

## MEMORANDUM

TO: Members of the Authority

FROM: Larry Hanover, Senior Public Information Manager

DATE: May 23, 2008

SUBJECT: New Jersey Schools Development Authority (SDA)  
May Progress Report

### **Introduction:**

Legislation was introduced in the Assembly on May 22, 2008 that, if approved, would authorize the Economic Development Authority to bond for an additional \$2.5 billion for New Jersey Schools Development Authority projects.

In January 2008, the Attorney General had issued a letter to the New Jersey Supreme Court stating the Governor Corzine's intention to seek passage of legislation that would authorize a minimum of an additional \$2.5 billion to meet New Jersey's school construction demands. The bill introduced on May 22, sponsored by Assembly members Albert Coutinho and L. Grace Spencer, is aligned with the Governor's initiative. The bill specifies that debt service would be payable from revenues received from the gross income tax.

Scott Weiner, CEO of the SDA, spoke to the New Jersey Association of School Administrators' Urban Superintendents group on May 21 to brief them on funding and other SDA issues. Weiner informed the group that approval of the funding authorization would allow construction to begin on 27 projects that had been deferred in April 2007 by the SDA Board due to a funding shortfall. It would also pay for an additional 15 to 20 projects.

The 15 to 20 projects would come from a statewide prioritization plan being finalized by the Department of Education. The SDA would initiate projects in the order specified by DOE.

A total of 371 projects were listed on Long Range Facilities Plans submitted by the 31 SDA Districts, Weiner told the group. Districts were asked to collaborate with DOE to determine the top-priority projects from those plans. From that list, the statewide prioritization plan is being developed.

Weiner told the group that discussions need to begin on subsequent rounds of funding and the possibility of a stable funding source because the need is so substantial in SDA Districts for modern, educationally appropriate schools.

The DOE also has received information from the SDA Districts on emergent project needs. The SDA is collaborating with the DOE and the districts to finalize which projects need immediate attention. Many projects are expected to be accomplished during the summer with SDA funding. Some projects would be SDA-managed, while others would be delegated to the districts for management.

### **Newark Central High School tour:**

On May 16, Mr. Weiner led a tour of the new Central High School in Newark for Superintendent Marion Bolden, district staff and more than 30 students, as well as city officials.

The tour accomplished much in reassuring the school district and community that the long-delayed project will open in September 2008 as pledged. Plans are also moving ahead to hold graduation for this year's senior class in the new building's gymnasium on June 26, 2008.

"We're excited about this project," Weiner told the group before the tour. "I think you'll be excited, too."

Students reacted enthusiastically upon walking through the main entrance of the 260,000-square-foot building and viewing the atrium lobby, large enough to hold major events. The auditorium, scheduled for July 8, 2008 completion, is designed to hold first-rate theatrical performances. Classrooms will have state-of-the-art technology, including "SMART Boards," an interactive whiteboard system that operates at a touch of the projected image on a screen.

When ground was broken in early 2004, it was expected the 1,200-student school at Boyd Street and 17th Avenue would be completed in time for the start of the 2006-2007 school year. The SDA worked through struggles with the contractor to ensure the school will be ready this fall.

The project is managed by PB+3D/I. The general contractor is Hunt Construction Group, Inc. The project was designed by Johnson Jones Architects and Gruzen Samton LLP.

### **Other SDA News (as of May 23, 2008):**

- May 2: The SDA has engaged counsel to represent it in planned litigation against Gilbane Building Co. to recover costs attributable to the company's inadequate performance in managing the Midtown Community Elementary School project in Neptune. Gilbane's lack of performance contributed to a yearlong delay in opening the school. The SDA sent a notice of contract award to the Morristown firm of **Schenck, Price, Smith & King, LLP**, on April 23, 2008 after its selection in a competitive process. The firm has extensive experience in the area of construction litigation, currently serving as special construction counsel to five New Jersey school districts as well as The College of New Jersey and Sussex

County Community College. The firm also serves as general counsel to various New Jersey school districts, including Paterson, Teaneck, Morris Hills Regional, South Orange/Maplewood and Rockaway Borough. Schenck, Price, Smith & King was chosen from among nine firms that were interviewed and evaluated by the SDA in response to a request for proposals. The firms were judged based on qualifications and price.

- May 6: The SDA launched an initiative to place webcams at school construction sites as it continues efforts to encourage community involvement in projects. The initiative, which will allow the community to view progress at sites, is an outgrowth of the success demonstrated by the initial webcam. It was installed and is being maintained by Hall Construction Co. at the Martin Luther King/Jefferson School site in Trenton. The online images began being transmitted on April 14 from a solar-powered webcam obtained by Hall from the Atlanta-based Oxblue Corporation. The Authority is collaborating with Hall, which is providing the camera at no cost to the SDA, to inform the public of the images' availability. Hall was awarded the construction contract for MLK/Jefferson in November 2007 to restart the project following its delay by soil issues. The SDA is evaluating cost and feasibility to determine at which projects webcams should be installed. Images can be viewed at <http://oxblue.com/pro/open/hallgc/jeffersonschool>

#### **SDA Events** (as of May 23, 2008):

- May 6: The SDA awarded a \$17,976,000 construction contract to Arthur J. Ogren, Inc. for the new **Buena Regional Middle School**, which will accommodate 585 students in 6<sup>th</sup> through 8<sup>th</sup> grades. The new middle school will allow the district to accommodate the students in one building in Buena rather than the two sending schools they currently attend. The 92,000-square-foot, one-story Buena Regional Middle School will include 22 classrooms, three special-education rooms, two science labs, a library/media center, a cafeteria, a gymnasium, an auxiliary gymnasium and an auditorium. Construction is expected to get under way this summer. The school is scheduled to open in January 2010.
- May 9: The new **Garfield Middle School**, which accommodates 1,100 students in grades 6 through 8, was dedicated at a ribbon-cutting ceremony hosted by the Garfield School District. SDA officials joined students, parents, teachers and residents at the ceremony for the new school, which opened last September. The school is next to the new Early Childhood Center, creating a large educational zone within the city. The 179,000-square-foot middle school consists of a three-story academic wing connected to the community wing by a two-story center core.
- May 10: The new **Harrison High School**, which accommodates 850 students in grades 9 through 12, was formally dedicated at a ribbon-cutting ceremony hosted by school district and SDA officials. This is the first school built in Harrison

under SDA funding and management, and the first new school to open in the district in 46 years. The school opened last September. The facility includes a new multi-sport athletic complex on a 10-acre campus. The 167,000-square-foot new Harrison High School includes 30 general classrooms, four special-education classrooms, two small-group instruction rooms, a media center/library, science labs, a computer room, a cafeteria, an auditorium, two gyms, a dance and aerobics studio, instrumental and vocal music room and faculty spaces.

### **Upcoming Events:**

- May 30: Groundbreaking Ceremony, **Dudley Elementary School**, Camden.
- May 30: CEO Scott Weiner speaks before **Building Our Children's Futures** coalition, Edison
- June 12: Ribbon-Cutting Ceremony: **Daylight/Twilight High School Demonstration Project**, Trenton.

### **Construction Update:**

The SDA currently has **25** active construction projects in SDA (formerly Abbott) Districts, **4** active Demonstration Projects and **8** ongoing projects in Regular Operating Districts (ROD). Overall the SDA has completed **41** new schools; **38** extensive additions, renovations and/or rehabilitations; **19** other rehabilitation projects; **354** health and safety projects; and **2** demonstration projects in SDA Districts. In addition, 14 ROD projects managed by the SDA have been completed. The program also has distributed \$2.2 billion in grants, impacting more than 1,400 suburban ROD schools statewide.

### **Contractor Procurement:**

A construction bid was advertised in May for a school project in Bridgeton. (Exhibit A)

### **Construction Contracts:**

As of May 19, 2008, the authority has entered into construction contracts totaling \$3,367,203,425.22 since the inception of the school construction program in 2002.



Larry Hanover

