

## June 2001 Monthly Report

### Introduction

Throughout the month of June, the various components of the School Finance and Construction continued to be put into place. Contracts with construction management firms were executed to oversee the Abbott districts' health and safety projects and the installation of early childhood temporary classroom units. Contractor bids for the summer health and safety projects were thoroughly vetted for compliance with NJEDA policies and procedures and the first contract for construction under the Act was signed. The framework for the Affirmative Action program was put into place with the approval for publication of

Affirmative Action regulations and the approval of Memoranda of Understanding by NJEDA with the Departments of Treasury and Labor.

The Grant program to fund the "State share" of construction costs in the school districts receiving less than 55 percent in state aid also got underway with the issuance of grant agreements for 208 retroactive and waiver school facilities projects for a State Share of more than \$325 million.

These and other highlights of June's activities are outlined below.

1. [Project Management Firms Selected](#)
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#### I. Project Management Firms Selected

At the June meeting NJEDA Board Members approved the award of (i) a Project Management Services Contract for the Southern Region to Gilbane Construction Company (Gilbane) in the amount of \$3,070,291; and (ii) a Project Management Services Contract for the Northern Region to Bovis Lend Lease (Bovis) in the amount of \$3,900,000. These contracts are for construction management services for health and safety projects, the installation of early childhood temporary classroom units (TCU's) and other approved projects.

On June 29, 2001, a kickoff meeting was held at EDA headquarters for representatives of Gilbane and Bovis to review the scope of project management responsibilities, NJEDA reporting requirements and issues relative to facilities project assignments.

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#### II. Affirmative Action Program Proceeds

##### 1. *Regulations on Affirmative Action and Set Asides Approved*

Another milestone in the NJEDA's implementation of the School Finance and Construction Program was realized when the NJEDA's Board of Directors, at its June 12th meeting, approved the publication of proposed regulations on Affirmative Action and Set Aside. The Regulations are the product of ongoing communications over the past several months with a variety of groups that have interest in matters related to Affirmative Action, including individuals, businesses, community groups, school districts and elected officials.

##### 2. *Memoranda of Understanding Between NJEDA and Departments of Treasury and Labor* The most efficient and effective way for the NJEDA to implement the Affirmative Action

Program is for it to collaborate with the State Departments of Treasury and Labor, both of which have existing programs to enhance women and minority participation in the construction trades. Treasury monitors construction sites for compliance with State hiring goals for women and minority workers and imposes sanctions when it determines that there has not been a "good faith" compliance effort. Both Treasury and the Labor Department are authorized to provide for the training of women and minorities in the construction trades.

NJEDA received approval from the Members to enter into two Memoranda of Understanding (MOU), which set forth the parties respective responsibilities with regard to the funding, administration and monitoring of construction trades outreach and training programs.

The first MOU is between the NJEDA and Treasury and provides that Treasury will monitor NJEDA school construction project sites for compliance with State goals for the hiring of women and minority workers. This MOU with Treasury also delegates to the NJEDA, and NJEDA in turn in the second MOU delegates to Labor the responsibility to establish training programs for women and minorities for the School Finance and Construction Program. The NJEDA will fund these training programs by allocating up to one-half of one percent of the cost of the school facilities construction contracts awarded by the NJEDA.

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### **III. Memorandum of Understanding with Departments of Community Affairs and Education**

The NJEDA has entered into a Memorandum of Understanding (MOU) with the Departments of Community Affairs and Education (DOE) with the goal of coordinating community development in neighborhoods around school facility projects, especially in Urban Coordinating Council (UCC) neighborhoods. Under the MOU, when the NJEDA receives an application approved by the DOE for a school facilities project in a UCC neighborhood requiring new construction or substantial renovation the application will be submitted to the UCC. The UCC is a council made up of representatives from State agencies dedicated to working with designated communities to improve their neighborhoods. The members of the UCC will collaborate to identify State resources to fund the community design components of the facilities project.

At its June 12, 2001 meeting, members of NJEDA's Board of Directors approved an amendment to the MOU allowing the Commissioner of Education to be a signatory to the MOU. In addition, board members also approved an amendment to the MOU to authorize the NJEDA to manage and disburse a fund that has been created by the Department of Community Affairs (DCA). The fund derives from the balance of the Smart Growth Grant funds for FY 2001. The Smart Growth program was established to support community development projects. The DCA and the Office of State Planning, which administers the grant program, proposed that NJEDA manage the fund balance of \$65,073 to support these projects.

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### **IV. Preparation Underway For Early Childhood Temporary Classroom Units**

NJEDA awarded contracts to GE Modular Capital Space and Williams Scotsman, Inc. to manufacture temporary classroom units (TCU's) for the Abbott school districts.

On June 1, 2001, NJEDA issued an Authorization-to-Proceed authorizing the manufacturers to manufacture, deliver and install the TCU's.

The TCU's are being manufactured at a rate of 20 per week at each of two manufacturing plants, which are located in Homerville, Georgia and McRae, Georgia.

On June 13, 2001, representatives from the NJEDA and the Department of Education visited the two sites to inspect for quality control and compliance with contractual obligations.

Project Officers in NJEDA's Division of Design and Construction held separate meetings with

district officials from each Abbott district slated to receive temporary classroom units, their architects and the manufacturers of the TCU units to review all details relative to siting the TCU's. This involved the review and analysis of such items as Schematic/Placement drawings to determine the maximum number of TCU's that can be situated on designated parcels of land and investigation of site conditions for utility connections.

In addition, the DOE provided NJEDA with a list of furnishings for the TCU's. NJEDA's Division of Contract Procurement issued an RFP on June 29th for the delivery and installation of the early childhood furniture.

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#### V. **Contractor Proposals for Health and Safety Projects**

In response to an RFP issued by NJEDA, contractors submitted proposals for 22 health and safety projects. NJEDA's Division of Contract Procurement reviewed the proposals for their responsiveness to the contract requirements and the Authorities interim procedures for price and other factors. The Fiscal Integrity Unit of the Office of Inspector General also reviewed applicants for moral integrity. Nine (9) facilities projects will have to be re-bid. The first construction contract for work under the Act was executed for health/safety projects in Neptune.

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#### VI. **Contractor Certification**

Efforts are ongoing to maintain a large pool of contractors that will be eligible to bid on NJEDA school construction projects. To date, a total of 1,300 contractors have been certified through NJEDA's Division of Contract Procurement. During June, 400 contractor applications were processed, and 300 notices of incomplete applications were returned to contractors with instructions for re-submission.

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#### VII. **Grants to Non-Abbotts**

NJEDA completed its development of a grant program for school districts receiving less than 55% State education aid. Grant Agreements were issued for 208 school facilities projects valued at more than \$325 million in State share for DOE approved waiver and retroactive projects. To receive State funding, school districts will be required to enter into the grant agreement, which outlines the terms and conditions for receiving a grant. Grant packages were mailed to each of those districts, so that they may execute the documents necessary for them to receive disbursement of their grants.

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#### VIII. **Conferences Attended/Presentations by NJEDA Staff**

Presentations regarding the NJEDA's implementation of the school construction program were made at the following events:

Conference: "The Best of Intentions: Keeping Our Children and School Personnel Healthy during School Renovations"  
June 1, 2001, Rutgers University, New Brunswick, Cook Campus Center

New York/New Jersey Minority Purchasing Council, Inc.  
June 5-6, 2001, Sheraton Meadowlands Hotel and Meadowlands Exposition Center

Workshop: Steven Binger on Community Development Schools  
June 6, 2001, Thomas Edison State College, Prudence Hall, Trenton, NJ

Comprehensive Educational Improvement and Financing Act Conference  
June 9, 2001, Charles E. Brimm Medical Arts High School, Camden, NJ

Presentation to Newark City Council  
June 12, 2001, Newark, NJ

Spring Law Forum, NJ School Boards Association  
June 13, 2001, Doral Forrestal, Princeton, NJ

Trenton School Business Administrators Meeting  
June 14, 2001, Katzenbach School, West Trenton, NJ

Metropolitan Trenton African American Chamber of Commerce  
June 14, 2001, Maxine's Restaurant, Trenton, NJ

Jersey City School District Facilities Committee Meeting  
June 19, 2001, Jersey City, NJ

United States Environmental Protection Agency-Interagency Asbestos Hazard  
Emergency Response Act  
June 25, 2001, NJ Association of School Business Officials, Bordentown, NJ

International Minority Business Corporation-Annual Business Update  
June 27, 2001, Monmouth Park Racetrack, Oceanport, NJ

Department of Environmental Protection-Brownfields  
June 29, 2001, Trenton, NJ

Burlington County Alliance for Action  
June 29, 2001, Double Tree Hotel, Mount Laurel, NJ

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Prepared by Barbara J. Bohi, July 12, 2001