

April 2001 Monthly Report

Introduction

During the month of April, NJEDA began to finalize the framework for managing the construction of approximately \$100 million in Abbott district health and safety facilities projects. These facilities projects will be part of a "Pilot Program" that evaluates the efficacy of the policies and procedures developed thus far and that provides constructive feedback to guide our future development of the school facilities program.

In addition, consistent with our goal of open two-way communications, NJEDA continued to receive and incorporate input from various constituency groups on the proposed Affirmative Action procedures and regulations, as well as comments from school bond counsel concerning the Grant Agreement governing the State grant financing of non-Abbott school district facilities projects. Also, as an accommodation to the architectural community, revisions are being made to the EDA's Professional Services Contract to incorporate specific suggestions made by architects and the American Institute of Architects.

Our Divisions of Real Estate, Design and Construction and Policy and Communications continued intensive work, in collaboration with the New Jersey Departments of Education and Environmental Protection and the Division of Law, on finalizing pre-development procedures for land acquisition and remediation. The introduction of additional environmental reviews required by Executive Order 215 will necessitate incorporating additional procedures into the predevelopment process for Abbott districts and pre-conditions for the funding of non-Abbott school facilities projects. A fuller discussion of these and the other significant Program activities that occurred during the month of April follow.

The following are specific highlights of our activities.

1. [Health and Safety Projects](#)
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I. Health and Safety Projects

On April 18, 2001, NJEDA issued a Request For Proposals (RFP) seeking the services of two project management firms (PMF) to provide project and construction management services for Abbott school facilities projects. The facilities projects included in the RFP are the three rounds of health and safety projects that have been advanced by NJEDA, which are currently in various stages of design completion, and the installation of temporary classroom units (TCU's) for early childhood programs.

These facilities projects were divided into two Groups, "Pilot Program Group A" and "Pilot Program Group B, " and a separate RFP was issued for each Group. Each Group has a current construction cost estimate of approximately \$50 million.

A separate PMF will be engaged for each Group and will assume management of the facilities projects for the duration of the design phase and through conclusion of the construction phase. Both PMFs will report to Heery International, Inc., which is currently serving as Program Manager to the NJEDA. Heery and NJEDA will be collecting and analyzing data from these projects as part of a Pilot Program to streamline operations and maximize efficiencies as the Program transitions into the first full year of construction activity.

A mandatory pre-proposal conference was held at NJEDA on April 25, 2001, at which a presentation was made concerning the requirements of the RFP and the selection process, followed by a question and answer session. Those attending the conference were provided the opportunity to submit additional questions in writing to NJEDA's Director of Procurement through April 27, 2001. Proposals are due at NJEDA no later than May 9, 2001, and it is anticipated that the selection process will be concluded and that NJEDA will execute the PMF agreements by early June.

Interim Evaluation Procedures for Contractor Selection were approved by the Members at a special meeting held on May 1, 2001. One of the tools provided to the NJEDA by the School Facilities Construction and Financing Act to ensure rigorous professional standards in the school construction process is the ability of the NJEDA to select contractors on the basis of "price and other factors." "Other factors" include criteria to evaluate the past performance of a contractor and their ability to complete the contract. These procedures will allow for the selection of contractors so that summer health and safety work projects can proceed immediately.

The interim factors for evaluation of contractors will include the company's experience working on projects of similar size, cost and complexity; its past performance on these projects as analyzed by reference checks; its prevailing wage record; and its safety record. The permanent criteria for evaluating the qualifications of contractors are currently under development.

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II. Temporary Classroom Units (TCU's)

NJEDA Selects Contractors for Temporary Classroom Units (TCUs). On March 28, 2001, the NJEDA issued an RFP for the manufacture, delivery and installation of 250 TCU's in designated Abbott districts by September 1, 2001. Construction bids were received on April 17, 2001 from seven bidders. The bid proposals were evaluated by an NJEDA selection committee based upon compliance with technical specifications indicated in the RFP and the bidders' past performance on projects of similar size and scope.

All seven bids that were received were considered to be responsive. The two lowest price bids were received by GE Capital Modular Space and Williams Scotsman, Inc., Accordingly, it was recommended to the Members of the Board at the May 1, 2001 special meeting that contracts be awarded to these two firms. The total funding required for these contracts (NJEDA Contract EC-001-C01 and NJEDA Contract EC-001-C02) is approximately \$14 million.

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III. Executive Order 215

NJEDA Addresses Mandates of Executive Order 215. An existing law, Executive Order 215 (E.O. 215), which was signed on September 11, 1989 by then Governor, Thomas H. Kean, requires the submission of an environmental assessment/impact statement in connection with facilities projects that involve new construction and/or significant expansions.

E.O. 215 requirements necessitate that NJEDA incorporate additional procedures in the predevelopment process that it undertakes on behalf of Abbott school districts. In addition, compliance with E.O. 215 is a precondition to awarding NJEDA grant funding to non-Abbott districts. NJEDA is working in collaboration with the New Jersey Departments of Education and Environmental Protection to develop an expeditious procedure for non-Abbott school districts to utilize so that they are in compliance with E.O. 215 and grant funding is not delayed.

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IV. Agreement and Regulations for Non-Abbott Grant Funding Finalized

Section 15 of the Act establishes a grant program to fund the State share of the final eligible costs of school facilities projects undertaken by school districts whose district aid percentage is less than 55%. The NJEDA's role with respect to these projects is to provide funding of the State's share.

Grant Agreement Submitted to NJEDA Board for Approval. The Grant Agreement between the NJEDA and non-Abbott school districts, which outlines the terms and conditions for grant funding was finalized and submitted to NJEDA's Board Members for approval on May 1, 2001. Due to the special expertise of school district bond counsel on matters related to school district finance and school facilities referenda, NJEDA worked closely with counsel in finalizing the provisions of the Grant Agreement. Regulations Governing Procedural Requirements for Grants Finalized The rules implementing Section 15 of the Act and codifying the procedural requirements for obtaining grants were also finalized and submitted for Board approval at the May 1 meeting.

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V. **Meetings to Develop Schools as Centers of Community**

In an effort to assist the Abbott school districts in developing their schools as "centers of community," NJEDA's Policy and Communications Division, has been holding meetings in Abbott districts throughout the State with school officials and community stakeholders. The meetings serve as a forum to discuss developing community design features within the schools, as well as the funding issues for their implementation.

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VI. **Presentations by NJEDA School Construction Division**

Construction Industry Career Day March 31, 2001, Liberty State Park, Jersey City, NJ Booth staffed and information provided on the school construction program and the outgrowth of job opportunities. Conference: National Center for Community Education April 2-6, 2001, Flint, Michigan

New Jersey School Buildings and Grounds Conference and Expo April 10-11, 2001, Trump Taj Mahal Hotel, Atlantic City, NJ Booth staffed to provide information on school construction program.

M-Tech Conference & Dinner April 10, 2001, Maxine's Restaurant Keynote address provided overview of school construction program

Washington Township School Board Meeting April 16, 2001, Washington Township Board of Education, Hamilton, NJ Presentation on Bonding Process

Monthly Meeting: Architects League of Northwest NJ April 19, 2001, Radisson Hotel, Englewood, NJ Keynote address focuses on issues of particular importance to architectural community.

Conference: How to Participate in New Jersey's Multi-Billion School Construction Program April 20, 2001, Sheraton at Woodbridge Place, Iselin, NJ Presentations on opportunities afforded to the professional design community by the school construction program, with emphasis on procurement issues. Workshop on Geothermal Technology April 24, 2001, PSE&G Edison Training and Development Center, Edison, NJ

EI Associates Seminar April 26, 2001, Cedar Knolls, NJ EDA Staff participated in Panel discuss on School Facilities program.

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VII. **Publications**

NJEDA continued to publish its regular column in the New Jersey School Boards Association's

School Board Notes. In addition, an article was submitted for publication to the Building Contractors Association of New Jersey entitled,

"The NJEDA and the Educational Facilities Construction and Financing Act What Have We Done; and Where are We Going? And, What Opportunities Exist for the Contracting Community?"

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VIII. **NJEDA Website**

NJEDA's new schools home page is in the process of being activated. The page has an exciting new look, to go with the new features that are offered, which include:

- School program news features of the month;
- Frequently Asked Questions;
- All School Program monthly reports to the EDA Board of Directors;
- Records of school design contracts awarded by EDA
- Searchable information on each school district in the State;
- A variety of photographs with most stories.

The website is now full of fresh information that is updated regularly. This information should prove to be helpful to the construction community, the education community, taxpayers, and parents alike.

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