

# 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

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## 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.

### **New Jersey Schools Development Authority**

One West State Street

P.O. Box 991

Trenton, NJ 08625-0991

609-943-5955

Web site: [www.njsda.gov](http://www.njsda.gov)

E-mail: [schools@njsda.gov](mailto:schools@njsda.gov)

# Board Members

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Barry L. Zubrow  
SDA Chairman  
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*Chairman and CEO, New Jersey Resources*

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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 21<sup>st</sup> 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,



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Barry L. Zubrow  
Board Chairman



# I. Introduction

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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.<sup>1</sup>

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

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<sup>1</sup> 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 projects<sup>2</sup> 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.

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<sup>2</sup> 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

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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.

| <b>SDA School Openings: September 2008</b> |   |                                     |
|--|---|-------------------------------------|
| <b>District</b>                            | <b>Project</b>                            | <b>Project Type</b>                 |
| 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.

| <b>Metropolitan Statistical Area (MSA) Totals</b>   |                    |                          |                          |
|---|--------------------|--------------------------|--------------------------|
| <b>Cost Per Square Foot Comparison At Bid Award Statistical Brief</b>   |                    |                          |                          |
| <b>Source</b>   | <b>Area</b>        | <b>Elementary School</b> | <b>High School</b>       |
| <b>McGraw-Hill Metropolitan Statistical Area (MSA) Public Schools (April 2008 - October 2008)</b>   | Philadelphia       | \$204                    | \$263                    |
|   | New York           | \$473                    | \$322                    |
| <b>McGraw-Hill Metropolitan Statistical Area (MSA) Private Schools (April 2008 - October 2008)</b>  | Philadelphia       | \$143                    | None in reporting period |
|   | New York           | \$120                    | \$293                    |
| <b>National Clearing House for Educational Facilities (McGraw-Hill Dodge Reports) by State Average (January - September 2008)</b>   | Pennsylvania       | \$216                    | \$257                    |
|   | New York           | \$545                    | \$307                    |
|   | New Jersey         | \$214                    | \$294                    |
| <b>School Planning &amp; Management by State Average (January - December 2007)</b>  | NY, NJ, PA Average | \$233                    | \$287                    |
| <b>Philadelphia School District (September 2008)</b>  | Philadelphia       | \$304                    | None in reporting period |
| <b>New York City School Construction Authority (October 2007 - September 2008)</b>  | New York City      | \$405                    | \$437                    |
| <b>SDA Managed Projects (2nd - 3rd Quarter Actual)</b>  | 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.

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

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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

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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 21<sup>st</sup> 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 21<sup>st</sup> 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

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### ***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.

| <b>CASH FLOW PROJECTIONS</b>         |                               |
|--------------------------------------|-------------------------------|
| 10/1/08-3/31/09                      |                               |
| <b>Cost Category</b>                 | <b>Projected Expenditures</b> |
| 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                   |
| <b>TOTAL</b>                         | <b>\$497,300,382</b>          |

*\* 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**

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### ***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

3

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

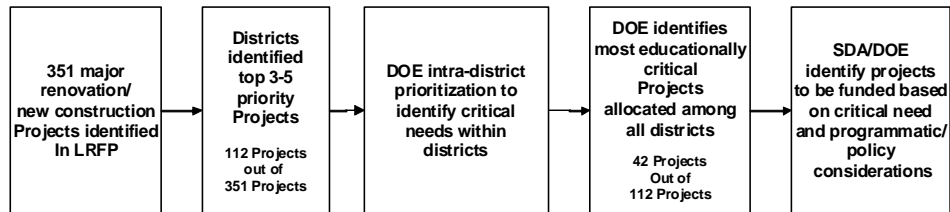
- ❖ Complete 2007 Deferral Plan phase funded projects previously approved through preparation of bid documents
- ❖ Recognition of significant State investment (Sunk Costs)
- ❖ Equitable distribution of limited resources
- ❖ Full funding of Projects
- ❖ Maintain adequate Reserves for planning, emergent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

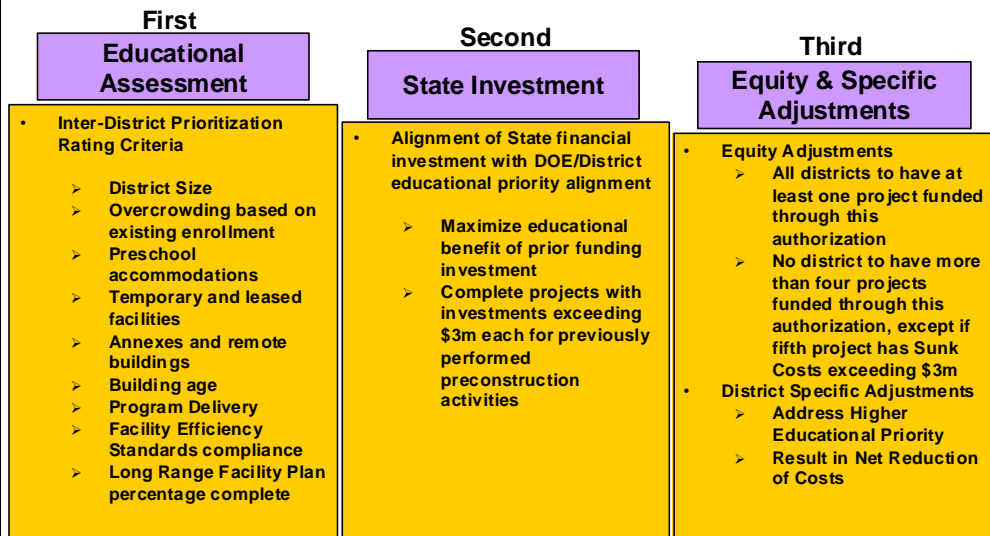
|  |                        |
|--|------------------------|
| <b>Funding - July 1, 2008</b>  | <b>\$2,900,000,000</b> |
| + Existing Reserve for Emergent Projects & Unforeseen Events (as of 6/30/08) | \$147,067,501          |
| + Forecasted Interest Earnings on New Funding Allocation ^                   | \$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           |
| <b>Total Net Funding</b>   | <b>\$2,954,367,501</b> |
| - Cost to complete Deferred Projects*  | \$970,554,176          |
| <b>Funding for Proposed 2008 New Funding Allocation &amp; Capital Plan</b>   | <b>\$1,983,813,325</b> |
| - Reserve for Unforeseen Events  | \$150,000,000          |
| - Reserve for Emergent Projects  | \$40,000,000           |
| - Reserve for Adjustments to Planning Estimates                              | \$100,000,000          |
| <b>Remaining for major Facility Projects</b>                                 | <b>\$1,693,813,325</b> |

^ - 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

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## Methodology for Identification/Inclusion of New Projects



8

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



| Summary                         |           |
|---------------------------------|-----------|
| Completion of Deferred Projects | 27        |
| Newly Funded Projects           | 26        |
| <b>Total Projects</b>           | <b>53</b> |

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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        |
| <b>Reserve</b><br>(for Planning, Emergent Projects and other unforeseen events) |                      | <b>\$304.8m</b>   |
| <b>Total</b>  | <b>53</b>            | <b>\$2,954.4m</b> |

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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   |
|                | <b>Total</b>   |   | <b>\$236,294,283</b>         | <b>\$345,587,690</b>             | <b>\$2,204,163,004</b>             | <b>\$173,966,367</b>              | <b>\$2,960,011,345</b>       | <b>\$2,649,527,128</b>                                       |

\* - 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                    |
| <b>Subtotal</b>   | <b>53</b>      | <b>\$2,649,527,128</b> |
| Reserve for Emergent Projects, Planning & Unforeseen Events |                | \$304,840,373          |
| <b>Total</b>  |                | <b>\$2,954,367,501</b> |

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            |

| <b>District</b> | <b>School</b>                                   | <b>List of 97?</b> | <b>Earliest NTP Date</b> |
|-----------------|---|--------------------|--------------------------|
| 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*        | Roebing 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<br>Cherry Hill, NJ 08034                        |            | Archit. & Eng.     | Roof and field inspection      |                 | \$ 68,529.00  | 5.00%  | Hispanic  |               |        |                 |         |         |         |
|  | Subcontractor   | QWIC, Inc.                        | 313 East Broad Street<br>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<br>Lumberton, NJ 08048                          |            | Asbestos Removal   | Asbestos Removal               |                 |               |        |           |               |        | \$ 6,500.00     | 0.28%   |         |         |
|  | Subcontractor   | Altec Electrical                  | 904 Atlantic Avenue<br>Point Pleasant, NJ 08742                 |            | Electrical         | Electrical                     |                 |               |        |           |               |        | \$ 105,000.00   | 4.59%   |         |         |
|  | Subcontractor   | American Coring & Supply          | 89 Susan Street<br>Toms River, NJ 08753                         |            | Concrete Cutting   | Concrete Cutting               |                 |               |        |           |               |        | \$ 3,400.00     | 0.15%   |         |         |
|  | Subcontractor   | Dean Equip & Furniture Co., Inc.  | PO Box 384<br>East Hanover, NJ 07936                            |            | Fire Protection    | Fire Protection                |                 |               |        |           |               |        | \$ 270,000.00   | 11.81%  |         |         |
|  | Subcontractor   | General Fire Protection, Inc.     | 15 River Drive<br>Garfield, NJ 07026                            |            | Fire Protection    | Fire Protection                |                 |               |        |           | \$ 5,300.00   | 0.23%  |                 |         |         |         |
|  | Subcontractor   | Jason Bennett LLC.                | 3 Morey Lane<br>Brick, NJ 08723                                 |            | Carpentry          | Gypsum, Demolition & Carpentry |                 |               |        |           |               |        | \$ 85,000.00    | 3.72%   |         |         |
|  | Subcontractor   | Sunnyfield Corp.                  | 1 Industrial Way West<br>Bldg. D Suite E<br>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<br>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<br>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<br>111 Mulberry Street<br>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<br>Mullica Hill, NJ 08062                          |            | Scheduling             | Scheduling            |                  |               |        |           | \$ 2,360.15  | 1.69%  |               |         |               |         |
|                       | Subcontractor   | J. F. McKernan, Jr.<br>R.A. Architects    | 100 Dobbs Lane, Suite<br>204 Cherry Hill, NJ<br>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<br>Hewitt, NJ                           |            | Const. Management      | Scheduling            |                  |               |        |           | \$ 20,000.00 | 2.38%  |               |         |               |         |
|                       | Subcontractor   | Yee Engineering & Assoc., Inc.            | 1017 Main Street<br>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<br>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<br>Neptune, NJ 07753                    |            | HVAC & Plumbing                      | HVAC                      |                  |              |        |           |               |        | \$ 1,850,000.00 | 15.84% |              |         |
|  | Subcontractor   | Erin Environmental Serv. Inc.    | 324 Shore Drive<br>Highlands, NJ 07732                |            | HVAC & Plumbing                      | Plumbing                  |                  |              |        |           |               |        | \$ 331,362.00   | 2.84%  |              |         |
|  | Subcontractor   | J.Strober & Sons, LLC            | PO Box 177<br>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<br>Manalapan, NJ 07726              |            | Glass & Metals                       | Glass & Glazing           |                  |              |        |           |               |        | \$ 142,000.00   | 1.22%  |              |         |
|  | Subcontractor   | Monmouth Excavators Inc.         | 974 Route 33 East<br>Freehold, NJ 07728               |            | Excavation                           | Site Work                 |                  |              |        |           |               |        | \$ 318,929.00   | 2.73%  |              |         |
|  | Subcontractor   | Pyromax Inc.                     | 1829 Old Mill Road<br>Wall, NJ 07719                  |            | Fireproofing                         | Spray fireproofing        |                  |              |        |           |               |        | \$ 11,000.00    | 0.09%  |              |         |
|  | Subcontractor   | Sodon's Electric Inc.            | 25 W. Highland Avenue<br>Atlantic Highlands, NJ 07716 |            | Electrical                           | Electrical                |                  |              |        |           |               |        | \$ 1,009,000.00 | 8.64%  |              |         |
|  | Subcontractor   | South Shore Contracting          | 3 Convery Blvd. Suite 100<br>Woodbridge, NJ 07095     |            | Caulking/Waterproofing               | Waterproofing             |                  |              |        |           |               |        | \$ 36,800.00    | 0.32%  |              |         |
|  | Subcontractor   | The Vann Organization            | PO Box 3240<br>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<br>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<br>Cherry Hill, NJ 08003           |            | Construction Mgmt./Civil Engineering | MEP Inspection/Scheduling |                  |              |        | Black     |               |        |                 |        | \$ 12,450.00 | 10.55%  |
|  | Subcontractor   | Envision Consultants, Ltd.       | PO Box 536<br>Mulica 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<br>Mulica Hill, NJ 08062                |            | Project Mgmt.                        | Scheduling                |                  |         |        |           | \$ 7,080.45     | 1.69%  |                 |        |               |         |
|                       | Subcontractor   | J.F. McKernan, Jr.<br>R.A. Architects                    | 100 Dobbs Lane, Suite<br>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<br>Cherry Hill, NJ 08003        |            | Construction Mgmt./Civil Engineering | MEP Inspection/Scheduling |                  |         |        | Black     |                 |        |                 |        | \$ 136,800.00 | 11.29%  |
|                       | Subcontractor   | Envision Consultants, Ltd.                               | PO Box 536<br>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<br>Linwood, NJ 08221             |            | Aerial/Comm. Photog.                 | Photography               |                  |         |        |           | \$ 4,490.25     | 0.03%  |                 |        |               |         |
|                       | Subcontractor   | Carolla Bros Landscaping, Inc.<br>DBA/ D & R Landscaping | 2185 E. Wheat Road<br>Vineland, NJ 08361           |            | Landscape/Maintenance                | Landscaping               |                  |         |        |           |                 |        | \$ 75,800.00    | 0.45%  |               |         |
|                       | Subcontractor   | Center Metal Fabricators                                 | PO Box 29<br>Hammonton, NJ 08037                   |            | Alum & Glass Doors, windows          | Doors, windows            |                  |         |        |           | \$ 385,000.00   | 2.27%  |                 |        |               |         |
|                       | Subcontractor   | Coastal Communications Group                             | 6820 C North Crescent<br>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<br>Millville, NJ 08332           |            | Ceramic, tile, slate                 | Ceramic tile, slate sills |                  |         |        |           |                 |        | \$ 44,500.00    | 0.26%  |               |         |
|                       | Subcontractor   | Lewandowski Construction Ind.                            | PO Box 127<br>Atco, NJ 08004                       |            | Excavation                           | Site Work                 |                  |         |        |           |                 |        | \$ 2,074,000.00 | 12.21% |               |         |
|                       | Subcontractor   | M & J Ceilings   | 514 Egg Harbor Road<br>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<br>Marlton, NJ 08033                             |            | Electrical                 | Electrical                   |                  |         |        |           |                 |        | \$ 1,529,100.00 | 9.00%  |         |         |
|  | Subcontractor   | Mitchell Hardware                   | PO Box 98<br>Sewell, NJ 08080                                 |            | Doors, Frames,<br>Hardware | Doors, Frames,<br>Hardware   |                  |         |        |           |                 |        | \$ 189,380.00   | 1.11%  |         |         |
|  | Subcontractor   | NIC Construction LLC                | PO Box 1044<br>Monroeville, NJ 08843                          |            | Commercial<br>Carpentry    | Carpentry                    |                  |         |        |           |                 |        | \$ 133,250.00   | 0.78%  |         |         |
|  | Subcontractor   | North Eastern<br>Hardwood Floors    | 447 Commerce Lane,<br>Suite A West Berlin,<br>NJ 08091        |            | Flooring                   | Wood Floors                  |                  |         |        |           |                 |        | \$ 245,000.00   | 1.44%  |         |         |
|  | Subcontractor   | Pest Management<br>Service, Inc.    | 2041 Stanger Avenue<br>Williamstown, NJ<br>08094              |            | Pest<br>Control/Extern.    | Termite Control              |                  |         |        |           | \$ 10,000.00    | 0.06%  |                 |        |         |         |
|  | Subcontractor   | RAC Fencing, Inc.                   | 6514 Black Horse Pike<br>Egg Harbor Twp., NJ<br>08234         |            | Fencing/Install            | Fencing                      |                  |         |        |           |                 |        | \$ 46,500.00    | 0.27%  |         |         |
|  | Subcontractor   | Sealing Concepts,<br>Inc.           | 2041 Stanger Avenue<br>Williamstown, NJ<br>08094              |            | Caulking/<br>Sealing       | Caulking                     |                  |         |        |           |                 |        | \$ 22,320.00    | 0.13%  |         |         |
|  | Subcontractor   | Soltz Paint, Inc.                   | 2517 Atlantic Avenue<br>Atlantic City, NJ 08401               |            | Painting                   | Painting                     |                  |         |        |           |                 |        | \$ 34,000.00    | 0.20%  |         |         |
|  | Subcontractor   | Specialty Materials<br>Group, Inc.  | 1391 White Oak Bottom<br>Road Toms River,<br>NJ 08755         |            | Toilet Partitions          | Toilet Partitions            |                  |         |        |           |                 |        | \$ 43,000.00    | 0.25%  |         |         |
|  | Subcontractor   | Stone Collections,<br>LLC           | 150 Robertsville Road<br>Freehold, NJ                         |            | Stone Work                 | Stone Work                   |                  |         |        |           |                 |        | \$ 6,470.00     | 0.04%  |         |         |
| Total for ET-0087-C01<br>Egg Harbor<br>Twp. H.S. -<br>Egg Harbor |                 |                                     |   |            |                            |                              | \$ 16,990,000.00 |         |        |           | \$ 1,923,490.25 | 11.32% | \$ 4,633,353.00 | 27.27% |         |         |
| ET-0089-C01  | Primary         | Terminal<br>Construction Corp.      |   | 8/8/08     |                            |                              | \$ 59,850,000.00 |         |        |           |                 |        |                 |        |         |         |
|  | Subcontractor   | Ackerson Drapery<br>& Dec Serv Inc. | 500 James Street,<br>Suite 14<br>Lakewood, NJ 087401          |            | Draperies,<br>curtains     | Stage Curtains<br>& Riggings |                  |         |        |           |                 |        | \$ 59,800.00    | 0.10%  |         |         |
|  | Subcontractor   | Bryant Caulking &<br>Waterproofing  | 714 West Branch Road<br>Pine Hill, NJ 08021                   |            | Caulking/Waterp<br>roofing | Caulking                     |                  |         |        |           | \$ 286,750.00   | 0.48%  |                 |        |         |         |
|  | Subcontractor   | Geothermal<br>Services Inc.         | PO Box 427, 5435<br>Harding Highway Mays<br>Landing, NJ 08330 |            | Geo<br>Heating/Colling     | Geo<br>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<br>Brick, NJ 08723            |            | Concrete & Masonry           | Unit Masonry                                   |                  |              |        |           |               |        | \$ 7,592,164.00  | 12.69% |         |         |
|                       | Subcontractor   | Mountain View Layout Services                    | 117 Hibernia Avenue<br>Rockaway, NJ 07866          |            | Concrete & Masonry           | Concrete & Masonry                             |                  |              |        |           |               |        | \$ 95,290.00     | 0.16%  |         |         |
|                       | Subcontractor   | Scarpa Electric Company                          | 158 E. Garden Road<br>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<br>Toms River, NJ 08755 |            | Toilet Partitions            | Toilet Partitions                              |                  |              |        |           |               |        | \$ 294,621.00    | 0.49%  |         |         |
|                       | Subcontractor   | Tom's Landscaping, LLC                           | 2409 Route 50<br>Laureldale, NJ 08330              |            | Landscaping                  | Landscaping                                    |                  |              |        |           |               |        | \$ 519,581.00    | 0.87%  |         |         |
|                       | Subcontractor   | Triple B Fabricating, Inc.                       | 61 Wilett Street<br>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<br>Berlin, NJ 08009                     |            | Electrical                   | Electrical                                     |                  |              |        |           |               |        | \$ 237,500.00    | 14.29% |         |         |
|                       | Subcontractor   | Floor Resources, Inc.                            | PO Box 774<br>Pleasantville, NJ 08232              |            | Flooring                     | Carpet/VCT                                     | \$ 20,600.00     |              | 1.24%  | Black     |               |        |                  |        |         |         |
|                       | Subcontractor   | J.V. Paimonari, Inc.                             | PO Box 68<br>Milimay, NJ 08340                     |            | Steel                        | Steel  |                  |              |        |           |               |        | \$ 77,525.00     | 4.66%  |         |         |
|                       | Subcontractor   | Larry Donnelly Brickwork, LLC                    | 4060 Ivins Avenue<br>Egg Harbor Twp., NJ 08234     |            | Brick/Masonry                | Masonry  |                  |              |        |           |               |        | \$ 144,800.00    | 8.71%  |         |         |
|                       | Subcontractor   | R & R Ceilings, inc.                             | 390 Glasboro Road<br>Monroeville, NJ 08343         |            | Ceilings                     | Acoustical Ceilings                            |                  |              |        |           | \$ 22,300.00  | 1.34%  |                  |        |         |         |
|                       | Subcontractor   | Sealing Concepts, Inc.                           | 2041 Stanger Avenue<br>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<br>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<br>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<br>Union, NJ 07083        |            | Plumbing/HVAC      | Plumbing              |                 |               |        |           |         |        | \$ 5,930.00     | 0.31%   |         |         |
|  | Subcontractor   | Barcia Bros. Fence Co., Inc. | 514 River Drive<br>Garfield, NJ 07026       |            | Fencing/Install    | Fencing               |                 |               |        |           |         |        | \$ 38,908.00    | 2.01%   |         |         |
|  | Subcontractor   | Lessner Electric Co.         | 581 Pona Avenue<br>Elizabeth, NJ 07201      |            | Electrical         | Electrical            |                 |               |        |           |         |        | \$ 3,000.00     | 0.15%   |         |         |
|  | Subcontractor   | Pernaco Inc.                 | 2546 Andria Court<br>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<br>West Milford, NJ 07480  |            | UST Removal        | UST Removal           |                 |               |        |           |         |        | \$ 4,464.00     | 0.91%   |         |         |
|  | Subcontractor   | Majestic Fence Co. Inc.      | 6839 Route 9 North<br>Howell, NJ 07731      |            | Fencing/Install    | Fencing/Install       |                 |               |        |           |         |        | \$ 27,496.00    | 5.60%   |         |         |
|  | Subcontractor   | Pernaco Inc.                 | 2546 Andria Court<br>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<br>Cranbury, NJ 08512              |            | Toilet partitions & Accessories | Toilet partitions           |                  |         |        | Hispanic  |               |        |                 |        | \$ 38,178.00 | 0.21%   |
|             | Subcontractor   | Center Metal Fabricators, Inc.      | PO Box 29<br>Hammonton, NJ 08037                  |            | Alum & Glass Doors, windows     | Doors, windows              |                  |         |        |           | \$ 350,000.00 | 1.95%  |                 |        |              |         |
|             | Subcontractor   | Cirignano Contracting, Inc.         | 750 W. California Avenue<br>Absecon, NJ 08201     |            | Painting                        | Painting                    |                  |         |        |           | \$ 125,735.00 | 0.70%  |                 |        |              |         |
|             | Subcontractor   | Collingswood Architectural Millwork | 715 Taylor Avenue<br>Collingswood, NJ 08107       |            | Millwork                        | Millwork                    |                  |         |        |           |               |        | \$ 35,900.00    | 0.20%  |              |         |
|             | Subcontractor   | Halpern & Sons, Inc.                | 843 King Georges Post Road<br>Fords, NJ           |            | Doors & Frames                  | Hollow Metal Doors & Frames |                  |         |        |           |               |        | \$ 160,460.00   | 0.89%  |              |         |
|             | Subcontractor   | Kiker Sheet Metal Corp.             | PO Box 1487<br>Pleasantville, NJ 08232            |            | Sheet Metal                     | Sheet Metal                 |                  |         |        |           |               |        | \$ 900,000.00   | 5.01%  |              |         |
|             | Subcontractor   | J.V. Palmonari, Inc.                | PO Box 68<br>Milmay, NJ 08340                     |            | Steel                           | Structural Steel            |                  |         |        |           |               |        | \$ 1,374,600.00 | 7.65%  |              |         |
|             | Subcontractor   | L & R Construction                  | 36 Kresson Road<br>Cherry Hill, NJ 08034          |            | Refinishing                     | Refinishing & Installation  |                  |         |        |           |               |        | \$ 21,000.00    | 0.12%  |              |         |
|             | Subcontractor   | Lawn & Garden Landscaping           | 2869 Driftwood Lane<br>Vineland, NJ 08361         |            | Landscaping                     | Landscaping                 |                  |         |        |           |               |        | \$ 56,845.00    | 0.32%  |              |         |
|             | Subcontractor   | Perrone Door, Inc.                  | PO Box 327<br>Hammonton, NJ 08037                 |            | Doors & Frames                  | Rolling Doors               |                  |         |        |           |               |        | \$ 6,300.00     | 0.04%  |              |         |
|             | Subcontractor   | Pest Management Service, Inc.       | 2041 Stanger Avenue<br>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<br>West Berlin, NJ 080911    |            | Ceilings                        | Acoustical Ceilings         |                  |         |        |           |               |        | \$ 195,000.00   | 1.08%  |              |         |
|             | Subcontractor   | Sal Maradino Inc.                   | PO Box 52<br>Landisville, NJ 08328                |            | Masonry                         | Masonry                     |                  |         |        |           |               |        | \$ 2,415,000.00 | 13.43% |              |         |
|             | Subcontractor   | Sealing Concepts                    | 2041 Stanger Avenue<br>Williamstown, NJ 08094     |            | Caulking/ Sealing               | Caulking                    |                  |         |        |           |               |        | \$ 71,000.00    | 0.39%  |              |         |
|             | Subcontractor   | Sheriff Associates                  | 55 Park Slope<br>Clifton, NJ 07011                |            | Window Treatments               | Window Treatments           |                  |         |        |           |               |        | \$ 18,400.00    | 0.10%  |              |         |
|             | Subcontractor   | Stein's Food Svs. Equip, Inc.       | 6 East Pleasant Avenue<br>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%   |

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

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

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

\*\*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                   |
| <b>Total</b>         | <b>790,074</b> | <b>208,471</b> | <b>7,806</b> | <b>26.39</b>          | <b>0.99</b>         |

## *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                     |
| <b>Total</b>       |                   |               |                   |                          | <b>\$ 7,370,929,000.00</b>              |

**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                          |
| <b>Total</b> |                   |               |                          | <b>\$ 2,965,430,000.00</b>                 |

**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.