

School Construction Project Update

New Jersey Asset and Rebate Program (NJARM)

- NJ/ARM provides both comprehensive investment management and arbitrage rebate services for bond issues. Arbitrage rebate services are provided at no out-of-pocket cost to the District so long as the proceeds are invested in NJ/ARM. Only School Districts and other local units are eligible to invest in NJ/ARM.

Original Value Upon Investment: \$31,412,000

Current Value: \$31,490,141.13

Additional: \$78,141.13 (in interest)

School Construction Project Update

- As of today we have 100 responses for the PreK-4 and 5-8 school names.
 - Just a reminder that the deadline for submissions is this Friday, December 23.
- Still waiting on final DCA approval before we can go out to bid.
- Furniture Design Committee
 - Clevertouch Interactive Panel (PreK-4)

How does a contractor pre-qualify to bid on a school construction project?

- Contractors who want to bid on school projects need to be classified by the NJ Treasury Department Division of Property Management and Construction (“DPMC”).
- DPMC is tasked with classifying public works contractors as to the type and amount of work they may provide.
- Contractor wishing to be classified by the DPMC must submit a Request for Classification to the DPMC which fully describes the company’s financial ability, responsibility, plant and equipment, organization, ownership, relations and prior experience.
- DPMC evaluates this information prior to assigning a classification as to the specific construction categories and maximum aggregate workload for which a contractor is eligible to bid.
- Trade classifications include, among other trades, General Construction, Structural Steel, Plumbing, Electrical, HVAC.

How does a contractor pre-qualify to bid on a school construction project?

- A financially strong and experienced contractor could be given an aggregate rating of “Unlimited”, meaning that they may bid on any project regardless of its amount and regardless of the amount of uncompleted work the contractor currently has in the field.
- Contractor with a smaller aggregate rating, i.e., \$2,000,000 would not be able to bid on any public work project which, when the amount of the bid for the project is added to the amount of uncompleted work the contractor has (both public and private), exceeds \$2,000,000.
- Contractors are required to certify in their bids that the bid will not cause them to exceed their aggregate rating. As an aside, the aggregate rating helps weed out smaller contractors from bidding on larger projects.

How does a contractor pre-qualify to bid on a school construction project?

- The district's architect determines what DPMC classification the bidder must have in order to submit a bid on the project.
 - 5-8 building: General Construction Classification (C008 - new)
 - PreK-4 building: General Construction (C009 - Alterations/Additions)
- The contractor selected will be the contractor determined to be the lowest responsible bidder in response to a public advertisement for the project issued by the district.
- The lowest numerical bid that substantially complies with the requirements of the bid specifications is generally the “lowest responsible bidder”.
- The district does not get to choose its subcontractors.