HUDSON COUNTY IMPROVEMENT AUTHORITY

IN THE MATTER OF
THE SPECIAL BOARD MEETING

: TRANSCRIPT OF
: PROCEEDINGS

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WEDNESDAY, APRIL 6, 2016
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY 07306
COMMENCING AT 5:35 P.M.

BOARD MEMBERS:

FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN
STEPHEN J. GALLO, TREASURER
FRANK LORENZO, SECRETARY
MARTIN T. MARTINETTI, COMMISSIONER (ABSENT)
FRED M. BADO, COMMISSIONER (ABSENT)
JOHN PENEDEA, COMMISSIONER
NICHOLAS GOLDSACK, COMMISSIONER
JEFFREY DUBLIN

APPEARANCES:

NORMAN M. GUERRA, CHIEF EXECUTIVE OFFICER
KURT CHERRY, EXECUTIVE DIRECTOR/CFO
WILLIAM J. NETCHERT, ESQ.
GENERAL COUNSEL TO THE BOARD

ELIZABETH RAMOS, EXECUTIVE ASSISTANT

SHARON PALMER
CERTIFIED SHORTHAND REPORTER

R.J. O'CONNELL ASSOCIATES,
P.O. BOX 277
CEDAR GROVE, NEW JERSEY 07009
(973) 239-7252
ALSO PRESENT:

AMIT JANI, VISION MEDIA
LESLIE G. LONDON, ESQ. (McMANIMON SCOTLAND &
BAUMANN)
MARY-ELLEN GILPIN, HCIA
JAMES POLICASTRO, HCIA
TJD DOMURACKI, CONSTRUCTION MANAGER for HCIA
DONNA OGORMAN, DMR Architects
LLOYD A. ROSENBERG, DMR Architects
DONALD N. DINALLO, TERMINAL CONSTRUCTION
JOHN CAPITANO, EPIC MANAGEMENT
JOEL G. LIZOTTE, EPIC MANAGEMENT

CHAIRMAN PESTANA: Welcome to the
meeting of the Hudson County Improvement
Authority.
Please rise to salute the flag.
(At this time the Pledge of Allegiance
is recited.)
CHAIRMAN PESTANA: Liz, would you call
the roll.
MS. RAMOS: Commissioner Bado. Not
present.
Commissioner Doran.
COMMISSIONER DORAN: Here.
MS. RAMOS: Commissioner Dublin.
COMMISSIONER DUBLIN: Here.
MS. RAMOS: Commissioner Gallo.
COMMISSIONER GALLO: Here.
MS. RAMOS: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Here.
MS. RAMOS: Commissioner Lorenzo.
COMMISSIONER LORENZO: Here.
MS. RAMOS: Commissioner Martinetti.
Not present.
Commissioner Peneda.
COMMISSIONER PENEDA: Here.
MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Here.
MS. RAMOS: Mr. Chairman, we have a
quorum with seven board members present, two not
present.
CHAIRMAN PESTANA: Thank you.
Mr. Netchert.
MR. NETCHERT: Yes, Mr. Chairman.
As you know, this is a Special Meeting
of the Hudson County Improvement Authority.
Notice of tonight's meeting was forwarded to the
New Jersey Journal and Star-Ledger for publication in
those respective newspapers on April 4th, 2016.
Notice was also forwarded to the Clerk of the
County of Hudson and Clerk of the Hudson County
Board of Freeholders for posting on their
respective bulletin boards as well. And notice
was posted on the bulletin board outside of this
meeting room as well as on the Authority's
website.
These notices are all in compliance
with the requirements of the Open Public Meetings
Act.
CHAIRMAN PESTANA: Thank you, Mr.
Netchert.
At this time we'll take comments from

the public on anything pertaining to the agenda.
Seeing none, the public portion is now
closed.
MR. GUERRA: Resolution 4-2016-3
Special Board Meeting of the Hudson County
Improvement Authority authorizing the awa'd of a
contract for design-build services for
construction of a new High Tech High School in
Secaucus, New Jersey.
If you recall at our March board
meeting this Board had provided authorization for
the Authority to enter into the MOU with the
Hudson County Building and Construction Trades
Council. At that time the purpose of the MOU was
to insure that minorities, women, and those
economically disadvantaged were offered
opportunities to participate in an apprentice
program.
At that time I had also updated the
Board on a schedule of the project.
Since then, on March 29th, the review
and evaluation of the technical proposals had been
completed and non-price scoring had been disclosed
prior to the public opening of the sealed price
proposals.
We also discussed our intent to complete the review and evaluation of the proposals by April 5th and action by this Board on April 6th.

At this time I'll turn it over to Ted Domuracki, who is the Selection Committee Chair - or to Leslie, I'm sorry, to Leslie to discuss, who is not the Chair. As you know, Leslie is our attorney that managed this whole process and Leslie will discuss the memo that she had presented.

MR. NETCHERT: Leslie London is here from McManimon, Scoland & Baumann. She is special counsel to the Authority and she has acted as the counsel advising the Authority and interacting with the Schools Development Authority and the Office of the State Comptroller on this whole matter throughout.

MS. LONDON: Yes. Good evening everyone.

I want to spend a couple of minutes just going back to set the stage and to give information on the process that was followed here. We're at the end of the process or at least part of the process at this point, but I think it's important to understand how we got to where we are today.

Back last year, June of 2015, Governor Christie signed Chapter 58 Public Laws of 2015 into law, and that legislation permitted a county Improvement Authority, such as yourself, to proceed to finance a project on behalf of a school facility group, the Hudson County Schools of Technology, to finance the project and to also proceed with a procurement to have a design builder construct the project.

The legislation required the Improvement Authority, if they were going to proceed with such a project, to do so in accordance with the regulations of the New Jersey Schools Development Authority. The important factor here is that this whole process has been governed and we had to adhere to the regulations of the NJSDA. This binder here contains a good deal of those regulations that we had to follow throughout the process.

Also important is that because the project was expected to exceed $10 million we were also subject to review by the Office of the State Comptroller, and that review involved a submission of any procurement document. In this case it was a Request for Qualifications and the Request for Proposals, which I'll get into a little bit more detail in a minute. But both of those documents, in the draft form, had to be submitted to their office to their legal staff for review prior to issuance.

Those documents were submitted. They were thoroughly reviewed. We received comments back and forth. They asked us to make changes here and there. Those change were made. And once all of the comments or changes were addressed, they provided an approval to the Authority to proceed to issue the RFQ and the RFP.

So the regulations that we are governed by, as I mentioned before, are the New Jersey Schools Development Authority Regulations, N.J.A.C. 19:36-1 et seq, and these regulations, which are very detailed, set forth the process that needs to know followed.

It requires the appointment of members to serve on a selection committee, to do the review, the HCIA would have three members and the Hudson County Schools of Technology would have two members.

This also involves a two-phase process, the first phase being an issuance of a Request for Qualifications. That document invited potential companies to submit their qualifications to the Authority for review by the Selection Committee to make a determination whether those companies could even, in fact, submit a bid or a proposal to do the work.

The RFQ was set up based on the regulations. There is specific criteria, specific qualifications, specific documentation that had to be submitted by each of the companies in order to qualify and be listed on a short list in order to participate.

That was all done in accordance with the NJSDA regulations and was approved by the Office of the State Comptroller. There were five companies, or four initially and one added, to submit a proposal.

Those companies were, in alphabetical order: Dobco, Epic -- MR. DOMURACKI: Prismatic.

MS. LONDON -- Prismatic, Terminal and Ernest Bock. Ernest Bock had subsequently decided
not to pursue a Request For Proposal, so they dropped out. So ultimately it was the four companies.

After the Request for Qualifications went out and the selection of the companies were made the RFP went out. And again, as I mentioned previously, the Request for Proposals again had to go to the Office of State Comptroller for review.

The document itself was based on the Request for Proposals issued by the New Jersey Schools Development Authority. We didn't start from scratch so to speak. We used what the NJSDA was using in their processes.

We developed a relationship with the SDA. They reviewed some of our documents, they provided a good resource to the Authority for questions that came up, and they were very helpful along the way.

We had set forth a very detailed project schedule, it's almost two pages, a page and a half, but starting with the issuance of the Request for Proposals. We had a period of time where the companies could provide or submit questions regarding the Request for Proposal document.

This is just one volume of the document that went out to each of the four companies. There is a larger document, which is probably twice the size of this, maybe three times, that contained all of the technical specifications and requirements that the companies were required to meet in their proposal.

As I mentioned, the companies were given a period of time to submit questions. We received 323 questions over a period of -- how long was that? Two, three weeks?

MR. DOMURACKI: Three weeks.

MS. LONDON: Just to give you a flavor, there was 187 from Terrval, 77 from Epic, 43 from Dobco, and 16 from Prismatic. We were required to respond to each of these questions, which we did, and we issued six addenda.

One of the addenda that came out came about as a result of a resolution that was passed by the Hudson County Board of Freeholders asking that we revise our Project Labor Agreement, which was part of this document, to insure that there was inclusion of Hudson County women, minorities and small businesses as part of the project. That was done.

We had to amend certain parts of the proposal document. And it also had to be resubmitted, at least that portion of it, to the Office of the State Comptroller for review to make sure that everything was in compliance with their regulations. They gave the sign-off. We changed the date from February 23rd for the submission of proposals to March 11th. And on March 11th we received four proposals.

The process itself was a two phase - well it's two parts. The companies had to submit a technical proposal and then a sealed price proposal. So in their submission we received two things.

The technical proposals contained - we required I think there was probably at least 25 forms that need to be filled out, a whole host of documents, certifications that we required of the companies. Each of their technical submissions I would say was this large. That was given to each of the Selection Committee members. However, prior to them reviewing those technical proposals they were required to sign a certification that they did not have any conflict of interest with respect to any of the respondents or their subcontractors or subconsultants.

The sealed price proposals were put in a safe or some safe place by the Authority pending the opening that was done on March 29th. I want to have Ted discuss the Selection Committee process.

The process, technical review, is worth 50 percent. The price proposal is worth another 50 percent. The scoring and the criteria that's to be taken into consideration regarding the technical proposal was set forth very specifically in the RFP and it was based on the regulations, and it was also based on the criteria that the NJSDA uses in their documents.

MR. DOMURACKI: Good evening, commissioners.

We're the construction manager for the Authority and I was head of the Selection Committee that was elected for this process. Each proposer submitted ten copies of the proposals and an electronic digital copy. We distributed the original proposals with financials to only the Selection Committee.

The financials were removed and copies were sent of the proposals to the Bridge Documents
Team. The Bridge Documents Team worked with us to come up with a basis for design, which the proposals were based upon. The Bridge Documents Team received copies of the proposals and were given a week to review the technical aspects of the job and report back to our Selection Committee.

As Chairman of the Selection Committee I convened the committee, talked about the ground rules, went through the scoring criteria. The scoring was done at each level at RFO and RFP independently. So we all got copies of the proposals. We reviewed them.

We had, on March 17th, a briefing by the Bridge Documents Team for any technical aspects from each proposal.

On March 22nd we then conducted interviews with just the Selection Committee in attendance.

After that, prior to opening the scores, the Selection Committee, independently, completed all of the scoring sheets which I collected and passed on to Leslie for publication on March 29th.

MS. LONDON: It might be helpful to understand the criteria that went into the technical evaluation.

The respondent's experience on projects of similar size, cost and complexity; identification and qualification of respondent's key team members; respondent's design consultants' experience on projects of similar size, cost and/or complexity; identification and qualification of design consultant's key team members; respondent's demonstrated prior Affirmative Action experience and plan inclusion, and that was the item that was added subsequently; respondent's overall approach to the project; respondent's approach to the schedule, and respondent's approach to LEED requirements.

So these seven or six areas were the areas that each of the Selection Committee members had to do the review to make their evaluation.

MR. NETCHERT: I just think it's worth making the point that Ted commented or glossed over fairly quickly when he said interviews were conducted. The entire Selection Committee met on a full day is my understanding.

MR. DOMURACKI: Correct.

MR. NETCHERT: And then met face-to-face with each of the four who had met --

MR. DOMURACKI: Each team had 45 minutes to do a presentation and a 30-minute question period.

Questions were asked by the Selection Committee of any areas that were not addressed within their proposal.

CHAIRMAN PESTANA: Who was on the Selection Committee?

MR. DOMURACKI: Kurt Cherry from Hudson County Improvement Authority; myself, as a representative of Hudson County Improvement Authority; Jim Doran from Hudson County Improvement Authority; Nick Fargo from Hudson County Schools of Technology; and Joseph Sirangelo from Hudson County Schools of Technology.

MR. NETCHERT: Commissioner, as you recall, a resolution of this Board had to approve the appointment of the three members selected from the Authority; and there is a resolution, a companion resolution by the Schools of Technology approving the appointment of their two selected members to the committee.

COMMISSIONER DUBLIN: So it was a total of five.

MR. NETCHERT: Five.

And again, I think the Schools Development Authority requires that the approving entity have the majority vote on the committee.


COMMISSIONER DUBLIN: And Norman, when I was on the Freeholder Board I thought that the freeholders decide somebody, a liaison, to oversee that. No?

MR. NETCHERT: The Selection Committee?

MR. DOMURACKI: No.

MR. GUERRA: No. We have a liaison.

MS. LONDON: No.

MR. GUERRA: As you know, Junior Maldonado is the liaison for the Freeholder Board. I don't believe Junior is here tonight.

COMMISSIONER DUBLIN: But they put a committee together just to --

MR. GUERRA: No. The only involvement, and counsel will correct me if I'm wrong, with the Freeholders was to do the bond ordinance for the financing.

MS. LONDON: Right.

And the selection process is set
specifically by the NUSDA regulations. So no one
other than those individuals from the Hudson
County Improvement Authority and Hudson County
Schools of Technology can serve on that committee.
COMMISSIONER DUBLIN: So who was the --
so Ted was the construction person with the
background that sat on the committee, right?
MR. GUERRA: Ted was on the committee
and he chairs that committee.
COMMISSIONER DUBLIN: But he has the --
MR. GUERRA: Knowledge.
COMMISSIONER DUBLIN: -- expertise, right? He has the expertise, right?
MR. GUERRA: Yes.
MR. NETCHERT: Just so that you know,
the commissioner, the qualifications of the members
chosen for the Selection Committee has to be
pre-approved by the Schools Development Authority
as well, or was it the --
MS. LONDON: Right. Again, the
regulations describes in broad terms those members
or the qualifications to serve on the committee.
So anyone serving would have to have met those
qualifications.
COMMISSIONER DUBLIN: And what are some
of the qualifications?

MS. LONDON: I think in general
knowledge of design-build; knowledge of the
school; finance, because you need someone for
finance, knowledge of construction.
MR. DOMURACKI: Process.
MR. GUERRA: Education.
MS. LONDON: Education. So it's kind
of broad, but you want to have a variety. You
don't want to have all in one concentration.
MR. NETCHERT: Jeff, I think you're
correct when you recall. If the County were doing
this, the Contracts Committee or the Construction
Committee probably would have been involved in the
process. But the County purposefully chose to
off-load this responsibility to the Improvement
Authority. So the rules changed.
MR. GUERRA: We did brief them on the
process --
MS. LONDON: Yes.
MR. NETCHERT: Yes.
MR. GUERRA: -- prior to their doing
the bond ordinance.
COMMISSIONER DUBLIN: I'm only saying,
because when I was on the Freeholder Board if
there is something that's ongoing, and I have been
off the board for two years, so I don't know if
between the two years what has been going on with
the project. So when I asked has any involvement
or sat on it, I remember some of the things that
was going on.
MS. LONDON: And the reason why the
Improvement Authority is doing the procurement
also is that the law, the way it currently reads,
it only allows the schools to construct a
design-build for the NISDA.
COMMISSIONER DUBLIN: Right.
MS. LONDON: Now with this new bill
County Improvement Authorities have been added to
that list. Municipalities can't do design-build
for the schools and Counties can't do it.
COMMISSIONER DUBLIN: Right.
COMMISSIONER GALLO: Mr. Chairman.
CHAIRMAN PESTANA: Yes.
COMMISSIONER GALLO: I have a couple of
questions.
Reference was made to the Comptroller
and the School Development Authority reviewing
packages before they went out. Did they have any
role to play in reviewing the results that came
in?
MS. LONDON: No.
COMMISSIONER GALLO: Okay.
Also, I'm looking at the chart here
with regard to the four proposals, and it appears
as if you got a horse race between two contractors
I'm assuming are equally well qualified and they
are within a hair's breadth or each other on the
price and also on non-price points.
How many non-price point criteria were
there?
MR. NETCHERT: Well, I think she just
said seven.
But you know, Steve, maybe we would be
better off having Ted finish the process.
COMMISSIONER GALLO: Oh, okay. Sure.
MR. NETCHERT: Maybe some of the
questions will be answered or maybe there will be
additional questions.
But I think there was seven. There
might be eight.
MS. LONDON: And they were very
specific and I read just the heading.
COMMISSIONER GALLO: Right.
MS. LONDON: But in each of those
categories it was part of a proposal document.

COMMISSIONER GALLO: Okay.

MS. LONDON: There is at least almost a
description of what goes into this evaluation
criteria. And in some cases it is two pages of
things that will be considered --

COMMISSIONER GALLO: Okay.

MS. LONDON: -- as part of the
evaluation documents that they had to submit,
resumes of members. It was a lot of information
that came in and had to be considered.

COMMISSIONER GALLO: Sure.
I'll let Ted finish and I'll ask my
questions later.

MR. DOMURACKI: So predominantly the
approach to the project and the schedule was that
the schedule for the project was very aggressive.
It was 27 months, 790 calendar days, 840 for full
completion. And that's to finish in June and
final completion in August before opening of the
school year of 2018.

So Leslie could talk about how much
points are for each. The approach was worth
25 points. The other pieces were LEED. Our goal
was to have a Gold LEED certified project.

As I said, the one with the highest
score is going to start in May, almost six months
earlier, and it is predominantly because they
changed the construction of the parking garage,
which is the platform for the administration and
part of the school, the general area, the
cafeteria and gymnasium, in that they don't have
to wait for the steel because they're going to
self-perform the concrete construction on the
project.

And the other overbearing issue that
the Selection Committee felt was important was
that the engineer had specifically stated times
and dates to obtain permits in an expedited manner
so that the contractor could start earlier, as
much as five to six months earlier, and continue
without interruption.

In terms of risk assessment to the
project, avoiding delays, weather impacts, all of
those types of things, starting earlier is a great
advantage to finishing within the 27 months.

MS. LONDON: The evaluation, also on
the price end, there was a specific formula that
the NJISDA uses that we followed by allocating
100 points to the lowest or the lowest number or

Some proposers all guaranteed gold, but
said they would try for platinum, which was of
very great interest to the school.
The PLA for MW Local NSBE was
predominant. Working with the Building Trades was
a very important aspect.
The proposer, who had the highest
score, his approach to the project of
self-performing a building, the platform and
cement which allowed access to start almost five
months earlier than other proposers, was a large
deciding factor.
The proposer with the highest score
also made the effort to meet with Patrick
Kelleher, the head of the Building Trades Council.
They identified specific manpower to every single
trade and when the trades would require
apprentices.

They then met with Patrick Kelleher to
get a commitment on specific body count of
minorities to add to the apprentice program.
Patrick Kelleher responded in a letter saying that
he would comply. All proposing firms did agree to
the terms of the PLA, which had this outreach
requirement in it.

lowest price in this case, which was Dobco, as you
see received 100 points. And then there was a
formula, which I won't read out, but I have it:
written, and if you want I can pass it down, but
it was rather complicated, to come up with the
point system. But that's how we arrived at the
93.443 et cetera. That was by a specific NJISDA
formula.

As to the selection process itself, it
is important to mention that each of the members
were charged independently doing their
evaluation. They met as a group for the
interviews. However, after that they were given a
form, everyone had the same form, and it was
probably at least 10, 15 pages --

MR. DOMURACKI: It was 17 pages.

MS. LONDON: Oh, 17 pages, to fill out
and to make comment and to give a score. And
there was a maximum amount of points for each of
those categories. Then those scores were put
together and totalled.

MR. DOMURACKI: Summarized, totalled
and divided by five.

MS. LONDON: And averaged.

MR. DOMURACKI: And averaged.
MS. LONDON: And I think it's important
to probably just read something. The SDA, as you
can well imagine, every time there is a
procurement and someone loses, they file a protest
because these are major projects. So they look at
many issues.

And one of the issues they looked at in
a October 30th, 2014 decision involved a protest
by the second lowest person claiming that there
was potential unfairness or favoritism because the
scoring on the non-price area varied. They had
requested a copy of the evaluation sheets, and I
assume they looked at it and saw that people
scored differently.
The response that came back --
The company there had claimed
differences between the scoring on the non-price
factors evidences improper favoritism.
The SDA said the design-build
procurement selection process benefits from the
separate and independent input of the selection
members whose assessment and scoring decision by
design may reasonably be expected to differ.
"Variability between and amongst
committee members scores is no indication of
a flawed or defective process, but is a
hallmark of the separate and independent
judgment that each committee member exercises
in the review and scoring process. In
recognition of this variability the selection
process provides for an averaging of the
total non-price scores of the selection
committee members' individual scores thereby
resulting in a blended final score on
non-price factors that fairly accounts for
inevitable scoring differences among the
evaluators."
So I think that kind of summarizes why
you will see in some cases varying different
scores and how the process envisioned that, and
that's why you have so many members and you do it
independently and then you compile everything and
come up with a average.

COMMISSIONER GALLO: And then the
average is added up to come up with the total
points?

MS. LONDON: That, with the price
score.

COMMISSIONER GALLO: Right.

MS. LONDON: And we have the
regulations which require that it be at least
50/50. Sometimes it's 60/40 depending on how you
want to do it. It was decided to be 50/50 here.

COMMISSIONER GOLDSACK: Did each one of
the criteria have a point value?

MS. LONDON: Yes.

COMMISSIONER GOLDSACK: What was the --
MR. DOMURACKI: On the technical
proposal side each of the criteria had point
values.

MS. LONDON: Yes. I know we changed
one.

The respondent's experience on projects
of similar size, cost, complexity. That was
25 points.

MR. DOMURACKI: Yes.

COMMISSIONER GALLO: That's a maximum,
25 points.

MS. LONDON: Maximum of 25 points.
Respondent's design consultant's
experience on projects of similar size. That's
15 points, is that correct?

MR. DOMURACKI: Correct.

MS. LONDON: Respondent's demonstrated
prior Affirmative Action experience and planning
inclusion. Initially we had that at 5 points, but
as a result of the Freeholders --
MR. DOMURACKI: Request.
MS. LONDON: -- request --
MR. DOMURACKI: And the change to the
PLA.

MS. LONDON: Right, and the change to
the PLA we felt that criteria, that point should
be higher. So that received 15 points.
Respondent's overall approach to the
project.

MR. DOMURACKI: That went from 30 down
to 25.

MS. LONDON: Yes.
Respondent's approach to schedule.

MR. DOMURACKI: That's 10 points.

MS. LONDON: That's 10 points.
And respondents approach to LEED is 10
points.

MR. DOMURACKI: Yes. And that went
from 15 to 10.

MS. LONDON: Right.

So that was the point allocation.

COMMISSIONER GOLDSACK: Thank you.

COMMISSIONER LORENZO: Question. With
reference to the small business, minority and
women, would you discuss with the company what
they have in place for that and how it is going to
work?
MR. DOMURACKI: The two highly ranked
firms had very sophisticated, well documented
processes within their company. They had sample
project files that they have used, sample
accounting sheets, okay. To talk about the
difference between two firms was the fact that one
firm listed specifically firms that they were
going to use within Hudson County as opposed to an
in-house policy for outreach they actually listed
firms that they would use and identified them as
part of their proposal.
COMMISSIONER LORENZO: Thank you.
COMMISSIONER GALLO: So that resulted
in a different score even though both were in
compliance?
MR. DOMURACKI: It was changed from 5
to 15 points --
COMMISSIONER GALLO: I understand that.
MR. DOMURACKI: -- because of the PLA.
Generally speaking there wasn't a
large - it was a small difference in the total
score. We're talking about the difference that
was 15 to 13 or 15 to 14. Usually it is like a
one point difference.
COMMISSIONER GALLO: But you said
earlier that all of the firms agreed to the PLA
requirements.
MR. DOMURACKI: Yes. That was addendum
five.
COMMISSIONER GALLO: You mentioned that
the two firms that were successful had a
sophisticated approach, both were equally
sophisticated --
MR. DOMURACKI: Yes.
COMMISSIONER GALLO: -- indicative of
compliance with Affirmative Action requirements?
MR. DOMURACKI: Yes.
COMMISSIONER GALLO: But they achieved
different scores for what reason?
MR. DOMURACKI: No. The one firm that
was recommended took the extra step of
specifically identifying how many people they
would need in the apprentice program, they
identified local business enterprises, Hudson
County enterprises, the amount of minorities
within each trade that they would need, and they
met with the Building Trades to confirm in writing
that they would get that support.
COMMISSIONER GALLO: Okay.
MR. DOMURACKI: Other firms used
examples from other projects outside of the
county.
COMMISSIONER GALLO: Okay. That's it
for the criteria, those six areas?
MS. LONDON: Yes. Two are combined.
When I read it out initially it was a combined
area.
COMMISSIONER GALLO: Experience,
design-build experience, Affirmative Action, PLA,
project approach, schedule and LEED.
MR. DOMURACKI: Let me just expand on
that for you, Commissioner.
The design builder had to give case
studies, which he was scored on, and he had to
give his staff that he was scored. So that first
part has two parts.
COMMISSIONER GALLO: Okay.
MR. DOMURACKI: And then his design
team, his whole entire design team that he's
responsible for, gave case studies, six case
studies to review. And we scored that as part of

item number 2, 15 points, and that staff that was
proposed with their related experience.
COMMISSIONER GALLO: Okay.
MR. DOMURACKI: So the first two parts
are four parts, two-case studies for the
design-build and consultant and their staff.
COMMISSIONER GALLO: With regard to
scheduling, you indicated that all of the
proposers indicated that they would achieve the
27-month construction schedule?
MR. DOMURACKI: Yes.
COMMISSIONER GALLO: So that would seem
to me that that would drive it all to the same
score.
MR. DOMURACKI: No, because everyone
else was starting in November. The other firms
were starting in May.
COMMISSIONER GALLO: Okay,
MR. DOMURACKI: And it's based on the
ability to obtain, the strategy of obtaining
permits in a timely basis to start earlier and the
difference in means, and not that they are
constructing what we call a palm of the hand on
that picture --
COMMISSIONER GALLO: Okay.
MR. DOMURACKI: -- out of concrete
instead of waiting for steel to be fabricated.
COMMISSIONER GALLO: And that avoids --
MR. DOMURACKI: That could avoid a bad
winter, that could avoid --
COMMISSIONER GALLO: I understand that,
but they all committed to meeting the construction
schedule.
The means and methods was left to them
to propose? It wasn't -- we didn't propose it?
They did?
MR. DOMURACKI: The basis of design
from the Bridge Documents Team, which are
architects, mechanical engineer, the full design
contingent, that the basis of design, what we call
bridge documents, called for a steel structure.
COMMISSIONER GALLO: Okay.
MR. DOMURACKI: One person proposed to
be built in concrete.
One firm got lower scores because
they're assuming the entire project could be built
with spread footings because there is fill as deep
as 35 to 40 feet on some areas.
Just generally through the interviews
it was clear from listening to geotechnical

Commitment to Hudson County, commitment to
schedule, commitment to basis of design and
implementation, commitment to qualified municipal
and K through 12 design partners, commitment to
LEED Gold, commitment to staff, commitment to cost
control. And in each of those areas they provided
comments why they believe their proposal should be
evaluated. However, once this came in it was
provided to the Selection Committee Chairman, who
then had a meeting with the Selection Committee
members --
MR. DOMURACKI: Correct.
MS. LONDON: And Ted can talk about
that.
MR. DOMURACKI: Correct.
MS. LONDON: But upon review the issues
and what was stated in the letter were items and
information that was part of their proposal, their
technical proposal, and/or came through as part of
the interview process. There was nothing new in
the Committee's review that they had not already
taken into consideration.
The NJSDA regulations are very clear
that if you are filing a protest, you have to
provide a factual basis, a legal basis, and
explained to you, that the Schools Development
Authority's position is they should not be
disclosed, and earlier on disclosed the position
that that's the reason for there being more than
just one or two. That's the reason there is a
number of people making that Selection Committee.
And the reason for it is to chilling affect it
would have by disclosing the names of the people
and now --

COMMISSIONER GALLO: I get it. I said
I'm not interested in the names.

MR. DOMURACKI: He wants to see the
individual scores sheets.

MS. LONDON: And that was provided as
part of the overall request to two of the
companies. That's a public document.

COMMISSIONER GALLO: It is not provided
to me.

MR. NETCHERT: Okay. Well, I guess you
could have it.

The only thing I would like to say in
regard to the discussion that's ongoing is that I
think the Committee that was selected was charged
with the responsibility of doing the process and
making the recommendation. They are a committee

the benefit of seeing the selection sheets and the
scorings, but the commissioners have not seen
them.

MS. LONDON: No. No one has seen them.

COMMISSIONER GALLO: The contractor saw
them in order to file the protest.

MS. LONDON: In this case, yes --

COMMISSIONER GALLO: He saw the score.

MS. LONDON: -- he had --

COMMISSIONER GALLO: He had the sheets.

MS. LONDON: With redacted names.

COMMISSIONER GALLO: I don't care whose
name is on it, but isn't that information that we
might have an interest in?

MR. GUERRA: No.

COMMISSIONER GALLO: Really?

MR. NETCHERT: As to how the five
members on the Selection Committee voted?

COMMISSIONER GALLO: What their scores
were.

MR. NETCHERT: You have them. You
would like to know how each of them voted.

COMMISSIONER GALLO: How individually
they stacked up.

MR. NETCHERT: And that's what he just

appointed by you. And it is obviously your
responsibility and obligation and right to either
approve their recommendations or not approve their
recommendations, but I don't think it's -- I don't
think it's right to the process for people on the
Board to try to change the process or interfere
with the process.

MR. GALLO: Respectfully, counsel,
asking for information is not interfering with the
process.

MR. NETCHERT: No. No. I didn't
suggest that that question was interfering with
the process. A number of questions have been
asked. I think we're asking more -- but depending
--

Who cares what the answer was going to
be. The issue was whatever the answer was going
to be what could you do about it. And the concern
I have is that's exactly why the process was
protected as much as it was. There was no one in
this room other than the people who sat on that
committee and Leslie, I guess, who knows what that
committee did individually and/or as a group. I
know Norman doesn't. I know I don't.

I'm sure if we gave them to a
contractor who asked for them, we would give them to you. The only question I have is once you have them, what good are they going to do except that you are going to see them.

COMMISSIONER GALLO: I guess what I'm concerned about is it's a pretty serious decision. It's a lot of money.

MR. NETCHERT: Absolutely.

COMMISSIONER GALLO: It's a lot of money. You know, $378,000 in the grand scheme of things is not a lot, but it is a lot in general.

These are like within a hair's breadth of each other and, frankly, the decision is being made on what seems to me to be subjective criteria.

MR. NETCHERT: The decision is being made on a process that had the right criteria.

COMMISSIONER GALLO: Forget the process, I understand that, but we're looking at people's experience. I don't know how you determine that this experience is better than that experience.

MR. NETCHERT: By the process.

COMMISSIONER GALLO: I don't understand it.

---

MR. NETCHERT: I think the answer is by the process. We could be having this conversation, the same conversation, if the people were reversed.

COMMISSIONER GALLO: Absolutely. You're absolutely right. I'm not disagreeing. I'm not trying to be difficult.

MR. NETCHERT: What I'm suggesting is the process that was followed was the best process that the Schools Development Authority felt was available and in a design-build process to come to a result.

There were no guarantees that the result wouldn't be a hair's breadth or would be a million miles apart. Nobody could predict that. But one could anticipate, I believe, that there would be a winner and there would be those that follow the winner. One could also anticipate, I believe, and if not, shame on people who are in the business, that those who are not the winners would be disappointed with the results. I think --

COMMISSIONER GALLO: That makes perfect sense.

MR. NETCHERT: -- that's a foregone conclusion. So there will always be winners and losers in this process.

COMMISSIONER DUBLIN: Mr. Chair.

CHAIRMAN PESTANA: Yes.

I just think that if it's the Board process to vote on the recommendation of the committee and for us to make a vote, we have to have a clear understanding of how did they come to their process and the voting and everything. So I mean as long as we're clear that everyone was given a fair process, and then we vote on it knowing that the next step is to make sure that the school is built next without any delays.

So I'm just saying that Steve's questions are not out of the ordinary. He is just wanting to verify that the committee did the due process and that the due process was done in a fair and just way across the board.

We don't have to necessarily have the names, but it's just having the score sheets could give you a better understanding of that.

MR. NETCHERT: I don't think anybody -- I don't think any -- the names were mentioned before. So of the five people who are on the committee, two of them are sitting here tonight.

---

MR. DOMURACKI: I have them if you want to review them.

CHAIRMAN PESTANA: I was going to suggest is there a way we can go into closed session to do that quickly? Not quickly. But if that's --

MR. GUERRA: We can go into closed session.

COMMISSIONER DORAN: I make a motion to go into closed session.

CHAIRMAN PESTANA: Motion by Commissioner Doran.

COMMISSIONER PENDED: Second.

CHAIRMAN PESTANA: Second by Commissioner Peneda to go into closed session. All in favor.

COMMISSIONER DORAN: Aye.

COMMISSIONER DUBLIN: Aye.

COMMISSIONER GALLO: Aye.

COMMISSIONER GOLDSACK: Aye.

COMMISSIONER LORENZO: Aye.

COMMISSIONER PENDED: Aye.

CHAIRMAN PESTANA: Aye.

MR. NETCHERT: I want this on the record.
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>MS. RAMOS: Commissioner Dublin.</td>
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<tr>
<td>2</td>
<td>COMMISSIONER DUBLIN: Yes.</td>
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<td>3</td>
<td>MS. RAMOS: Commissioner Gallo.</td>
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<td>4</td>
<td>COMMISSIONER GALLO: Aye.</td>
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<td>5</td>
<td>MS. RAMOS: Commissioner Goldsack.</td>
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<td>6</td>
<td>COMMISSIONER GOLDSACK: Yes.</td>
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<td>7</td>
<td>MS. RAMOS: Commissioner Lorenzio.</td>
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<td>8</td>
<td>COMMISSIONER LORENZIO: Yes</td>
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<td>9</td>
<td>MS. RAMOS: Commissioner Peneda.</td>
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<td>10</td>
<td>COMMISSIONER PENDED: Yes.</td>
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<td>11</td>
<td>MS. RAMOS: Chairman Pestana.</td>
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<td>12</td>
<td>CHAIRMAN PESTANA: Yes.</td>
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<td>13</td>
<td>MS. RAMOS: Resolution 4-2016-3 SBM</td>
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<tr>
<td>14</td>
<td>passes in the affirmative with seven board members</td>
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<tr>
<td>15</td>
<td>voting yes, two not present.</td>
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<td>16</td>
<td>CHAIRMAN PESTANA: Is there any other</td>
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<tr>
<td>17</td>
<td>business?</td>
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<td>18</td>
<td>MR. GUERRA: There is no other</td>
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<tr>
<td>19</td>
<td>business.</td>
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<td>20</td>
<td>MR. NETCHERT: Mr. Chairman, before you</td>
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<tr>
<td>21</td>
<td>leave let me give you some good news. He says</td>
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<td>22</td>
<td>there is no more. The Authority, as you know, is</td>
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<td>23</td>
<td>involved in a litigated matter with a hauler over</td>
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<td>24</td>
<td>waste trades, and it's my duty to inform you that</td>
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<tr>
<td>25</td>
<td>as of today each of you, except for you,</td>
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<tr>
<th>Page 47</th>
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<tbody>
<tr>
<td>1</td>
<td>Commissioner Goldsack, I haven't figured out why</td>
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<tr>
<td>2</td>
<td>yet, have received a notice to be deposed. I</td>
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<td>3</td>
<td>don't know what you have to do with the</td>
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<td>4</td>
<td>litigation, we will deal with it, but I figure</td>
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<td>5</td>
<td>I'll let you know your time and date is sometime</td>
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<td>6</td>
<td>in May. You don't know anything about it. You</td>
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<td>7</td>
<td>wouldn't know anything about it if and when you</td>
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<td>8</td>
<td>are deposed.</td>
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<td>9</td>
<td>MR. GUERRA: Jeff is not on it either.</td>
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<td>10</td>
<td>MR. NETCHERT: Oh, Jeff is not on it</td>
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<td>11</td>
<td>either. That's right.</td>
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<td>12</td>
<td>MR. GUERRA: Oren is on it.</td>
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<td>13</td>
<td>MR. NETCHERT: So if you see him tell</td>
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<td>14</td>
<td>him we're looking for him.</td>
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<tr>
<td>15</td>
<td>It's a lawsuit. You do know a little</td>
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<td>16</td>
<td>bit about it because the Board approved us</td>
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<td>17</td>
<td>litigation because we were unable to negotiate an</td>
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<td>18</td>
<td>agreement with them as a hauler as we have with</td>
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<td>19</td>
<td>all of the other haulers. So it's in the lawyers'</td>
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<td>20</td>
<td>pockets now and things are coming out left and</td>
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<td>21</td>
<td>right. So it is doesn't cost too much to send out</td>
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<td>22</td>
<td>15 notices of depositions. It doesn't cost too</td>
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<tr>
<td>23</td>
<td>much except for Allegri. So I'm letting you know</td>
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<td>24</td>
<td>I'll keep you posted.</td>
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<td>25</td>
<td>CHAIRMAN PESTANA: Thank you.</td>
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</table>
MR. NETCHERT: You have been advised.
I wouldn't think about it again for awhile. I'll
remind you.

CHAIRMAN PESTANA: Is there a motion to
adjourn?

COMMISSIONER LORENZO: Motion to
adjourn.

CHAIRMAN PESTANA: Motion by
Commissioner Lorenzo.

COMMISSIONER GOLDSACK: Second.

CHAIRMAN PESTANA: Second by
Commissioner Goldsack.

All in favor.

COMMISSIONER DORAN: Aye.

COMMISSIONER DUBLIN: Aye.

COMMISSIONER GALLO: Aye.

COMMISSIONER GOLDSACK: Aye.

COMMISSIONER LORENZO: Aye.

COMMISSIONER PENEDA: Aye.

CHAIRMAN PESTANA: Aye.

(Whereupon the meeting is concluded)

CERTIFICATION

I, Sharon Palmer, C.C.R., License
Number X100796, a Certified Court Reporter of the
State of New Jersey, do hereby certify that the
foregoing is a true and accurate transcript of my
stenographic notes of the within proceedings to
the best of my knowledge and ability.

Sharon Palmer, C.C.R.

Dated: April 7, 2016