
Committee Meeting

of

JOINT COMMITTEE ON THE PUBLIC SCHOOLS

*“The Committee will receive an update from
Manuel Da Silva, CEO, New Jersey Schools Development Authority”*

LOCATION: Remote Meeting Via Zoom

DATE: March 23, 2021
10:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator Ronald L. Rice, Co-Chair
Assemblywoman Mila M. Jasey, Co-Chair
Senator Joseph P. Cryan
Assemblywoman Verlina Reynolds-Jackson
Assemblyman Benjie E. Wimberly
Assemblywoman BettyLou DeCroce
Assemblywoman Serena DiMaso



ALSO PRESENT:

Rebecca Sapp
Executive Director

Ivy Pomper
Executive Assistant

*This transcript was prepared using an outside recording not designed for transcription purposes.
Therefore, portions of this transcript may not be completely accurate as portions were inaudible and/or indiscernible.*

Meeting Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

TABLE OF CONTENTS

	<u>Page</u>
Manuel M. Da Silva Chief Executive Officer Schools Development Authority State of New Jersey	2
APPENDIX:	
Testimony, plus PowerPoint Presentation submitted by Manuel M. Da Silva	1x
pnf:1-51	

SENATOR RONALD L. RICE (Co-Chair): So we're going to get started.

Let me thank everyone.

I know that these have been some real trying times for all of us, with COVID-19. In fact, it seems as though all we hear and talk about is COVID-19, as though the state has no other issues or function. And we have to break away from that. We know that COVID-19 has also kept our children away from the schools and kept many people away from the workplace and families. Schools are starting to open back up; children are starting to go back into the schools themselves. But we've really gotten behind in the school construction and retrofitting, and doing emergents and things of that magnitude since we first started school construction programs going back years ago.

I'm not happy about that, for one. I also know we have to do some bonding, and we're going to have to talk about that with the Governor and others because we've been bonding ourselves crazy just for COVID-19.

But with that being said, I just want to thank the CEO, Executive Director -- I don't know titles these days, we keep changing them over there -- of SDA for coming on board to give us an update on where we are and where we need to go. I know the last time we had a discussion, there were dollars to do some of the emergent programs and some things that needed to be done. And the conversation was that if we had more money they couldn't move any faster. I'm not sure if that's true or not, but I just need to get, for the Committee, and for us, where we are so we know where we need to start going. We have to start having these meetings again, we have to start getting the Administration to focus on schools themselves.

The other thing we need to know is how we're situated with young people going back to school and who's cleaning what.

So why don't we just allow the-- What's your title now? President?

MANUEL M. Da SILVA: CEO, Chief Executive Officer.

SENATOR RICE: Okay (laughter) -- allow the Chief Executive Officer to just bring us up-to-date. I know we've had some passing conversations; I know he's trying to do the best job he can working with what he has, and we really appreciate that.

So why don't you go ahead and talk to us about where we are, and then we can raise questions.

MR. Da SILVA: Will do.

Thank you, Co-Chair Senator Rice; thank you to Co-Chair Jasey. I appreciate it.

Good morning to everyone.

It is a pleasure to have the opportunity to appear before you today to share an update on the important work the SDA is doing to impact the lives of students throughout New Jersey.

Here with me today I have Andrew Yosha, Vice President of Program Operations and Strategic Planning; and Scarlett Rajski, Director of Legislative Affairs. Together we will do our best to answer any questions you have about the construction program.

This past fall alone, we delivered three new schools and one major addition. The new schools are in East Orange, Harrison, and Pemberton; and the addition was at Millville High School, a project that is ongoing.

In the three years since SDA last appeared before you, we have delivered 11 new schools and one major addition. Overall, these project completions provided school districts with 8,500 much-needed student seats where schools lacked capacity or educational adequacy.

While many of these facilities were not occupied through the early part of this year due to the COVID-19 pandemic, the work of the SDA still benefitted student learning. SDA facilities are delivered with 1:1 technology which, now more than ever, is an educational necessity.

The technology SDA delivers includes a combination of tablets, Chromebooks, desktops, or laptops, as deemed appropriate within each district's educational program.

The SDA currently has eight projects in construction. This includes two schools and two additions that will open this September. Combined, these will provide another 10,600 new seats and 1.8 million square feet of new construction to aid in student learning. In addition, there are three additional projects in the planning, programming, and design stages.

With the Co-Chairs' permission, I would like to take a moment to share with the Committee some slides of our active projects so that you can see the significant work that is underway.

With that, I'm going to share my screen here for a second; if you can bear with me. Technology is--

Ah, "The host has disabled share screen." Is there a way to enable it? If not, I'll just move on.

SENATOR RICE: OLS, is there any way we can get this up on screen?

UNIDENTIFIED STAFF MEMBER: There should be; we just have to make you a co-host.

MR. Da SILVA: Okay; it's still not letting me in. It says it's disabled. Shall I just move on?

UNIDENTIFIED STAFF MEMBER: Security measures do not allow anyone to share their screen. You would have to e-mail your documentation or PowerPoint to the members, and then you can discuss it as they look at it on their own screens.

MR. Da SILVA: Okay; I shared them with Ms. Sapp; I don't know if she's been able to share with the Committee.

But I can quickly walk through it and briefly describe the projects, or come back to it at the end.

ASSEMBLYWOMAN DiMASO: Chairman, we did get -- I did get an e-mail. So maybe we should just check e-mails, if we can.

SENATOR RICE: Okay; so go ahead and walk us through.

MR. Da SILVA: All right; so let me start with Slide 1, if you have it open. It's the Camden High School. So this is in the place of where the old high school stood; it's a 270,000-square-foot facility which will offer maximum student capacity of 1,468 students.

If you go to Slide 2, or page 2, that is an aerial view of the main arrival area to the school. It has four small learning academies. It's scheduled for delivery this fall.

Slide 3, Cleveland Street Elementary School; it's in the City of Orange. It's an addition/renovation. If you're looking at the slide, the right side of the building is the renovation component; and then the left side is the

addition -- an 11,500 square-foot addition with a maximum student capacity for the facility of 348 students.

Slide No. 4 -- the left picture shows you, in the foreground, what the existing school looks like. In the background you see the new edition and how it marries into the existing school facility. And on the right is just an indication of the progress; that is the portion we plan to deliver -- the addition.

Dayton Avenue Educational Campus, Slide No. 5. It's four schools rolled into one. It's a 448,000-square-foot facility capable of housing a maximum student capacity of 3,020 students.

If you go to the next slide, Slide 6, that gives you a snapshot of the construction progress. As you can see, it mimics the rendering rather well, and we're making significant progress out there.

Millville Senior High School -- if you're looking at that slide -- on the upper left-hand corner of the slide is in addition that we delivered last year. And then to the right, in the upper right-hand corner, is white roof areas adjacent to the baseball fields -- is what we plan to deliver this fall, with the last component being on the lower left-hand side of the rendering.

In total, it will be 228,554 square feet of additional space, and allow for a maximum capacity of 2,384 students.

The next slide will show you -- on the left are pictures of the existing labs that are located in that addition, and on the right side is the back side of the gymnasium, which is adjacent to the baseball fields.

The next slide is labelled *Orange High School*; it's in the City of Orange, and again it's an addition/renovation. When you look at it, it's a 50,000-square-foot addition. It will allow the capacity to increase the

maximum student capacity to 1,694. And if you go to the next slide, it's an actual shot of the same angle of the school -- that addition. Both pieces that you see there are the addition; the existing school is in the background, which you don't see, other than something that sticks out in the background.

The next slide -- the biggest high school that the SDA has built -- Perth Amboy High School; 576,000 square feet. It will allow for a maximum student capacity of 3,295.

The next slide shows you -- we're doing site work right now. We have initiated auger pile testing and plan to move into auger pile installation next month.

The next is Port Monmouth Road Elementary School. This one is located in Keansburg; again, an addition/renovation. If you look at the top rendering, there's a flagpole. To the right of the flag pole is the existing school; to the left of the flag pole is the new edition. It's a 27,300-square-foot addition; it will allow for a maximum student capacity of 318. And then there's the renovation component.

If you look at the next slide, those are shots of what's going on, on the inside. We're going to have to relocate walls and all that, but it's active progress on this project.

And then lastly, the Union Avenue Middle School in Paterson. A new facility; 163,000 square feet, 1,007 students maximum capacity. And if you look at the rendering and then look at the next slide -- it pretty much mimics; it's the same shot from that corner. This facility is scheduled for delivery this fall.

So we know that above and beyond SDA districts, we know there is significant interest in the ROD grant program as well.

To date, SDA has executed more than 5,400 grants impacting 524 school districts. Currently, there are 265 active grants throughout the state that represent a State investment of more than \$133 million.

As you may know, funding for additional grants is not available at this time, as the previous approved funding has nearly been fully allocated.

The SDA has also moved forward, in this last year, with new initiatives to address needs as they arise. By way of example: Following the enactment of Alyssa's Law last year, SDA assumed responsibility for certifying the compliance, or proposed compliance, with the Law of 581 schools districts statewide. As of the end of last month, we have received 577 applications for review, the vast majority of which have been approved.

When concerns arose, also, about the presence of mercury flooring in schools throughout the state, SDA developed and advanced a multi-step initiative, in 2020, to evaluate flooring materials installed in SDA-delivered school facilities. We did this in consultation with the Department of Health, and utilizing the guidance that they provided regarding mercury in flooring. We examined the floors, performed bulk sampling, and identified where the performance of air testing was appropriate. Air monitoring activities are ongoing, and are being performed cognizant of district operational needs. The SDA will address any needed corrective measures identified upon the conclusion of the ongoing study.

During this extraordinary year, it was important to our districts and to the construction industry that the work of the SDA was deemed *essential* by Governor Murphy throughout this pandemic. The SDA moved quickly, in mid-March 2020, a year ago, to ensure that safety measures at all of our work sites conformed to available guidance and were appropriate to

the particulars of each site. I am happy to report that, during this challenging year, we were able to uphold our commitment to our school districts while keeping our staff and construction partners safe.

With respect to the impact of COVID-19 on school facilities, significant attention was paid to ventilation in school buildings. As a result, the SDA reviewed its current materials and systems standards, with specific attention to HVAC standards. We found that the SDA's standards align well with current New Jersey Department of Health indoor air quality standards, and CDC and ASHRAE guidance and requirements that were issued as guidance for school ventilation during COVID-19. Therefore, we encourage New Jersey school districts, and others building new schools, to look to the SDA's standards as a source of best practices.

Even in cases of existing school buildings, districts can utilize these standards to see if there are ways to improve existing systems to achieve their best air circulation.

As you know, the Governor has proposed \$200 million in this year's budget to support the work of the SDA. An additional \$75 million was proposed to fund emergent and capital maintenances needs in SDA and ROD Districts. Significant needs still exist statewide. District-wide overcrowding is impacting thousands of students trying to learn in overcrowded classrooms. Also, there are still many schools that do not conform to educational standards. SDA's 2019 Strategic Plan provides the sequencing of SDA activities that will address the significant overcrowding and aging infrastructure needs that exist in many SDA districts.

We are also committed to addressing the school facility needs in our Regular Operating Districts.

SDA has the expertise, a solid track record, and a reliable, proven ability to deliver schools and address the remaining educational facility needs that exist throughout New Jersey. Our innovative approach to project delivery has served as a model for others.

In terms of staff size, we are the leanest that we have ever been; but we have learned how to maximize our resources and to develop and deliver projects in a way that addresses specific district needs, values predictability, and minimizes changes as projects advance. We keep our commitments to the school districts, students, and taxpayers of New Jersey.

To conclude, SDA is a vibrant agency full of talented professionals committed to our mission of building quality schools for children across New Jersey -- which they so rightly deserve. We remain committed, and look forward to working with the Administration, the Legislature, and our stakeholders to advance SDA's significant and much-needed school construction work going forward.

Thank you, and we are available to answer any questions you may have.

That concludes my presentation, Co-Chairs.

Thank you.

SENATOR RICE: Thank you, Manny.

So I have a couple questions. I don't have the slides; I suspect they may have been sent to my legislative office. So I'm going to ask staff, in the future, when we have these meetings, send the information to both legislative offices as well as our personal e-mail, if you have them; if not, get them. Because we never know where we're going to be (laughter), given COVID-19.

So your presentation -- I appreciate it. It looks like you guys have been working, when I thought you were doing nothing (laughter).

MR. Da SILVA: Yes, we've been working really hard, actually. The staff is doing a great job.

SENATOR RICE: That's a good thing. But we're still -- we're far, far behind on construction of new schools, as well as some of the projects.

Where are we financially, with your budget? And what do we need to bond to try to get us up to date?

MR. Da SILVA: So let me talk a little bit, first, about-- So as far as schools, we have 11 schools that we still have to deliver by 2025. So we have active jobs that are ongoing that will take us to 2025. What we need is reauthorization. If you were to talk about dollars -- in the SDA districting, all \$8.9 million of the funding authorization has been allocated to projects, and we've paid out \$8.1 billion thus far. With respect to Regular Operating District grants, \$3.45 billion has been authorized for funding, and we've paid out \$3.3 billion. We have \$70 million that remains in the ROD grant pot of money, or funds.

And with vocational schools -- of the \$150 million in authorized funding, \$123 million has been paid out to date. So we have \$20 million that remains in there.

Additionally we have approximately \$750 million in remaining bonding capacity that we can--

SENATOR CRYAN: How much?

MR. Da SILVA: Seven hundred and fifty million dollars in bonding capacity.

SENATOR RICE: Okay; so first of all, before I go further, let me just acknowledge that Senator Cryan came on board; he's in the meeting. I know Assemblyman Ben Wimberly is in the meeting, and Assemblywoman DeCroce, I believe, is in the meeting now, just for the record to show.

So we have \$750 million. What do we need to draw down on that \$750 million? What do we need to go out for bonding -- draw down or go out; do we have to go out for more at this time?

MR. Da SILVA: At this time, we don't. The \$750 million already-- So we already pulled bonding -- \$350 million last year, and that's included in these figures. So we're at \$11.85 billion. That included \$350 million issued in January of 2021. We were approved for \$12.5 billion, so that leaves us with, roughly, \$750 million that we can rely upon. But I think, currently, as we speak, we have sufficient money in the bank; and with the Governor's budget, it will allow us another \$200 million that's been allocated to our current portfolio. Excuse me, plus \$75 million that's for maintenance and emergent -- or, I should say, SDA Districts and Regular Operating Districts.

SENATOR RICE: Okay; so Manny, a couple of things.

I noticed that -- and I don't have the slides -- I know that you mentioned some schools; work in Paterson, some new construction. You mentioned Orange -- Cleveland -- in that area there. I think you mentioned Perth Amboy. Are we doing anything -- and you mentioned Camden -- are we doing anything further south? I know that, over the years, we travelled down to South Jersey, and there were some real serious needs down there in our members' districts. Are we doing anything at all? Can you give us an update on the southern part of the state?

MR. Da SILVA: Yes. So we have two projects going on in southern part right now, which is Millville High School. Three additions to an existing high school, and there's a renovation component to it as well.

Right now we're adding on the northern addition, which is the gymnasium and the laboratories; and then we have to do one last addition that the contractor will start on, this year, at the front of the school.

And then we also have Camden High School, which is in the final stages -- or in the finish stages -- and that is scheduled for delivery this September, September 2021.

Those are the two that are down in South Jersey. Let me just look at my notes to see if there's anything down there. No, that is it -- assuming that *south* is south of Perth Amboy and Trenton (laughter). I'm trying to draw a divide.

SENATOR RICE: Okay, so let's talk about land -- and I'm going to let members ask some questions -- but let's talk about land.

Over the years, we took a lot of land. I know, in Newark, for example, we destroyed communities. (Indiscernible) the people fought against that. And nothing was built. And all of a sudden, the land has been transitioned to Ray Chambers, and other people -- wealthy folks -- for whatever the heck they want to do. I know in Irvington there was a need to, kind of, maybe, give the land back -- sell it back, give it back, or swap some locations. I suspect that throughout the State of New Jersey, where we have actually acquired land through eminent domain and other means, you are still holding land. Can you talk about how much land we have, where are these lands located, these properties, if you will? And then we need to talk about what municipalities, if any at all, have actually asked us to, maybe, give

the land back so they can get some ratables in construction, because nothing's going to happen. Or swap the land, so they can do some things in their municipalities.

MR. Da SILVA: All right. So let me work backwards, since you started with Irvington.

So let me talk about the surplus. The last set of surplus properties that we have is in Irvington. And we have an agreed to, or negotiated, sale with Irvington. And I think what they're trying to do is bring on a redeveloper; and then, at that point, we should be able to transfer those properties back to the district or to the city, that will then have the formal agreement with a redeveloper to redevelop those properties.

Beyond that, we don't have any surplus. What we are doing is holding onto property that we can use for our new strategic plan. So we have properties in Jersey City, Passaic, Newark, Union City, and West New York. And so we're sitting on those properties because, if you look at our strategic plan, there's a first traunch; that first traunch depends upon, and will allow us to move quicker, by having either property that we own or property that the school district owns. And so that'll be our first traunch of projects that we'll be able to roll out, when reauthorization is achieved.

But beyond that, we do not have any additional land.

SENATOR RICE: Let me stop here and let the members ask questions, and I'll come back to you.

Any members have any questions or anything to ask Manny?

SENATOR CRYAN: I do, Senator.

SENATOR RICE: Senator Cryan, go ahead.

SENATOR CRYAN: All right; well, thank you, thank you.

And Manny, thank you as well; I appreciate it.

And thank you, Chairman, for having this today -- the hearing.

You mentioned, Manny, that there are projects listed out to 2025. Through the Chair, would it be possible to get a list of those projects for the members of the Committee?

MR. Da SILVA: Absolutely.

SENATOR CRYAN: Okay.

The second thing I wanted to ask you was, I assume you work off the list that shows which districts are the most overcrowded in the state. I believe I represent the city that's most overcrowded, the City of Elizabeth. I was wondering if you have something, or a document, that shows the most overcrowded districts, and it's something you work off of. If you do, would you be willing to share it with the Committee?

MR. Da SILVA: We do.

So the Statewide Strategic Plan kind of lays out our planning for our next round of reauthorizations. So to your point, if you look at Elizabeth, it has the highest overcrowding. If I can just -- let me go back to the strategic plan, and I'll--

SENATOR CRYAN: I admit to not reading the strategic plan, so I apologize for that.

MR. Da SILVA: No, no; that's okay. That's why I'm here.

So percentage of overcrowding in Elizabeth is the highest across the state at 34.7 percent. They have a capacity needs of 7,009 additional seats in that district alone.

SENATOR CRYAN: Okay.

MR. Da SILVA: The interesting thing is they have no land; but that's the interesting thing with Elizabeth, which makes it more challenging.

SENATOR CRYAN: Okay, and I appreciate the challenge, but that's why you're there, right?

MR. Da SILVA: Yes.

SENATOR CRYAN: So I don't want to be district-specific, because I think that takes away from the Committee a little bit, but is there an Elizabeth project through 2025?

MR. Da SILVA: No, there is not. So let me just bring some clarity to that.

So the projects through 2025 are projects that were part of our 2011 capital plan. And so those -- we're finishing off that capital plan, and that capital plan will finish off in 2025. And there were some amendments in there; I said 2011, but there were a couple of amendments in there. So that capital plan will finish in 2025.

What we need now is reauthorization to allow us to move on the strategic plan. So until reauthorization is in place, we really can't move forward with a strategic plan and plan for, let's say, delivery of schools in Elizabeth.

SENATOR CRYAN: I'm going to ask you about reauthorization in just a moment. But if I may-- So you mentioned \$750 million, plus \$200 million, plus an additional \$75 million, I believe. It takes you over \$1 billion, although some of that's in specific pockets. The \$750 million -- what is the criteria for usage on the \$750 million that's remaining in bonding? Is it designated for any particular area? Is it, for lack of a better way to put it, open season? Or how does that money get allocated via the guidelines?

MR. Da SILVA: So that money is already allocated towards the 2011 capital plan that was established. So the funding has been allocated; we just haven't drawn those bonding dollars to pay for the construction. We don't ask for the bonded dollars until we're ready to pay our bills.

SENATOR CRYAN: Okay, so the \$750 million is designated for projects.

MR. Da SILVA: It is.

SENATOR CRYAN: Okay. So through the Chair, again, Chairman Rice -- if it's all right -- I'd like to ask if you could tell us what projects those are and send it over our way, so we know. Some of us thought for a moment -- I know I thought for a moment there -- there was \$750 million up for grabs.

ASSEMBLYWOMAN DiMASO: Me too.

SENATOR CRYAN: Okay. So that said, could you give us an overview of reallocation? How much is the demand, how much is the consideration for the ask, what's the period of the bonding? And obviously, having just gone through the City of Elizabeth with you, it's of paramount importance; never mind--

And the last thing I'm going to talk to you about is the non-SDA districts -- for again being centric -- Roselle Hillside Union, for example, that haven't seen a penny in years. What is their part of that financial process, as well? Could you take us through that?

MR. Da SILVA: Of course.

So the-- All I can talk about right now is really the needs; I can't get into dollars, because-- So let me talk about the needs first. We have two aspects in the state that are identified in the Statewide Strategic Plan. One

is remaining need, as far as number of seats. There's approximately 8,400 seats that are still needed across 15 districts that remain (indiscernible). Beyond that, then there's aged infrastructure. So as an example, Camden has--

SENATOR CRYAN: And Manny, I know you're going to talk about aged infrastructure. But do you guys have a ratio of cost-per-seat? I did a quick thing on the-- We got that presentation in the last hour or so -- but that size -- like, the Perth Amboy school is staggering. God bless them, but--

MR. Da SILVA: Yes.

SENATOR CRYAN: They're mathed out to something like 184 square feet per student, on very fast math -- listening to you talk and trying to do it. One of them was-- I mean Millville, which is only an addition, was 95 at a high school; the other one was 148. Is there criteria? Are there specs on how much a seat should cost on a ratio? Is there some algorithm that the members of the Committee would correlate to, or no?

MR. Da SILVA: So the one thing you can correlate to is, on a price per square foot to build those schools we often report in our biannual report on what our costs are in comparison to the tri-state area.

SENATOR CRYAN: Right.

MR. Da SILVA: So you can run numbers that way.

With the Statewide Strategic Plan, it talks about need; it doesn't talk about square footage. Until we sit down with our partners -- which are the district and the DOE -- we truly don't have a complete understanding what the square footage need will be to address that need -- those 8,400 seats

that are still needed. Beyond the 8,400 seats, we have the aging infrastructure, which is also represented significantly across the state.

As far as--

SENATOR CRYAN: So basically, we need a lot more money, we don't know how much, and we have demanding needs of 8,400 seats and an aging infrastructure that every elected representative can point to.

Is that basically it?

MR. Da SILVA: That's basically it.

You know, I don't want to get ahead of myself. I think that now needs discussions with the Governor's Office and the Legislature to see how much the State can afford, and then we can roll out a capital plan that maximizes those dollars.

SENATOR CRYAN: Last question from me, Manny: When will you guys at SDA have something, at least for Chairman Rice or for Senate leadership, to have some sort of numbers in a range that people can start looking at and understanding what the impact is for State finances, and for their districts, and for their kids?

MR. Da SILVA: So I think those discussions were initiated last year between the Governor's Office, the Senate President, and the Speaker. They stopped because the pandemic kind of took over our lives at that point. So as we sit and stand right here, or sit right here, I can't tell you where those discussions are at. I'm not sure, to be honest with you.

SENATOR CRYAN: Okay. Do we have a court issue anywhere? Do we have a court leaning on us anywhere?

MR. Da SILVA: So we do. The Education Law Center has filed a lawsuit requesting that something be done with reauthorization. So we're

actually responding, and we submitted a response last night to that request, to that complaint.

SENATOR CRYAN: I'm taking too much time.

Thank you for your generosity; Chairman, thank you.

MR. Da SILVA: Thank you, Senator.

SENATOR RICE: Becky, send a note from our Committee to the leadership requesting an update on our conversation on reorganization, for our Committee. And if, in fact, they have not commenced the conversation, we request that they please start it so we know what we're doing, okay?

Anyone else with any questions?

ASSEMBLYWOMAN DeCROCE: Yes, Senator; I do.

SENATOR RICE: Assemblywoman, go ahead.

ASSEMBLYWOMAN DeCROCE: Thank you; thank you, Manny, for being here.

A couple of things that I had wanted to touch on were-- And I agree with the Senator. The Perth Amboy school is a monster school that is being built. And is the community-- I mean, it's going to be energy efficient, and better to run, and less cost to run. But how will Perth Amboy handle the cost of such a large school? And, I mean, has that all been calculated, figured out; and knowing that Perth Amboy can handle it without raising their school budgets to take care of the costs of efficiently and effectively running the school?

MR. Da SILVA: So I can't speak for the District; I have to be honest with you. Our discussions are that they are -- they've already initiated planning as far as which staff and where the students are going to come from.

So they've initiated those planning phases. And I understand that the Superintendent is also looking at it from a budget perspective.

Can I say honestly that I'm involved with those? I'm not. We're going to meet -- or supply a facility that meets their needs that they can occupy. And so we're working towards that. But, you know, I just can't speak to the budget piece.

ASSEMBLYWOMAN DeCROCE: I mean, because that's what we hear, when we hear from our constituents, you know? "We can't afford this." So that is a concern. And that's something that, maybe, we should be more in tune with when the projects are being developed -- that they're saying to you that they can afford it.

Something else I wanted to talk to you about--

MR. Da SILVA: Assemblywoman, if I may? You know, the one thing that we do is, we-- You know, these schools are LEED-certified. We pursue e-rate, as far as rebates, which has to do technology and all that. We do Smart Start, or reapply for Smart Start rebates, which require a certain energy efficiency. So as far as an efficient facility, I think we deliver that. As far as the District finances -- I can't speak to that.

ASSEMBLYWOMAN DeCROCE: Yes.

MR. Da SILVA: But our schools are well built and efficient.

ASSEMBLYWOMAN DeCROCE: No, I understand that.

When I was at DCA, I was working with the SDA on the Irvington school. And I believe that was the middle school project that they decided not to do. Is that the area you're talking about -- giving back to the town, auctioning off to be developed? It was a proposed middle school that they did not need. And I remember obtaining, by the SDA, saying the school

had to say they no longer needed the property in order for you to even take a look at that and decide about releasing the property back to the town for auction. Am I accurate? Is that the property you're talking about?

MR. Da SILVA: So I have to be honest--

SENATOR RICE: The property, I believe, Assemblywoman, is the property -- if you can remember, visually, where you were -- off Springfield Avenue around 21st Street, 20th Street, in there--

ASSEMBLYWOMAN DeCROCE: In the middle of a neighborhood, correct?

SENATOR RICE: No, this is--

ASSEMBLYWOMAN DeCROCE: No? Okay.

SENATOR RICE: --(indiscernible); yes.

ASSEMBLYWOMAN DeCROCE: So let me just ask you this; because this is what I ran into then, and I'm wondering how it all panned out, because I left there and I'm here. The problem that I was told was that the property was purchased and the money was bonded to purchase it. So you had to recoup, in the sale of the property, the amount to cover the bonding, because the property had to effectively not be owed, because there was a balance through bonding. And that was creating a problem of releasing the property to the municipality, which I thought needed to go back to the main municipality to provide more housing in the community.

How have you addressed all the bonding that has taken place on properties that are now no longer needed, and the bonding is sitting there being paid, but the properties may not sell for the cost of what the bonding has on it? How are you dealing with that now? Because at the time, they couldn't give me an answer.

MR. Da SILVA: So in everything that we do, we do check with the AG's Office. So you're right; what you're saying is correct. We bought it with structures on it. We tore down those structures, and now they're vacant lots. So they're not worth as much as they were. Every step of the way, though, before we sell or transfer the property, we check with the AG's Office to make sure that we're not violating the bond covenants.

ASSEMBLYWOMAN DeCROCE: Right.

MR. Da SILVA: And so we did that check-and-balance with the AG's Office. In addition, we have to confirm that there's no longer a need for that property from a district's perspective. So we do that check as well. Once we do that, then we sell it. And oftentimes, you're right, it doesn't achieve the same dollar value to cover the bonding. So the bonding is still out there; a portion of it was not able to be paid off. And so it still remains outstanding.

ASSEMBLYWOMAN DeCROCE: So outstanding; but the State has to pay for it -- you have to pay for the monies that you borrowed, even though you're not being reimbursed the value of the bonding, correct?

MR. Da SILVA: That is correct, yes.

ASSEMBLYWOMAN DeCROCE: Okay, so I think we all need to remember that.

Your capital plan -- how long do you build out for a capital plan?

MR. Da SILVA: When you say *how long* -- you mean the number of years?

ASSEMBLYWOMAN DeCROCE: Projects -- the projects that the Senator was talking about. Do you go out 5 years, 10 years, 20 years, 30 years? How far do you go out with your planning?

MR. Da SILVA: So it depends on how much money is available, right? So if we have money that can accommodate a 10-year forecast, or a 10-year planning phase that allows for three to four schools being delivered per year, and there's sufficient bonding capacity at the State level, that's what we'll plan for. If the Legislature and the Governor's Office come back and tell us that there's less bonding or bonding capacity, or there's more, we'll adjust our timeline to the available funding that is out there. So it really has to do with the dollars

ASSEMBLYWOMAN DeCROCE: Okay. But I mean, when you spoke about the \$750 million and \$200 million more, I believe you said that wasn't used, but it was encumbered. So because it was encumbered, you weren't -- we were thinking it's available. It may be available; but it's encumbered, so it's not available. So my thinking is, as Senator Cryan had said, there are many schools throughout the state that are old, and dilapidated, and they need to be replaced. Why wouldn't we know, at this point, every school that needs to be replaced, every school (*sic*) that needs a new school -- that you're aware of -- in a plan that is showing us so that we know, as we go along ahead, that we're going to need X amount of money by 10 years down the road, and know what we're looking at? Than to go year, to year, to year, and say to you, "Well, okay, here's what you have for this year, and you can do A, B, and C, and that's it."

But I think if we had a bigger picture, as the Legislature, understanding the total dollar amount-- And let's be honest. You could plan it out 10 years, but the cost could really go up -- and we know that -- but there should be an adjustment every year on what has been projected with costs increasing. But I would think it would give a full picture to the

Legislature and the public as to how much money-- When individuals come to us, as legislators, and say, "Our schools are disgusting, they're terrible, they need to be torn down," they need to see what we're dealing with, and the kind of money that is needed to fix everything that needs to be fixed.

And I think we should have a better projected capital plan that the Legislature could take a look at and act on. That's in my opinion. I see a few heads shaking "yes," that maybe some of my colleagues agree with that, too.

One last thing, and then I'll let everyone else who has something to say -- but when you were talking about retrofitting the air systems for the schools with COVID, a lot of those schools-- I mean, isn't the CARES Act money there to help them pay for the retrofitting of the schools?

MR. Da SILVA: Yes. So there is a portion of -- there is some money there -- and I can't get into specifics, because I don't know the specifics on the CARES Act funding -- but my understanding is there is some money there that the DOE has available to school districts.

The other portion that we were talking about, or the \$75 million -- is that where you're going to, Assemblywoman?

ASSEMBLYWOMAN DeCROCE: The \$75 million? You could; yes, go ahead.

MR. Da SILVA: I'm trying to get to, I guess, your question. Is it on the-- There is some money in the CARES Act; that's a DOE thing, we're not involved in that--

ASSEMBLYWOMAN DeCROCE: Okay.

MR. Da SILVA: --so I couldn't tell you the particulars on that.

ASSEMBLYWOMAN DeCROCE: But there's probably not enough money in the CARES Act to complete and redo everything. Because-- Okay, we have schools without air conditioning, which is bad; but we have schools with air conditioning, and we're sending the kids back in, and we're looking at a return date pretty soon, maybe, statewide. You know, these air filter systems should be in them; I know the restaurants are putting them in. And if the CARES Act is not covering all the costs, then that's something that-- I don't know; does that come out of SDA if it doesn't?

MR. Da SILVA: No, it doesn't.

First of all, we don't have the funding to do that type of thing. But my understanding is, with ventilation, there's multiple alternatives that you can go through in order to improve your air circulation in the building. So it could be filters, it could be replacing out fan motors so that they accelerate the speed of the air flow through the space, it could be blue lights as far as the ductwork--

ASSEMBLYWOMAN DeCROCE: UV light systems you're talking about?

MR. Da SILVA: Right. So there are alternatives.

So depending on what the condition of each -- it depends on the condition in each district, and what they have to do to address what could be an air flow issue or an air quality issue in their school.

But there will be different alternatives-- I don't think that everything results in a replacement of the systems that are there. So it's hard to say whether there's enough money there or not, to be honest with you.

ASSEMBLYWOMAN DeCROCE: So can I just, bottom line, ask you this: If the Department of Education is in charge of that, with the

CARES Act and the schools, should it stay within the DOE or become a part of your group -- your organization, SDA -- and funding come through there?

MR. Da SILVA: So it's an interesting question, right? So we do emergent projects in constructions. When it comes to filters, and belts, motors, and all -- it really falls, I think, into a category that's maintenance, which is a district responsibility, and not an SDA responsibility. When it comes to the replacement of an HVAC system -- whether it's in-kind or redesigning a new system -- then it could come to the SDA. But the districts also have a responsibility to have capital funds to do some of that.

ASSEMBLYWOMAN DeCROCE: Yes, but--

MR. Da SILVA: So it becomes a balancing act.

ASSEMBLYWOMAN DeCROCE: I understand that, but circumstances with COVID-19 have really thrown everybody into a different category. So that may be something that maybe the State needs to address and change the language so that we can assist the schools in making sure our children are healthy. This is about making sure that the children can go back and be protected, and shouldn't be about dollars and cents. And we, as the Legislature -- and I know this body that I've been on for nine years since I became a member of the Legislature -- always worry that we're doing the right thing for the children.

So as a Committee I think we should look at this further, Senator and Assemblywoman, and my colleagues here, and make a decision and give direction as to correcting that, and being more specific.

I thank you, Manny; I thank you for everything you're doing. I think you're doing a great job, and I hope you come back and visit us more often so we can talk and figure these things out.

MR. Da SILVA: Thank you, Assemblywoman.

Can I just take a step back and address a couple items that you hit right on? And I just--

When you talk about -- we were talking about how far out.

So we spend between \$150 million and \$400 million a year. And so that's cash -- that's paying our bills, right?

ASSEMBLYWOMAN DeCROCE: Right.

MR. Da SILVA: So paying for the construction that's out on the street. And it's just -- I'm just reacting to the, you know-- Maybe I misspoke when I said the \$750 million in bonding. So those are committed; to your point. And so we'll only draw down on those \$750 million when we need it to pay our bills for the construction that's ongoing.

ASSEMBLYWOMAN DeCROCE: I understand.

MR. Da SILVA: Now, in your other statement, which is, I think, spot-on-- So our Statewide Strategic Plan has a proposal in there to what you alluded to, which is-- We call it a *BCAS*, a *Building Conditions Assessment Survey*, which we want to go through the entire state, or the 31 SDA districts, and document or inventory the age of the facility, the condition, so that we have something to rely upon. And then instead of relying on districts which, you know, *my* potato and *somebody else's* potato could be two different things, you know?

ASSEMBLYWOMAN DeCROCE: Right, right.

MR. Da SILVA: So in this situation it would allow us to level the playing field and have a true understanding for us, the Legislature, the Governor's Office, as to what is the need for New Jersey in its entirety, and

allow us to plan from a financial perspective -- to lay things out and plan accordingly.

ASSEMBLYWOMAN DeCROCE: I agree.

MR. Da SILVA: So it's something we plan to do with the building (indiscernible), and I think we're ready to go.

ASSEMBLYWOMAN DeCROCE: I think it's like putting your whole master plan together, right?

MR. Da SILVA: Yes, yes, exactly.

ASSEMBLYWOMAN DeCROCE: Thank you very much.

MR. Da SILVA: Thank you.

SENATOR RICE: So Assemblywoman, first I'm glad that you're not on that side; you're in the Legislature (laughter). Others may not feel that way, but you know how I feel about you.

I think that if you have anything in mind, Assemblywoman, as it relates to what we should be doing, get it to us.

ASSEMBLYWOMAN DeCROCE: Okay.

SENATOR RICE: We may need a resolution or legislation. Why don't you put something together that we can look at, and maybe support.

ASSEMBLYWOMAN DeCROCE: Okay.

SENATOR RICE: I appreciate that.

We have to start to get back in to substantive business now.

ASSEMBLYWOMAN DeCROCE: I agree.

SENATOR RICE: Okay? Whether the Administration likes it or not, whether the leadership likes it or not, we have to strive to commit to getting some things done beyond what Manny is doing. And I think that

Senator Cryan raised the right question, as well as you, about how do we plan out those next years. We know where we're supposed to be coming out to 2025, but those monies are already allocated; and we need that other piece. So we need reauthorization.

With that being said, Assemblywoman Jasey, I believe, wanted to have some questions.

Assemblywoman.

ASSEMBLYWOMAN MILA M. JASEY (Co-Chair): Thank you, and thank you to everyone who is on this call; and, in particular, to you, Manny. This is, I think, the best SDA presentation I've heard in 15 -- almost 15 years.

So I want to suggest that this group, perhaps, could be the group to start thinking outside the box. And what you said, BettyLou -- Assemblywoman -- is a good entrée for what I want to ask; and that is, can we use the pandemic -- and the lessons that it has hopefully taught us -- to begin to think more broadly about how we provide public education to our pre-K to 12 students?

When we start talking about projects, district by district -- we have over 500 districts; it is mindboggling. And when I hear Senator Cryan talk about the overcrowding in Elizabeth, and the fact that we have no solution for them right now, it makes me think that we should be thinking outside the box in terms of regional-- If not regional districts -- I know that's like *yech*; people go crazy with that in this state -- but recognizing the need, the growing need; recognizing the difficulty with all these many districts, and everybody's different needs and plans. Could we, at least, begin to think about high school level students on a regional basis? It seems to me if we

were able to at least share our high school resources and look at the issues we have with integration, and the lack thereof in New Jersey, and how we remain so segregated economically and racially, this might be an opportunity for us to at least try to start the conversation and the planning. And if we can sell it on the basis of economic efficiencies, better facilities for more students, as well as integration -- economically and racially -- I think this is the moment.

And I think it'll take courage, I know; but we can't just keep doing business as usual. It's too expensive, it's too cumbersome, and it continues the inequities across the state for students in terms of facilities. Because when I look at some of these new schools, I think, "Oh, my goodness." I know that the high school right here in my district, where I was on the Board, is so old that everything is an issue. I mean, there was a swimming pool that's been closed up because it was just too expensive to maintain.

I think we need to start thinking differently, and I am curious to know what my colleagues think. And they say in life, "Timing is everything," and I really feel like this is the time that we should be doing something on a bolder level.

SENATOR RICE: So Assemblywoman, that's a space that SDA cannot step into. First of all, Manny would get killed even discussing it (laughter).

ASSEMBLYWOMAN JASEY: No, *we* can.

SENATOR RICE: Yes, I know; I'm getting there.

ASSEMBLYWOMAN JASEY: Okay.

SENATOR RICE: Because once we start to talk about regional, to me it's a discussion that the Education Committees should be having with

the Legislature; and then they can address those of us on SDA (*sic*) to get our thoughts on it. But it's a conversation to have; it's a conversation that's not new, it's one that keeps getting demonized every time it rolls up.

So like you said, "Timing is everything." We do look at these districts. There are some small districts and big districts. But I think that someone needs to do an analysis of, number one, where you can regionalize; and number two, what does that mean. Oftentimes, you have enough problems in some of these school districts, with the students fighting and all kinds of things when they come from one district. When you start to merge them you create good things, but you also create bad things.

So I think that that needs to be a discussion, but also a true benefits analysis, if you will, of what that means.

So I don't disagree with that conversation, but I think it's something that the Education Committees in both houses should, maybe, do a joint thing on, and start to have hearings to raise those questions.

ASSEMBLYWOMAN JACKSON: Senator Rice, I believe you had a very good point.

I just want to also thank Manny for coming today and really highlighting some things that I know I wasn't aware of. And I'm glad that we're going to be getting the information, the Statewide Strategic Plan, the reauthorization plan.

When we start to talk about updating our schools, we don't want to make this a district thing. But I think we do need a list of schools that have not been -- that are in desperate need. When we start to talk about the environmental hazards, along with the infrastructure -- schools where windows can't open, Wi-Fi access -- we have some that have the historical

preservation to it. But there has to be some type of list to be able to plan out. And if that's a 5-year or a 10-year, and if it's in these documents, then that's one thing. But if it's not, then it definitely needs to be a part of the discussion.

The other thing is, what happens with the old schools? You know, we are opening them up, and then I'm not quite sure-- Is that a district issue, or how does SDA, even in the design aspect of it -- is it a full repurpose? Is it-- How do we make sure that we just don't have all of these empty schools now? Because I know that's what I'm facing in some of my districts. We have new schools, but now we have a bunch that are closed. And it becomes a real issue in terms of safety, in terms of, again, revenue that we're looking for. And it just seems like sometimes folks just walk away, but they're still there in the district with no purpose.

You talked about us-- I know we have -- and I think we've been going back and forth in Trenton with a building that was owned by SDA, then it was a district issue; but when we tried to do redevelopment, we had this clash. It was over -- it's the Roebing, over there by the Roebing properties. So we're not quite sure what to do with it.

So I would love, love, love to have another conversation with you, Manny, with DOE, to be able to talk about prioritizing our needs and making sure that we become a part of the solution in all of these things. So again, I just want to thank you for that.

And I was on the call yesterday for the Budget Committee. The charter schools are asking for money now, too, in order to help with their infrastructure problems and updating their schools. There's zero money for them.

So, I mean, we have a long way to go, but I definitely believe, out of these two plans, we should be able to come up with some priorities.

And back to some of my other colleagues' points, this should be an ongoing conversation. Just like our master plan is continuous, this should also be the same.

So thank you so much for your time.

SENATOR RICE: Manny, do you have any responses for her at all?

MR. Da SILVA: So--

ASSEMBLYWOMAN DeCROCE: I have one, Senator, for--
Oh, I'm sorry. Go on, Manny.

ASSEMBLYWOMAN DiMASO: And I have comment, please, sir.

MR. Da SILVA: Sure.

So from our perspective, when we have the meetings with the DOE and the district, it's really to identify what is the best type of facility. So that's why, in certain districts, we're doing so many additions and renovations because we're trying to maximize what they have, utilize property that they already own. In other instances, like Elizabeth, they don't have the land; so we're going to have to look at property that we can use, or even, maybe, there's a Catholic school that we can purchase. Once we get beyond that point, and there's a vacant school, there's not much that we can do or get involved in, because it becomes a district issue.

Now, if there's another way to do it -- listen, we're the SDA, we're a part of this, we're a part of the team. And so if there's a creative way or a different thought as to what to do with that-- Listen, we're all on board.

Districts like-- So I'll use, as an example, Long Branch. They built a new school. They had old schools, and what they did is they auctioned them off and got rid of them, which were redeveloped to residential units.

I don't know specifically, as far as Trenton goes, what type of properties and if there is that market there. But I'm sure there's other things that maybe can be done. But it may be just outside of our realm of possibility. We try to maximize what we work with, and make the best of what the district owns, and the SDLs; and the rest we try to leave it with the district. We try not to tell them what to do in their house.

SENATOR RICE: I'm going to encourage all the members to start to communicate with Manny; he'd love to hear from us. I know he hasn't heard from us individually in a long time. He'd love for us to beat him up and give him some complaints, etc.

Assemblywoman DiMaso, I think, wants to raise a question.

Assemblywoman.

ASSEMBLYWOMAN DiMASO: Yes; thank you, Senator.

And Senator, you made some really good points earlier about getting the kids back in school, and that there's more to do in this state than just worry about COVID. So I appreciate your leadership on that.

I wanted to echo-- When you go as one of the last people, it's great, because you can, maybe, just bring everybody's thoughts and ideas together.

To BettyLou's point earlier about them affording the school once it's built -- I think that while it's not really in your purview, I think that that should be part of -- maybe we need to create a formula. To everyone's point that has been made so far about how do you get the money, right? Is it

because your school needs Wi-Fi, is it because it's 75 years old, is it because you haven't had money in 25 years? Is it because, now, like Elizabeth, you need 7,000 seats?

We need to create -- and we'll help you; and if you need us to create legislation to do it, just let us know -- a rubrics, or something, that puts everything in perspective so that the money is going to the right school, not just the school that, maybe, has a better attorney, or maybe has a better architect, or does a better application, right? We all know that the greasy wheel gets the oil, but sometimes the greasy wheel doesn't need any more oil. So if we could do that, and absolutely the affordability part of it afterwards. Like BettyLou, and like me, and I'm sure all of us here, "Oh, we can't afford it." I know they're being built differently now, and so they're more efficient, and they seem more affordable, but it's still a lot for the community sometimes to absorb. And that creates a second issue after the school is built.

As far as the air scrubbers and stuff -- I personally believe that that's part of -- it's not maintenance; it's part of making the school *habitable* -- for lack of a better term -- during this COVID and any future pandemic, or any other virus that gets out there, right? So it should really be part of construction, and it should fall under the SDA.

So if you need us to, again, do legislation so that these air scrubbers and these things can be funded by you, because that's the best way to do it-- I mean, these schools are really having trouble getting those scrubbers into place. And so whatever we can do to help you, as the Senator said, we're here.

And if you would just indulge me-- Because much like, I guess, everybody else, especially Senator Cryan, I heard that you had \$750 million

remaining -- I actually wrote it down -- \$750 million remaining in bonding capacity is what I think you said. So if you would indulge me.

You first said you had \$8.9 billion that has been allocated for new schools.

MR. Da SILVA: For SDA districts. So it's new schools and emergent, I believe.

ASSEMBLYWOMAN DiMASO: Okay. And so you've used \$8.1 billion of that.

MR. Da SILVA: Correct. Well, \$8.1 billion has been paid out.

ASSEMBLYWOMAN DiMASO: Has been paid.

MR. Da SILVA: Right, right.

ASSEMBLYWOMAN DiMASO: Right. I was on a freeholder board and a town council, so I understand how bonding works, You might end up having that \$7 million dollars -- the difference there -- left over. You may. You may not, but you may, right?

MR. Da SILVA: (Indiscernible).

ASSEMBLYWOMAN DiMASO: And then you use-- Right.

MR. Da SILVA: Yes, so I can say it's not going to be left over, because we already have the schools identified; they're just not in construction, so we don't need that money right now. And so we're trying to be good stewards of taxpayer dollars, right? So if you pull all the funding-- Can I pull the \$750 million? Let's say the State could afford it, and I pull the \$750 million right now, I'm going to use all of it, or a significant--

ASSEMBLYWOMAN DiMASO: Where did you get that-- Is that the \$750 million from there, the \$8.9 billion to \$8.1 billion? That's the \$750 million?

MR. Da SILVA: No. So the Legislature has approved \$12.5 billion in bonding.

ASSEMBLYWOMAN DiMASO: Yes.

MR. Da SILVA: We've already pulled \$11.85 billion--

ASSEMBLYWOMAN DiMASO: Oh, so when you add up the three totals you just gave us -- the \$8.9 billion, the \$3.45 billion, and the \$150 million, that comes to \$12 billion?

MR. Da SILVA: It comes to \$12.5 billion; it should come out to \$12.5 billion.

ASSEMBLYWOMAN DiMASO: Okay. And so what's left out of that, that you haven't spent yet, but-- It's allocated, just not spent.

MR. Da SILVA: Correct. Think of it as a home equity loan. You have the credit there; you only use what you need. So we're only going to pull that bonding when we need to pay for our bills, which will be -- those bills will be for new construction or construction projects.

ASSEMBLYWOMAN DiMASO: So I think -- and I'm not trying to put words in the Senator's mouth, but if there-- And just the way bonding works, if you have \$12.5 billion available in bonding -- right? -- and you've only used \$11 billion, you still have \$1 billion that you say is allocated. But sometimes we overestimate how much something's going to cost. And generally, in State government -- it doesn't happen a lot, but it happens occasionally -- the dollars that are remaining-- I believe the question is, if there are any dollars remaining, would you consider reallocating them for one of these other projects -- air scrubbers, or any of those things? That's, I think, where we were trying to go with what your extra-- If there is extra money left over in the bonding, what would you do with that money?

Allocated and *spent* are two different things, right?

MR. Da SILVA: Right.

ASSEMBLYWOMAN DiMASO: So if it doesn't get spent, what is your plan to -- what is the plan for the leftover, if there is any leftover money?

MR. Da SILVA: All right. So if I can talk about emergent projects real quickly.

So we have 11 projects, emergent projects going on right now, which go to that type of work. It's boilers, it's roofs, it's windows, it's doors. I guess air scrubbers could fall into that category, if the school already had one and we needed to replace it.

But aside from those 11 projects, we're looking at a possible other 19 that would tap into funds that are remaining in the program.

ASSEMBLYWOMAN DiMASO: Okay.

MR. Da SILVA: And so, from where it stands right now, I don't know that we have enough money for the 19. We may have to cut it off at one point in time, and we'll have to figure out which ones are the more urgent projects that need to be addressed. So we do look at it from that perspective.

I wanted to talk about something else you said before--

ASSEMBLYWOMAN DiMASO: Sure.

MR. Da SILVA: --where you said the squeaky wheel gets the grease. So it really doesn't work that way. So we really focus on the need.

ASSEMBLYWOMAN DiMASO: Okay.

MR. Da SILVA: We try to address the need of a district. So with Elizabeth, we'd love to work on a project in Elizabeth, but there's no land right now. So our first step would be to sit down with a district and

identify where their needs are so we can identify the right sized property for the right sized facility. We do have other ones that the need is identified, and we do have land, so it allows us to move quicker there. But it's not because they're the squeaky wheel. It's because during the first traunch we have land; we need the meetings with the district; and it allows us to move quickly with those and start to tee up with--

SENATOR CRYAN: Don't you also need some flexibility? For example--

ASSEMBLYWOMAN DiMASO: That was going to be my point.

SENATOR CRYAN: Yes, you have four schools in Elizabeth -- four Catholic schools that just closed in the last year, to the Assemblywoman's point. You need some flexibility, too, to be able to maneuver, right?

MR. Da SILVA: We do, but-- So one option is -- and we've done this before -- when we know there's a Catholic school available -- we've done this in Paterson -- we went and bought the Catholic school. We need to do some work to it now, but it's being used as swing space. But ultimately, the goal is to give the school district a facility that already exists. It saves the taxpayers dollars--

SENATOR CRYAN: The Cardinal took a walk in Elizabeth, so you can take a look at it.

I interrupted, and I apologize. I'm sorry.

ASSEMBLYWOMAN DiMASO: That's okay.

I think to your point-- I mean, I think that this has to be weighted. I understand if there's land available so you can move a little more

quickly; but there are 7,000 students in Elizabeth. It's not my district, so, you know-- But it's still kids -- right? -- 7,000 kids who are crammed into one spot, because you don't have physical space. Like, we have to really think outside the box -- to Assemblywoman Jasey's point -- we have to start, like, just prioritizing. I think it's more important that we get 7,000 kids a spot, however we have to do it then. Because, I don't know -- Smithtown has a piece of land that we can build a building on. So I just think that-- And we'll help you with that; I'm not one to complain and not offer a solution. I think that -- I mean, certainly Senator Cryan knows the area exponentially better than any of us. But if we have those Catholic schools, I think--

When you said 7,009 students, I nearly fell off my chair. That's just mindboggling to me. And these kids are our future. Make no mistake about it. This past year and this pandemic, where-- We have enough issues to set them back; another 7,000 kids is heartbreaking.

But if I can just ask you one thing; I want to clarify.

When you were going through boilers, windows, doors, air scrubbers that you can replace, if there was one-- So for the SDA to pay for it, it has to already be in existence? Or did--

MR. Da SILVA: Yes. So when you talk about emergent projects, it has to already be in existence so we can replace it. If it falls outside that-- So let's talk about ventilation.

ASSEMBLYWOMAN DiMASO: Well, there are no air scrubbers; it's a brand new product. So how do we fix that? How do we fix that an air scrubber can become emergent because of this pandemic? We make legislation? Because we'll do that; we have lots of people on this call who can do that for you.

MR. Da SILVA: I think legislation would allow you to do that.

But the DOE has-- So they have the funds. I think the quickest way is to get the money to the districts and allow them to buy them and have them installed.

Now, there's one issue with that. In this day and age, it's availability of the scrubbers and getting the contractors out there to do those installations which is very tight right now. With anything that's PPE or COVID related, it's very difficult right now to get contractors to get out there.

But listen, if there's an idea, we're willing to work with you. Obviously, we've worked with the DOE on Alyssa's Law; we've worked on the mercury in floors. Listen, we've changed our program; we went to design-build, because it was more efficient. It was quicker to deliver schools. So if there's another way, we're about creativity.

ASSEMBLYWOMAN DiMASO: Thank you, Manny.

MR. Da SILVA: We're willing to do that, and work with you.

ASSEMBLYWOMAN DiMASO: Thank you, thank you.

I've taken up a lot of time; thank you.

ASSEMBLYWOMAN DeCROCE: Chairman--

SENATOR RICE: You're good, Assemblywoman?

So Assemblywoman, if you'd put some of your thoughts down, also, and share with us--

ASSEMBLYWOMAN DiMASO: Absolutely.

SENATOR RICE: We need to have a discussion with the Committee about some of these things and not be silent, and find out where we should be.

And I'm glad you raised the question -- that Elizabeth is not your district. Because our responsibility, as a Committee, is looking at all the districts.

ASSEMBLYWOMAN DiMASO: Everybody, yes.

SENATOR RICE: And that's why I was concerned, for a number of years -- I went up there many times -- with Phillipsburg, when they had all those trailers up there. And at some point in time -- I'm going to let people ask questions -- but before we wrap up Manny, let us know how we're situated in Phillipsburg.

But I know Assemblyman Wimberly wants to comment, and Assemblywoman DeCroce wants to comment, okay?

Assemblyman Wimberly.

ASSEMBLYMAN WIMBERLY: Thank you, Senator.

And I apologize; I'm multitasking. I'm in the car now, actually (laughter).

But the SDA has done a good job in Paterson thus far. But COVID really exposed so many issues when you have 19 buildings over 100 years old. And as they make plans to return to school, obviously that's a concern with many of the constituents and the families in the community.

Like, if we were having issues before COVID with ventilation, and heating, and buildings being too hot in the summertime and too cold in wintertime -- I hope some of the funding that has come in through Federal dollars and through State dollars has addressed this, and I know -- I'm listening -- it's been addressed.

I just want to also, briefly, talk about the work you've done with the Catholic schools closing. I believe our last Catholic school was closed,

here in Paterson, last year, and that has continued to be a good partnership to move into those buildings -- in particular, Manny, 764 11th Avenue, old Paterson Catholic, because it has parking, which is a rarity here. When you're on 8.4 square miles and 150,000 people, parking is a major issue.

So when you could get a facility like that with parking-- I hope offline -- and I'll e-mail you -- if you could update me on that facility. I know it's being used as a swing space now, but what are the future plans for it?

And like I said, I just look forward to working with you and reading your plan. I didn't get the e-mail until after we started talking. But I look forward to working with you on the dollars and things like that. I hope -- I think we're all here for every district to make it work.

So thank you for your work.

MR. Da SILVA: Thank you very much.

You know, on Paterson Catholic, real quickly, it's being used as a swing space. We don't have money to do more. I think that they're-- They're our partners; I mean, we talk to them all the time. They want to do some renovation work, but without funding in place, we really can't do the renovations that they're looking for. Because I think they have grand ideas for that school and utilization of an existing facility; it just needs some work to be done to it. So when reauthorization becomes available, I think that's another discussion to have with Paterson and see where we go from there.

ASSEMBLYMAN WIMBERLY: Okay, thank you.

SENATOR RICE: Assemblywoman DeCroce.

ASSEMBLYWOMAN DeCROCE: Yes; just in closing, I want to touch on what Assemblywoman Jasey has spoken about -- regionalization and maybe starting out at high schools.

I can tell you -- and I'm not going to tell you when, because then I would have to tell you my age -- but I was a product of a regional district in Morris County, the Morris Regional District -- which is Morris Hills High School and Morris Knolls High School. And it works. And the way they share, and they have different courses that one school has and the other doesn't -- and it works; it really works. So it may be a regional district we just take a quick look at and see how that is working, because it's been many, many, many years.

And just one other thing, Manny, I wanted to bring up. I was at a meeting last week for Parsippany, and they have -- a Board of Education member was there -- and they were putting additions on all the grade schools. And yet, Saint Christopher's is not occupied anymore, and it's a pretty good school with a ton of parking and that. And my first question to them was, "Have you gone to the State about purchasing Saint Christopher's, instead of all these additions, and just reallocating the children?" And they said, "No, the State said that we have to put the additions on; we can't buy the school."

So I want further discussions with you to see why that was being said to me. But it's a pretty good school in a great -- in the center of Parsippany. So I would hope that maybe we could talk about that later.

MR. Da SILVA: So I'll be honest with-- You know, I'm willing to have a discussion; I'm not sure that it's us. It may not-- I think when they say *the State*, it may not be the SDA, it may be the DOE. But it maybe just needs some clarification on that. I don't think it's us.

ASSEMBLYWOMAN DeCROCE: Yes, and I-- If we could get to the-- No, no, not necessarily. I was not blaming you. I'm just--

MR. Da SILVA: No, no; fair enough. (laughter)

ASSEMBLYWOMAN DeCROCE: Yes. Thank you, thank you very much.

MR. Da SILVA: And then I think one last point to make here is, when we talk about the high school-- So there's something that we've seen at SDA in working with Trenton and Camden, and I'll even take it one step further on the elementary side with Passaic-- So when we did the high school, Trenton Central High School has five small learning communities. And so what they do is, each one goes to their school, but they're able to share the auditorium, the gymnasiums, and the cafeteria. So that's where they reconvene and they see their friends. Other than that, they're in their small learning community.

Now Camden is doing the same thing. They have four small learning communities; so they'll go -- during their day they'll go to their specialized learning, or what they want to focus on. During their common area -- or common periods, then they meet up, whether it's in the gymnasium, the cafeteria, whatever it is. So there's a move to small learning communities. Perth Amboy is grounded in that same thing, which allows-- That's why it's so many students, but they are -- it's focused in the sense that small learning communities focus on a certain aspect of their education.

And then lastly, to Assemblywoman Jasey -- I thank you for the compliment and the 15 years. But I have to say, I'm only as strong as the team that's behind me. And so I have a great team with me. And so if it's a good presentation in the past 15 years, it's because of the people who work with me and support me. The staff at SDA -- I've been with them for, I guess, 11 years now. An amazing staff; they do tremendous work, and I think they'll

continue to do that. And it's obvious in today's presentation, if that's your takeaway, it's because of them that I look so good, I guess. (laughter)

Thank you.

SENATOR RICE: Assemblywoman DeCroce is right. We need to take a look, at some point in time, at the Department of Education and SDA, and get clarity on who is doing what. We know some stuff is in transition, but also that issue of flexibility. I think that's important, because flexibility oftentimes saves us money. And sometimes it doesn't save us money, but it gives us the ability to accomplish a goal that is very necessary.

Manny, we're going to wrap soon, but I have a couple of questions that I'm going to always raise. And oftentimes it offends members of the Legislature when Black Caucus members, and Latino Caucus, and women raise the question, because we're serious about it.

All the projects that are taking place -- the Patersons, the Clevelands, and everything else; the emergents -- how are we doing with women and minority participation? Because we know labor is always saying project labor agreements, and we're saying that's wonderful. But we cannot be sitting up in union halls when work is taking place.

And that's not just in the urban communities. If we're doing work in Parsippany, I should be able to ride up there and see women and minorities participating -- a good diversity of workforce, where feasible.

So can you kind of enlighten us on how we're doing?

MR. Da SILVA: Yes.

So let me give you -- Senator, let me give you some breakdown on the contract awards in the workforce here at the SDA.

So if you look at ethnicity-- So African American work hours, as a percentage -- we're at 7.82 percent. If you look at Hispanics, we're at 16.85 percent. Then we have American Indian and Asian, which make up another 0.9 percent. So in total we're at 25.93 -- so 26 percent of workforce hours go to total minority participation. So the other 75 percent is other categories.

Does that answer your question?

SENATOR RICE: So I always tell people when we talk percentages--

MR. Da SILVA: Right.

SENATOR RICE: I don't like percentages; I like numbers.

MR. Da SILVA: Okay.

SENATOR RICE: So if we have, for example, 100 people working on a job -- okay? -- if we talk hours, then 30 percent of the hours could go to minorities, but it could be the same minority. I'd like to know what is that breakdown, because that's where we lose the battle. Because what some unions will do -- they have their favorites within the union halls.

MR. Da SILVA: Right.

SENATOR RICE: And they'll move them around, but they'll count the hours that minorities have. It's the same "small group of minorities and women."

So do you have that kind of a breakdown in your shop? And if not, can you take a look at creating that type of breakdown? And if you can't do it, I will show you how to do it. (laughter)

MR. Da SILVA: So listen, we can do it, and we have it, and I can get it to you. How's that?

SENATOR RICE: That's going to be important, okay? Because we work with unions, and Democrats in particular, and they always ask and we're always saying, "yes, yes." But then when we start raising the minority piece, they get angry with us, want to call us *racist*, don't want to support us, have people knocking doors against us. But we're not going to be silent, as minorities and women, on that issue regardless. We're going to support people and small businesses.

The final thing is, can you just tell me where are we with Phillipsburg? Because it got quiet; I knew we were doing some good things up there. And I just wanted to see where we're supposed to be

MR. Da SILVA: Right. So I believe that Phillipsburg's need has been addressed. The last facility that we delivered for them was their brand new high school, and it's going back, probably, four to five years. And when I look at the Statewide Strategic Plan, I do not see them on the list. And so our Statewide Strategic Plan is grounded in the DOE's 2009 *Educational Facilities Needs Assessment*. So if there was a need, I think we would have seen it in that DOE EFNA study that they did in 2019, the Educational Facilities Needs Assessment. So as of right now, my understanding is that their need is fulfilled; they don't have an additional need at this point in time.

I can look into it, if there's--

SENATOR RICE: That's good; I just wanted to be sure, because there were so many trailers up there, I thought it was just a trailer park, not a school district. And I know that Assemblywoman DeCroce, and others -- we had concerns; we've been up there. And it was quiet, so that made me feel good in one sense; but then I got nervous and thought maybe they're quiet because nothing is really happening.

I'm going to ask the staff, Becky and Ivy -- we are being recorded, is that correct, Becky? Is this being transcribed, Becky, Ivy?

MS. POMPER (Executive Assistant): Yes, sir.

SENATOR RICE: Okay, so I'm going to ask that we get these transcripts -- ask OLS to prepare these transcripts as quickly as they can to get them to all of the members. Because I think there are some important issues that we raised today. And I know that the members of the Committee raised some important questions that may be cause to do legislation. Whether they want legislation or not, we may put something together anyway, so that they know that we're serious about moving things forward.

Does any other member have any question or comment before we close out?

ASSEMBLYWOMAN DiMASO: Senator--

SENATOR RICE: Yes.

ASSEMBLYWOMAN DiMASO: Both my Co-Chairs -- and Assemblywoman Jasey -- last time we met, we met with the DOE -- it has nothing to do with you, Manny; you're off the hook here (laughter) -- there was like a series of questions we asked. Did we ever get answers to any of those questions?

SENATOR RICE: Becky, Ivy? Because I don't recall receiving them.

MS. SAPP (Executive Director): Yes, I'm still waiting on a response.

ASSEMBLYWOMAN DiMASO: If we could follow up with that, that would be great. It's about getting the kids back in school and all

those things. Like, to your point, Senator, kids need to get back in school, and how we're doing that would be important.

SENATOR RICE: Was that the meeting that Assemblywoman Jasey chaired when I couldn't make it?

ASSEMBLYWOMAN DiMASO: Yes.

SENATOR RICE: Okay. So staff, would you tell them that we know that with COVID-19 people work from home. But we would like those questions answered right away.

MS. SAPP: Absolutely, Senator.

SENATOR RICE: And make it-- In your communications, just make it clear that we're not the type of Committee that has a lot of patience for responses to questions, okay? (laughter) No, really; indicate that I've said that to them. And they know how I operate, okay? Yes?

MS. SAPP: Yes, Senator.

SENATOR RICE: Okay.

ASSEMBLYWOMAN DiMASO: Thank you, ladies.

MS. SAPP: You're welcome.

SENATOR RICE: Okay. And if there are no other questions or comments, let me thank you very much, Manny, for the work you're doing. I think you're the right person for that job in the time that we're in. Because a lot of transition took place, but you've been there from day one.

And we've got your back on the things that you need; and we would debate you and argue with you on the things that we know we need -- okay? -- that people push back on. And we know that you work for somebody; I always remind the directors and commissioners we all work for somebody. So when things get out of hand, we'll go to the Governor. But as

long as you're doing what you're doing, we're going to be there for you, and will do whatever legislation is necessary that you think you need. But we'll also do legislation that's necessary that we think we need collectively, okay?

With that being said, I'm going to end this session of our meeting, and we're going to leave the Zoom now.

Thank you very much everybody. Have a nice rest of your day.

ALL: Thank you.

MR. Da SILVA: Thank you; I appreciate it. Thank you for all your comments.

(MEETING CONCLUDED)