark	Demolition Task Order – Elliott St. School Demo	Tricon Enterprises	4/3/08	\$1,938,458
Neptune	Midtown Community MS – E-Rate	Promedia Technology	5/22/08	\$397,730
Buena Regional	Buena Regional Middle School	Arthur J. Ogren, Inc.	6/2/08	\$17,976,000
Egg Harbor Twp.	Egg Harbor Twp. HS Addition/Renovation Phase I	Tamburro/Martell	6/18/08	\$16,990,000
East Orange	Campus 9 – Interior Renovations	Circle-A Construction Co.	6/19/08	\$2,287,000
Newark	DTO – Elliott Street School Demo (Residential)	Tricon Enterprises	6/24/08	\$491,131
Neptune	Midtown Community MS – TCU Relocation	Jobsite Trailers	6/30/08	\$22,160
Clark	Arthur L. Johnson HS & Valley Rd. School Security Systems	Supreme Security Systems	7/1/08	\$13,750
Neptune	Neptune Aquatic Ctr - HS*	Patock Construction Co.	7/18/08	\$11,677,700
Bridgeton	Bridgeton HS – Media Ctr/Elevator Add	Martell Construction Co.	7/30/08	\$4,175,300
Greater Egg Harbor	Greater Egg Harbor HS	Terminal Construction Corp.	8/8/08	\$59,850,000
Egg Harbor City	Charles L. Spragg ES Alterations/Additions	R. Wilkinson & Sons Construction, Inc.	8/20/08	\$1,662,564

Construction Manager Contracts

District	Description	Contractor	NTP Date	Award Amount
Neptune	Neptune Midtown Community ES	Imperial Construction Group	4/9/08	\$839,000
Barnegat	New ES & HS	Armand Corp.	4/9/08	\$556,993
Barnegat	Collins/Dunfee/Horbelt ES & Brackman MS	AFG Group, Inc.	4/10/08	\$1,330,000
Neptune	Neptune Aquatic Center - HS*	LiRo	5/13/08	\$865,000
East Orange	Campus #9	CatCord Construction Co.	6/11/08	\$187,000
East Orange	East Orange #5	Imperial Construction Corp.	5/12/08	\$965,000
Camden	Morgan Village	URS Corp.	7/22/08	\$1,370,588

**The Neptune School District was approved for a high school auxiliary gymnasium by the NJ Department of Education (DOE). The District requested and received DOE approval to replace the gym with an aquatic center. Funding originally intended for the auxiliary gym was permitted to pay for the shell of the aquatic center. All other costs were deemed ineligible and are being paid for by the District.*

Design Contracts

District	Description	Contractor	NTP Date	Award Amount
Newark	Elliott Street ES	Einhorn Yaffee Prescott	4/28/08	\$859,000
East Orange	Mildred B. Garvin ES	Concord Engineering Group	6/30/08	\$206,300

G) Number of school facility projects approved by DOE

From April 1, 2008 through September 30, 2008, the DOE approved 84 projects. Three of these projects were in SDA Districts – East Orange’s Clifford J. Scott High School, Passaic’s Etta Gero No. 9 Elementary School and Trenton’s Woodrow Wilson Elementary School. The remaining 81 are in RODs. Going forward, RODs are able to apply for grant funding or debt-service aid.

H) Number of projects exceeding FES

As part of the approval process for a school facilities project requiring educational adequacy review, DOE’s Office of School Facilities (OSF) conducts a review of the project for compliance with the Facilities Efficiency Standards (FES). This occurs whether SDA Districts or RODs are involved, where a submitted project includes ineligible spaces exceeding the FES, OSF must determine whether these ineligible spaces can be State-funded pursuant to N.J.S.A. 18A:7G-5g and N.J.A.C. 6A:26-3.3. If these spaces are found ineligible for State funding, the district may either modify its submission so that the school facilities project meets the FES, or agree to locally fund any ineligible spaces.

Two key reasons exist for spaces in school facilities projects to exceed the FES and become ineligible for State funding. They are:

1. The spaces are of a type that is specifically identified as ineligible for State funding. These include, but are not limited to, swimming pools, greenhouses, athletic stadiums, garages, any building used for non-situational or non-educational purposes and any facility, building or structure used solely for administrative purposes;
2. The spaces are greater in size or number than the FES would support, such as a larger gymnasium, auditorium or library/media center, or the project contains additional specialized spaces that cannot be justified as being necessary to support the Core Curriculum Content Standards, such as additional art, music and science labs, yet these spaces are not justified by the school enrollment or scheduling requirements.

The OSF may approve space for State funding even though it is in excess of the FES when the district demonstrates that one of the following circumstances exists:

1. The district has demonstrated a particularized need in that school facility related to required programs that cannot be addressed within the FES and all other proposed spaces are consistent with those standards;
2. Such spaces are necessary to comply with Federal or State laws for students with disabilities who are to be educated, to the greatest extent possible, in the same building or classes with their non-disabled peers and the requirements of N.J.A.C. 6A:26-3.3(e)(23) are met;
3. Such spaces are necessary to house the district's central administration, and the requirements of N.J.A.C. 6A:26-3.3(e)(3) are met; or
4. For SDA-managed projects, such spaces represent an excess grossing factor that were approved based on a determination by the SDA that it was necessary for code compliance, constructability, site conditions and other reasons.

Projects Exceeding Facilities Efficiency Standards				
Approval Totals: April 1, 2008 to September 30, 2008				
	Total School Facilities Projects Approved*	Required Educational Adequacy/ FES Review	Projects Requiring Educational Adequacy/RES Review & Exceeding the FES	% of Projects Requiring Educational Adequacy/FES Review and Exceeding the FES
All Districts	84	18	2	11.11%
SDA Districts	3	0	0	0
RODs	81	18	2	11.11%

I) Regular Operating District grants awarded

As of July 2005, the program's initial allocation of \$2.5 billion for Section 15 grants, which fund at least 40 percent of eligible costs for school facility projects in RODs, was spent or committed. Although the DOE and SDA have not advanced any new grants in the reporting period, the SDA continues to administer previously approved funding for grant projects.

An additional \$1 billion authorized through the New Funding Legislation has yet to be committed. However, the DOE has developed a process to disburse these grants through the SDA. November 20, 2008 was the deadline for districts to apply for the initial round of grant funding. See page 26 for more details on the new ROD grant program.

As of September 30, 2008, the SDA has executed 2,565 grants impacting 1,430 schools in 472 districts. The total State share was \$2,199,448,762, leveraging projects costing a total of \$7,079,711,914. More than 80 percent of New Jersey school districts have benefited from the program. An additional \$349 million has been spent or committed on projects in districts receiving more than 55 percent of their budgets in state aid, as well as on other RODs that elected the SDA to manage their projects.

Under the new Section 15 grants allotment, school districts continue to be eligible to receive at least 40 percent of project costs. Previously, school districts financed their local shares of eligible costs and fully financed ineligible spaces that the DOE did not deem educationally necessary. DOE's process for grant funding now requires that the project scope be 100 percent eligible for state support.

III. Stewardship of Public Dollars

The SDA continues its efforts toward accountability and efficiency to ensure the proper stewardship of New Jersey residents' tax dollars.

Perhaps most significantly, the SDA is pursuing strategies to accelerate construction in support of Governor Corzine's initiative to create jobs and stimulate a weakened economy. These efforts likely will include use of the design-build process, which involves the engagement of a single unified team to perform design and construction. The SDA is working to ensure that controls are in place so that acceleration and fiscal prudence are balanced.

As required by the New Funding Legislation, the Authority has begun initiatives to determine if efficiencies can be achieved through the standardized use of design elements and supply agreements for construction materials. The SDA continues to aggressively pursue cost recovery actions in cases of design errors and omissions and project delays, as well as to recover environmental remediation costs.

A) Economic stimulus initiative

The SDA is committed to achieving Governor Corzine's mandate to create jobs to help New Jersey weather the current national economic crisis.

The Governor instructed the SDA to expedite projects where possible, which not only creates a stimulus for the state economy but benefits children by providing schools more quickly. In response, the SDA reviewed its New Funding and Capital Plan, which allocates \$2.9 billion in new funding for SDA Districts. The SDA has determined preliminarily that an additional \$200 million worth of projects could be put out to bid by the end of 2010, increasing the overall total from \$1.2 billion to \$1.4 billion. An estimated 42 projects would advance. Most of them – 30 projects totaling \$1.1 billion – would advance by the end of 2009.

Estimates are based on collaborative efforts involving the SDA, DOE and districts in design review. Estimates also are based on the potential use of the design-build method to accelerate projects. Design-build involves the selection of a single entity to provide both the design and construction of a project.

In July 2008, prior to efforts to accelerate projects, Rutgers University's Edward J. Bloustein School of Planning and Public Policy issued a study called "Economic Impact of Planned School Construction Projects in New Jersey," examining the economic impact of the New Funding Legislation as it pertains to SDA and non-SDA districts. Rutgers findings estimated



the creation of more than 46,000 jobs over five years, or more than 9,000 jobs annually, with approximately 57 percent of those jobs within the construction industry. Rutgers findings also estimated the creation of \$2.5 billion in income.

B) Statutory initiatives on cost savings

The New Funding Legislation of July 2008 requires the SDA to conduct studies on the potential cost savings in the school construction program (both SDA and non-SDA districts) “through the use of standardized design elements, components, and construction materials.” Such study “shall include, but not be limited to, consideration of the opportunities to save design time, facilitate construction inspections, and ensure maintenance protocol ease through use of standardized design elements, supplier agreements and maintenance protocols.” The SDA is required to report its findings to the Governor, the Joint Budget Oversight Committee, the President of the Senate, the Speaker of the General Assembly, and the Commissioner of Education by April 2009.

The Authority entered into a Memorandum of Agreement with Rutgers University to provide an analysis of the potential for savings and efficiencies through the use of supplier agreements. In retaining Rutgers, SDA has engaged the services of a state university with significant experience and in-depth knowledge of supply chain dynamics.

The Authority is currently in the process of competitively procuring for a contract to analyze the value of using standardized design elements, components, and construction materials. This analysis will consider the impact on both SDA and Regular Operating Districts.

The SDA is currently researching numerous published studies of operations and maintenance cost analysis. This research, along with the 2008 NJIT Memorandum of Agreement for development of an Operations and Maintenance guidance document, will establish a foundation for a maintenance protocol.

C) Audits of projects exceeding \$10 million

The New Funding Legislation directs the SDA, in consultation with the State Comptroller, “to cause an audit to be conducted of any school facilities project that has a State share that exceeds \$10 million.”

This significant initiative is in the initial development stages. Collaboration with the Comptroller has been established on this initiative to ensure the legislation’s intent is met. The SDA has and will continue to provide the Comptroller with the necessary information to ensure that the statutory directive is met and that all projects exceeding \$10 million are audited.

D) Cost recovery actions

Cost recovery actions may be pursued where design errors and omissions have occurred, where delays are caused by the general contractor, and to recover environmental remediation costs. Also, change orders are screened for potential liability as a matter of standard operating

procedure and referred to the Office of Chief Counsel, when appropriate, for possible cost recovery.

Taxpayers should not have to pay for mistakes made by architects, contractors and other professionals hired by the state. The SDA evaluates the circumstances surrounding an apparent error or omission and seeks restitution when appropriate. The SDA will mediate such disputes whenever possible but is prepared to litigate when necessary to protect the interests of New Jersey taxpayers.

Significantly, the SDA initiated legal action in June against the project management firm for Neptune's Midtown Community Elementary School for \$15 million arising from the growth and remediation of mold. Out-of-court recovery actions are under way in eight other cases of errors and omissions by architects and engineers totaling more than \$5.5 million, including one claim for \$3 million in formal litigation. Further, 15 to 20 additional instances of design errors and/or omissions are under review, totaling more than \$3.5 million.

The SDA's Office of Chief Counsel is aggressively and continuously assessing liquidated and other damages from those parties responsible for school facilities projects deemed unreasonably delayed. For example, in one instance where a general contractor was responsible for more than a year's delay to a project, the SDA has assessed more than \$400,000 in damages and has initiated the collection process. The SDA will continue to evaluate the performance of contractors responsible for providing goods and services and assess the appropriate back-charges where necessary.

Recovery of funds from responsible parties for the costs of environmental remediation of project sites remains an additional area of cost recovery for which the Authority is currently initiating actions.

To fully investigate and prosecute these matters, the SDA's Environmental Cost Recovery Initiative Team coordinates among Legal, Real Estate, Environmental and Project Management staff with assistance from the Office of Corporate Governance and Compliance. The team is currently identifying the full inventory of school projects that involve environmental site remediation to determine those projects which qualify for recovery under the New Jersey Spill Compensation and Control Act, possible claims under the Landfill Closure Act, and for natural resource damages. Upon completion of the inventory, the team will prioritize the inventory and begin to coordinate the filing of new complaints for recovery. The SDA has four actions currently filed totaling more than \$7.6 million. Legal complaints have been prepared and are currently being reviewed by the Office of the Attorney General in seven additional cases totaling \$11 million.

IV. Organizational Strategies and Initiatives

The SDA has worked in concert with DOE to create equitable plans to distribute new funding authorized in the July 2008 legislation, which allocates \$2.9 billion for projects in SDA Districts and \$1 billion in RODs. The New Funding Allocation and Capital Plan for SDA Districts identified 52 projects to be funded for construction, including 26 new school projects and 26 others that previously had been deferred due to a funding shortfall. DOE has initiated an application process for new ROD grant funding.

A program assessment and design review process was collaboratively implemented by SDA and DOE to ensure that these projects meet updated student enrollment projections and address current educational program needs. The SDA is delegating many emergent projects to SDA Districts, in conformance with Authority regulations regarding their capability to manage such projects.

Another important development will be the release of the SDA's Real Estate Practices Manual. It is being developed to clearly describe the steps and processes that the SDA follows before a school project is funded for design and construction, focusing on the site planning, site selection, preconstruction and land acquisition phases.

Other initiatives include Lessons Learned/Best Practices, Project Closeout and Contractor Evaluation.

The SDA continues to award a substantial percentage of contracts to Small Business Enterprises, works aggressively to increase its percentage of contracts awarded to Minority- and Women-owned firms, and to the extent permitted by law, encourages contractor hiring of Minority and Women workers.

A) New Funding Allocation and Capital Plan for SDA Districts

During recent discussions in the Legislature regarding new funding for the school construction program, the SDA and DOE recognized the need to develop a plan identifying which school projects could be built with proposed new dollars, and to establish reserves to ensure completion of each project. With the need in SDA Districts far exceeding the current availability of state funding, the State did its utmost to address schools with the most critical needs in a fair and equitable manner.

On July 8, 2008, in anticipation of the Governor's signature the following day on legislation authorizing new funding, the SDA Board approved the New Funding Allocation and Capital Plan for SDA Districts.

The plan allocated the \$2.9 billion in SDA District funding authorized by the legislation. It identified 52 projects to be funded for construction, including 26 new school projects. An

additional 26 projects, which had been deferred in April 2007 due to a funding shortfall, also are proceeding.

The 26 new school projects were derived from a statewide prioritization plan that was created by DOE and based on educational need. The department initiated its planning based on Long Range Facilities Plans (LRFPs) submitted by the 31 SDA Districts. The plans identified 351 projects.

The department, in collaboration with the SDA and districts, worked to identify the top three to five priority projects in each district, narrowing the list to 112 projects. In April 2008, DOE performed a statewide analysis of these top-priority projects, ranking the projects based on educational need. The SDA and DOE then performed a final ranking, incorporating additional factors in the analysis, including recognition of projects that had received a minimum of \$3 million of previous State investment.

The plan allocated \$970 million to complete the April 2007 deferred projects and \$1.7 billion for the 26 newly funded projects. A reserve of \$300 million was created for adjustments to planning estimates, and to provide flexibility for addressing emergent projects and unforeseen events.

In the interest of equity, every district received at least one project (except Neptune, whose capital plan is completed). Generally, no district received more than four projects.

For full details on the 2008 New Funding Allocation and Capital Plan, see Appendix C.

B) Design Review process of Capital Plan projects

Upon adoption of the New Funding Allocation and Capital Plan, it became apparent that a review of adopted projects was necessary. Many projects had designs that were three years old or more. In that time, many districts had seen student population shifts and established new educational program priorities. A process was required to ensure taxpayer dollars were spent on appropriately sized schools and current educational need.

At meetings with superintendents on August 7 and 13, 2008 involving the SDA and DOE, presentations were held describing the process to be implemented, including DOE's review of educational program alignment and the SDA's planning process and review of designs for identified projects.

The SDA then scheduled meetings with DOE and every SDA District to discuss individual projects. These meetings were held in September and October 2008. During these meetings, the Districts were informed of the review status of each of their projects on the Capital Plan. In some cases, it was determined that projects could be accelerated. In others, the review revealed potential for savings through redesign. In some cases, the District expressed a preference for swapping one school project for another. The outcome of these meetings varied based upon District-specific issues, including changes to educational program, updates to the Districts' Long Range Facilities Plan and the use of findings from the design reviews.

Follow-up analysis is continuing in an effort to balance the need for these schools to be built quickly yet cost-effectively. Additional planning and project team meetings are ongoing to finalize design and program needs and advance the projects.

C) ROD grant process

Recognizing that the need for safe and modern schools goes beyond the 31 SDA Districts, the Legislature included \$1 billion in the New Funding Legislation to resume the ROD grant program. Of those funds, \$50 million is reserved for vocational school projects.

As with the original program, which was fully spent or obligated as of 2005, the new program will provide grants of at least 40 percent of eligible costs. Grants will be disbursed by the SDA.

In contrast to the original grants, which were disbursed on a first-come, first-served basis, the legislation mandated a prioritization process similar to that used in SDA Districts. The DOE established the process and oversees selection of grant recipients. The first round of applications ended on November 20, 2008. The initial set of disbursements will have a \$200 million maximum.

Only projects that are 100 percent eligible for state support and are included in one of at least three prioritization “levels” will be considered by DOE, although districts may request debt service aid for other projects. Where grants are involved, they must be approved before a district goes out for referendum. For more information on this process, please visit the DOE Web site at <http://www.nj.gov/education/facilities/projectapplication>.

D) Real Estate Guidance Manual

In May 2007, the SDA released its 21st Century Schools Design Manual, using best practices learned over the years in the school construction program and applying them to standards intended to build high-performance schools.

In upcoming weeks, following final interagency review, the SDA anticipates releasing a companion document on best practices, the Real Estate Guidance Manual. It was developed to explain the steps and processes that the SDA follows before a school project is funded for design and construction, focusing on the site planning, site selection, preconstruction and land acquisition phases. The manual is the culmination of lessons learned over the last five years and the adoption of best practices to help address many of the challenges associated with land acquisition in New Jersey’s older cities.

This manual applies specifically to all public school construction projects managed by the SDA. However, many of the concepts and best practices included in the manual are considered applicable to school site selection and development programs in general.

The manual is primarily for use by key stakeholders involved in the process, including the public, governmental and professional service providers. It describes the roles and responsibilities of the various stakeholders involved in the school facilities development

processes, beginning when a school district and its board of education propose a school project to the DOE for advancement as a project. It describes the land acquisition, environmental and site development feasibility processes. It also details the relocation process for property and business owners and residents displaced for the public purpose of constructing a school.

The manual emphasizes that there are no pat answers, cookie-cutter or prescriptive approaches for each situation. It discusses the many interrelated decisions that impact school site selection and development.

A consistent, overriding theme is the importance placed by SDA on effective public participation and open communication throughout the school development process. SDA believes that this is critical in addressing the emotions, perceptions and expectations of key stakeholders. In addition to playing a pivotal role in ensuring a public voice in the site selection decision process, the SDA has found that these strategies support consistency, transparency and a layer of accountability in the site selection process.

E) Delegation to SDA Districts

Pursuant to the August 2007 Legislation establishing the SDA, the Authority was required, in consultation with the DOE Commissioner, to adopt rules and regulations regarding the delegation of management of school facilities projects to SDA Districts. The SDA was required to evaluate the capacity of SDA Districts to manage projects or portions of them, if deemed eligible by the DOE Commissioner, through consideration of the “experience of the (SDA) district, the size, complexity, and cost of the project, time constraints, and other relevant factors.”

The law also required the SDA, in consultation with the Commissioner, to develop and implement training programs, seminars, or symposia to provide technical assistance to SDA Districts deemed to lack the capacity.

SDA executive management created a working group from among Authority staff to address this legislative requirement. This SDA group worked with the New Jersey Institute of Technology, which was tasked under a Memorandum of Agreement to establish criteria for assessing District capacity and to draft forms for districts to apply for project delegation.

Considerations that might influence the decision to allow an SDA District to manage a school facilities project were identified. There was consensus on three key assumptions:

- Facilitating the delegation of management responsibility from the SDA to the districts, to the greatest extent possible, would be a core goal.
- District capacity would be assessed through a two-tiered approach of assessing a district as a whole, then on a project-by-project basis.
- Decisions to delegate authority would be based on formal applications from a district requesting such authority.

The working group convened meetings with officials from 11 districts in Trenton and Newark on

April 7-8, 2008 regarding consensus on the development of assessment criteria. A procedure for assessment and delegation was created, along with application forms.

The Authority then began the development of 34B delegation regulations. A working group was established and more than a dozen meetings were held to draft a comprehensive regulatory proposal. The SDA is confident that the 34B delegation regulations will be proposed prior to publication of the next Biannual Report. The process will be applied to districts deemed eligible by DOE for consideration to manage projects.

The Authority currently is also developing a variety of training programs designed to enhance a District's capacity level for project management. The programs will use in-house expertise as well as Web-based and formal seminars hosted by experts in various technical fields.

F) Sustainable, high-performance schools

The SDA's mission calls for construction of high-performance, sustainable, educationally appropriate schools that are cost-effective, energy-efficient, durable, safe and secure. Additionally, they must be community-focused and constructed in an environmentally sensitive manner. The 21st Century Schools Design Manual, revised in May 2007, defines performance-based standards that design consultants must comply with to achieve those goals. All projects designed subsequent to May 2007 must meet those standards, including projects being advanced for the first time in the July 2008 New Funding Allocation and Capital Plan.

Elberon School in Long Branch and Jersey City Early Childhood Centers 13 and 14 are the first schools being designed under the manual's guidance.

High-performance schools emphasize optimizing natural daylight and providing high-quality indoor air in an acoustically quiet environment. These standards contribute to a positive, comfortable environment that enhances children's ability to learn.

G) Lessons Learned initiative

Lessons Learned is a standard business procedure employed to analyze opportunities to improve business performance. Staff has developed such a program for the SDA, with procedures providing for documentation of lessons learned as well as correlating best practices. Lessons will be applied to individual projects as well as SDA processes in general.

The Lessons Learned initiative defines four steps: data collection, analysis, recommended operational improvements and monitoring. Information is to be stored and accessible in an electronic Lessons Learned library. The implementation and rollout of this new process is scheduled for the first quarter of 2009.

H) Project Closeout initiative

Project Closeout is the process to ensure all work on a school facilities project has been performed according to contract and that the project is fully operational, with regulatory and required documentation in place. School facilities projects are transferred to the District upon completion, with care, custody, control and financial responsibility formally assigned to the District. The District acknowledges its ownership and obligations as set forth in Implementation and Maintenance Agreements executed with the SDA. Before formal closeout, all claims must be resolved, all contractual obligations met, final payments to vendors processed and tasks within the school facilities project completed.

The schools construction program lacked a formal closeout process, although work and payments were completed. Acting upon the recommendation of its internal audit team, the SDA has worked on an initiative to formally define the process. The SDA has developed a standard operating procedure that promotes and ensures the successful transition of ownership of the project to the District as well as the complete closeout of all contracts and processes associated with the construction of the school facilities project.

The effort requires participation of the entire Project Team. The project manager is the process owner, with each team member responsible for the closeout of his or her specific piece of the project. There are four components of Project Closeout: School Transfer, Contractual Closeout, Non-Contractual Closeout Activities and Final Closeout Activities.

The process is being used for all September 2007 and 2008 school openings. The first formal project closeout activities will be finalized in the first quarter of 2009.

I) Contractor evaluation

The SDA's authorizing legislation requires evaluation of prime contractors. The SDA recognizes that the evaluation process is an important management tool that affords the opportunity to address and correct problems with work when they occur.

Through the creation of an interdivisional task force, the existing process has been reviewed and recommendations made to strengthen and improve the objectivity of the process as well as to improve integrating evaluations into SDA construction management practices. The SDA will be able to take a broader view in evaluating a contractor by using this process along with proactively assessing vendor safety protocols and small business participation. Final evaluations have been integrated into the project closeout process, and a defined appeal and hearing process has been finalized.

A newly designed evaluation form, as well as modifications to processes and procedures, has been created. The rollout and implementation of this new process is scheduled for the first quarter of 2009.

J) Operating authority

The By-Laws of the SDA established that the Board “shall designate by resolution those individual directors, officers, employees (or combination thereof) who shall be authorized (either generally or in specific transactions) to approve contracts and to execute documents legally binding on the Authority, or to sign checks and disbursements on behalf of the Authority.” These designations are commonly referred to as the Operating Authority (“OA”).

Beginning in October 2007, and over a series of months, the Board approved substantial modifications to the SDA Operating Authority. These modifications support the SDA’s new emphasis on a collaborative Project Team approach. These modifications also enhance control and reflect improved operational processes, as well as providing more specifics and transparency regarding Authority processes and actions.

During the reporting period, the OA was modified and Board approval received for the addition of new “operating scopes,” providing a waiver of advertisement when required professional services, and goods and services, are available through existing Governmental contracts. Such modification is consistent with SDA procurement regulations for professional services, and goods and services. These regulations provide for an exemption from advertising when available through participation in an existing contract between a vendor and the state of New Jersey, another state, or the Federal government, as long as the existing contract resulted from a competitive process.

Final refinements to the OA were completed in November 2008, reflecting real estate, grant and funding agreements, insurance and Small Business Enterprise substitution processes and controls.

The SDA anticipates modifications to the OA in January 2009, based on the priorities and initiatives of the new CEO, scheduled to join the organization in December 2008.

K) Proactive collaboration with the Office of the Inspector General

The SDA is committed to eliminating any potential for waste in the school construction program through its ongoing cooperation with the Office of the Inspector General (OIG), the State’s watchdog agency. To this end, the Authority continues to implement the recommendations of the OIG and to refer matters requiring OIG attention for investigation and follow-up.

Consistent with the terms of a Memorandum of Understanding (MOU) between the OIG and the Authority, two Assistant Inspector Generals continue to be located at the Authority’s West State Street offices, following their formal assignment in December 2006. Among their responsibilities is the review and investigation of the Authority’s operations and processes. These Assistant Inspector Generals enjoy full and complete access to all SDA records and, when necessary, conduct interviews with SDA staff and any entity doing business with the SDA. An OIG Hotline, established at the SDA for staff members and others to use to report suspected waste or wrongdoing, remains operational.

Complete transparency in all operations and processes continues to be the goal of the SDA. Consistent with a recommendation made by the OIG, the Authority has posted signage at all SDA construction sites, providing the OIG Hotline number and encouraging the public to contact the Hotline to report suspicions of waste, fraud or abuse in connection with the use of funding for a school construction project.

Another OIG recommendation that has been implemented by the SDA is the execution of an individual "Absence of Benefits Certification" by all members of SDA staff. In completing this document for filing with the SDA Ethics Liaison Officer, each staff member certifies that he or she has neither sought nor received any item or other thing of value in the past calendar year, or lists any such items that have not been previously reviewed and approved by the Authority's Ethics Liaison Officer.

L) Small Business Enterprise/Minority initiatives

The SDA works under the state mandate to have a minimum of 25 percent of all contracts awarded to Small Business Enterprises (SBEs). The SDA has consistently exceeded that target by a significant amount. Total SDA contracts for the reporting period equaled \$124,644,764. Total contract dollars awarded to SBE contractors for the period were \$53,698,508, representing 43.08 percent of the overall amount awarded.

Of SDA's total contracts for the reporting period, 0.74 percent (\$917,960) went to African-American-owned Business Enterprises and 1.14 percent (\$1,419,893) went to Hispanic-owned Business Enterprises. The work contracted to Asian-owned Business Enterprises equaled 0.37 percent (\$465,169). Overall, Minority-owned Business Enterprises received a total of 2.25 percent (\$2,803,022).

Out of 123 contracts to primary and subcontractors during the reporting period, eight were awarded to African-American-owned firms, four to Hispanic-owned firms and seven to Asian-owned firms. Twenty five of the 123 contracts were awarded to Women-owned business enterprises, all of which were SBEs. Six of the 25 enterprises were owned by minority women. Details on contracts awarded, broken down by Minority and Female contractors, are available in Appendix D.

The SDA recognizes that success in achieving solid percentages of award for Minority and Women Business Enterprises is vitally important to the economy. However, the statistics continue to be affected by the 2003 GEOD consent decree entered in federal court, which eliminated set-aside goals for Minority and Women-owned businesses, allowing for small-business set-aside programs only. SDA continues to aggressively encourage the participation of Women-owned and Minority-owned Business Enterprises on school projects. One problem that prime contractors identify to the SDA is their inability to access qualified Minority and Women-owned business when needed. To that end, the SDA is developing a Memorandum of Understanding with Rutgers University/NJ Small Business Development Centers (NJSBDC) to provide an all-inclusive contractor training program, which will begin in the first quarter of 2009. The SDA is also hosting a Small/Minority/Women-owned Business Enterprise Expo that will allow smaller firms to network and present themselves to larger contracting firms. The

event will take place in March 2009 at The College of New Jersey, with regional fairs expected in subsequent months.

The SDA has been successful with such outreach efforts in the past. On August 13, 2008, a Workforce Information Fair was held in East Orange by SDA's Division of Contractor and Workforce Compliance. Union representatives and community organizations were on hand to discuss apprenticeship opportunities. Job training information regarding SDA programs in conjunction with the NJ Department of Labor was provided. The SDA co-hosted another Small Business Fair with the National Association of Minority Contractors (New Jersey Chapter), Delaware River Port Authority and NJSBDC, which was held September 18 at Rutgers-Camden. Both events were well attended.

The Division of Contractor and Workforce Compliance also has taken on the responsibility of ensuring that Small, Minority and Women-owned Business Enterprises (SMWBE) working on SDA projects are treated equitably and fairly. The Division works closely with the SDA Chief Counsel's Office and the Attorney General's Office.

In addition, the SDA has joined with the Department of the Treasury to develop new regulations to ease some of the burdens faced by SMWBEs seeking work. Two examples were the implementation of additional construction categories (which will allow more SMWBE firms to compete by leveling the playing field) and lengthening the certification period from one year to three years for SMWBEs while maintaining the same fee. The new regulations are currently in the review process.

Also, the SDA has worked with Treasury and other State agencies regarding SBE participation by sharing best practices and lessons learned.

Regarding efforts to provide jobs for minorities, the SDA holds as a guiding principle that no qualified person should walk past a school construction project in his or her community and believe that he or she cannot obtain work in the program, whether at that site or another. As an aggregate, the SDA exceeded targets for percentages of workforce hours performed by minority workers. Hours for minority workers were 26.39 percent of the total, compared to the average target of New Jersey's various counties, which is 21 percent. However, work hours for females on SDA projects fell below county goals. Work hours for females represented 0.99 percent of the total, below the 6.9 percent participation goal used in each New Jersey County. County targets are set by the state Treasury Department, based on U.S. census data. There was consistently significant minority participation in various trades, such as Laborer, Bricklayer/Mason/, Painter, Pipe Fitter, Plumber, Operating Engineer, Roofer and Sheet Metal Worker. See Appendix E for more details.

The SDA is developing a database that will provide greater detail on workforce hours performed by minority workers, breaking down minority totals by ethnicity. It will also track local participation. The database is scheduled to launch on January 1, 2009.

The SDA continues to take a proactive approach to increasing the numbers of minority and females working on its construction jobs. 2008 marks the sixth year of the SDA's Construction Trades Training Program for Women and Minorities (CTTP), benefiting SDA Districts. To date, nearly 1,450 SDA district residents have completed the CTTP, with more than 30 percent placed

in union apprenticeships and nearly 20 percent placed in construction-related employment.

The SDA has set aside a total of \$18 million for minority and women worker programs to provide outreach and training to these SDA District residents. The program falls under the August 2007 Legislation and had been previously authorized under the Treasury State Administrative Code, which allowed the SDA to dedicate to the CTTTP initiative ½ of 1 percent of construction dollars from projects valued at \$1 million or more. Currently, the SDA finances and oversees the CTTTP through the New Jersey Department of Labor and Workforce Development, which manages the implementation of four countywide grant programs through diverse community consortia.



Assemblyman Joseph Vas presents a certificate to Middlesex County CTTTP graduate, Yahaira Torres.

So far this year, Roofers Local 4 has accepted 16 SDA District residents into union apprenticeships. The Gloucester County CTTTP has graduated 16 participants and the Middlesex County CTTTP, operated through the Hispanic Directors Association of New Brunswick, has graduated 12.

M) Establishment of Mission, Vision and Values Statements

The SDA felt the development of mission, vision and values statements would serve stakeholders and the public by informing them of the agency’s goals and core values. The SDA also felt these statements would focus the efforts of Authority staff toward achieving these values and goals.

In May 2008, the SDA entered into a Memorandum of Agreement with the Center for Organizational Development and Leadership at Rutgers University to develop these statements. SDA employees participated in an online survey and focus groups. The resulting statements, which focus on collaborative efforts to build safe and healthy schools benefiting children and their communities, are posted throughout SDA offices, on its Web site and at the beginning of this report.

V. Finances

A) Aggregate principal amounts of bonds

In 2000, EFCFA provided for a total of \$8.6 billion of New Jersey Economic Development Authority (EDA) School Facilities Construction Bonds to fund DOE-approved school facilities projects throughout the State. In July 2008, an additional \$3.9 billion in EDA bonds was approved for a total of \$12.5 billion. Of the \$12.5 billion, \$8.9 billion is allocated for the 31 SDA Districts and \$3.6 billion is for RODs, including \$150 million for vocational schools.

In June 2008, the EDA issued \$450 million of School Facilities Construction Bonds. Through September 30, 2008, the EDA had issued \$7,370,929,000 of the \$12.5 billion of bonds authorized by EFCFA. Further bond issuances generally will coincide with future cash flow requirements for already committed projects.

Appendix F provides a listing of all School Facilities Construction Bonds issued through the reporting period.

B) Statement of need to adjust principal amount of bonds

The July 2008 funding authorization of \$2.9 billion for SDA Districts has been fully allocated to build 52 projects and provide a reserve fund to be used for emergent projects and unforeseen events. The original \$6 billion allocation to the SDA Districts has also been fully committed. The need for school facilities far exceeds the \$8.9 billion allocated for SDA Districts to date.

The Long Range Facilities Plans (LRFPs) filed by SDA Districts identified an additional 325 school construction projects. The cost for this work, estimated by the districts, has been roughly estimated in the range of \$15 billion. However, the need for facilities extends beyond New Jersey's urban districts to the suburbs. Based on LRFPs – submitted to DOE by three-quarters of RODs to date – the cost is estimated in the range of \$10 billion.

C) Cash flow projections

The SDA forecasts that it will spend \$497,300,382 between October 1, 2008 and March 31, 2009, primarily on existing projects. The SDA has a balance of \$1.3 billion remaining on existing contracts, much of which is due to be paid in the upcoming reporting period. As of September 30, 2008, there were 777 Section 15 grants to RODs that had not been fully expended; such grants are paid in increments as projects attain milestones.

The chart below lists \$12.2 million in land acquisition costs. A majority of those funds is for prior contractual commitments. This total also incorporates real estate costs related to acquisitions for the previously Board-approved Leonard Place Early Childhood Center project

in Passaic and the new Elliott Street replacement school in Newark. Furthermore, pre-construction activity costs are included for projects approved in the 2008 New Funding Allocation and Capital Plan.

CASH FLOW PROJECTIONS	
10/1/08-3/31/09	
Cost Category	Projected Expenditures
Project Management Firm/ CM Services	\$10,426,849
Land Acquisition/Site Feasibility	\$12,205,282
Design/Architect Contracts	\$11,345,265
Construction Contracts	\$213,634,574
Technology	\$5,535,786
Furniture, Fixtures, and Equipment	\$11,412,915
District Grants	\$123,879,417
Demonstration Project Grants	\$84,795,808
Program Disbursements (SDA Costs)	\$18,750,000
Other*	\$5,314,486
TOTAL	\$497,300,382

** Other costs include Insurance Payments, Bond Issuance Costs, DCA permit fees, interagency payments, Safety Service Provider Fees, Legal and Related Services, and Miscellaneous & Advertising fees.*

VI. Recommendations for change

A) Smart Growth schools

Smart Growth schools, as discussed in prior SDA Biannual Reports, would reduce the cost of school facilities projects in SDA Districts through sharing infrastructure costs. The state could partner with private entities to maximize the use of its limited resources, stimulating the economy by encouraging and promoting business and employment opportunities for the citizens of New Jersey. The initiative would also promote the state's Smart Growth goals of directing development into urban areas where the infrastructure exists to support it.

In some instances, Smart Growth schools offer a potential method of completing needed school projects while offsetting a portion of the cost. Texas, North Carolina, Virginia and New York have made use of such agreements. The SDA's ability to move forward in the development of Smart Growth schools would require statutory changes.

To further this initiative, the SDA is collaborating with DOE, the Attorney General's Office and Treasury to create a discussion paper on the proposed Smart Growth schools.

B) Capital maintenance resources and planning

The authorization of new funding for the school construction program accentuates the critical need for the State to implement a comprehensive strategic plan to address the capital maintenance of school facilities. Capital maintenance is often deferred by Districts to avoid short-term costs, but the price tag of today's school construction program is largely the result of the broad failure to address school maintenance issues throughout the 1970s and 1980s.

The need to extend the life of new and renovated buildings, as well as existing structures, needs to be addressed in multiple ways. Planning efforts for capital maintenance need to be undertaken. The SDA is in discussions with DOE regarding addressing this issue. Significantly, the SDA has contracted with Rutgers University to provide training to assist District facilities staff to provide the maintenance necessary for new and renovated facilities.

C) Standardizing design elements and reducing costs through supplier agreements

Standardizing design has the potential to save time, facilitate construction inspections, simplify maintenance and reduce costs. Supplier agreements, which can facilitate the purchase of certain construction materials in large quantities, also offer the potential for reduced costs.

The SDA is currently seeking to procure the services of a consultant to study standardization of design elements. It also has entered into a Memorandum of Agreement with Rutgers University to provide an analysis of the potential for savings and efficiencies through the use of supplier agreements. Studies on these issues, which will benefit SDA and non-SDA districts, were required by the New Funding Legislation of July 2008. The SDA must report its findings to the

Governor, the Joint Budget Oversight Committee, the President of the Senate, the Speaker of the General Assembly, and the Commissioner of Education by April 2009.

Appendix A: Requirements of the Biannual Report

Requirements of the Biannual Report

35. Section 24 of P.L.2000, c.72 (C.18A:7G-24) is amended to read as follows:

C.18A:7G-24 Biannual report on school facilities construction program.

24. The development authority, in consultation with the State Treasurer, the financing authority, and the commissioner, shall biannually submit to the Governor, the Joint Budget Oversight Committee, the President of the Senate and the Speaker of the General Assembly a report on the school facilities construction program established pursuant to the provisions of this act. The report shall be submitted no later than June 1 and December 1 of each year and shall include, but not be limited to, the following information for the prior six-month period: the number of school facilities projects approved by the commissioner pursuant to section 5 of P.L.2000, c.72 (C.18A:7G-5); the number of projects undertaken and funded by the development authority; the aggregate principal amount of bonds, notes or other obligations issued by the financing authority for the State share of construction and renovation of school facilities and whether there is a need to adjust the aggregate principal amount of bonds, notes or other obligations authorized for issuance pursuant to subsection a. of section 14 of P.L.2000, c.72 (C.18A:7G-14); the number of approved projects which exceeded the facilities efficiency standards, the components of those projects which exceeded the standards, and the amount of construction by individual districts and Statewide estimated to have exceeded the standards; and recommendations for changes in the school facilities construction program established pursuant to this act which have been formulated as a result of its experience with the program or through collaboration with program stakeholders.

In addition, the biannual report shall include a comparison of the costs of school facilities projects undertaken and funded by the development authority to similar school facilities projects constructed in the New York City Metropolitan Statistical Area and the Philadelphia Metropolitan Statistical Area as defined by the United States Department of Labor. The development authority shall include in the report an explanation of the methodology used in making the comparison

Appendix B: Project Charter Data

SDA District Project Charters

District	School Name	Board Approved		Approved Revised	
		Budget	Completion Date	Budget	Completion Date
Bridgeton	Bridgeton Senior HS Media Center	\$ 7,341,828	Feb-09		
Burlington City	Burlington City HS	\$ 55,004,237	Sep-09		
Camden	Dudley ES	\$ 42,836,505	Jun-09		
Camden	Early Childhood Development Center #25	\$ 46,448,404	Dec-08		
Camden	H.B. Wilson ES	\$ 33,610,565	Nov-08		
Camden	Morgan Village MS	\$ 41,101,653	Jan-11		
East Orange	Campus 9	\$ 4,000,000	Sep-08		
East Orange	Mildred B. Garvin MicroSociety School	\$ 24,892,348	Jul-08		
East Orange	New ES #5	\$ 42,164,836	May-09		
Elizabeth	New Pre K-8 #27	\$ 52,699,441	Aug-08		
Elizabeth	New Pre K-8 #28	\$ 59,230,350	Nov-08		
Elizabeth	Number 21 Victor Mravlag ES	\$ 31,850,458	Apr-09		
Jersey City	Number 34 ES	\$ 10,360,015	Sep-08		
Neptune	HS Auxiliary Gymnasium	\$ 6,681,181	Aug-09		
Neptune	Neptune-Midtown Community School	\$ 77,935,020	Jul-08		
Newark	Avon Ave (Emergent)	\$ 1,582,666	Jul-08		
Newark	Elliott Street ES Replacement	\$ 47,715,766	Jun-10		
Newark	New Central HS	\$ 107,428,394	Jun-08	\$ 108,428,394	Jun-08
Newark	Park School	\$ 50,665,262	Jul-09		
Newark	Speedway Ave ES	\$ 48,851,897	Jun-09		
Newark	Various Emergent Projects	\$ 27,203,134	Various		
Orange	Lincoln Ave ES	\$ 48,153,403	Jun-09		
Orange	Park Ave ES	\$ 35,319,600	Nov-08		
Passaic City	New ES at Henry Street	\$ 53,711,798	Apr-10		
Passaic City	New ES at Main Ave	\$ 55,660,264	Sep-09		
Paterson	International HS Academy	\$ 55,299,445	May-08		
Paterson	Number 24 ES	\$ 27,298,210	Oct-07		
Paterson	Roberto Clemente ES / K-1 Center	\$ 3,207,003	Feb-09		
Perth Amboy	Early Childhood Center II	\$ 30,098,786	Jan-09		
Plainfield	Emerson ES	\$ 38,928,253	Aug-08	\$ 40,028,253	Aug-08
Plainfield	Clinton ES - Phase II (Parking & Play Space)	\$ 1,778,250	Jan-09		
Trenton	MLK/Jefferson ES	\$ 68,171,286	May-10		
West New York	Number 2 ES	\$ 29,906,800	Jan-09		
West New York	Number 3 ES	\$ 62,751,396	Sep-08		

Regular Operating District Project Charters

District	School Name	Board Approved		Approved Revised	
		Budget	Completion Date	Budget	Completion Date
Barnegat	Cecil S. Collins ES	\$ 2,295,760	Jun-08		
Barnegat	High School Addition	\$ 11,537,685	Jun-08		
Barnegat	Horbelt ES	\$ 4,916,513	Jan-09		
Barnegat	Lillian M. Dunfee ES	\$ 9,277,794	Jan-09		
Barnegat	New Elementary School	\$ 17,666,746	May-08		
Barnegat	Russell O. Brackman MS	\$ 15,636,261	Feb-08		
Buena Regional	New MS	\$ 21,948,035	Oct-09		
Cumberland Regional	Cumberland Regional HS	\$ 25,833,632	Sep-08		
Egg Harbor City	Charles L. Spragg ES	\$ 1,787,580	Aug-09		
Egg Harbor City	New MS	\$ 16,009,653	Jun-10		
Egg Harbor Township	Egg Harbor Township HS	\$ 42,016,563	Jun-10		
Greater Egg Harbor	New HS	\$ 54,983,443	Jun-10		
Greater Egg Harbor	Oakcrest HS Auditorium	\$ 751,051	Mar-08		

Appendix C: New Funding Allocation and Capital Plan

2008 New Funding Allocation and Capital Plan for SDA Districts

Management's Presentation to the SDA Board

July 8, 2008

Process Overview

- ❖ June 2007 DOE commenced preparation of Education Facilities Needs Assessment to inform SDA planning
- ❖ June 2007 collaborative process initiated with DOE, SDA and Districts to identify top 3-5 priorities in each district
 - Goal to align District priorities with educational need
 - Identified critical needs within Districts
- ❖ April 2008 DOE initiated analysis of most critical projects among all districts based on district-identified priorities
 - Applied ranking criteria based upon educational adequacy
 - Established hierarchy among projects

Process Overview (continued)

- ❖ SDA, in consultation with DOE, applied newly available funding and programmatic policies and goals leading to development of 2008 Funding Allocation Plan
- ❖ Commencing in or about January 2009, SDA in consultation with DOE, Districts, and governing bodies in SDA Districts will develop strategic plan reflecting identified needs for future funding

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Goals of the 2008 New Funding Allocation and Capital Plan for SDA Districts

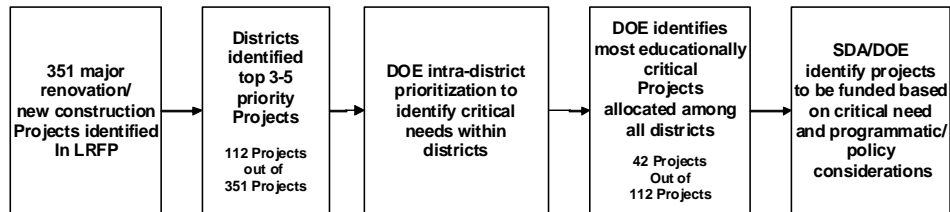
- ❖ Complete 2007 Deferral Plan phase funded projects previously approved through preparation of bid documents
- ❖ Recognition of significant State investment (Sunk Costs)
- ❖ Equitable distribution of limited resources
- ❖ Full funding of Projects
- ❖ Maintain adequate Reserves for planning, emergent projects and other unforeseen events
- ❖ Provide for District Specific Adjustments

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Complete 2007 Deferral Plan Phase Funded Projects

- ❖ Deferral Plan efficiently allocated then-remaining resources:
 - Fully funded 32 projects
 - Phase funded 27 projects
Through preparation of bid documents
 - Retained adequate Reserve for emergent projects and other unforeseen events
- ❖ First priority for additional funding allocation
 - Fund Deferred projects through Completion
 - Projected Notice-to-Proceed dates subject to refinement
 - Total Estimated Cost to Complete: **\$ 970.6m**
(Includes Anticipation of finalization of publicly articulated plans subject to DOE Approval)

Methodology for Determination of Need



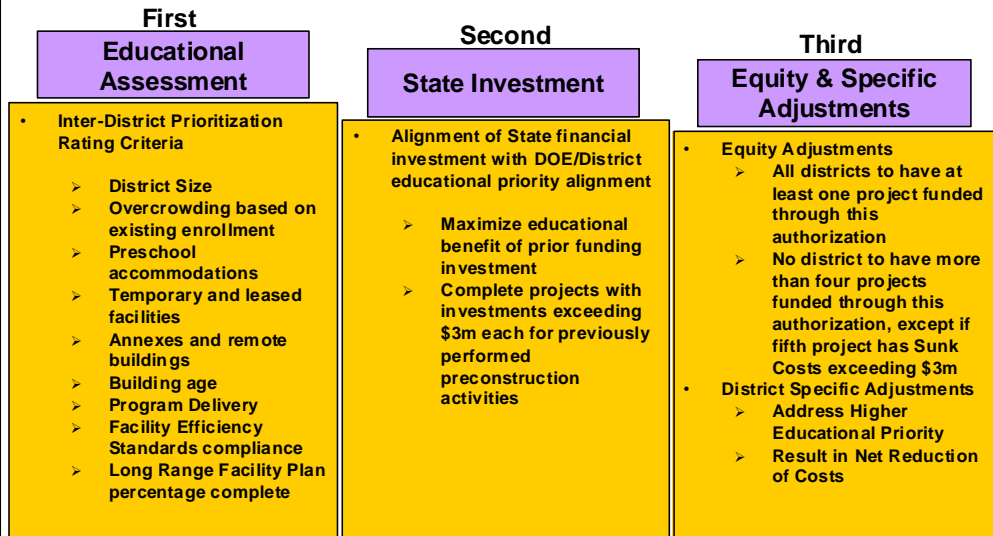
Financial Assumptions

Funding - July 1, 2008	\$2,900,000,000
+ Existing Reserve for Emergent Projects & Unforeseen Events (as of 6/30/08)	\$147,067,501
+ Forecasted Interest Earnings on New Funding Allocation ^	\$54,300,000
- Estimated Costs to Complete May 2008 Emergent Projects	\$57,000,000
- Estimated Program Costs (related to new funding through 2013; G&A @ 3%)	\$90,000,000
Total Net Funding	\$2,954,367,501
- Cost to complete Deferred Projects*	\$970,554,176
Funding for Proposed 2008 New Funding Allocation & Capital Plan	\$1,983,813,325
- Reserve for Unforeseen Events	\$150,000,000
- Reserve for Emergent Projects	\$40,000,000
- Reserve for Adjustments to Planning Estimates	\$100,000,000
Remaining for major Facility Projects	\$1,693,813,325

^ - Forecasted Interest earnings based on average rate of return experience over the previous 24 months

* - Includes Anticipation of finalization of publicly articulated plans subject to DOE Approval

Methodology for Identification/Inclusion of New Projects



**2008 New Funding Allocation and
Capital Plan - SDA Districts**



Summary	
Completion of Deferred Projects	27
Newly Funded Projects	26
Total Projects	53

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**2008 New Funding Allocation and
Capital Plan - SDA Districts (continued)**



<u>Projects</u>	<u># of Projects</u>	<u>Cost</u>
Completion of Deferred Projects	27	\$970.6m
Newly Funded Projects	26	\$1,679.0m
Reserve (for Planning, Emergent Projects and other unforeseen events)		\$304.8m
Total	53	\$2,954.4m

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Presentation of Projects to be Funded

- ❖ Listing of Projects - Alphabetically by District with Cost Estimates
 - Cost Estimates based upon planning estimates and refined benchmarked assumptions
 - Anticipated cost adjustments are supported by the \$100m planning reserve
- ❖ Listing of Projects - by Notice-to-Proceed Date
 - Like listing of Projects with Cost Estimates - based upon planning estimates and refined benchmarked assumptions
 - Provides sense of direction of rollout
 - Recognizes importance of initiating work quickly
 - Availability of Education Facilities
 - Economic Stimulus
 - SDA possesses the priority setting, planning, and controls to manage the rollout

This chart has been reformatted from the original version presented to the SDA Board to provide an easy-to-read format and to clarify distinctions between total estimated project costs and estimated costs to be funded strictly through the new \$2.9 billion allocation.

2008 New Funding Allocation & Capital Plan for SDA Districts

Listing of Projects to Be Funded Alphabetically by District with Cost Estimates

Based on Planning Estimates for 26 New Projects

Color Key
List of 27 Deferred Projects

District	School	Estimated Earliest Notice to Proceed Date	Pre-Construction Phase Costs		Estimated Construction Phase Costs	Estimated Other Costs to Complete	Total Estimated Project Cost	Total Estimated Cost to Complete from 2008 \$2.9b Allocation
			Funding Expended	Estimated Funding To be Expended				
Asbury Park*	New ES (Bangs Replacement)	May-11	\$1,051,596	\$8,419,606	\$28,191,700	\$1,780,842	\$39,443,744	\$38,392,149
Bridgeton	Broad Street Elementary Reno	May-10	\$243,060	\$8,077,474	\$26,326,493	\$2,677,270	\$37,324,298	\$37,081,238
Burlington City	Boudinot Area ECC	May-11	\$0	\$894,126	\$7,885,360	\$601,426	\$9,380,911	\$9,380,911
Camden City	Pyne Poynt Family M.S.	Jan-09	\$6,245,980	\$1,873,066	\$32,260,917	\$1,355,413	\$41,735,376	\$33,616,330
Camden City	Camden H.S.	Jun-10	\$15,881,769	\$9,224,286	\$76,632,528	\$8,514,725	\$110,253,308	\$94,371,539
Camden City	Lanning Square E.S.	Aug-10	\$2,383,411	\$7,030,936	\$32,777,320	\$2,610,583	\$44,802,250	\$42,418,839
East Orange	George Washington Carver	Jun-10	\$3,246,645	\$2,911,596	\$24,188,643	\$2,687,627	\$33,034,510	\$29,787,865
Elizabeth	Academic Magnet HS (incl. Parking Deck)	Mar-11	\$3,517,063	\$7,235,949	\$82,630,376	\$8,043,665	\$101,427,053	\$97,909,990
Garfield	James Madison School #10	Sep-09	\$3,086,066	\$3,231,503	\$22,669,149	\$1,415,750	\$30,402,468	\$24,084,899
Gloucester City	Middle School - New	Jan-11	\$12,727,683	\$5,037,815	\$44,695,358	\$3,787,742	\$66,248,598	\$53,520,915
Harrison	HS conversion to MS	Jul-09	\$1,256,398	\$4,147,584	\$34,456,848	\$3,828,539	\$43,689,369	\$42,432,971
Hoboken	Thomas G. Connors	Feb-10	\$771,898	\$1,772,948	\$22,541,582	\$1,592,029	\$26,678,457	\$24,133,611
Irvington	Madison Avenue ES	Oct-10	\$511,712	\$7,065,812	\$31,706,227	\$3,224,362	\$42,508,112	\$41,996,400
Jersey City	ECC 13	Jun-09	\$3,179,562	\$3,563,885	\$16,454,745	\$760,890	\$23,959,082	\$17,215,635
Jersey City	ECC 03	Jun-09	\$7,769,407	\$2,077,216	\$19,631,512	\$941,647	\$30,419,782	\$20,573,159
Jersey City	E.S. 3 (swapped w/ 24)	Jun-09	\$402,973	\$5,274,934	\$40,441,159	\$1,758,311	\$47,877,376	\$47,474,404
Jersey City	P.S. 20	Jul-09	\$7,759,267	\$2,398,314	\$40,816,416	\$3,250,865	\$54,224,862	\$46,465,595
Jersey City	ECC 14	May-11	\$454,119	\$2,291,314	\$16,299,834	\$767,446	\$19,812,712	\$17,067,280
Keansburg	Lorraine Place ES	Jan-10	\$5,285,228	\$3,239,607	\$32,160,568	\$1,385,679	\$42,071,083	\$33,546,247
Keansburg	New ECC PK-2 (Caruso)	Mar-10	\$560,733	\$3,313,478	\$45,431,864	\$3,618,467	\$52,924,543	\$52,363,810
Long Branch	Elberon E.S.	Jun-09	\$1,175,140	\$2,800,804	\$36,323,077	\$1,485,962	\$41,784,984	\$37,809,039
Millville	New high school	Jan-10	\$875,483	\$7,881,628	\$141,545,548	\$13,778,770	\$164,081,430	\$163,205,947
New Brunswick	Paul Robeson Community E.S.(Addition)	Nov-08	\$1,940,442	\$1,893,865	\$25,945,430	\$1,116,621	\$30,896,358	\$27,062,051
New Brunswick	A. Chester Redshaw E.S.	Dec-08	\$3,505,213	\$1,701,203	\$37,056,116	\$2,020,462	\$44,282,995	\$39,076,578
New Brunswick	K Center (Potential +10 PK Classrooms)	May-11	\$849,053	\$19,978,352	\$23,340,121	\$1,858,948	\$46,026,474	\$45,177,421
Newark	Gladys Hillman-Jones M.S.	Nov-08	\$4,837,775	\$1,242,758	\$19,057,851	\$1,529,063	\$26,667,447	\$20,586,914
Newark	Oliver Street	Jul-09	\$11,374,918	\$13,078,956	\$50,399,312	\$4,014,105	\$78,867,292	\$67,492,373
Newark	South Street	Jul-09	\$10,812,306	\$9,591,327	\$47,302,982	\$3,767,494	\$71,474,110	\$60,661,804

District	School	Estimated Earliest Notice to Proceed Date	Pre-Construction Phase Costs		Estimated Construction Phase Costs	Estimated Other Costs to Complete	Total Estimated Project Cost	Total Estimated Cost to Complete from 2008 \$2.9b Allocation
			Funding Expended	Estimated Funding To be Expended				
Newark	West Side	Jul-09	\$9,729,319	\$31,574,676	\$91,722,348	\$9,327,696	\$142,354,039	\$132,624,720
Orange	Cleveland Street Elementary School	Mar-10	\$1,124,071	\$9,973,792	\$20,984,250	\$2,435,672	\$34,517,784	\$33,393,714
Passaic City	Dayton Avenue Middle	Jan-10	\$14,809,119	\$5,173,781	\$82,650,256	\$6,571,091	\$109,204,246	\$94,395,128
Passaic City	Dayton Avenue Elementary	Jan-10	\$13,134,835	\$2,809,991	\$56,656,721	\$4,354,429	\$76,955,977	\$63,821,142
Passaic City	New ECC & BOE @ Henry Street Site/Leonard Place	Sep-10	\$681,773	\$17,787,077	\$30,541,700	\$2,798,323	\$51,808,872	\$33,340,023
Passaic City	New ECC @ Dayton Avenue Site	Nov-10	\$0	\$1,197,000	\$21,346,780	\$1,064,053	\$23,607,833	\$22,410,833
Paterson	New ES at Marshall & Hazel	Dec-08	\$8,835,765	\$2,726,020	\$39,684,635	\$2,556,445	\$53,802,865	\$42,241,080
Paterson	Marshall St. Bridge(included in preceding project; listed separately consistent w/ List of 27)	Dec-08	\$0	\$200,865	\$2,899,819	\$0	\$3,100,683	\$2,899,819
Paterson	Number 25 E.S.	Dec-08	\$1,122,316	\$1,736,671	\$25,317,881	\$2,208,513	\$30,385,381	\$27,526,394
Paterson	PS # 16 ES	Apr-11	\$1,617,686	\$25,401,049	\$41,210,039	\$3,464,561	\$71,693,335	\$70,075,649
Paterson	#3 ES	May-11	\$56,581	\$28,223,316	\$47,044,451	\$3,955,064	\$79,279,412	\$79,222,831
Pemberton Twp.	New Early Childhood Center	Dec-08	\$2,589,741	\$1,620,991	\$27,291,178	\$1,182,902	\$32,684,812	\$28,474,080
Pemberton Twp.	ECC #2	May-11	\$0	\$10,517,704	\$31,751,038	\$2,528,844	\$44,797,586	\$44,797,586
Perth Amboy	Seaman Avenue School	Sep-09	\$2,286,285	\$2,334,681	\$34,221,644	\$2,162,160	\$41,004,770	\$36,383,804
Phillipsburg	New Phillipsburg HS	Jun-09	\$16,579,651	\$4,277,366	\$139,930,604	\$13,621,563	\$174,409,184	\$157,829,533
Plainfield	Woodland ES	Jan-10	\$961,998	\$2,543,230	\$21,128,376	\$2,347,597	\$26,981,202	\$26,019,204
Pleasantville	Decatur Ave Alternative High School	Apr-09	\$1,079,408	\$1,109,732	\$19,255,431	\$874,921	\$22,319,492	\$20,130,352
Pleasantville	New ECC	May-11	\$0	\$5,913,908	\$42,566,778	\$3,390,274	\$51,870,960	\$51,870,960
Salem City	John Fenwick ES	May-10	\$382,669	\$4,629,047	\$33,368,178	\$2,657,643	\$41,037,537	\$40,654,868
Trenton	New Early Childhood Center	Mar-09	\$1,818,210	\$1,650,750	\$14,348,196	\$655,096	\$18,472,252	\$15,003,292
Trenton*	Roebing School	Jul-10	\$18,256,121	\$6,237,000	\$72,346,500	\$3,564,000	\$100,403,621	\$82,147,500
Trenton*	Trenton Central HS	Jun-10	\$10,330,003	\$12,560,723	\$125,581,062	\$11,513,996	\$159,985,783	\$149,655,781
Union City	New ES - Columbus Replacement	Jun-09	\$7,737,865	\$4,522,517	\$44,838,746	\$2,172,725	\$59,271,853	\$47,011,471
Vineland	Vineland Middle School #2	Jan-09	\$2,974,438	\$1,843,265	\$29,717,420	\$1,649,104	\$36,184,227	\$31,366,524
West New York	Harry L. Bain E.S.	Jun-09	\$8,481,529	\$11,772,193	\$48,589,938	\$2,734,991	\$71,578,652	\$51,324,929
	Total		\$236,294,283	\$345,587,690	\$2,204,163,004	\$173,966,367	\$2,960,011,345	\$2,649,527,128

* - Anticipation of finalization of publicly articulated plans subject to DOE Approval

2.9b Funding Allocation	No. of Project	Funds
Total Projects Fully Funded	53	\$2,649,527,128
Total Projects that receive no funds	0	\$0
Subtotal	53	\$2,649,527,128
Reserve for Emergent Projects, Planning & Unforeseen Events		\$304,840,373
Total		\$2,954,367,501

Note: Funding Includes Existing Reserve and Program Costs

2008 New Funding Allocation & Capital Plan for SDA Districts
Listing of Projects to Be Funded by Notice-to-Proceed Date

Color Key

List of 27 Deferred Projects

Based on Planning Estimates for 26 New Projects

District	School	List of 97?	Earliest NTP Date
New Brunswick	Paul Robeson Community E.S.(Addition)		Nov-08
Newark	Gladys Hillman-Jones M.S.		Nov-08
Pemberton Twp.	New Early Childhood Center		Dec-08
New Brunswick	A. Chester Redshaw E.S.		Dec-08
Paterson	New Elementary School at Marshall & Hazel		Dec-08
Paterson	Marshall St. Bridge(included in preceding project; listed separately consistent w/ List of 27)		Dec-08
Paterson	Number 25 E.S.		Dec-08
Camden City	Pyne Poynt Family M.S.		Jan-09
Vineland	Vineland Middle School #2		Jan-09
Trenton	New Early Childhood Center		Mar-09
Pleasantville	Decatur Ave Alternative High School		Apr-09
Jersey City	ECC 13		Jun-09
West New York	Harry L. Bain E.S.		Jun-09
Union City	New ES - Columbus Replacement		Jun-09
Jersey City	ECC 03		Jun-09
Jersey City	E.S. 3 (swapped w/ 24)		Jun-09
Long Branch	Elberon E.S.		Jun-09
Phillipsburg	New Phillipsburg HS	Y	Jun-09
Newark	Oliver Street	Y	Jul-09
Newark	South Street	Y	Jul-09
Newark	West Side	N	Jul-09
Jersey City	P.S. 20	Y	Jul-09
Harrison	HS conversion to MS	Y	Jul-09
Perth Amboy	Seaman Avenue School		Sep-09
Garfield	James Madison School #10		Sep-09
Keansburg	Lorraine Place ES		Jan-10
Passaic City	Dayton Avenue Middle	N	Jan-10
Passaic City	Dayton Avenue Elementary	N	Jan-10

District	School	List of 97?	Earliest NTP Date
Millville	New high school	Y	Jan-10
Plainfield	Woodland ES	Y	Jan-10
Hoboken	Thomas G. Connors		Feb-10
Orange	Cleveland Street Elementary School	Y	Mar-10
Keansburg	New ECC PK-2 (Caruso)	Y	Mar-10
Salem City	John Fenwick ES	N	May-10
Bridgeton	Broad Street Elementary Reno	N	May-10
Trenton*	Trenton Central HS		Jun-10
Camden City	Camden H.S.	Y	Jun-10
East Orange	George Washington Carver	Y	Jun-10
Trenton*	Roebling School		Jul-10
Camden City	Lanning Square E.S.	Y	Aug-10
Passaic City	New ECC & BOE @ Henry Street Site/Leonard Place		Sep-10
Irvington	Madison Avenue ES	Y	Oct-10
Passaic City	New ECC @ Dayton Avenue Site		Nov-10
Gloucester City	Middle School - New	Y	Jan-11
Elizabeth	Academic Magnet HS (incl. Parking Deck)	Y	Mar-11
Paterson	PS # 16 ES	Y	Apr-11
Jersey City	ECC 14		May-11
Pleasantville	New ECC	N	May-11
Pemberton Twp.	ECC #2	N	May-11
New Brunswick	K Center (Potential +10 PK Classrooms)	N	May-11
Paterson	#3 ES	N	May-11
Asbury Park*	New ES (Bangs Replacement)		May-11
Burlington City	Boudinot Area ECC	N	May-11

*Appendix D: Contracts awarded
(broken down by minority/female)*

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
CA-0010-M01	Primary	URS Corporation		7/22/08			\$ 1,370,588.00									
	Subcontractor	DCM Architecture & Eng. LLC	57 Kresson Road Cherry Hill, NJ 08034		Archit. & Eng.	Roof and field inspection		\$ 68,529.00	5.00%	Hispanic						
	Subcontractor	QWIC, Inc.	313 East Broad Street Palmyra, NJ 08065		Project Management	Deputy PM and Safety					\$ 529,365.00	38.62%				
Total for CA-0010-M01 Morgan Village MS - Camden							\$ 1,370,588.00	\$ 68,529.00	5.00%		\$ 529,365.00	38.62%				
ES-0004-C03	Primary	Circle - A Construction Co., Inc.		6/20/08			\$ 2,287,000.00						\$ 45,740.00	2.00%		
	Subcontractor	Abatetech inc.	30 Maple Avenue Lumberton, NJ 08048		Asbestos Removal	Asbestos Removal							\$ 6,500.00	0.28%		
	Subcontractor	Altec Electrical	904 Atlantic Avenue Point Pleasant, NJ 08742		Electrical	Electrical							\$ 105,000.00	4.59%		
	Subcontractor	American Coring & Supply	89 Susan Street Toms River, NJ 08753		Concrete Cutting	Concrete Cutting							\$ 3,400.00	0.15%		
	Subcontractor	Dean Equip & Furniture Co., Inc.	PO Box 384 East Hanover, NJ 07936		Fire Protection	Fire Protection							\$ 270,000.00	11.81%		
	Subcontractor	General Fire Protection, Inc.	15 River Drive Garfield, NJ 07026		Fire Protection	Fire Protection					\$ 5,300.00	0.23%				
	Subcontractor	Jason Bennett LLC.	3 Morey Lane Brick, NJ 08723		Carpentry	Gypsum, Demolition & Carpentry							\$ 85,000.00	3.72%		
	Subcontractor	Sunnyfield Corp.	1 Industrial Way West Bldg. D Suite E Eatontown, NJ 07724		HVAC & Plumbing	HVAC & Plumbing							\$ 590,000.00	25.80%		
Total for ES-004-C03 Campus #9 - East Orange							\$ 2,287,000.00				\$ 5,300.00	0.23%	\$ 1,105,640.00	48.34%		
ES-0004-M01	Primary	Catcord Construction Co., Inc.		6/11/08			\$ 187,000.00						\$ 187,000.00	100.00%		
Total for ES-0004-M01 Campus #9 - East Orange							\$ 187,000.00						\$ 187,000.00	100.00%		
ES-0018-M03	Primary	Imperial Construction Group, Inc.		5/16/08			\$ 965,000.00	\$ 678,732.00	70.33%	Hispanic						
	Subcontractor	Noblestrategy, LLC.	6 South Orange Avenue South Orange, NJ		Const. Management	Cont. Mgmt./ Supervisor		\$ 266,268.00	27.59%	Black						

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
	Subcontractor	Preferred Construction Mgmt.	44 Point Breeze Drive Hewitt, NJ		Const. Management	Scheduling					\$ 20,000.00	2.07%				
Total for ES-0018-M03		E.S. #5 - East Orange					\$ 965,000.00	\$ 945,000.00	97.93%		\$ 20,000.00	2.07%				
ES-0041-A01	Primary	Concord Engineering Group		6/30/08			\$ 206,300.00						\$ 136,300.00	66.07%		
	Subcontractor	The Architect Alliance	Renaissance Towers 111 Mulberry Street Newark, NJ 07102		Architectural & Design	Architectural							\$ 50,000.00	24.24%		
Total for ES-0041-A01		Mildred Barry Garvin School - East Orange					\$ 206,300.00						\$ 186,300.00	90.31%		
ET-0002-M01	Primary	Armand Corporation		4/9/08			\$ 139,248.00			Black					\$ 110,665.50	79.47%
	Subcontractor	Envision Consultants, Ltd.	PO Box 536 Mullica Hill, NJ 08062		Scheduling	Scheduling					\$ 2,360.15	1.69%				
	Subcontractor	J. F. McKernan, Jr. R.A. Architects	100 Dobbs Lane, Suite 204 Cherry Hill, NJ 08034		Const. Mgmt.	Const. Mgmt.							\$ 16,203.60	11.64%		
Total for ET-0002-M01		New E.S. & Barnegat H.S. - Barnegat					\$ 139,248.00				\$ 2,360.15	1.69%	\$ 16,203.60	11.64%	\$ 110,665.50	79.47%
ET-0013-E01	Primary	Promedia Technology Services Inc.		5/22/08			\$ 397,730.00						\$ 397,730.00	100.00%		
Total for ET-0013-E01		Midtown Community School - Neptune					\$ 397,730.00						\$ 397,730.00	100.00%		
ET-0013-M02	Primary	Imperial Construction Group, Inc.		4/9/08			\$ 839,000.00	\$ 634,454.00	75.62%	Hispanic						
	Subcontractor	Preferred Construction Mgmt.	44 Point Breeze Drive Hewitt, NJ		Const. Management	Scheduling					\$ 20,000.00	2.38%				
	Subcontractor	Yee Engineering & Assoc., Inc.	1017 Main Street Voorhees, NJ 08043		Commissioning	Commissioning				Asian					\$ 184,546.00	22.00%
Total for ET-0013-M02		Community Center - Neptune					\$ 839,000.00	\$ 634,454.00	75.62%		\$ 20,000.00	2.38%			\$ 184,546.00	22.00%
ET-0015-C05	Primary	Patock Construction Co.		7/18/08			\$ 11,677,700.00									
	Subcontractor	Alessandra Misc. Metal Works	75 B Mill Street Newton, NJ 07860		Misc. Metals	Misc. Steel							\$ 47,500.00	0.41%		

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
	Subcontractor	Epic Mechanical, Inc.	3320 Route 66 Neptune, NJ 07753		HVAC & Plumbing	HVAC							\$ 1,850,000.00	15.84%		
	Subcontractor	Erin Environmental Serv. Inc.	324 Shore Drive Highlands, NJ 07732		HVAC & Plumbing	Plumbing							\$ 331,362.00	2.84%		
	Subcontractor	J.Strober & Sons, LLC	PO Box 177 Ringoes, NJ 08551		Roofing	Metal Roof							\$ 394,722.00	3.38%		
	Subcontractor	Jersey Architectural Door Supply			Doors/hardware	Doors/hardware					\$ 164,000.00	1.40%				
	Subcontractor	Monarch Glass & Metal Designs	247 Route 33 East Manalapan, NJ 07726		Glass & Metals	Glass & Glazing							\$ 142,000.00	1.22%		
	Subcontractor	Monmouth Excavators Inc.	974 Route 33 East Freehold, NJ 07728		Excavation	Site Work							\$ 318,929.00	2.73%		
	Subcontractor	Pyromax Inc.	1829 Old Mill Road Wall, NJ 07719		Fireproofing	Spray fireproofing							\$ 11,000.00	0.09%		
	Subcontractor	Sodon's Electric Inc.	25 W. Highland Avenue Atlantic Highlands, NJ 07716		Electrical	Electrical							\$ 1,009,000.00	8.64%		
	Subcontractor	South Shore Contracting	3 Convery Blvd. Suite 100 Woodbridge, NJ 07095		Caulking/Waterproofing	Waterproofing							\$ 36,800.00	0.32%		
	Subcontractor	The Vann Organization	PO Box 3240 Cherry Hill, NJ 08002		Project Mgmt.	Scheduling		\$ 10,500.00	0.09%	Black						
Total for ET-0015-C05 Neptune H.S. - Neptune							\$ 11,677,700.00	\$ 10,500.00	0.09%		\$ 164,000.00	1.40%	\$ 4,141,313.00	35.46%		
ET-0015-M02	Primary	LiRo Program & Constr. Mgmt, PC		5/13/08			\$ 885,000.00									
		Jay Shapiro & Associates, Inc.	44-A Peapack Road Far Hills, NJ 07931		Const. Mgmt.	Preconst. & Const. Mgmt.							\$ 250,000.00	28.25%		
Total for ET-0015-M02 Neptune H.S. - Neptune							\$ 885,000.00						\$ 250,000.00	28.25%		
ET-0063-M01	Primary	AFG Group, Inc.		4/10/08			\$ 118,000.00									
	Subcontractor	Armand Corporation	1815 Garden Avenue Cherry Hill, NJ 08003		Construction Mgmt./Civil Engineering	MEP Inspection/Scheduling				Black					\$ 12,450.00	10.55%
	Subcontractor	Envision Consultants, Ltd.	PO Box 536 Mullica Hill, NJ 08062		Project Mgmt.	Proj. Mgmt./Scheduling					\$ 8,300.00	7.03%				

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
Total for ET-0063-M01							\$ 118,000.00				\$ 8,300.00	7.03%			\$ 12,450.00	10.55%
ET-0064-M01	Primary	Armand Corporation		4/9/08			\$ 417,745.00			Black					\$ 331,996.50	79.47%
	Subcontractor	Envision Consultants, Ltd.	PO Box 536 Mulica Hill, NJ 08062		Project Mgmt.	Scheduling					\$ 7,080.45	1.69%				
	Subcontractor	J.F. McKernan, Jr. R.A. Architects	100 Dobbs Lane, Suite 204 Cherry Hill, NJ 08034		Const. Mgmt.	Const. Mgmt.							\$ 48,610.80	11.64%		
Total for ET-0064-M01							\$ 417,745.00				\$ 7,080.45	1.69%	\$ 48,610.80	11.64%	\$ 331,996.50	79.47%
ET-0065-M01	Primary	AFG Group, Inc.		4/10/08			\$ 1,212,000.00									
	Subcontractor	Armand Corporation	1815 Garden Avenue Cherry Hill, NJ 08003		Construction Mgmt./Civil Engineering	MEP Inspection/Scheduling				Black					\$ 136,800.00	11.29%
	Subcontractor	Envision Consultants, Ltd.	PO Box 536 Mullica Hill, NJ 08062		Project Mgmt.	Proj. Mgmt./Scheduling					\$ 91,200.00	7.52%				
Total for ET-0065-M01							\$ 1,212,000.00				\$ 91,200.00	7.52%			\$ 136,800.00	11.29%
ET-0087-C01	Primary	Tamburro Bros. Const. Co., Inc.		6/18/08			\$ 16,990,000.00									
	Subcontractor	Atlantic City Photo	44 Central Square Linwood, NJ 08221		Aerial/Comm. Photog.	Photography					\$ 4,490.25	0.03%				
	Subcontractor	Carolla Bros Landscaping, Inc. DBA/ D & R Landscaping	2185 E. Wheat Road Vineland, NJ 08361		Landscape/Maintenance	Landscaping							\$ 75,800.00	0.45%		
	Subcontractor	Center Metal Fabricators	PO Box 29 Hammononton, NJ 08037		Alum & Glass Doors, windows	Doors, windows					\$ 385,000.00	2.27%				
	Subcontractor	Coastal Communications Group	6820 C North Crescent Blvd Pennsauken, NJ 08110		Tele Data/Comm.	Tele Data/Comm.							\$ 190,033.00	1.12%		
	Subcontractor	G Fioresi Tile and Terrazzo, Inc.	361 Garrison Road Millville, NJ 08332		Ceramic, tile, slate	Ceramic tile, slate sills							\$ 44,500.00	0.26%		
	Subcontractor	Lewandowski Construction Ind.	PO Box 127 Atco, NJ 08004		Excavation	Site Work							\$ 2,074,000.00	12.21%		
	Subcontractor	M & J Ceilings	514 Egg Harbor Road Sewell, NJ 08080		Ceilings	Accoustical Ceilings					\$ 1,524,000.00	8.97%				

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
	Subcontractor	Martell Electric	11 Owl Court Marlton, NJ 08033		Electrical	Electrical							\$ 1,529,100.00	9.00%		
	Subcontractor	Mitchell Hardware	PO Box 98 Sewell, NJ 08080		Doors, Frames, Hardware	Doors, Frames, Hardware							\$ 189,380.00	1.11%		
	Subcontractor	NIC Construction LLC	PO Box 1044 Monroeville, NJ 08843		Commercial Carpentry	Carpentry							\$ 133,250.00	0.78%		
	Subcontractor	North Eastern Hardwood Floors	447 Commerce Lane, Suite A West Berlin, NJ 08091		Flooring	Wood Floors							\$ 245,000.00	1.44%		
	Subcontractor	Pest Management Service, Inc.	2041 Stanger Avenue Williamstown, NJ 08094		Pest Control/Extern.	Termite Control					\$ 10,000.00	0.06%				
	Subcontractor	RAC Fencing, Inc.	6514 Black Horse Pike Egg Harbor Twp., NJ 08234		Fencing/Install	Fencing							\$ 46,500.00	0.27%		
	Subcontractor	Sealing Concepts, Inc.	2041 Stanger Avenue Williamstown, NJ 08094		Caulking/ Sealing	Caulking							\$ 22,320.00	0.13%		
	Subcontractor	Soltz Paint, Inc.	2517 Atlantic Avenue Atlantic City, NJ 08401		Painting	Painting							\$ 34,000.00	0.20%		
	Subcontractor	Specialty Materials Group, Inc.	1391 White Oak Bottom Road Toms River, NJ 08755		Toilet Partitions	Toilet Partitions							\$ 43,000.00	0.25%		
	Subcontractor	Stone Collections, LLC	150 Robertsville Road Freehold, NJ		Stone Work	Stone Work							\$ 6,470.00	0.04%		
Total for ET-0087-C01 Egg Harbor Twp. H.S. - Egg Harbor							\$ 16,990,000.00				\$ 1,923,490.25	11.32%	\$ 4,633,353.00	27.27%		
ET-0089-C01	Primary	Terminal Construction Corp.		8/8/08			\$ 59,850,000.00									
	Subcontractor	Ackerson Drapery & Dec Serv Inc.	500 James Street, Suite 14 Lakewood, NJ 087401		Draperies, curtains	Stage Curtains & Riggings							\$ 59,800.00	0.10%		
	Subcontractor	Bryant Caulking & Waterproofing	714 West Branch Road Pine Hill, NJ 08021		Caulking/Waterp roofing	Caulking					\$ 286,750.00	0.48%				
	Subcontractor	Geothermal Services Inc.	PO Box 427, 5435 Harding Highway Mays Landing, NJ 08330		Geo Heating/Colling	Geo Heating/Colling							\$ 1,523,000.00	2.54%		

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
	Subcontractor	LaConti Concrete & Masonry, Inc.	253 Mantoloking Road Brick, NJ 08723		Concrete & Masonry	Unit Masonry							\$ 7,592,164.00	12.69%		
	Subcontractor	Mountain View Layout Services	117 Hibernia Avenue Rockaway, NJ 07866		Concrete & Masonry	Concrete & Masonry							\$ 95,290.00	0.16%		
	Subcontractor	Scarpa Electric Company	158 E. Garden Road Vineland, NJ 08360		Elec. /Teledata	Electrical/Teledata, Light Poles and standards							\$ 9,250,000.00	15.46%		
	Subcontractor	Specialty Materials Group, Inc.	1391 White Oak Bottom Road Toms River, NJ 08755		Toilet Partitions	Toilet Partitions							\$ 294,621.00	0.49%		
	Subcontractor	Tom's Landscaping, LLC	2409 Route 50 Laureldale, NJ 08330		Landscaping	Landscaping							\$ 519,581.00	0.87%		
	Subcontractor	Triple B Fabricating, Inc.	61 Wilett Street Passaic, NJ 07055		Structural Steel/Fabrication	Structural Steel							\$ 4,450,000.00	7.44%		
Total for ET-0089-C01		New Greater Egg Harbor H.S. - Greater Egg Harbor					\$ 59,850,000.00				\$ 286,750.00	0.48%	\$ 23,784,456.00	39.74%		
ET-0096-C01	Primary	R. Wilkinson & Sons Constr., Inc.		8/20/08			\$ 1,662,563.72						\$ 135,160.00	8.13%		
	Subcontractor	DEC Electrical Contractors, Inc.	PO Box 328 Berlin, NJ 08009		Electrical	Electrical							\$ 237,500.00	14.29%		
	Subcontractor	Floor Resources, Inc.	PO Box 774 Pleasantville, NJ 08232		Flooring	Carpet/VCT	\$ 20,600.00		1.24%	Black						
	Subcontractor	J.V. Paimonari, Inc.	PO Box 68 Milmay, NJ 08340		Steel	Steel							\$ 77,525.00	4.66%		
	Subcontractor	Larry Donnelly Brickwork, LLC	4060 Ivins Avenue Egg Harbor Twp., NJ 08234		Brick/Masonry	Masonry							\$ 144,800.00	8.71%		
	Subcontractor	R & R Ceilings, inc.	390 Glasboro Road Monroeville, NJ 08343		Ceilings	Acoustical Ceilings					\$ 22,300.00	1.34%				
	Subcontractor	Sealing Concepts, Inc.	2041 Stanger Avenue Williamstown, NJ 08094		Caulking/Sealing	Caulking							\$ 2,120.00	0.13%		
Total for ET-0096-C01		Charles L. Spragg E.S. - Egg Harbor City					\$ 1,662,563.72	\$ 20,600.00	1.24%		\$ 22,300.00	1.34%	\$ 597,105.00	35.91%		
NE-0067-A01	Primary	Einhorn Yaffee Prescott Arch & Eng		4/28/08			\$ 859,000.00									
	Subcontractor	Concost Associates, Inc	50 Elizabeth Avenue West Newark, NJ 07107		Estimating/Scheduling	Cost Estimating		\$ 28,680.00	3.34%	Black						

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
	Subcontractor	KS Engineers, PC	24 Commerce Street 15th Floor Newark, NJ		Design/Testing	Civil Design		\$ 12,719.00	1.48%	Asian						
	Subcontractor	KS Engineers, PC			Design/Testing	Utility Investigation		\$ 17,400.00	2.03%	Asian						
	Subcontractor	KS Engineers, PC			Design/Testing	Survey		\$ 60,000.00	6.98%	Asian						
	Subcontractor	KS Engineers, PC			Design/Testing	Geotech Investigation		\$ 62,030.00	7.22%	Asian						
	Subcontractor	KS Engineers, PC			Design/Testing	Drilling & Testing		\$ 103,474.00	12.05%	Asian						
Total for NE-0067-A01 Elliott Street E.S. - Newark							\$ 859,000.00	\$ 284,303.00	33.10%							
NE-0067-P01	Primary	Tricon Enterprises, Inc.		4/3/08			\$ 1,938,458.40						\$ 1,600,000.00	82.54%		
	Subcontractor	Advanced Plumbing Design	525 Lehigh Avenue Union, NJ 07083		Plumbing/HVAC	Plumbing							\$ 5,930.00	0.31%		
	Subcontractor	Barcia Bros. Fence Co., Inc.	514 River Drive Garfield, NJ 07026		Fencing/Install	Fencing							\$ 38,908.00	2.01%		
	Subcontractor	Lessner Electric Co.	581 Pona Avenue Elizabeth, NJ 07201		Electrical	Electrical							\$ 3,000.00	0.15%		
	Subcontractor	Pernaco Inc.	2546 Andria Court Atco, NJ 08004		Abatement/Asbestos	Asbestos							\$ 160,000.00	8.25%		
Total for NE-0067-P01 Elliott St. E.S. Demo - Newark							\$ 1,938,458.40						\$ 1,807,838.00	93.26%		
NE-0067-P02	Primary	Tricon Enterprises, Inc.		6/24/08			\$ 491,130.93						\$ 353,071.93	71.89%		
	Subcontractor	Allstate ORC	473 Hamburg Pike West Milford, NJ 07480		UST Removal	UST Removal							\$ 4,464.00	0.91%		
	Subcontractor	Majestic Fence Co. Inc.	6839 Route 9 North Howell, NJ 07731		Fencing/Install	Fencing/Install							\$ 27,496.00	5.60%		
	Subcontractor	Pernaco Inc.	2546 Andria Court Atco, NJ 08004		Abatement/Asbestos	Asbestos							\$ 106,099.00	21.60%		
Total for NE-0067-P02 Elliott St. E.S. Demo Residential Properties- Newark							\$ 491,130.93						\$ 491,130.93	100.00%		

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
ST-0006-C01	Primary	Arthur J. Ogren, Inc.		6/2/08			\$ 17,976,000.00									
	Subcontractor	Arcadia Specialties, Inc.	8 Hagerty Lane Cranbury, NJ 08512		Toilet partitions & Accessories	Toilet partitions				Hispanic					\$ 38,178.00	0.21%
	Subcontractor	Center Metal Fabricators, Inc.	PO Box 29 Hammonton, NJ 08037		Alum & Glass Doors, windows	Doors, windows					\$ 350,000.00	1.95%				
	Subcontractor	Cirignano Contracting, Inc.	750 W. California Avenue Absecon, NJ 08201		Painting	Painting					\$ 125,735.00	0.70%				
	Subcontractor	Collingswood Architectural Millwork	715 Taylor Avenue Collingswood, NJ 08107		Millwork	Millwork							\$ 35,900.00	0.20%		
	Subcontractor	Halpern & Sons, Inc.	843 King Georges Post Road Fords, NJ		Doors & Frames	Hollow Metal Doors & Frames							\$ 160,460.00	0.89%		
	Subcontractor	Kiker Sheet Metal Corp.	PO Box 1487 Pleasantville, NJ 08232		Sheet Metal	Sheet Metal							\$ 900,000.00	5.01%		
	Subcontractor	J.V. Palmonari, Inc.	PO Box 68 Milmay, NJ 08340		Steel	Structural Steel							\$ 1,374,600.00	7.65%		
	Subcontractor	L & R Construction	36 Kresson Road Cherry Hill, NJ 08034		Refinishing	Refinishing & Installation							\$ 21,000.00	0.12%		
	Subcontractor	Lawn & Garden Landscaping	2869 Driftwood Lane Vineland, NJ 08361		Landscaping	Landscaping							\$ 56,845.00	0.32%		
	Subcontractor	Perrone Door, Inc.	PO Box 327 Hammonton, NJ 08037		Doors & Frames	Rolling Doors							\$ 6,300.00	0.04%		
	Subcontractor	Pest Management Service, Inc.	2041 Stanger Avenue Williamstown, NJ 08094		Pest Control/Extern.	Termite Control					\$ 11,300.00	0.06%				
	Subcontractor	R & P Construction of NJ, Inc.	235 F Route 73 North West Berlin, NJ 080911		Ceilings	Acoustical Ceilings							\$ 195,000.00	1.08%		
	Subcontractor	Sal Maradino Inc.	PO Box 52 Landisville, NJ 08328		Masonry	Masonry							\$ 2,415,000.00	13.43%		
	Subcontractor	Sealing Concepts	2041 Stanger Avenue Williamstown, NJ 08094		Caulking/Sealing	Caulking							\$ 71,000.00	0.39%		
	Subcontractor	Sheriff Associates	55 Park Slope Clifton, NJ 07011		Window Treatments	Window Treatments							\$ 18,400.00	0.10%		
	Subcontractor	Stein's Food Svcs. Equip, Inc.	6 East Pleasant Avenue Pleasantville, NJ 08232		Food Service Equip.	Food Service Equip.							\$ 249,000.00	1.39%		

Contract ID	Contractor Type	Contractor	Address	Award Date	Discipline	Discipline on Project	\$ Awarded	\$ SMBE	% SMBE	Ethnicity	\$ SWBE	% SWBE	\$ SBE	% SBE	\$SMWBE	% SMWBE
	Subcontractor	Vineland tile Co. Inc.	1240 Panther Road Pine Hill, NJ 08021		Tile & Carpet	Tile, Carpet & entrance tile							\$ 420,000.00	2.34%		
Total for ST-0006-C01 Buena Regional Middle School - Buena							\$ 17,976,000.00				\$ 487,035.00	2.71%	\$ 5,923,505.00	32.95%	\$ 38,178.00	0.21%
ST-0021-C03	Primary	Martell Construction Co., Inc.		7/30/08			\$ 4,175,300.00						\$ 2,816,720.00	67.46%		
	Subcontractor	Envision Consultants, Ltd.	PO Box 536 Mullica Hill, NJ 08062		Project Mgmt.	Scheduling					\$ 4,000.00	0.10%				
	Subcontractor	G. Fiorese Tile and Terrazzo, Inc.	361 Garrison Road Millville, NJ 08332		Tile & terrazzo	Tiling							\$ 7,400.00	0.18%		
	Subcontractor	Martell Electric	11 Owl Court Marlton, NJ 08033		Electrical	Electrical							\$ 419,000.00	10.04%		
	Subcontractor	Mitchell Hardware Company	PO Box 98 Sewell, NJ 08080		Doors, Frames, Hardware	Doors, Frames, Hardware							\$ 118,000.00	2.83%		
	Subcontractor	Peterson Service Co., Inc.	234 Route 70 Medford, NJ 08055		HVAC & Plumbing	HVAC							\$ 393,000.00	9.41%		
	Subcontractor	US Lumber, Inc.	668 S. Evergreen Avenue Woodbury Heights, NJ		Supplier	Supplier	\$ 25,000.00		0.60%	Asian						
Total for ST-0021-C03 Bridgeton Senior H.S. - Bridgeton							\$ 4,175,300.00	\$ 25,000.00	0.60%		\$ 4,000.00	0.10%	\$ 3,754,120.00	89.91%		
Totals							\$124,644,764.05	\$ 1,988,386.00	1.60%		\$ 3,571,180.85	2.87%	\$ 47,324,305.33	37.97%	\$ 814,636.00	0.65%

Total Contract \$ Awarded	\$	124,644,764.05	
TOTAL SMBE \$	\$	1,988,386.00	1.60%
TOTAL SWBE \$	\$	3,571,180.85	2.87%
TOTAL SBE \$	\$	47,324,305.33	37.97%
TOTAL SMWBE \$	\$	814,636.00	0.65%
TOTAL	\$	53,698,508.18	43.08%
Total Contract \$ Awarded	\$	124,644,764.05	
American Indians	\$	-	

Legend	
SMBE	Small Minority Business Enterprise
SWBE	Small Women Business Enterprise
SBE	Small Business Enterprise
SMWBE	Small Minority Women Business Enterprise

Asian	\$ 465,169.00	0.37%
Black	\$ 917,960.00	0.74%
Hispanic	\$ 1,419,893.00	1.14%
TOTAL **	\$ 2,803,022.00	2.25%
Total MBE (non SBE)	\$ -	
Total WBE (non SBE)	\$ -	

**The Total for Ethnic Breakdown includes SMBE, MBE and SMWBE \$ Totals.

Appendix E: Minority/female work-hours

SBE - Number of minority/female work hours by trade

Trade	Total W/H	Minority W/H	Female W/H	Minority % Work Hours	Female % Work Hours
Asbestos Worker	1,118	914	204	81.75	18.25
Bricklayer or Mason	80,034	25,995	254	32.48	0.32
Carpenter	127,400	19,857	1,372	15.59	1.08
Caulker	111	47	0	42.34	0
Cement Finisher	396	141	0	35.61	0
Concrete Finisher	639	104	0	16.28	0
Electrician	127,138	20,576	2,231	16.18	1.75
Elevator Constructor	297	28	0	9.43	0
Elevator Mechanical	182	0	0	0	0
Excavation	344	0	0	0	0
Fireproofers	1,920	0	0	0	0
Glazier	6,145	1,165	0	18.96	0
HVAC Mechanic	22,930	1,975	109	8.61	0.48
Insulator	4,073	504	0	12.37	0
Ironworker	43,598	7,323	497	16.8	1.14
Laborer	176,672	89,393	1,842	50.6	1.04
Operating Engineer	34,294	7,551	270	22.02	0.79
Other	4,237	621	72	14.66	1.7
Painter	12,682	5,724	0	45.13	0
Pipe Fitters	6,956	350	0	5.03	0
Plumber	45,874	8,149	502	17.76	1.09
Prime	784	192	0	24.49	0
Roofer	20,148	3,761	0	18.67	0
Sheet Metal Worker	25,995	6,266	0	24.1	0
Sprinkler Fitter	14,222	1,827	388	12.85	2.73
Steam Fitter	2,187	314	0	14.36	0
Surveyor	326	15	44	4.6	13.5
Taper	7,885	2,001	0	25.38	0
Technician	658	332	0	50.46	0
Teledata	396	300	0	75.76	0
Terrazzo	2,591	14	21	0.54	0.81
Tiler	15,055	2,396	0	15.91	0
Truck Driver	2,571	612	0	23.8	0
Waterproofers	208	24	0	11.54	0
Welder	8	0	0	0	0
Total	790,074	208,471	7,806	26.39	0.99

Appendix F: Bond Issuances

New Jersey Schools Development Authority
Bond Issuances - EDA School Facilities Construction Bonds
Pursuant to N.J.S.A. 18A:7G-14
2001 - 2008

<u>Fiscal Year</u>	<u>Issue Date</u>	<u>Series</u>	<u>Restricted</u>	<u>Bond Denomination</u>	<u>Principal Amount of Bonds Issued</u>
2001	04/02/01	A		\$5,000	\$ 500,000,000.00
					\$ 500,000,000.00
2002	12/28/01	B	QZAB	\$5,000	\$ 8,600,000.00
					\$ 8,600,000.00
2003	10/16/02	C		\$5,000	\$ 600,000,000.00
2003	12/30/02	D	QZAB	\$5,000	\$ 29,400,000.00
2003	03/14/03	E	QZAB	\$5,000	\$ 7,929,000.00
					\$ 637,329,000.00
2003	08/07/03	F		\$5,000	\$ 600,000,000.00
2003	01/23/04	G		\$5,000	\$ 650,000,000.00
2003	05/18/04	H		\$5,000	\$ 300,000,000.00
					\$ 1,550,000,000.00
2005	08/31/04	I		\$5,000	\$ 250,000,000.00
2005	08/31/04	J		\$5,000	\$ 500,000,000.00
2005	04/06/05	L		\$5,000	\$ 150,000,000.00
2005	04/06/05	M		\$5,000	\$ 500,000,000.00
					\$ 1,400,000,000.00
2006	10/04/05	O		\$5,000	\$ 750,000,000.00
2006	12/15/05	P		\$5,000	\$ 175,000,000.00
2006	12/21/05	Q		\$5,000	\$ 500,000,000.00
					\$ 1,425,000,000.00
2007	11/02/06	R		\$5,000	\$ 500,000,000.00
2007	11/02/06	S		\$5,000	\$ 100,000,000.00
					\$ 600,000,000.00
2008	10/04/07	T		\$5,000	\$ 500,000,000.00
2008	10/04/07	U		\$5,000	\$ 300,000,000.00
2008	06/03/08	X		\$5,000	\$ 250,000,000.00
2008	06/03/08	Y		\$5,000	\$ 200,000,000.00
					\$ 1,250,000,000.00
Total					\$ 7,370,929,000.00

Refunding Bonds (No bond proceeds to SDA except to pay for certain bond issuance costs):

<u>Year</u>	<u>Issue Date</u>	<u>Series</u>	<u>Bond Denomination</u>	<u>Principal Amount of Refunding Bonds</u>
2005	01/27/05	K	\$5,000	\$ 700,000,000.00
2005	05/23/05	N	\$5,000	\$ 677,465,000.00
2008	04/30/08	V	\$5,000	\$ 1,132,025,000.00
2008	04/30/08	W	\$5,000	\$ 455,940,000.00
			Total	\$ 2,965,430,000.00

Notes:

- Pursuant to the provisions of the Educational Facilities Construction and Financing Act (C.18A:7G-14a), as amended, the aggregate principal amount of bonds, notes or other obligations the EDA may issue to finance school facilities projects, and the costs related thereto, shall not exceed \$12.5 billion. This limitation excludes indebtedness incurred for refunding purposes.
- Bonds may be sold or issued in any multiple of the bond denomination.