



NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

BIANNUAL REPORT

FOR THE REPORTING PERIOD OF
APRIL 1, 2024 - SEPTEMBER 30, 2024



ABOUT THE SDA

The New Jersey Schools Development Authority (SDA or the Authority) fully funds and manages the new construction, modernization and renovation of school facilities projects in 31 school districts known as SDA Districts. The Authority also makes grants available to Regular Operating Districts (RODs) throughout New Jersey for facilities projects approved by the New Jersey Department of Education (DOE).

SDA MISSION

Our mission is to deliver high-quality educational facilities that best meet the needs of the students of the State of New Jersey. While providing efficiently designed facilities that enhance the academic environment, we promote fiscal responsibility in the management of taxpayers' resources.

SDA EXECUTIVE STAFF



MANUEL DA SILVA

CHIEF EXECUTIVE
OFFICER



**DONALD
GUARRIELLO**

VICE PRESIDENT &
CHIEF FINANCIAL
OFFICER



RAMY KAMEL

VICE PRESIDENT -
PROGRAM &
CONSTRUCTION
OPERATIONS



JANICE VENABLES

VICE PRESIDENT -
CORPORATE
GOVERNANCE



PUBLIC MEMBERS



ROBERT NIXON
CHAIRMAN
DIRECTOR OF
GOVERNMENT AFFAIRS,
NJ STATE POLICEMAN'S
BENEVOLENT ASSN.



JOHN CAPO
DIRECTOR, BRICKLAYERS
AND ALLIED CRAFTWORKERS
ADMINISTRATIVE DISTRICT
COUNCIL OF NJ,
LOCALS 4 AND 5



DANIEL GUMBLE
BUSINESS
REPRESENTATIVE,
I.B.E.W. LOCAL 164



**LESTER LEWIS-
POWDER**
EXECUTIVE DIRECTOR,
LET'S CELEBRATE, INC.



MICHAEL MALONEY
RETIRED BUSINESS
MANAGER/ FINANCIAL
SECRETARY PLUMBERS &
PIPEFITTERS LOCAL
UNION NO. 9



MARIO VARGAS
BROKER/OWNER
SENIOR HEALTH
NAVIGATORS, LLC.



NICOLE VECCHIONE
DIRECTOR OF
RESEARCH,
LABORERS' EASTERN
REGION ORGANIZING
FUND (LEROF)

EX-OFFICIO MEMBERS



KEVIN DEHMER
ACTING COMMISSIONER,
NEW JERSEY DEPARTMENT
OF EDUCATION



TIM SULLIVAN
CHIEF EXECUTIVE OFFICER,
NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY



JACLYN SUAREZ
COMMISSIONER,
NEW JERSEY DEPARTMENT
OF COMMUNITY AFFAIRS



ELIZABETH MAHER MUOIO
STATE TREASURER,
NEW JERSEY DEPARTMENT
OF THE TREASURY

Table of Contents

MESSAGE FROM THE BOARD CHAIRMAN AND THE CEO..... 5

SCHOOL CONSTRUCTION THROUGHOUT THE STATE 7

 School Completions Provide New Spaces For New Jersey Students..... 7

 Alternative Delivery Approach Provides Facility for New Brunswick Students This Fall.. 11

 Early Site Preparation Paves the Way for New Facilities 12

 Construction Progresses on New Union City School..... 13

 Status of 2022 Capital Projects..... 14

 Emergent Program 16

 ROD Grant Program..... 17

 Fiscal Year Emergent and Capital Maintenance Grant Funding 18

 Metropolitan Statistical Comparison..... 19

 School Facilities Projects Approved by DOE 20

BENEFITING NEW JERSEY’S CONSTRUCTION INDUSTRY 22

 Supporting Construction Jobs..... 22

 SDA Construction Supports Small Businesses and a Diverse Workforce..... 22

 Minority/Female Workforce Hours 23

SDA FINANCES..... 25

 Budget Appropriation 25

 Staunch Steward of Taxpayer Resources..... 25

 Funding..... 25

MESSAGE FROM THE BOARD CHAIRMAN AND THE CEO



ROBERT NIXON
CHAIRMAN

The New Jersey Schools Development Authority (SDA) is pleased to present our Biannual Report for the period of April 1, 2024, through September 30, 2024. This report is submitted pursuant to the provisions of P.L. 2007, c. 137 and summarizes the progress and accomplishments of New Jersey's school construction program during the six-month reporting period.



MANUEL DA SILVA
CHIEF EXECUTIVE
OFFICER

In this reporting period, the SDA forged ahead with advancing Governor Murphy's commitment to building a top-ranked education system for all New Jersey students, regardless of the zip code in which they reside. The expansion and improvement of New Jersey's educational infrastructure is a vital component of this effort.

This includes the SDA's charge to address school facility needs in the 31 SDA Districts. Each year, the SDA opens new and renovated schools, adding to its legacy of delivering quality facilities to alleviate capacity needs and outdated facilities for thousands of schoolchildren. This year, the SDA completed the new Perth Amboy High School and the renovation/addition of Cleveland Street Elementary School in time to welcome students for a new school year in September. Now, more than 3,600 students have access to facilities that will help promote their academic achievement.

Recent new funding allocated to the SDA supports efforts to advance projects identified in its 2022 Statewide Strategic Plan update. This summer, the SDA initiated demolition activities on two former school facilities, to allow for shovel-ready sites in Garfield and Elizabeth. These are the first projects scheduled to advance into construction from the 2022 Capital Portfolio. The SDA also delivered another project after employing an alternative delivery approach by purchasing a property and then immediately transferring it to the New Brunswick school district. The SDA remains on track to initiate construction activities on the projects in the 2022 Capital Plan within a five to seven year timeframe.

Construction activity continued on the Union City Grade 7 to 9 School, with the project remaining on schedule to open to students in fall 2025. In July, this project was recognized at 'Alliance for Action's 11th Annual Distinguished Engineering Awards Event', highlighting engineering excellence and innovation. Also on behalf of this project, the SDA is the subrecipient of an approximately \$56 million Federal Coronavirus Capital Projects Fund (CPF) grant, passed through the State of New Jersey Department of Community Affairs. The \$56 million CPF grant, of which \$50 million was received during the reporting period, will go a long way towards partially funding the construction of this new \$93.7 million project. Union City School District partnered with the SDA and committed to providing programming at the school that will enable work, education, and health monitoring for the community, a grant funding requirement.

The SDA also supported 130 Regular Operating School Districts (RODs) throughout the State through the issuance of new grant approvals. This grant funding impacts local communities around the state by helping districts leverage resources to pay for important school facility projects while continuing to bolster the State's construction industry. Approved projects will largely address issues that can affect health and safety of students, including the replacement of leaky roofs and inefficient boilers.

As in previous fiscal years, the FY 2025 budget once again included funding for capital maintenance and emergent projects. This year, \$50 million was allocated to benefit all 31 SDA Districts with similar grant amounts as in previous years. The SDA will begin to issue these grants to the SDA Districts upon DOE's announcement of funding availability and receipt of certifications from the districts.

The SDA staff, board of directors, and our contracting partners strive to reduce capacity deficiencies and replacement or repair of antiquated school facilities for thousands of students in grades pre-kindergarten through 12 throughout New Jersey. We remain committed to working with the Administration, the Legislature, and our stakeholders to advance our mission to meet the significant facility needs that still exist throughout the state.

SCHOOL CONSTRUCTION THROUGHOUT THE STATE

School Completions Provide New Spaces For New Jersey Students

The work of the SDA enriches the lives of students and educators by providing state-of-the-art learning environments that can serve as an anchor in the community and equip students with the educational spaces and tools they need to succeed.

This fall, the SDA celebrated the completion of two school projects with the delivery of one new school and one major addition/renovation project. This included the new Perth Amboy High School as well as a major addition/renovation project at Cleveland Street Elementary School in Orange.

Representing a total state investment of more than \$330 million, these completed school projects delivered more than 587,000 square-feet of new construction and over 3,600 new student seats. The delivery of these revitalized educational facilities will allow New Jersey students to learn in equitable learning environments for generations to come.

Each of these school facilities is delivered with 1:1 technology – today an educational necessity. The technology delivered includes a combination of tablets, Chromebooks, desktops and laptops as deemed appropriate within each school district’s educational program. This, along with classroom interactive display boards, provides students and educators with the technology needed to teach and learn through a variety of settings and approaches.

The new school and the addition/renovation incorporate the guidelines developed by the United States Green Building Council (USGBC) known as the "Leadership in Energy & Environmental Design ("LEED®") program in order to achieve maximum energy efficiency and environmental sustainability in the design of schools. The Perth Amboy High School achieved a LEED silver designation for the features that were incorporated in the facility.

ORANGE: CLEVELAND STREET ELEMENTARY SCHOOL

CLEVELAND STREET ELEMENTARY SCHOOL BEFORE ADDITION / RENOVATIONS



CLEVELAND STREET ELEMENTARY SCHOOL AFTER ADDITION / RENOVATIONS



NEW PERTH AMBOY HIGH SCHOOL



Cleveland Street Elementary School, Orange

The addition/renovation project at the Cleveland Street Elementary School exhibits the delicate process that goes into restoring and enhancing a facility that preserves its structural integrity yet integrates modern spaces needed to deliver a 21-century education to students.

The 11,600 square-foot addition to the existing school provided a new multi-use space to allow for physical education as well as a cafeteria and food services. The renovations to the 100+ year-old building included converting the basement areas to provide a main office, a media center, an art room, a music room, a science room, and a computer instructional area. It also included replacement of windows throughout the building, as well as new HVAC equipment, and a replacement stair installation. The result -- a school building that preserved a community structure while offering a new educational chapter for the students of Orange.

While the SDA encountered significant challenges with this project related to the original structure and the original contractor's termination, the successful completion of this \$51.7 million project provides a school where students step into a completely transformed space. Nearly 350 students in grades prekindergarten to eight will now have the opportunity to learn in a space that is modern, efficient and functional in today's educational landscape.

Perth Amboy High School, Perth Amboy

Construction of the new Perth Amboy High School illustrates the SDA's commitment to building new facilities that incorporate the latest educational innovative spaces to allow for various teaching methods while serving as a beacon for community and generations of learners. As a hub for academic, social, artistic, and personal development, the new school will serve as a tool for the District to deliver their educational programs.



Officials cut the ribbon at the new Perth Amboy High School.



SDA Executive Members with Board Member Mario Vargas at the Perth Amboy High School Ribbon Cutting.

This impressive, three-story, 576,000 square-foot structure has the capacity to accommodate a maximum of 3,300 students. The SDA's \$283.8 million investment in Perth Amboy provides educational opportunities that extend beyond the classroom to educate generations of lifelong learners. The school's features include general classrooms, science labs, an automotive lab, a culinary arts lab, a black box studio, a dance studio, a ROTC Classroom, a world languages classroom, a life skills lab, and a daycare center.

As the state strives to build new facilities that include sustainable and energy-efficient elements, the design-team worked with the design-build contractor to incorporate environmentally conscious features. As a result, the Perth Amboy High School project achieved a LEED silver designation.

Alternative Delivery Approach Provides Facility for New Brunswick Students This Fall

The SDA's 2022 Capital Program included a middle school addition and renovation project for approximately 500 students to address overcrowding in grades six to eight in New Brunswick. Earlier this year, the SDA employed an alternative delivery approach to address this project through the acquisition and transfer of an existing 100,000 square-foot, district-leased facility. This building is in use by the district as the Pathways Middle School and P-Tech Academy.

This acquisition is an example of the SDA's goal to identify and pursue cost-effective, expedited alternative delivery methods to address facility needs that exist throughout the state, when appropriate. The facility, located at 40 Van Dyke Avenue, accommodates excess middle school population and allows the New Brunswick school district to discontinue the use of temporary classroom units. On this specific project, it is estimated that approximately \$20 million and four to five years was saved by acquiring this existing facility. This approach also provided an expedited resolution to address overcrowding.

Early Site Preparation Paves the Way for New Facilities

In summer 2024, the SDA celebrated the advancement of two projects from the 2022 Capital Program with school district and local stakeholders. As abatement and demolition activities progressed, the SDA joined school district, state, county, and local officials to highlight the first phase of work to ready sites for future construction.



Officials at the demolition of the Joseph Battin School in Elizabeth.

The SDA frequently utilizes early site preparation engagements in order to deliver a site sufficiently cleared of any conditions that require demolition or remediation prior to the start of new school construction. This often avoids costly delays and potential unforeseen conditions.

The former Joseph Battin School in Elizabeth, which dates back to 1889, will be the site of a new school. The existing Battin School was 141,000 square-feet and required extensive abatement and demolition activities through an early site preparation award. During the reporting period, the contractor completed abatement activities, demolished the gymnasium (added to the building in 1966), a smokestack, and started on the demolition of the remaining structure.

The new replacement Joseph Battin Elementary School will be a 142,000-square-foot facility, designed to educate a maximum of 1,000 students in grades prekindergarten through eight. The SDA anticipates advertising the design-build procurement in the first quarter of 2025.

In Garfield, demolition activities continued on the original Woodrow Wilson School No. 5 to ready the site for a replacement

“
Our thanks go to the Schools Development Authority, the Department of Education and the taxpayers throughout the state of New Jersey, whose support continues to ensure that our students achieve excellence and that public education in our state is among the finest in the nation.

Superintendent Olga Hugelmeyer
 at Elizabeth Demolition Event

facility. The demolition contract scope consisted of the abatement and demolition of the existing 22,000 square-foot Woodrow Wilson School No. 5, and associated site work including site grading.

At an event to highlight the demolition, Garfield Superintendent. Dr. Richard Tomko said, "Our continued partnership with the New Jersey Schools Development Authority is evidence that its mission to deliver quality educational facilities that meet the needs of all students in the state is in full force."

"It is a great day anytime there is new construction for educational facilities. You can't ask for a better partner than Manny Da Silva and the SDA."

Assemblyman Benjjie Wimberly
at a demolition event in Garfield

During the reporting period, the demolition activities were completed, the site was graded and the contractor began demobilization. The SDA also advertised a design-build procurement during the reporting period to provide design, construction administration and general contracting services for the new elementary school. The new school will be a 125,000-square-foot facility, designed to educate a maximum of 850 students in grades kindergarten through five including an outdoor PE/Play area.

Construction Progresses on New Union City School

One project from the SDA's previous Capital Plan portfolio remained in active construction -- the new Grade 7 to 9 school in Union City. Construction activities during this reporting period included exterior CMU and metal stud enclosure activities, interior CMU wall installation, mechanical/electrical/plumbing activities on all floors, and underground detention basin activities were completed in the playground lot. The school project remains on schedule to open to students in September 2025.



Construction progress of the new Grade 7-9 School in Union City.

The new \$93.7 million school will be an approximately 132,000 square-foot, six-story facility designed to educate more than 900 students in grades 7 to 9. In addition to general classrooms, some of the specialized spaces in the school will include a hydroponics lab and robotics lab, along with a technology lab, dance studio, and a greenhouse.

Status of 2022 Capital Projects

Substantial progress continued on project needs identified in the 2022 Capital Plan Portfolio throughout the reporting period. Among the most significant accomplishments during this reporting period was advancement of demolition activities for two projects – a new elementary school in Garfield and a Pre-K to 8 school in Elizabeth. The SDA also advanced procurement activities for a design-build contract for the new elementary school in Garfield.

Of the projects approved, two are complete and ten have preliminary or planning project charters approved by the SDA Board of Directors. This action allows for the engagement of bridging design consultants or in-house design activities for these projects. The remaining projects either are in the planning and scope validation stage with school districts or are projects that phased to begin upon the completion of other projects in a district.

The status of all projects approved as part of the 2022 Capital Plan at the end of the reporting period are below.

Status of 2022 Capital Plan Projects

District	Project	Grades	Max Capacity	Total Est. Costs (millions)	Delivery Method	Advancement Status
Bridgeton	Grades 6-8	6-8	TBD	TBD	Design-build	Project to be phased with the advancement of the H.S. add/reno project.
Bridgeton	Grades PK, 6-8	PK, 6-8	TBD	TBD	Design-build	Project to be phased with the advancement of the H.S. add/reno project.
Bridgeton	High School Addition/Renovation	9-12	384	\$49.2	Design-build	Preliminary charter approved Nov. 2022 Board.
Camden	New High School (Eastside HS Replacement)	9-12	941	\$115.1	Design-build	Planning charter approved Feb. 2024 Board. Early site preparation to be completed by the District.
Elizabeth	New Elementary School (Battin Replacement)	PK-8	1,068	\$96.2	Design-build	Preliminary charter approved Nov. 2022 Board. Early site preparation ongoing.
Garfield	New Elementary School (No. 5 Replacement)	PK-5	852	\$80.2	Design-build	Advertisement for design-build issues 7/26/24. Early site preparation ongoing.
Garfield	Grades PK-5	K-5	TBD	TBD	Design-build	Project to be phased with advancement of new E.S. project.
Jersey City	Grade PK	PK	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
New Brunswick	Pathways M.S. & PTech Academy (40 Van Dyke Ave. acquisition)	6-8, 9-12	859	\$42.0	Alternative Delivery	Building acquisition complete and transferred to District.
New Brunswick	Middle School addition	6-8	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Newark	Nelson Mandela Elementary School (Existing building acquisition)	PK-8	376	\$20.5	Alternative Delivery	Building acquisition complete and transferred to District.
Newark	New High School (University HS Replacement)	9-12	1,082	\$129.2	Design-build	Planning charter approved Feb. 2024 Board.
Passaic City	Grades 9-12	9-12	2,823	\$328.1	Design-build	Planning charter approved Feb. 2024 Board.
Paterson	New STEAM & STARS High School	9-12	1,532	\$160.3	Design-build	Preliminary charter approved Jul. 2023 Board.
Perth Amboy	Grades K-5	K-5	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Pleasantville	New Decatur Ave Elementary School	PK-5	658	\$65.8	Design-build	Preliminary charter approved Jan. 2024 Board.
Salem City	Grades PK-8	PK-8	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing

Trenton	New Elementary School at Dunn Middle School	K-6	837	\$83.8	Design-build	Preliminary charter approved Jul. 2023 Board.
West New York	Middle School	6-8	876	\$110.1	Design-build	Planning charter approved July 2023 Board.

Notes:

PLEASE NOTE – Dates in the past are actual. Estimated costs, grade alignment and capacity are based upon approved project charters, where applicable. For projects without an approved charter, estimated costs, grade alignment and capacity are based upon planning assumptions.

Emergent Program

The SDA’s Emergent Project Program provides the funding for important repair work at schools throughout the state so that students can learn in facilities that are free from building deficiencies such as leaking roofs and faulty boilers.

Through our Emergent Project Program, the SDA continues to address conditions deemed necessary by the DOE due to potential health and safety concerns. Emergent projects address conditions such as water infiltration and include the repair or replacement of roofs, windows, exterior masonry, heating and cooling systems, plumbing, electrical, mechanical and security systems.

During the reporting period, four SDA-managed emergent projects were completed. These projects totaled more than \$10 million in emergent repairs.

SDA-Managed Emergent Projects Completed During the Reporting Period		
School District	School Name	Description
Camden City	Veteran’s Memorial School	Exterior masonry, windows, roofing & site work
Newark	Cleveland School	Boiler room vault repairs
Newark	University High School	Partial roof replacement
Trenton	Franklin Elementary School	Exterior structural repairs

At the end of the reporting period, the SDA was managing seven emergent projects in construction, representing more than \$25 million in State investment, to improve existing educational infrastructure in the SDA Districts.

Below is the list of these projects.

Active SDA-Managed Emergent Projects			
District	School Name	Project Scope	Status
Burlington	Samuel Smith E.S.	Window Repair/Replacement Partial Roof Replacement	Construction
East Orange	Fresh Start Academy	Building Envelope Repairs	Construction
Irvington	Grove Street School	Boiler Replacement	Construction
Newark	Branch Brook E.S.	Building Envelope Repairs	Construction
Newark	Technology H.S.	Structural Vault Repairs/Facade Repairs	Construction
Union City	Emerson M.S.	Roof Replacement and Stucco Repairs	Construction
Union City	Union Hill M.S.	Roof Replacement, Stucco Repairs, and Chimney Repairs	Construction

The SDA is also providing funding for three additional emergent projects delegated for management by the local school district, which totals \$14.2 million. When delegating projects, the SDA executes a grant agreement with a local school district. The district is then responsible for procuring and managing consultants and contractors, with the SDA maintaining oversight throughout the process.

The SDA performs site visits to school facilities where funding for potential emergent projects has been requested. The SDA advances additional emergent projects after an emergent determination has been made by the DOE and when funding is available to undertake them.

ROD Grant Program

The SDA's ROD Grant program currently provides funding for projects in the RODs that address health and safety issues and other critical needs. This reporting period was marked by a surge of activity, as SDA staff executed grants from the nearly \$450 million in school construction funds approved by the DOE and the SDA in 2023. These projects will address critical facilities needs in 261 school districts throughout the state.

Approved projects include work to improve air quality, upgrade building systems, and repairs to exterior building skins. During the reporting period, the SDA executed 300

grants in 130 RODs. These grants will allow projects totaling more than \$204 million in state share and \$454 million in overall costs to proceed in RODs throughout the State.

The ROD Grant program helps to ensure students are educated in a first-rate learning environment while relieving the pressure on local taxpayers. To date, the SDA's funding of projects in the RODs has had an enormous impact on more than 520 school districts throughout the State. Since the inception of the State's school construction program, the SDA's ROD grant program has funded more than 5,270 grants for projects at more than 1,750 school facilities in all 21 of New Jersey's counties.

The SDA provides grants of at least 40 percent of eligible project costs (although some districts may be eligible for a higher share) to local school districts to leverage the local resources that are used to fund these projects. For a project to be considered for grant funding, the proposed scope of work must be 100 percent eligible for State support. Including vocational schools, of the more than \$4 billion in funding authorized for the ROD grant program, \$3.45 billion has been expended to date.

During the reporting period, the SDA disbursed 58 payments totaling over \$2.9 million, which included the closeout of 13 projects in seven school districts.

The SDA's active project portfolio includes 498 grant projects in 193 school districts throughout the State (inclusive of recent grant executions). At the end of the reporting period, these active projects totaled more than \$301 million in State share, generating a total investment of more than \$664 million in project costs when combined with the local share. With this significant investment, the State continues to support educational needs in all school districts while contributing to a strong economy.

Fiscal Year Emergent and Capital Maintenance Grant Funding

The New Jersey State Fiscal Year 2025 budget once again included a direct appropriation to the SDA providing funding for projects related to emergent and capital maintenance needs. This year, \$50 million was allocated to benefit all 31 SDA Districts with similar grant amounts as in previous years.

The \$75 million funding previously allocated to the SDA in Fiscal Year 2022, Fiscal Year 2023, and Fiscal Year 2024 allowed school districts throughout the state to invest in infrastructure projects that help make New Jersey's school facilities healthier and provide safer environments for students.

Many of the projects funded by this grant program addressed HVAC, building envelope, site, plumbing, security and mechanical work in New Jersey's public schools. The SDA's efforts reflect the Murphy Administration's commitment to ensuring a high-quality education for every student in New Jersey and directly impact student learning by providing the funding to assist districts with making improvements to their school facilities. The SDA's funding can offset costs incurred by a district while addressing those building conditions.

In order for school districts to receive their funding allocation, they are required to provide the SDA with a duly-executed certification that lists an eligible emergent and/or capital maintenance project(s). At the end of the reporting period, the SDA had disbursed the following amounts from the prior grant allocations:

- Fiscal Year 2022 - \$73.8 million
- Fiscal Year 2023 – \$71.9 million
- Fiscal Year 2024 - \$69.1 million

The funding allocated in Fiscal Year 2025 had not yet been disbursed prior to the end of the reporting period.

Metropolitan Statistical Comparison

The Authority's 2007 enabling legislation requires that twice per year the SDA management provide the Legislature a comparison of the SDA's capital project costs with those of projects constructed in the New York City and Philadelphia Metropolitan Statistical Comparison areas (MSA). This effort helps ensure that the SDA's construction costs are reasonable when compared to school construction costs in geographic areas with comparable building and economic conditions.

The SDA did not bid any projects during the reporting timeframe and therefore, the SDA does not have any SDA/MSA comparative data to provide at this time. However, for purposes of comparison to surrounding areas, recently, the SDA's cost per square foot for a recently elementary school project ranged from \$300 to \$325 and a middle school project was \$483 per square foot. Conversely, the New York City Mayor's Management Report in September 2024 reported a construction bid price for school capacity projects per square foot at \$894. The Philadelphia MSA reported a cost of \$408 per square foot for an elementary school and \$594 cost per square foot for a high school for a similar timeframe. The New York MSA reported a cost of \$441 per square foot for an elementary school and \$452 cost per square foot for a high school. These MSA numbers for Philadelphia and New York are from the first and second quarter of 2024.

The data for the New York MSA is inclusive of New York City and its surrounding suburban counties including those located north and east of the city. The data also includes reported costs for facilities in counties in central and northern New Jersey.

School Facilities Projects Approved by DOE

From April 1, 2024 through September 30, 2024, the New Jersey DOE issued approvals for 72 school facilities projects in the RODs. None of these projects exceeded the Facilities Efficiency Standards (FES).

School Facilities Projects Approved by DOE				
April 1, 2024 – September 30, 2024				
	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	72	32	0	0
SDA Districts	1	0	0	0
RODs	71	32	0	0

Notes:

1. The information included in the table above was provided by the New Jersey Department of Education, Office of School Facilities.

2. *The DOE approved “31” “Other Capital” projects for SDA Districts. These are outside the SDA Managed funding process and not reflected in the table above. The DOE approved “136” “Other Capital” projects for RODs. These projects are not reflected in the table above. An “Other Capital” project is a project that is either not eligible or not seeking State funding support.*

3. *“Facilities efficiency standards” means the standards developed by the Commissioner of Education pursuant to subsection h. of section 4 of the Educational Facilities and Construction Financing Act. The facilities efficiency standards developed by the commissioner shall not be construction design standards but rather shall represent the instructional spaces, specialized instructional areas, and administrative spaces that are determined by the commissioner to be educationally adequate to support the achievement of the core curriculum content standards including the provision of required programs in Abbott districts and early childhood education programs in the districts in which these programs are required by the State*

BENEFITING NEW JERSEY'S CONSTRUCTION INDUSTRY

Supporting Construction Jobs

New Jersey's school construction program plays an integral role in the State's efforts to modernize New Jersey schools. At the same time as this investment provides opportunities for our State's children by maximizing the long-term viability of our educational infrastructure, it also strengthens the State's construction sectors by generating jobs.

For the capital project in construction at the end of the reporting period, as well as ongoing demolition activities for capital projects, the more than \$101 million (total project costs) investment in active construction/demolition contracts represents the creation and/or support of more than 880 job-years throughout the project lifecycle.

In addition, the 498 active ROD Grants issued throughout the State, with total project costs of more than \$664 million, represent 5,700 job-years for the construction workforce.

The SDA expects the State's school construction program to have exponentially more impact on the State's construction workforce in the coming years as additional capital construction projects advance.

SDA Construction Supports Small Businesses and a Diverse Workforce

The SDA is committed to providing opportunities for Small Business Enterprises (SBEs) to participate in New Jersey's school construction program. To this end, the SDA requires consultants and prime contractors on both Capital and Emergent projects to make good-faith efforts to identify and hire available SBE sub-consultants and subcontractors and award at least 25 percent of the total contract value to them.

During the reporting period, prime contractors/consultants, subcontractors, and subconsultants with SBE classifications received \$7,819,309 or 49.05% of total contract dollars (Note: This includes contract dollars received during the reporting period by subcontractors associated with SDA Prime contracts issued prior to April 1, 2024). SDA Prime contract award activity during this reporting period amounted to the award of one design contract totaling \$1,952,315, with less than one percent of the total dollar value awarded going to SBEs at the time of award.

The SDA also compiles information on the number of school construction contracts awarded by the Authority to women, minority, veteran, and disabled veteran-owned contractors. This reporting period, minority-owned businesses received \$1,906,100 or 11.96 percent of the total SDA construction contracts awarded. Women-owned businesses received \$2,696,454 or 16.91 percent of the total SDA construction contracts awarded. There were no awards to veteran or disabled-veteran-owned businesses during the reporting period.

Minority/Female Workforce Hours

Through payroll certification, the SDA tracks the number of work hours by trade, broken down by minority and female workers, on Capital and Emergent projects across the State. The chart below demonstrates the number of work hours on active construction sites and the percentage breakdown by women and minorities. During this reporting period, the SDA logged more than 99,000 work-hours across all trades. Of those hours, more than 41 percent were performed by a minority workforce. These numbers represent the work hours of 1,631 employees, inclusive of 690 minority employees and 43 female employees.

Number of Minority/Female Work-Hours by Trade (April 1, 2024 - September 30, 2024)					
Trade	Total Work-Hours	Minority Work-Hours	Minority Work-Hours Percentage	Female Work-Hours	Female Work-Hours Percentage
Asbestos Removal/Treatment	3,703	2,908	78.53%	320	8.64%
Bricklayer/Mason	17,374	8,516	49.02%	213	1.23%
Carpenter	10,877	3,434	31.57%	16	0.15%
Caulking & Waterproofing	301	264	87.71%	0	0
Cement Mason	352	48	13.64%	0	0

Trade	Total Work-Hours	Minority Work-Hours	Minority Work-Hours Percentage	Female Work-Hours	Female Work-Hours Percentage
Dry Wall Finisher	565	436	81.95%	0	0
Electrician	11,577	2,299	19.86%	0	0
Elevator Constructor	397	16	4.03%	0	0
Glazier	656	2	0.30%	0	0
HVACR	327	0	0	0	0
Heat and Frost Insulator	364	16	4.40%	0	0
Iron Worker	585	8	1.37%	0	0
Laborer	29,180	16,473	56.45%	1,296	4.44%
Operating Engineer	1,454	227	15.61%	8	0.55%
Painter	3,704	793	21.41%	232	6.26%
Pipefitter	1,521	152	9.99%	0	0
Plumber	6,895	596	8.64%	343	4.97%
Roofer	7,150	4,470	62.52%	0	0
Sheet Metal Worker	1,170	161	13.76%	0	0
Sprinkler Fitter	157	8	5.10%	0	0
Tile Setter	130	0	0	0	0
Truck Driver	45	2	4.44%	0	0
Welder	1,089	602	55.28%	0	0
TOTALS	99,573	41,458	41.64%	2,428	2.44%

SDA FINANCES

Budget Appropriation

In June 2024, the Governor signed the Fiscal Year 2025 Budget and Appropriations Act, once again dedicating additional funding for school construction activities in the SDA Districts. This funding will significantly address capacity deficiencies previously identified and remedy facility conditions as well.

This most recent appropriation of funds included \$50 million to address capital maintenance and emergent projects in the SDA Districts.

Staunch Steward of Taxpayer Resources

The SDA is committed to promoting fiscal responsibility in the management of taxpayers' resources. In furtherance of that goal, the Authority pursues cost recovery if there are any instances in which there are parties responsible for design errors, project delays, or environmental remediation costs. During the reporting period, the SDA recovered a total of \$80,000 in final settlement of cost recovery litigation against the design consultant in connection with the Paterson International School Project. The SDA had previously recovered \$550,000 in settlement of claims asserted against other design professionals on this project.

The SDA also resolved \$3,017,021 in contractor claims for a total settlement amount of \$750,000. Resulting in considerable program savings, these settlements equal 25% of the original amounts claimed.

Funding

Since the inception of the State's construction program, the New Jersey State Legislature has authorized a total of \$14.825 billion in funding for SDA projects (\$10.8 billion for SDA Districts, and \$4.025 billion for RODs and vocational schools). Since the program's inception through the end of the reporting period (September 30, 2024), the amount of

bonds issued to fund the program is approximately \$11.85 billion. No bonds were issued during the reporting period, and no new bond issuances are expected in the foreseeable future due to the recent funding allocated to the Authority through various annual Budget and Appropriations bills. During the reporting period, the Authority received appropriation funding of \$75 million. Separate and apart from the program funding discussed above, the SDA received \$50 million from the Federal Coronavirus Capital Projects Fund (passed through from the State of New Jersey Department of Community Affairs) during the reporting period, which is specifically directed to the Union City Grade 7-9 School project.

As of September 30, 2024, the SDA had approximately \$326.86 million in cash on hand, having disbursed over \$96.57 million during the reporting period. In September 2024, the SDA Board approved the Authority's 2023 financial statements, audited by Ernst & Young LLP. These can be found on the SDA's website at:

https://www.njsda.gov/Content/public/reports/SDA_Financial_Statement_23.pdf