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# *Committee Meeting*

of

## JOINT COMMITTEE ON THE PUBLIC SCHOOLS

*"State officials will address the Committee on the process for repairing the damage to schools as a result of Hurricane Irene"*

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**LOCATION:** Newark City Hall  
Newark, New Jersey

**DATE:** September 20, 2011  
1:00 p.m.

### **MEMBERS OF COMMITTEE PRESENT:**

Senator Ronald L. Rice, Co-Chair  
Senator Sandra B. Cunningham  
Senator M. Teresa Ruiz  
Assemblyman Ralph R. Caputo  
Assemblywoman Mila M. Jasey  
Assemblywoman Nellie Pou  
Assemblywoman Cleopatra G. Tucker



### **ALSO PRESENT**

Melanie M. Schulz  
*Executive Director*

Sharon M. Benesta  
*Chief of Staff*

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

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**SENATOR RONALD L. RICE (Co-Chair):** Okay, we're going to start our meeting.

This is a public meeting of the Joint Committee on the Public Schools -- an open meeting -- but is not one that we'll have the public speak today.

This is an assessment meeting of the members of the Joint Committee on the Public Schools. For those who do not know us, we'll introduce ourselves to you; but for your purpose, the Joint Committee on the Public Schools is a statutory committee that was really established because of the decision of *Abbott v. Burke* and the whole notion of bringing parity to districts. And once the courts indicated that the 31, as they used to be called, Abbott Districts would receive funding to bring about parity, and other districts would have an opportunity on the school construction side to apply for dollars as well, then there had to be a Committee to oversee and hold people responsible.

The Joint Committee on the Public Schools is not just a joint committee of legislators from the Assembly and the Senate, but it's a joint committee of members from both parties that represent the Assembly and the State Senate.

My name is Ronald L. Rice, and I am the Co-Chair, along with Assemblywoman Joan Voss -- who may not be here today -- of the Joint Committee on the Public Schools. I've served in this particular building for 16 years as the West Ward Councilman, and that's why when you look at me, and you see my grey hair, you're trying to figure out if the guy with the black hair is the same guy. Where is it? We just put that in place. (gesturing to official painting)

But also, I don't want you to be confused because you happen to be in Newark City Hall and there's a Council meeting going on upstairs, and there's a young Councilman -- I don't see a picture here; they probably didn't take it -- but his name is Ronald C. Rice. So for those of you who are visiting the City Of Newark for the first time, I just want to let you know that when you read the paper and get confused about those bad things happening by Rice, that's the Councilman. (laughter) He's not a junior. When you read about all that good stuff in Newark and elsewhere, that's me. (laughter)

But on a more serious note, I'm going to have my members introduce themselves, and we're going to start to my right and we'll come around.

SENATOR CUNNINGHAM: Good afternoon, Ron, good afternoon, everyone.

My name is Senator Sandra Bolden Cunningham. I represent the 31st District, which is the great City of Jersey City (laughter) and Bayonne. Thank you.

We always have a debate about which is the greater city, Jersey City or Newark. And I know I'm in Newark; I was raised in Newark and Paterson, but Jersey City is the great city -- don't throw me out of here. (laughter)

ASSEMBLYWOMAN JASEY: Good afternoon. I'm Assemblywoman -- am I on?

MS. BENESTA: No, hit a button; there you go.

ASSEMBLYWOMAN JASEY: Good afternoon. Assemblywoman Mila Jasey; I represent the 27th District, which is Essex

County, and soon to be Essex County and Morris County. Thank you for coming out this afternoon.

ASSEMBLYMAN CAPUTO: My name is Ralph Caputo; I'm an Assemblyman of the 28th District, representing the same towns as Ron Rice and Cleopatra Tucker. Thank you.

ASSEMBLYWOMAN POU: Thank you very much. Good morning to everyone, or I should say now, good afternoon at this point. My name is Nellie Pou; I'm the Assemblywoman representing the 35th Legislative District, which includes several towns, but in particular the City of Paterson which, as you all know, was hit -- had drastic -- was hit very, very drastically with respect to these floods. So this meeting, Mr. Chairman, Senator Rice, let me just say that this meeting is so very important and I'm very happy that you are having this. I am happy to be here. We have a lot of very important things to talk about.

I also have, with your permission, Senator, I have a message that was-- Is it appropriate to read it into the record at this time? It's a message from my colleagues Assemblywoman Evans and also Senator John Girgenti -- who is unable to participate in this particular hearing but has indicated that-- He sent a letter for me to read to you. Is now the right time to do that?

SENATOR RICE: Sure, you can do that. You should do that now because I think it's important for the CEO of SDA to hear it as well.

ASSEMBLYWOMAN POU: Okay, absolutely. Thank you very much. And I just want to point out that the entire legislative team of the 35th District -- again, because of the devastation that has occurred all

throughout the state, but in particular within my district, that being the City of Paterson -- the message is as follows:

“Although a previous commitment prevents me from participating at today’s meeting. I would like to thank Senator Rice and members of the Joint Committee on the Public Schools for their generous invitation. This is an important meeting on a serious project. It is not often that we in New Jersey are subject to Mother Nature’s wrath and suddenly have to comprehend the best way to assist our citizens in the aftermath of such devastating losses.

“I believe the government is stepping up and helping New Jerseyans recover from their personal losses due to Hurricane Irene. Further, I’m happy to hear that there is a process in place for helping our school district’s repair and rebuild efforts after their devastation, in that this meeting will help all of us -- whether serving as an elected officer or as a parent or a member of a community -- understand that decisions have been made as they effect our children.

“Again I applaud the Joint Committee on this effort. I look forward to reading the transcripts that will be produced.”

It is signed by Senator Girgenti; however, also those very same sentiments are felt and delivered by my colleague, Assemblywoman Evans.

Thank you very much for the time. Thank you, Mr. Chairman.

SENATOR RICE: Thank you, Assemblywoman. And I’m looking forward to you joining our house after November.

For those who don’t understand that, she’s going to, hopefully, be our next Senator from the district.

Also, let me just indicate -- let me back up. I called this meeting as an assessment meeting. And when we do meetings of assessment, traditionally we don't have the public make comments, primarily because we're looking at the whole state for these feedbacks on particular issues. In this case, it's in reference to the latest events, natural events' -- hurricanes, etc. -- impact on our school facilities throughout the state. But because of some slight confusion or miscommunications from me to staff, we have about four or five individuals who represent the community that have indicated that they wanted to speak. Normally I would have said no; I have what is known as Rice Rules. But because some of you have travelled so far from up and down the state, we're going to allow you, at the proper time, to say things. But keep in mind that this meeting -- and I hate to have you travel so far -- this meeting is about the conditions at the school as it relates to the hurricane. Not the condition of the schools as related to the other meetings we have been having with school construction, as to where we are and reports and things like that. We will have subsequent meetings to address those issues to get an update and reporting on where we are with the schools.

But we have to do an assessment, while the Federal government is really involved, about what has taken place. I know we look at a district like the 35th where Assemblywoman Nellie Pou is from; they just -- God bless them -- they've gone through a lot and they're still going through it and they're working hard to resolve that. I know that when it comes to a city like Newark, and the 29th District, where you're presently situated -- that's represented by Senator Teresa Ruiz, and Assemblyman Coutinho, and L. Grace Spencer -- I know there were some real serious problems with Wilson

Avenue School, and there may be others. And I believe there may be one or two throughout the rest of the city; in the South Ward, which I share in terms of the District with Senator Ruiz, but I'm not sure of all that's there. I know there are some slight problems in Irvington; I know Jersey City and Hudson County has had some difficult times with the floods over there. Senator Cunningham is here to listen and maybe make some comments.

And so, because I know that some members have to leave, Marc, maybe I'm better off right now asking the members who may want to make some comments concerning the conditions of schools in their districts to make them now so you at least understand what they are. Is that okay with you?

**MARC D. LARKINS, Esq.:** Yes, sir.

**SENATOR RICE:** I knew it would be, because I'm a Senator.  
(laughter) No, no, thank you.

Why don't we start with Senator Cunningham.

Senator.

**SENATOR CUNNINGHAM:** Well, actually. I think we're a little easier. We were blessed that we really haven't gotten many reports of any problems as a result of Irene with the schools. Most of our flooding took place in the downtown area of Jersey City. There are a few new schools down in that district, but they were not really affected. They're the newer schools, so we were blessed in that respect -- in terms of schools.

**SENATOR RICE:** Assemblywoman Jasey.

**ASSEMBLYWOMAN JASEY:** Similarly, most of the districts -- school districts -- in my district were okay except for those here in Newark, which is one of the reasons I'm here -- to hear what happened, what the

plan is, and what we can do in the future to prevent problems that occurred.

ASSEMBLYMAN CAPUTO: Obviously, everybody recognizes the problem at Wilson Avenue. I believe there was a mold problem; I don't know if that was a result of neglect over the years or was a result of Irene. From what I understand as part of our district, Ron, those children have been transferred to Saint Anthony's; they're leasing that spot in Belleville, which is on the north border a little north of the North Ward. So those kids are being transported over there. But obviously this building, this Wilson Avenue School -- which has been designated really not a good school to be housing children at this time, in fact. It's so old and so in disrepair that the State recognized that as one of the buildings that was being replaced. I don't know whether anything is on the planning stages of doing that, but there's lots of disappointment in terms of expectations from the community. And now that we have this additional burden of the mold that occupies that building, it even makes the problem even more severe.

So when we get the opportunity I guess we're going to be able to discuss what the plans are in terms of replacing that building. Really, we're behind schedule; the bond money was approved and there were a lot of promises made -- maybe not by this Administration, but there were -- let's put it, by the Legislature and by the existing governor at that time, that they would have construction here; and I don't see it happening. In fact, I think it was off the list, and it's on the list again. So when we get a chance, Mr. Larkins, maybe we can have some kind of an update, because now we have kids from Newark in our neighboring town, which is Belleville. Obviously we were very lucky to have that facility available to us.

So I'm going to pay a visit over there and take-- Maybe Senator Rice will make some time to go over and see how the kids are doing at Saint Anthony's.

Thank you.

ASSEMBLYWOMAN POU: Thank you, Mr. Chairman.

Let me just say, of course as you've heard before in my earlier comments, the 35th District was really badly hit, particularly in Paterson. As you all know, and may have read many of the newspapers reporting, we had not only a huge amount of water -- rainwater -- that came in terms of overall, many of the flooding levels-- In fact, so much so that each and every single bridge at one point in time was absolutely closed throughout the City of Paterson so that no one actually could get in or get out. It was a really very difficult time for all of us.

As many as, overall, 4,000 people were evacuated, and that was during the earlier part of -- the first hit of storm. The aftermath with the second storm certainly complicated it and just created even further problems. I'm really highlighting something that was so very bad -- I'm really giving you a very, very brief overview of that. And I would say that when one of the things that we are still, to date, dealing with -- many of the families are still dislocated from their homes; many families are still dealing with electrical and utility connection issues; many of the families do not -- have lost everything, every single thing that you could possibly imagine in terms of their own personal belongings and their homes altogether.

But with respect to the schools themselves: I know that we have one school-- We have several officials here from the Paterson Public School system that are ready -- signed up to speak. You will hear in greater

detail, specifically, some of the things -- the direct problems that have occurred; what are some of the challenges that they are going through; and what is absolutely necessary and needed from us, as State officials, and each and every one of us, to see how we can help to move them along. There's going to be the need for great coordination of that.

I would end with this, Mr. Chairman, that one of our schools -- and, again, you'll hear further -- has been also displaced -- all the children. I think there's like 600 or so children from our school No. 4 who had to be displaced from their existing school and placed in two separate particular facilities. Like my colleague, Assemblyman Caputo, we're very happy that those facilities were available. But I assure you, it only comes with an added burden for those families that are going through this problem to also have to deal with making special arrangements and changes within their lives, of having to take-- Making sure that their children are safe, and able to get back and forth to school and the after-care afterwards.

So again, Mr. Grant who is here from the Paterson Public Schools will give us further detail about that, and others. But we're now talking about 600 lives that have been further interrupted, if you will, during their school -- the beginning of their school session. And there's just so much devastation, so much going on right now. My constituency, within my district, is certainly seriously impacted, still, today.

SENATOR RICE: Senator (*sic*), I know that your new district includes, I believe it's Garfield now as well.

ASSEMBLYWOMAN POU: That's correct, that's correct.

SENATOR RICE: Reading the paper-- What was the assessment from your perspective up there? Do we have a similar problems that we're having in Paterson?

ASSEMBLYWOMAN POU: We have both Elmwood Park -- the Borough of Elmwood Park -- and the City of Garfield which were both also impacted, because for many of the homes that are right across on River Road, which is really adjacent-- I mean, it's right there near the Passaic River -- the banks of the Passaic River. Many of those homes have traditionally, for a very long time -- similar to that of Paterson. Paterson has many of those homes or areas that are within those arteries that are very close to the River, so clearly we've always had flood problems. We've always talked about finding ways on how -- what can we do to correct this. We realize that there's been a lot of discussion with respect to the Passaic River. I think for the Commission that deals with many of these issues, it's all about making sure that the Army Corps of Engineers continues to do their due diligence and looks in terms of some of the dredging questions and issues that we've been talking about for a very, very long time. So many of the homes along the River Road area of the City of Garfield and Elmwood Park have also been impacted by major flood problems. And many of those homes and families have also been affected.

SENATOR RICE: Well, let me ask a question to Senator Cunningham.

Senator Cunningham, I know that you indicated that in Jersey City it wasn't that bad, but your district is touching some of the borders that were hit. Was there impact in the other cities -- Bayonne or someplace, maybe?

SENATOR CUNNINGHAM: Actually, there wasn't a lot in Bayonne. As a matter of fact, I live in the flood district in Jersey City. I live in Society Hill, which is on the water. As a matter of fact, I was going to evacuate-- I was asked to evacuate, and I was going to Paterson.

SENATOR RICE: You were going to go to Paterson?

SENATOR CUNNINGHAM: I was going to Paterson (laughter); I grew up in Paterson, part of the time. My cousin is on the Board of Education there -- Willa Mae Taylor -- and I was going to her house. And I called and said, "I'm on the way." Fortunately, her part of town where she's living was not involved in the flooding. But I ended up going to South Orange instead. But my house was not touched at all and, as I said, it's on the water. It is part of the water -- the flood part of Jersey City. So we were very fortunate -- or I was very fortunate. Most of the areas in Jersey City that weren't touched, as I said before, were the downtown area and parts that normally you get some flooding. We were all fortunate that we didn't get the wind that was anticipated, which really helped.

ASSEMBLYWOMAN POU: Mr. Chairman, if I just may add.

One of the things that I have learned during this whole process -- in fact, I mentioned it earlier -- was that as we're trying to help many of the families that have been impacted, one of the things that we probably have not been very well prepared for is those individuals who have disabilities. And, in particular, I now still have a constituent who still, to this day, has been-- He lost everything in his home; he's unable to return to his home. He's a disabled individual in a wheelchair. He's now with friends -- a family -- but where he is currently, that particular home doesn't

have any kind of accessible -- you know, accessibility to an individual who is disabled, making it almost impossible for those individuals who fall within this situation to be able to have their life be returned to some level of normal.

So I think as we go through this process we're going to learn that, when we talk about what can we do to facilitate and help that, whether it be in terms of the schools or just families all together, we really need to look at this from a real holistic approach.

SENATOR RICE: Assemblyman.

ASSEMBLYMAN CAPUTO: One of my concerns -- and I think it connects to what Assemblywoman Pou had to say. For example, in the town of Fairfield, there are many homes that were wiped out completely. I'm concerned about the fact that where these kids are going to school at this point -- or are they going to school? Because some of these families have been displaced, they've moved out of town, they're living with relatives. And I think that the Department and maybe the superintendents of these particular towns should really identify those children who are attending, or those families who are really in need of some additional transportation requirements to get them to the buildings that are at least accessible to them.

The other town that comes to my attention, which is in Assemblywoman Pou's county, is Little Falls. One of those schools is probably on Long Hill Road, which is really on the most down side of that mountain which, from what I understand, was flooded out. So we may have a similar problem there.

ASSEMBLYWOMAN POU: And Wayne.

ASSEMBLYMAN CAPUTO: And Wayne also. So somebody has to have the responsibility of following up with these children who may have been displaced -- maybe they haven't, but I think in some cases they have -- whether they're attending school. Maybe they need home instruction; maybe these children have to be picked up, temporarily, and brought to their facilities for their education. So it's just something that I think the Committee might want to be concerned with or these kids will fall through the cracks. Especially when Nellie talks about kids who are special ed -- they're challenged; or even if they're children at risk who might have had some other particular problems that are not being met at this time. I think it's something that we have to get closer to. So I just wanted to bring it to the attention of the Committee

ASSEMBLYWOMAN POU: That's an excellent point.

SENATOR RICE: Yes. In a moment we're going to get to the SDA issue which deals with the facilities themselves.

I have made an attempt to have the Commissioner or someone from the Department of Education here so that we could have conversation about those types of assessments as well, Assemblyman; but, as you know, the DOE for some reason, along with other Commissioners at the State -- it's just not the Commissioner of Education -- for some reason-- I don't know if the Governor's keeping them away from the Legislature in terms of responding to issues or not, but for some reason they just didn't want to come or send anyone. We had the same problem yesterday in Senator Weinberg's Committee on Health. We keep making a request and we can't get-- But what we are going to do, for the record -- and you need to be prepared for this as well, Marc -- I know that some time in October we are

going to be going up into Assemblywoman Pou's district to hold a hearing on some of the issues impacting up there. And hopefully at that time -- and we'll reach out and the Department of Education can send someone; it doesn't necessarily have to be the Commissioner, but someone who can give us the feedback on some of the issues that you're raising: Are we tracking the youngsters? Where are they? Anything we need to do in the Legislature to assist in that process.

And then I want to also acknowledge that -- I know Senator Don Norcross wasn't able to be here today, from the Gloucester County area, Camden County area -- but I know he sent up one of his staff people and aides, and that's, I think, Brett Waters -- right, Brett? Are you still here? Brett's here, so he'll be taking notes. And the reason I wanted to acknowledge that is because once we come out of the northern part of the state, we're going to have to travel someplace central, and we're definitely going to have to travel south -- because we've been south before and we know that there's a lot of water down in that area, just by the nature of the rivers and things of that magnitude. A lot of fires, too, but that's a whole different story. But a lot of water there, and I know we have some SDA schools that were problematic before the storm even hit. And so that we need to know -- and we have a right to know, by the way -- we're statutory. And I keep telling the Senate President that. And I keep telling the Administration that we have fiduciary responsibility to hold meetings, and someone has fiduciary responsibility to come talk to us. They can play with those other committees, but this is statutory. And so we're going to try to make that happen. If I have to call the Governor and get some peace, we'll do that.

So with that, everybody's okay now? All right.

Marc, how are you?

MR. LARKINS: I'm good Chairman; thank you.

Good afternoon, Mr. Chairman, and good afternoon to the other members of the Committee. It certainly is a pleasure to be here this afternoon to represent--

SENATOR RICE: Hang on one moment, Marc. I forgot to acknowledge-- I know that Assemblyman Coutinho, this is his district, and Wilson Avenue is in his district. I call it my district, too, but let me just ask you about-- I live in Newark, and so I don't allow the Senators and Assembly people to tell me this is your district. I always tell them where they can go if they aren't doing right, but so far they have been doing right, so I don't have to do that. I'm older than they are; I helped build this city; and so I have to right to claim what I want, whether they vote for me or not. (laughter)

But we are in the 29th District, and I know that Senator Ruiz may very well be here; she's running late from a senior event. Assemblyman Coutinho, I don't think he's going to show up but he did send a representative, and I don't know if she's still here.

UNIDENTIFIED MEMBER OF COMMITTEE: She's over there.

UNIDENTIFIED MEMBER OF AUDIENCE: (Indiscernible)

SENATOR RICE: Is that Anna?

UNIDENTIFIED MEMBER OF AUDIENCE: Kimberly.

SENATOR RICE: Kimberly, I'm sorry. Did you sign up?

UNIDENTIFIED MEMBER OF AUDIENCE: (Indiscernible)

SENATOR RICE: Okay; well here's Kimberly, okay? All right. And she'll be taking notes because the Essex delegation -- we communicate with each other on a regular basis -- almost daily -- as to what's going on throughout the whole county, and particularly the cities that we represent. And so he would definitely get the feedback.

With that, Marc, go ahead and introduce yourself, who you are. A lot of people don't know what SDA is; you need to explain that. Some people may not know your title, and introduce who you have with you. And then you can tell us, from your perspective, where we are; and then we're going to ask you some questions.

MR. LARKINS: Thank you, Chairman.

My name is Marc Larkins, and I'm the CEO of the New Jersey School Development Authority. The Authority was created in response to the Supreme Court -- the New Jersey State Supreme Court case of *Abbott v. Burke* which, essentially, ruled that there were certain special needs school districts across the state that required additional State assistance. This organization was set up in particular to address facilities issues in those special needs districts, which were formerly called *Abbott Districts*, in response to that State Supreme Court case.

We, however, don't only deal with issues in those special needs districts -- and there were 31 of those. We also offer grants to all of the other 500-plus school districts across the State of New Jersey. Generally speaking, those grants afford approximately 40 percent of State funding toward any eligible school facilities project.

In terms of the issues that are before us today, as I was saying, we're certainly excited to appear before this Committee. We routinely do

it, and we certainly recognize that it is our responsibility to keep you all updated as you try to carry on your charge of assisting school children and families across the state.

The weather and natural incidents that occurred approximately a month ago were certainly unfortunate. They had a major impact on the state. And when I say incidents, we focus a lot this afternoon on Hurricane Irene -- and that was the most extensive in terms of its impact on school facilities across the state -- but there was also the earthquake that occurred in northern Virginia, and there were some consequences felt here in the state and there were some schools impacted by that earthquake. And unfortunately for us, it happened in the exact same week, and it was right on the verge of school opening, so it really impacted plans that district had for their facility for this present school year.

In terms of the impact, I think the happy news, to the extent that there is any happy news, is that the state fared pretty well. If you look across the whole of the state there wasn't as major of an impact, I think, as most people anticipated -- both from the hurricane, and obviously no one expected the earthquake. But the ramifications and consequences from those two events weren't as extensive as most people might have anticipated.

But there were certainly some major pockets of damage. Assemblywoman Pou spoke about Paterson. We at the SDA are certainly familiar with the issues up in Paterson because we actually are the owners of the school building. The former Don Bosco School, which the district uses presently to educate some of their student population, was impacted by the

hurricane, and we're dealing with the results of that and trying to get that building situated right now.

There are other pockets. For instance, here in Newark, there was an issue at the Wilson School. As far as the earthquake goes, we've been made aware of a problem down in Camden at the Broadway School.

Above and beyond that, we have been contacted by some people who we call *regular operating districts* -- the non-special needs districts -- about problems that they experienced. I think the members have commented on a few of them this afternoon, whether it's Elmwood Park, Wayne, Fairfield, and these other districts that were impacted by those two events.

What we at the SDA have done is taken a very, what we would consider, proactive approach in terms of getting involved. On the down side for us, the-- Generally speaking, the way that we get involved in a school facilities project is there's a process and it has to be approved by DOE. And I certainly want to defer to the members in terms of questions, but we can talk more about the details on that in terms of how we get involved. But irrespective of that process, irrespective of whether or not a project has been approved, what we've committed to doing on behalf of the SDA and the Administration is making ourselves available, being supportive, and being out in the field. For example, we learned about the problem at Wilson Avenue on the Friday afternoon before Labor Day. On Tuesday we had a team of people out there at the facility working with the school district to try to assess the situation and to start to begin to plan for some (indiscernible) for the issues at the building.

Likewise, once we learned about the events in Camden we pretty quickly responded to go down, again to assist the district in terms of assessing the condition and then figuring out a plan for addressing it. As a practical matter we are -- did that, what I would consider, first line of defense -- that initial response. A lot of that responsibility falls to the district, but I think certainly in our special needs districts, if not in other places, it's certainly our responsibility and our expectation that whatever support, guidance, and assistance we can provide we certainly want to be there to do that. And I think that the process has been working well. I think people have an expectation in terms of, one, assessing conditions; and then repairing them, that they might be able to happen a little bit more quickly. But in each of these situations there are a number of different people involved. The good news is that the process is working and I think it's working well -- we're all working well together to try to develop plans. But the bad news is, unfortunately, as with residences, when these things happen sometimes it takes a bit of time to respond once you get insurance companies and other entities involved.

But I certainly want to make myself available; I know that the Chairman mentioned earlier that there were some members who may not be able to stay for that long, and I'm sure you all have questions about the impact in your respective districts. So we're here to certainly be responsive and offer whatever information that we can. To the extent that we don't have it today, as I said, we're working with the local districts and others to assess these problems and attempt to address them, so we'll certainly get back to you with any information that we can't provide this afternoon.

But I'd like to turn it back you, Mr. Chairman, for whatever questions the Committee may have for us.

ASSEMBLYMAN CAPUTO: Mr. Chairman?

SENATOR RICE: Yes, thank you, Marc.

Yes, Assemblyman.

ASSEMBLYMAN CAPUTO: May I?

In the case of Wilson Avenue School, which has been designated by the State, by your Department, recognized as a school that has to be closed for new construction -- am I correct about that?

MR. LARKINS: I'm sorry--

ASSEMBLYMAN CAPUTO: Wilson Avenue School.

MR. LARKINS: No, I'm sorry, I missed the last part. You said it has been recognized being closed for--

ASSEMBLYMAN CAPUTO: Well, it's on the agenda for a new school -- that particular neighborhood -- correct?

MR. LARKINS: That's actually not correct. It was, though.

And just to give you the history: As I understand it, at one point there wasn't a fully developed list of all of the schools, and it was sort of a work in progress. And at some point, Wilson Avenue was identified as a school for replacement. And what I will say about that is, in the district's long-range facilities plan Wilson Avenue is slated for replacement. But the last time that there was a planned project as far as the State was concerned -- an active project -- was in 2005. In 2008, when the SDA developed its new capital plan -- and that was long before our arrival -- Wilson Avenue School was not a part of that plan. So I suspect that at some point it was understood that there was not funding that was being committed to that

being a new project. In the summer of 2010, when we were going through the capital program review, we contacted the Newark District to work with them to have them identify their priorities. Wilson Avenue was not among the top priorities of the District; it certainly was not in the top seven, as I recall. But again, in their long-range facilities plan, I believe there may be 25 to 30 schools, or maybe more, that they had “slated for replacement,” but as it stands there’s not a project--

ASSEMBLYMAN CAPUTO: I respect your position, but I’m a little confused because I think it was at one time slated for a new school. I don’t know exactly the date, but it was pretty well documented that Wilson Avenue was supposed to get a new building. When it came off the list, on the list, or whatever -- the fact is, there was a reason for it. And now that the building has been condemned because of the mold problem, why would we invest in rectifying that particular building if it’s going to be counterproductive at this point? I’m only asking your opinion, but it’s temporarily closed and-- What’s it going to cost to renovate this building, and whether it’s worth the State to go ahead with that kind of renovation when at one time or another the school was slated to be-- They were slated for a new building. It was part of the capital plan.

MR. LARKINS: Assemblyman--

ASSEMBLYMAN CAPUTO: I know what you’re saying: it was on, it was off, and different Administrations, different dates, or whatever. But whatever they were, the community looks at it like, “Well, we were promised a building, and now we don’t have a building, now we do have a building, now our kids are going somewhere else.” So we have to have a position that I think is fair and that people accept. Now that there’s a

challenge in terms of getting these kids to school, it even makes the problem even more severe.

SENATOR RICE: I have a few questions.

We're going to probably-- Senator, first of all, I believe I see Senator Ruiz, who represents the 29th District where Wilson Avenue is actually located, is here, and so I'm sure there's going to be more queries as it relates to Wilson Avenue. But I need to get some issues off the table so I can kind of put this into perspective.

Marc, do you know how many schools have actually been affected by the hurricane flooding in New Jersey -- the number of schools?

MR. LARKINS: I do not know that total number, Senator. What I can report is the number of contacts and inquiries that we have had; but in terms of the total number, we don't know that.

SENATOR RICE: Okay, that's total school districts -- is that what you're talking about?

MR. LARKINS: Well, I was actually talking about--

SENATOR RICE: SDA schools?

MR. LARKINS: No, I was actually talking about total facilities across the state.

SENATOR RICE: Okay.

MR. LARKINS: But even in the SDA districts--

SENATOR RICE: I want to know about the SDA; you don't have those numbers either?

MR. LARKINS: I don't. The areas that we are aware of, based on contact from the districts and our own outreach, are schools in Paterson and the Wilson Avenue School in Newark. And that is the extent of the --

what I think has been identified as true Hurricane Irene damage -- damage to facilities at least in terms of outreach to the SDA, at this point.

SENATOR RICE: Okay, let me ask Melanie and Sharon: I've asked you to reach out to the superintendents throughout, to get feedback. Did we get much feedback in terms of what's going on? No one's been in touch? Okay. So just for the record now, from the Committee's perspective, we're going to make-- I'm going to make a basic assumption that if people don't call me -- this Committee -- when we reach out to superintendents, then they don't need our support. They don't want it, okay? So that's just a preliminary; I'm going to just assume that they have been too busy to let us know. So they'll get a second chance at this, okay?

But what I do want to-- Marc, if-- I think that your team really needs to not wait for someone to reach out; I think you need to get someone to get in touch with every SDA district to find out whether or not there was any substantial impact because of the hurricane and the weather conditions. We need to know that, because clearly it's going to have an impact on what you're doing from the school construction perspective prior to the hurricane even coming. Which means we'll wind up in a very turbulent debate with the Administration about raising money and spending money. And it's important to know, because then your organization should be working with Homeland Security at the State to work with FEMA to find out whether or not any of these school districts actually qualify for relief. And if the school district does not qualify for relief as a school district, whether or not the municipality qualifies for relief, and whether that can be translated into a municipality -- which means all that (indiscernible) getting some of those revenues to help offset. Which

means that the numbers may increase based on their application by the local government people or county. Are you following what I'm saying?

And then I think it's important for you to report back to this Committee that you have made those contacts and say, "Well, we know that throughout the state, regardless of the county, we had 10 SDA schools." But this-- And categorize, of course, this was substantiated; that this just wasn't-- They need help, they don't; we're not sure what we're going to do about it, but we know who needs help, who does not need help. Is that okay with you?

MR. LARKINS: Yes, sir.

SENATOR RICE: And I think it's important -- because FEMA is only going to be around just so long; I've watched FEMA in the past, they hop in, they hop out; and nobody gets anything -- they have high hopes. The other question I have for you is, has any of your staff been in touch with FEMA at all to determine a working relationship so that they know that you do exist? We don't have SDAs, for your information, throughout the United States. In fact, New Jersey is unique to it because of what we did with the court action. And so FEMA may not know who you are; they may know the Governor, they may know DOT, they may know Homeland Security, they know the Mayor here and the County Executives, but somebody needs to say, "Hold it. In case you don't know, we have responsibility for some schools and, to be quite frank, these types of schools, for these reasons." And maybe there is something there that no one ever thought about that could be beneficial to you, resource-wise. Or maybe something that we need to go talk to our delegation -- Congressional

delegation about, take another look at how FEMA is operating on this unique aspect of the country -- for this State.

Have there been any communications with FEMA from your office?

MR. LARKINS: Mr. Chairman, we have not directly contacted FEMA about these issues because we would not be the entity that would be able to receive the money. In other words, what we've done is worked with the school district to make sure that they have-- We've identified contacts at FEMA, and we're working with the district to make sure that they have that contact information and also that they contact their insurance company.

Just to give you an example -- and I know that this is near and dear to Senator Ruiz's heart -- the Elliot Street School here in Newark. It burned down; it was struck by lightning a few years back and it burned down. We are working with the school district to rebuild the facility, but as the direct point of contact with the insurance company, the district has to take that lead. We cannot step into their shoes, even though we're the entity that's responsible for delivering the school. So what we had determined is that, for instance, in this same situation the districts that are the owners of these school buildings would have to be the direct point of contact with an organization like FEMA. Having said that, what we certainly can do is, once we make the outreach to all the districts and collect the information, we can then follow up with FEMA and try to be a bit of an intermediary or provide some assistance as best we can. But, unfortunately for us, we have to rely on the school districts to be sort of that lead point of

contact in terms of making the outreach, pursuing the applications, and determining whether or not there's money available for assistance.

SENATOR RICE: Would you do that expeditiously and encourage them, and you can even let them know in your communication that the members of the Joint Committee want them to expedite their review and information back to you? And then I'm going to ask you that your organization identify the Governor's persons on point with FEMA from the State, because the Governor's assessing the whole state; and I know he's concerned about the academics as it relates to where these students are and what's going on with those facilities, because of our budget. And so this way there can be coordination between whatever the State is doing to make application for various districts and for the state as a whole, direct with county and local government -- what they're doing. And I hope that's a coordinated FEMA effort, because traditionally what happens is they think about the residents -- and that should be a priority -- but they forget about everything else until after the fact. Then people come to those of us in the Legislature indicating there's some dollar needs, and certainly most of us support that. But then we run into problem with the Administration -- any Administration, not just this Administration -- because of a lack of budget and the priorities we put there. So that becomes very important, okay?

The other question I have for you: So you wouldn't really have any timeframes from your shop, because of a lack of communication or things you haven't received, for any claims that may be out there. So that really wouldn't impact you, based on what you were saying. You wouldn't have any information on that.

MR. LARKINS: In an effort to provide assistance we've been monitoring and working with the districts so we're aware of that; for instance, in Camden they've contacted their insurance company. I believe there's a representative here from Camden, Wendy Kunz; and, for instance, we're aware of that in Paterson -- I believe that they're working with outside assistance to try to address some of these matters. I know in Newark, at Wilson, they've contacted their insurance carrier. So we do more monitoring than active engagement on that piece. But in terms of an update: we could attempt to provide a status update. We would try to get that information from the districts and then report it back to the Committee. We can certainly attempt to do that.

SENATOR RICE: All right, so-- All right, fine.

Now, you've indicated that you don't really know how many SDA schools have been impacted by the hurricane, and so you're going to be reaching out. And so the question I have proposed for you is still relevant; I just have to propose it differently, okay? Because what I wanted to know was: Those schools that already-- The schools that were impacted by the hurricane -- such as some of the schools in Paterson, Wilson Avenue -- we need to know how many of those schools were already on the emergent list. You see, because where the emergent list is there, we're supposed to move into the (indiscernible) for these kids to get into school in the first place. And some of that emergent I don't believe we really got to, throughout the state. And the question needs to be: So how many were already on the list and did it compound the problem? Because you may have said there's going to be emergent repairs and you carved out a numerical amount in terms of dollars and cents. Now what you had already

laid out in terms of a plans, if you will, designs or whatever it may be that (indiscernible) emergent, has compounded itself and it may have to be changed. And those are dollars that we don't anticipate. And so I suspect you don't have any idea of that, so that's going to be information you have to gather, is that correct?

MR. LARKINS: Well, I do have that information as it relates to the Wilson Avenue School in Newark and the Broadway School in Camden. I don't have that information as it relates to Paterson because I don't have the specifics, in terms of each -- as I sit here right now -- the specifics in terms of each facility that was impacted, and whether or not the impact would have related to an emergent project that had been requested previously by the district.

But I can answer that question for Wilson Avenue and I can answer that question for Broadway. Beyond those two specific facilities, I can't answer that question.

SENATOR RICE: Well, let me ask you this question because it may kind of give us a read: the emergent piece you are already aware of. Has the hurricane compounded that emergent situation substantially in those areas, from your perspective and assessment?

MR. LARKINS: No. As far as Wilson Avenue School goes, there was not an emergent request that the SDA had until this past summer. So I believe when we did the emergent review over the summer, Newark requested some masonry repairs at the Wilson Avenue School. But I believe that request came in in June or July. So there was no project planned. And the way the process goes is the district makes the request to the Department of Education; the Department of Education then approves

or denies the request. If it's approved then it's transmitted to the SDA for review. So that request came in this past summer and it was under review by the Department of Education.

As far as the Broadway School goes: As best we can tell -- because we actually completed an emergent project there last year on the exterior of the building -- there was not a pending emergent request that was exacerbated, or worsened, by the earthquake. But, again, that's as best we can tell now, again based on the early assessments in terms of what impact the earthquake actually had on the facility.

SENATOR RICE: Okay, I have a couple more questions and then I'm going to turn it over to my colleagues.

Has there been any discussion -- even though you don't have the information, and you're going to pursue that, has there been any discussion with your agency and the rest of the Administration in terms of schools that may need some help and FEMA may assist them, or may not? The differential in cost -- is there anything we're going to be doing from the SDA perspective, to your knowledge? Or have you anticipated there may be some schools that may be covered by FEMA but may be actually not totally covered? Has there been any discussion or anticipation of that?

MR. LARKINS: If I may, in terms of responding to the question, Mr. Chairman. What I'd like to do is put FEMA and the insurance companies together, because I think that that analysis is applicable to both. What we know right now is that -- again, for the Wilson Avenue School, for the Broadway School in Camden -- is that they certainly have contacted their insurance companies and there's a potential of some

coverage. Again, that assessment or determination has to be made by the insurance companies, so we don't know the extent of that.

But what also is still happening and unfolding in real time is really trying to value the extent of the damage and the repair work that's needed. That is a bit of a moving target as information comes back. For example, at the Wilson Avenue School, the district has had professionals out to visit the school to look at the mold issue; to also look at the structure of the facility. Until those reports come back -- and as I understand it, as of right now they haven't come in yet -- until those reports come back we don't have a true estimate of the value. Now, we've put together rough estimates, and I think in each instance we've estimated to date about \$4 million of work at both of those facilities -- that being Wilson Avenue and that being Broadway School in Camden. But in terms of if that's a true estimate and how much of that might be covered by a third party, whether it be FEMA or whether it is an insurance company, it may still be premature for me to make a guesstimate on that.

SENATOR RICE: Okay. I'm going to leave this with you. And then I'm going to Assemblywoman Pou -- I keep saying Senator, because I know it's going to happen; it has to happen (laughter) -- and then I'm coming back to Senator Ruiz who just arrived, and then I'll go back to my members. Because Wilson Avenue keeps coming up in the conversation -- and when the district has a good Senator.

But I want to leave this with you: Of all the information that -- and I hope my staff is taking notes as well so they can remind you of this information -- all the information we're requesting, one thing we need to know: We spent a lot of time, and although we didn't build a number of

schools throughout the state that we felt should have been built under SDA funding, we have done a great job of pushing schools throughout the state in varying districts. But these are new schools. We need to know the impact on these schools: Did they hold up under the storm? Do we have like 50 million leaks in brand new schools from these contractors and workers, versus the old? In other words, we need to know on the impact -- what was the impact on the old schools -- and I'm talking about from damaging things of that magnitude, leaks and stuff -- versus the new schools? And I think that's very important. And just categorize that, because we need to know new; and then we'll know that we may have to talk to some contractors and people, okay?

With that, Assemblywoman Pou, and then Senator Ruiz. When she finishes with you, reintroduce yourself; we spoke about you--

SENATOR RUIZ: How good were all the things?

SENATOR RICE: --and then you can ask questions if you want, but then the rest of the members-- It was good stuff. (laughter)

ASSEMBLYWOMAN POU: All good.

Thank you, Senator.

I just want to follow up on some of the questions that the Chairman was talking about.

You know, in your opening remarks, Mr. Larkins, you made mention of the fact that you were well aware of some of the devastation that had occurred in Paterson. You yourself mentioned that one of the school facilities that is owned by SDA -- that being Don Bosco School -- endured significant damage or some flooding problem. As you well know, that's one of the sites that's currently being used as a swing space, as a

result of all the other construction arrangements in which SDA is very actively involved. Because of that, and because of the possible damage-- And I mentioned, in my remarks, School No. 4 and the dislocation of approximately 600 or more children and what is occurring. I'm a little perplexed when you just said that the only two -- I'm not sure how you're defining -- let me rephrase that -- emergent need or service; which did not include Paterson, or you weren't aware, or you weren't involved in Paterson. Could you just speak a little bit more about what exactly have you-- What's been your involvement -- SDA's involvement -- what is being done, how is it being coordinated within your office, and that, if at all? So that the officials that are here can certainly either supplement or provide other information, or maybe even learn in terms of some areas that they can go back to and say, "It was reported today that we're able to do X, Y, Z." I'd like to make sure that we utilize this hearing as a forum of trying to be very proactive and find ways on how we can make-- How we might be able to proceed after today.

So if you can, because, as you know -- because of the lack of space in terms of the overall school facilities in Paterson, those particular areas that we've just talked about only makes it all the more complicated. Because even though we have two schools on the list, they're not up for construction until two to three years from now, just based on previous conversations and meetings that you yourself indicated. That compounds our situation and our overcrowding of space for our schools.

So if you would please give us a follow-up status report of what you've done, who you've spoken to, and what can we do.

Thank you.

MR. LARKINS: Sure.

I'd like to start by actually commending the officials from the Paterson School District. They have been doing a tremendous job under very difficult circumstances. And they've had to make some very difficult decisions. But I think, in light of circumstances, they certainly are doing the best they can and they are really doing a great job.

And I say that to say this: Technically speaking, the SDA is not set up as an emergency response organization, so we are not that frontline. The district really is that frontline in terms of maintaining the facilities that they own. And when there's a problem that hits, the district generally takes the lead in making outreach to the various entities that can assist them.

ASSEMBLYWOMAN POU: I'm sorry-- Through the Chair, can I just interrupt you for a moment?

I understand that, except that in the situation of Paterson, it's a little different from some of your other-- The City of Paterson School District is State-operated, and as you well know, we don't-- The public-- The Paterson Public School District is not able to enter into any kind of lease or other type of arrangement without the approval of SDA or that of the Board of Education -- the State Department of Education. So unlike all the other public school systems throughout the state, we do somewhat -- we are somewhat restricted or confined to those particular statutes or regulation. So I would differ with your involvement in emergent situations, because without the approval of SDA or the DOE -- that really controls and really locks the hands of the Paterson School District from taking any other kind of emergent procedures.

MR. LARKINS: Sure. And just to respond to that: I know we -- and I'm not backing away from this because, as a State, we have to use all of our resources at our disposal, but -- we are a statutory entity. We aren't a part of DOE. So in terms of approval for spending money for doing projects -- that really is DOE. The SDA does not get involved in a district request to lease a building or to spend money in a certain way. It really is a DOE decision.

In order for our organization to get involved in a project we actually need DOE to approve it and then transmit it to us. So I understand the frustration, particular in a State-run district. Having said that, in these types of situations ultimately the superintendent still is that frontline day-to-day manager of that school district, in terms of the school district's ability to make certain decisions. That really falls back to DOE. It technically isn't a SDA decision. But I think the upshot of your question, Assemblywoman, is the reason that the SDA doesn't have as much information about what's happening in Paterson is because Paterson is really taking the lead. And I say that in a remarkable sort of way.

What happened in Newark with Wilson is, Newark called the SDA and requested the SDA get involved. And what we told Newark was, "Listen, the only way that we can provide that real assistance that you're looking for is DOE has to approve the project." In contrast, what happened in Paterson is Paterson took the lead; the school district took the lead and reached out to their insurer and they're working through the process. And our interaction with them has been one of, "We're here to support you; let us know what you need," and part of that "let us know what you need" takes time because we're only three to four weeks away from the incident;

as I understand it, they're working through the process of assessing the damage and what repairs will ultimately need to be made; and then deciding which requests the district can do, and then which requests need to be passed on to the State. Because under the statute the district has some flexibility for projects under \$500,000; and again, as long as DOE approves them then they can spend some of their funds to address those projects. If the project is over \$500,000, as a single school facilities project, then it has to come through the SDA. So there are varied options depending on what the issues are.

I know we have representatives from Paterson; I don't want to put them on the spot, but as I understand it they're still working through that process of assessing the issues, finding out what the insurance company will pay for and fix, and then finding out what remaining issues will be passed on to the State.

And again, I don't want to speak for the representatives, but that's my understanding. Again, the reason we know a little bit more about Wilson Avenue and about Camden down at Broadway is because of that direct request from the district to us to get involved, and we responded. I don't want to give the impression that we won't respond in Paterson, because we certainly will and we have been ready. But we have actually been to the field to visit Wilson and Camden.

ASSEMBLYWOMAN POU: I understand. Thank you very much for your clarification.

Could you maybe speak with regards to your very own school facility -- that being Don Bosco? What are you doing to rectify that

particular situation so that it does not become a burden to the Paterson Public School District, along with everything else?

MR. LARKINS: Sure. Now in that regard, we are the lead party, we are the owner of that building. We've contacted our insurer. The flooding has receded. The majority of the problems were due to the flooding and, as I understand it, it was mainly in the basement. We were actually in the middle of doing a boiler replacement project at that facility, so it threw off the timelines there. But as I understand it, the damage in terms of occupancy -- structural issues -- was not extensive that would jeopardize the utility of that building. But it did throw us off schedule a little bit in terms of the boiler replacement project.

Now, based on the receding of the water and then letting the basement dry out: Ultimately we will have to address any remaining issues to make sure, for instance, that mold doesn't grow; to make sure that there weren't any other problems that aren't readily observable by the naked eye. But we're working with our insurance carrier to make sure that if any issues like that arise, we take care of them and we address.

ASSEMBLYWOMAN POU: Okay.

Just one final statement on that. I know that that facility -- the one that SDA now owns, that being Don Bosco -- and I make mention of that so as to point out that that is a facility that has, prior to the flood, had some challenging structural problems. All last year there were problems, whether it was heating or other types of conditions that needed to be -- conducive to a learning environment. And I would urge you that this would only be an additional problem added to what is already a situation that leaves a lot to be desired in terms of a facility that is conducive to that kind

of a learning environment. I would ask you to please pay very close attention to not only correcting the problem that you now are aware of, but all the other problems that were very much pending all last year with respect to this particular facility -- especially because of the number of children that we now have there, which is double the amount than what you had last year.

So I hope to hear from you, through the Chair, as to the status of what you've been able to address, and bring it up to par with what your statute and your regulations require all the other school districts to do. This is now your very own school-owned facility; I expect even more so for it to be up to par.

Thank you.

Thank you, Mr. Chairman, for your latitude.

SENATOR RICE: You're welcome, Senator -- Assemblywoman. I'm going to get used to that yet -- close.

We will be up in that area, and as I indicated to the CEO, we'd be prepared to revisit some of those issues, even though you're going to be trying to get back to the Assemblywoman, through us and directly to her as well, on issues raised now -- unless important. I know our company from Paterson -- we'll be calling them up a little later; I want Senator Ruiz to weigh in on these pieces as it stands right now.

But I do have a question. And we need to pull transcripts, because I know I've had more than one conversation at public hearings, and I believe the last one was with Senator Don Norcross and others. I thought we were taking a look at how to give SDA the authority to do what you do best. I could never figure out how someone who doesn't know anything

about construction and how that stuff is supposed to work-- But yet the people we give the responsibility to address emergency construction have to wait on Department of Education approval. Now, I understand long-range plans, but within the plan we need to do a caveat to say, "Well, it's not going to be this much; you can approve this much, you can't approve." The cost is the cost -- okay? -- regardless, because you know construction costs; they don't. And they're going to ask you, "Well, how much is the pen?" "Well, it's 10 cents." "Okay, we approve that." Well, let them approve it; they knew it was 10 cents, okay?

So that becomes important. But didn't we have that discussion more than once? And was anything done internally, or were you waiting on us through legislation, or did we say we wanted you to give us suggested legislation or work with the Administration?

MR. LARKINS: There are-- The way we look at it, there are two potential fixes; one is certainly an internal fix. And what we have done to strip away any of that bureaucracy, or delay, or complication of those things running through DOE, is we're actively working hand-in-hand with DOE in the assessment of emergent conditions. So this past summer we reached out to all of the SDA districts, requested information from them about any emergent requests that they had, and we're working directly hand-in-hand with DOE to make sure that we're partners in terms of advancing any future emergent projects.

In terms of the legislative piece, unfortunately for us the law requires that -- or provides -- that it's the DOE's determination. The Commissioner has to make the determination of a project as emergent or not emergent. What we are going to do and what we have been considering

is proposing some potential fixes to the legislation to present to the Committee. Prior to doing that, what we wanted to make an effort to do is to see if this internal fix works in the short-term. And the reason why we wanted to make sure that we implemented that fix was because we understand the legislative process -- and that that takes a little bit of time.

Having said that, we are certainly looking at the issue and we're prepared to consider any fixes to this. But unfortunately for us right now, the law makes it a determination of the Commissioner. But as I said, we're working directly with them to try and strip out any bureaucracy in delaying that process.

SENATOR RICE: Well, it's important. Because, you know, if you're working on (indiscernible), but expedited primarily because it's our legislative responsibility-- I never liked regulations anyway, because we make regulations. But to get back to what's on there, I think when we had this discussion before I'm not sure if Commissioner Cerf was the Acting Commissioner of Education. I think it was prior to his time and he may see it the way we see it; he may not. But we need to know. I know it's going to come up again when we get with Senator Norcross and other Committee members. So we need to just go ahead and fix that.

With that, why don't we turn this over to Senator Ruiz, who is also, for those who may not know it, the Chairwoman of the State Senate Education Committee. And for those who are not aware, the Joint Committee on the Public Schools is what I told you earlier: We don't write laws; we make suggestions. My members and all of us collectively can write legislation that will go to the Senator's Committee for consideration. And so partly the statutory responsibility that many of my members forget

about, because they don't read this stuff, is for us to make suggestions as to what the law should be. I'm not sure how many members are aware of that -- that's our responsibility. And so one of the things we are talking about is making some suggestions on what we were just talking about. Then it becomes the Senator's law, okay?

SENATOR RUIZ: Thank you, Chairman, and my apologies to you and to the members of the Committee, and to audience members. Today was our annual Senior County Wellness Day, so I apologize for my jeans, but I was moving and grooving with Essex County earlier; but I wanted to make it down here.

I wanted to follow up on two things that the Chairman said, and that Assemblywoman Pou broached the subject -- two things: I think that when you talk about insurance, recovery funds--

Before I get started with my questions, I apologize. I want to thank you, Marc, and SDA, and I see members here from the East Ward community of Newark -- that when we really had a tragic moment because the school building was shut down so early on in the school year, everybody came together and we had, truly, a conversation as to what needs to get done. And then subsequent to that, your office has been available to follow up on a series of questions and of processes as far as where we're going to move, going forward.

That being said, insurance recovery -- and I know this very well because of Elliott Street, which has nothing to do with the hurricane events -- sometimes the insurance money that gets drawn down, a portion of it will go for no business interruption. I don't know how they assess it and give the district money for no business interruption -- a pot of money -- and

then give the district a pot of money for the actual infrastructural damage. A lot of times neither one of the pools of funding cover the disciplines of both natures, which we have seen, particularly in this case, where we have to go out and get into a lease in different townships and then go into a broader contract as far as transportation. So when we talk about recouping the insurance money, that's great. I don't think it will be at 100 percent, and I think the Chairman asked that in the event that the insurance money doesn't cover the disaster of the events, has SDA constructively come up with a way that, when we're ready to move on with some of these projects -- where some of the funding will come from to complete those portions of remediation?

MR. LARKINS: Statutorily I think our money can only be spent on an approved school facilities project, so we certainly couldn't fund the transportation or other issues that are gaps. But in terms of the school facilities projects, we have taken a bit of a proactive approach -- similarly with Elliott Street. They're really questions about how much of the cost of the new facility that the insurance company will cover. The approach that we're taking at the SDA is to the extent that there is a need and there is a gap, and again that we have the funding to cover it, then we will. Part of our problem at the organization is -- and I don't want to go back in time -- but in 2008 when that capital plan was approved, there really would have been-- If we had stuck to that, there would have been no money to do any of the things that we're talking about now. Part of what we were able to establish in revising -- reworking that '08 plan is to pull \$100 million more to address emergent conditions. But when you-- Any money that you pull more for these types of emergencies or emergent conditions is money taken

away from a capital project. So in theory, in 2008, that \$100 million that we, today, now say we will use for emergent projects was slated or being directed to a new school facility. So what we're trying to achieve is that delicate balance of not taking away needed replacement buildings and instead doing repairs on old facilities. So we're trying to achieve that balance. But funding is certainly a problem for the districts, trying to make sure there are no coverage gaps is an issue. But every time we step in and direct money somewhere else, that money really is coming from a capital project and being redirected.

So part of our issue as an organization is really that trying to achieve that balance and be able to be responsive as the needs arise.

SENATOR RUIZ: The other thing is -- and like the Assemblywoman's district -- we're also under State control here in the City of Newark and we continuously hear about this whole process as far as approval of different facilities projects. In the event of this emergency, has kind of a triage scenario been set up with DOE and SDA so that when a district is prepared, after they've made their assessment, to say, "We're in need of this recovery; it's over \$500,000, we need approvals," that that timeline has been condensed in order to move projects forward in a more expeditious manner?

MR. LARKINS: In terms of the specific issues right now existing in Newark? I'm sorry; I'm sorry, Senator--

SENATOR RUIZ: I'm just talking about-- So there is a process in place -- we know this. Statutorily you're governed-- If a project is over \$500,000 in districts it has to go through a process of approvals--

MR. LARKINS: Yes.

SENATOR RUIZ: --DOE, yourself -- and then it probably goes to your board, or whatever the process is. I would suspect it takes some length of time. In the event of the hurricane, has SDA and DOE kind of developed a strategy just to deal with these emergency projects that developed after the storm, so that when a district has assessed the damage and has made their plan of remediation, and it's over \$500,000 and goes back to it, there's a streamline process in place that follows all protocols; but then it's a streamline process so that then SDA or the district goes out to do the capital improvement?

MR. LARKINS: We actually have not done that, and part of the reason why we have not -- it's certainly something that we can look at -- is, again, part of the issue for us is funding. And just to put it in context: This summer when we made outreach to all the districts to get a real sense of what emergent needs were out there -- and we received over 700 requests. And we have evaluated, but it certainly far exceeds the \$100 million that we've allocated for that work. In fact, Newark alone has said they have \$200 million worth of work on their existing buildings.

What we've whittled that number down to, based on a review, is really right now about 300-plus projects that we're actually going into the field to investigate and validate. But again, we assume -- because until we really do the work we don't have a true value -- that that number of projects is going to exceed the \$100 million that we have to do the work.

What happens in these emergency situations is new projects arise above and beyond the ones that are already in process. And then the question becomes: Do we not do a project, for instance, that was already out there -- requested and potentially needed -- because an emergency has

happened and a project *jumps* the list, for lack of a better word? What we haven't done is set up a specific protocol to deal with those emergency situations because, again, our legislation doesn't provide for us to be that emergency response type of organization.

Having said that, we are sensitive to needs, problems, and realities. So rather than setting up that individual process, what we did was to be proactive and responsive to the situation. That's why, for instance, in terms of jumping the list, our staff was out at Wilson the Tuesday after we learned on Friday to start working with them to make sure that that is not an impediment to getting work done. That's why our staff was out at the Broadway School in Camden to make sure that the process is not an impediment. Because, as an organization, we have to be able to be responsive to these types of once-in-a-lifetime, hopefully, emergency situations.

So while not developing a special or streamlined process in the event of emergency, we have treated it as an emergency and gone out to assess it. And the line or the process would not be a problem because those are school buildings that aren't occupied right now because of the problems. Whereas, in some of these other situations the buildings are being used but they're in poor shape. But ultimately, the problem, I think, for our organization is going to be the funding. After we spend the \$100 million, do we pull more money to do more emergent repairs and take away from replacement buildings? So as long as we have this limited pot of resources, unfortunately we are being asked to decide how to spend it. And we obviously want to be as responsive and helpful as we can. But the reality is that there is a bottleneck of projects, whether emergent or capital, all

competing for a limited amount of resources. And ultimately we're being asked to make the decision on the priorities.

SENATOR RICE: Senator, before you go further, let me just indicate, as Chair, we don't predict what the good Lord is going to do, so none of us expected Hurricane Irene and all those that came behind, and thereby forget about it. Because Paterson was hit more than once. Every time they tried to get one thing started the water started to flow again with the little guys. But the point is, is that those that we don't anticipate -- or at least we didn't anticipate how much there would be, or even that it was going to be a problem--

And so we're going to have that discussion if it becomes an issue of SDA having \$100 million, for example, "to do emergencies," and all of a sudden something came that we didn't expect to come and we still use the same pot of money by pulling down schools and holding up projects. That's one of the problems, I know, throughout the state, here in the East Ward in particular -- why projects that should have been in the ground already are not there -- because we keep pulling back, trying to re-set the priorities, if you will; so we're going to have that.

But along the question that the Senator is asking -- and then I'll go back to her -- since it's in the same line. She gave you the question -- the query about the \$500 million and what happens beyond that with the DOE, in terms of approval. But let's take a district like Paterson where I know that the Mayor, and the State Legislature, and I suspect the County reps too, are working together -- because I see them on TV -- really trying to do all they can to figure out who's going to pay for what and where the help is. And so I'm going to guess that in Paterson somebody thought about --

well, from the Board of Education perspective, even with the Senator or the Mayor or somebody -- thought about, "We'd better check with FEMA about this, too." So let's assume that that was done. And FEMA comes back and says, "Okay, for your school district in Paterson," or Garfield or wherever it is -- Newark, it doesn't make a difference -- Camden -- "we're going to approve \$1 million to the district." And the question then becomes -- and the damages, if in fact they approved and the money goes directly to the district to manage -- would the money go directly to the district to manage or would the State be pulling the money back and saying, "Well, this is an SDA district so therefore we have to manage those repairs"? Because that can get-- You know, I know how this State operates, okay? But the thing is that's a question that needs to be raised, because I suspect some place the damage may be substantial enough that some school district is going to make an application.

And I also suspect, depending on how they make it, there's a great possibility they can be approved. And then a check goes flowing into the district and then the State says, "Hold up; we get that." Then the question is, "Okay, you don't expedite stuff the way we do locally, okay?" So that's something we need to get a response for before it happens, if it hasn't happened already -- what's going to happen in that case? And that's why this hearing becomes very important.

So I just wanted to interject because you laid the good ground work for that. But what if Wilson Avenue gets its own money from FEMA? I just used that as an example. Now, who controls the money? It's going to the district, okay?

Go ahead, Senator.

SENATOR RUIZ: I think-- Do you have a response?

MR. LARKINS: Mr. Chairman, that is an interesting question. My understanding of the way the process would work is the money would go to the district. But before the district would be able to spend it, they would need approval from DOE, particularly in a Paterson or a Newark.

SENATOR RUIZ: And that's why I just want to interject again and say, the importance of if we obtain that funding to create the reconstruction, that I think after this meeting SDA and DOE-- This is not circumventing legislation or statutory responsibility, or whatever other types of governance that SDA must abide by. It's just to ensure that when Paterson, Camden, Wilson Avenue -- whatever other facilities were affected-- Right now we're in a holding pattern, almost, for the assessment process. But as soon as the money comes in that districts are *a)* perhaps given the ability to go ahead; and those specific projects facilitate the general management of those construction projects, with oversight from SDA, so that we can just expedite the emergency of those buildings.

I understand money, I understand all the other components, and I just wanted to follow up with something else. I think every time that we have a conversation about school construction, the conversation about -- there are projects in a holding pattern, they've been designated, they've been restructured, emergency projects have jumped up to the top -- the reality of this entire conversation is that we don't have enough money to deal with the infrastructure of our public schools throughout the State of New Jersey. And that the conversation pass through at some point -- whether it's through this Committee with leadership, with all of us together at the table -- to start thinking very creatively as to how we're going to

ensure that we don't have 150-year-old buildings from when Lincoln was the President, still in existence not providing the utmost standards to engage a student's learning. And I think that's the responsibility of all of us in this room to do that, because we just don't have enough money; or whether it's perhaps going back to reauthorize the bonds and bring monies in to deal with the projects that are on the listed table for now.

So, Chairman, through you, I think that is a conversation that has to be had. We can keep talking about infrastructure, but if there isn't funding, capital bonds, whatever it is -- revenue lines -- to fund it, we'll come back here in six years and we'll continue to have the same discussions.

Thank you, Chairman.

SENATOR RICE: Thank you.

Anyone else? (no response)

First of all, let me acknowledge before you respond: my running mate and colleague, a great lady, I've known a lot of years. I want you to know that when you look over there -- over there, or someplace around -- a great man is watching you, Marc: that's her former husband. But this is Assemblywoman Cleopatra Tucker. Cleo, do you have anything to say in reference to this whole hurricane situation?

ASSEMBLYWOMAN TUCKER: No, I came in--

SENATOR RICE: Excuse me -- that's him right there. (gesturing to official portrait) I just want to make sure he's watching, now, okay? (laughter)

ASSEMBLYWOMAN TUCKER: My purpose of being here is just to show my support for the Committee and to let them know that, whatever comes through this Committee, I'm supporting everything that

they come up with. I'm not a part of the panel discussion per se, but I'm here to support the Committee as a whole.

SENATOR RICE: Okay. Anyone else before we start to, maybe, call up some of the guest speakers here?

Marc, you wanted to say something? Yes, go ahead, Marc. I'm sorry.

MR. LARKINS: I just wanted to mention one thing, to respond to Senator Ruiz in terms of the process and the ability to spend money.

Again, in this Administration we've been very proactive and responsive to the emergency situations. When we first learned about the issue at Wilson that Friday before Labor Day, I was on the phone with Commissioner Cerf -- or Acting Commissioner Cerf. And what we did very quickly was to make sure that the Newark School District was able to identify the Wilson Avenue School as an emergency situation. The importance of that designation was that the district could then spend whatever funding was available to address the emergency situation. Now, what I want to say about that is, that is not a broad authority to spend whatever money to do whatever they wanted to do at the building, but that designation provided some level of authority to spend some resources.

As you move further along and you start to identify those secondary conditions and other issues that may exist at the building, then the district would need-- Should the district get a project approved, we would need that next layer of approval to spend future money. But we have been very responsive in terms of providing some ability/authority. And

when I say we -- it really isn't an SDA decision, but we worked with the Department of Education to make sure that that was in place.

But the Senator makes a great point in terms of the bureaucracy, the process, and in particular the funding issue.

SENATOR RUIZ: I just want to -- Chairman, through you, again -- and I talk sometimes, and I don't want to be mistaken in what I'm saying; because the front office, everyone was on the telephone, texting each other all weekend about the Wilson Avenue scenario, and everybody was proactive and engaged. And I want to thank everyone who was there.

I just-- We recognize we have a lot of issues. I always like to take government out of the Band-Aid approach and start thinking long-term. And so, in essence, while we deal with all of this, and create triages and scenarios to deal with the emergencies that are there, SDA, DOE, and the Legislature and all community members -- we have to really take a hard look at how we move forward with infrastructure improvement in the state, just to figure out where the bottom line is -- and that's some kind of revenue line that can support our schools.

So thank you; thank you, Chairman.

SENATOR RICE: You're welcome.

Let me just say that every life experience -- living experience should be a life experience. And as long as I can recall -- and my colleagues who have been in the Legislature and have been paying attention since SDA has been in existence, based on "the courts" and the statute-- I think this is the first time -- if I'm wrong, my colleagues can correct me -- that we really had this experience so substantially -- okay? -- and particularly in SDA areas. So we know that we have to walk through this; but I think it should

be the foundation to help us as we accept the realities that this can occur again next year. We never expected an earthquake, but it came from the north all the way down to Williamsburg, Virginia, where I was at, through here. And we don't know what that action does to the foundation; we know what the potential can be if we're hit hard. And so that means that SDA and the State -- those of us in State government working together -- have to come up with a whole new kind of emergency response, if you will; set aside or something. I'm not sure what we want to call it, but it's something we should be planning now, because the winter is rolling in and it's going to roll right out again. And it's going to be hurricane season and we haven't gotten this fixed yet -- at least we're on the road to getting it corrected. And we get hit again and again and again -- it's compounded. That was the problem in Paterson. Every time they thought they were starting to get the waters down where they can move, here comes some more water.

That's what's going to happen with school construction, I believe, in emergent projects, if we don't get in front of it while there's an opportunity. And that's why I don't think that-- Dollars are going to be an issue, but it shouldn't be an issue, to the extreme that we just say, "We're not going to build more schools" just to take care of this. Some kind of way we have to make sure the numbers work. And the residents of New Jersey understand that piece of it -- that's reality.

With that, let me bring up -- and Marc, stay around, stay there -- we need to bring up now two people: one is Chris -- is that Sapara (indicating pronunciation)--

MS. BENESTA: Grant.

SENATOR RICE: Grant -- okay, from Paterson School system; and the other one is Rosie Grant. Are they related?

UNIDENTIFIED MEMBER OF AUDIENCE: No, sir.  
(laughter)

MS. BENESTA: Rosie's not speaking.

SENATOR RICE: Oh, okay -- so Rosie's not speaking.

Who's speaking -- Chris?

**CHRIS SAPARA - GRANT:** Yes, sir.

SENATOR RICE: That's right; Mr. Grant -- okay.

How are you doing, Chris?

MR. SAPARA-GRANT: Very well. Good afternoon, Senator.

Can I be heard?

SENATOR RICE: Is that mike on? (referring to PA microphone) Hang on a moment; let me figure out-- See if it's on now.

MR. SAPARA-GRANT: Hello? Yes.

SENATOR RICE: There you go. I tell you what, I feel like an airline pilot up here. (laughter)

MR. SAPARA-GRANT: Good afternoon, Senator, Assemblywoman Pou, and members of the Committee. I'm happy to be here.

First of all, I extend the sentiments of our Superintendent who could not be here. He was planning to be here, but other things came up. And I'm sure, Senator Rice, that if he has not returned your call, he plans to do that.

The items that relate to the hurricane -- a sad commentary on the state of facilities in Paterson. We have more than 40 facilities -- 40

buildings -- and half of them took on water during the hurricane and floods that ensued. We have seven schools -- I think I'm getting some feedback -- we have seven schools that are currently dealing with mold issues. Out of the 22 schools that were affected by the hurricane and the floods, three of them are leased buildings. Out of this number, one school has been totally shut down, and it's P.S. 4. And the Assemblywoman also related to it. We have about 620 students.

Earlier this year when the Commissioner of Education visited Paterson, we actually took him on a tour of our facilities and specifically mentioned P.S. 4, because it happens to be the one school we have in the flood zone. Every year for the past three years that I have been in Paterson this school has flooded, but more especially this year -- we took on water up to 36 inches above the first floor. So the whole utility infrastructure -- the boilers, the switch gear -- were totally emerged in water; and until last week we were still taking on groundwater.

I'm not going to belabor the issues that relate to Paterson in general because the Assemblywoman has indicated that, when this happened, five bridges in Paterson were closed. We still have students who are disenfranchised because, though the waters have receded, the students still cannot come to school. But I'm going to put my emphasis on what's going on at P.S. 4.

We currently have the students in two leased buildings because we do not currently know how we're going to handle the water damage. I did not contact the SDA directly when this happened, because the first thing we needed to do was contain the situation and deal with the insurance companies. We've been in touch with the SDA and we're

working closely with the SDA. But one of the things that I think Marc indicated is the funding mechanism, and how quickly it can come to our aid -- is a little bit slow -- just based on the charter. And we cannot sit back and indicate, "Well, we're going to wait for help to come from somewhere else." We contacted the Commissioner, the County Superintendent of Education; the emergency was declared. So we are trying to use the funds we have available. Unfortunately, this particular incident is actually going to bankrupt the financial process in Paterson because we need to bus students to the two schools; we need to put up money to start cleaning and try to mitigate the mold that we have in the schools.

Roof problems, the age of the schools-- And I think it's very important that, and I appreciate the fact that, this Committee is dealing with this situation, but the issue goes beyond just the hurricane that just happened. The issue is about the state of our schools, the age of our schools. In Paterson we have more than 13 schools that are a hundred years old. So with a hurricane like Irene, you end up having water seeping into the buildings where you did not even know you had cracks. You have water seeping in through the masonry. And it's unfortunate that for a State-run district we have our hands tied in terms of trying to mitigate the situation.

The good news is that out of the many schools that were affected, the most recent schools that were constructed through the SDA did not take on a lot of water. One of the schools, P.S. 24, did in a minor way. Out of the 22 schools that we had, many of the schools took on water in minor ways, but some of the schools -- three of them -- actually got

flooded: P.S. 4, that I've mentioned; P.S. 28, that the boiler room also took on water; and one of our leased schools, HARP Academy.

I was late coming to this meeting today because we have to relocate the kids from HARP Academy, because we had to close four classrooms because of mold. We've used up our environmental budgets for mold remediation just in one incident.

So there are a lot of problems that we can talk about; I don't want to belabor this issue. I just wanted to come in and give testimony that Paterson has been hit especially very hard this year -- but it's not new. It happened almost every single year for the past five years, and we need help. We talked about going to the insurance companies. We were actually approached by FEMA, and we contacted our insurance company. We did not really go into detail with the SDA, but everybody knows there's going to be a gap -- a gap between what is covered by the insurance and FEMA, and what we can do. For instance: At P.S. 4, we would want to raise the level of the boilers so that in typical floods it gives us an opportunity to mitigate the situation before the boilers get engulfed; we want to raise the elevation of the switch gear. Those things are not going to get covered by the insurance claim. So there is a gap in the funding and that is where we're going to look to the SDA for some support.

We currently have projects on the emergent list that we're going to get a visit from the SDA, I think, next week or so. But we want to reserve the ability to pick some of our current emergent projects and put them up above the others that we have put in. We have about 14 projects, most of them dealing with HVAC issues. But now the flooding issue has

become the primary element that we're concerned about, and we want to reserve the right to have this dialogue with the SDA.

As a State-run district, there are a lot of limits to what we can do, and I'm hoping that with the Assemblywoman here, and other Senators and Assembly people here, that we start talking about some of these things that tie our hands. I know I've heard so much about the Wilson School and the schools in Camden, and I'm hoping that it's not going to be an issue where the squeaky wheel gets all the money. My sentiments go to all the districts that went through these problems, but then it's important that we talk about some of the facility issues beyond what the SDA has as (indiscernible) right now. Because if we're talking about the \$100 million to mitigate emergent projects that existed before the floods, then there is no way that we can get whole, and we should not lose the fact that it's a barricade to the districts. We should be concerned about the kids-- Currently we have kids who are not even coming back to school because their residences are either still under water or they've lost everything. We've tried to move things around, but it becomes a burden on the district and its facilities, financially.

I'm going to keep this as simple as I can, but I (indiscernible) there are any questions.

SENATOR RICE: First of all, let me thank you for taking time to come down and stay on the subject.

But let me assure you that one reason that this hearing has been called by me, and my Co-Chair, and members of this Committee is not so much because we want to disregard people, it's because we want to know about situations. I can also assure you, because I'm up and down this state

on a regular basis, even since Irene has hit-- One of the things that I'm really impressed with is that there's been a lot of damage done in Little Falls and some of the other towns. But the one thing I hear when I travel the state -- whether it's a wealthy district, poor district, suburban, it doesn't make a difference -- people are talking about what occurred in Paterson; recognizing that the situation in Wayne is just as bad, if you look at it from a commercial perspective, but eyes are on Paterson.

And so you're not excluded, and that's why we wanted to hear. And people are sympathetic to what's taken place. The question is how do we expedite the lease. Now, you said a couple of things that I need to raise some question with you, and then to Marc, if it's real. You said that P.S. 4 was hit hard and you're in leased buildings. But the question is: Were you in leased buildings prior to Irene? (affirmative response) Okay.

Marc, what happens in a situation like that? Have we had to transition students from buildings that were already being leased to leased buildings? Is that the case up there in Paterson? You have a leased buildings that there's students there -- have they had to be taken out of those buildings too?

MR. SAPARA-GRANT: One of the buildings -- P.S. 4 -- is a district-owned building; however, we had to quickly go into a lease with the Catholic Diocese to be able to move -- have that population move into Saint Mary's. The other facility is a building that we're leasing that we just vacated because we're trying to move away from leased buildings. But because we still have the lease until December, we quickly had to move the students in, move the furniture in and the supplies.

SENATOR RICE: Okay, all right. I got you, okay. Then that answers that question.

ASSEMBLYWOMAN POU: But Mr. Chairman, I think--

SENATOR RICE: Assemblywoman, yes.

ASSEMBLYWOMAN POU: He mentioned that the HARP Academy, which is a leased building, is one of the buildings that was also affected. To your point, though, that was your question; and I think Mr. Grant is responding to the two schools -- that being Schools 4 and 28 -- that are, indeed, owned by the district. But the other school, HARP Academy, was a leased building prior to the hurricane. So that, to your question, is yes -- there was one school--

SENATOR RICE: So the intent--

ASSEMBLYWOMAN POU: So to Marc, the question still is in effect. Your question is one that warrants an answer.

SENATOR RICE: Marc, you're--

MR. SAPARA-GRANT: Mr. Chairman, if I may?

Out of 22 buildings, three buildings are currently leased, and those buildings took on water. And it becomes a difficult situation because here you are, what do you do to correct the situation in somebody else's building where they don't have the same sense of urgency?

SENATOR RICE: That's my question. That's my question to SDA, because I don't know how many other district facilities are situated with leased buildings that had problems; we traditionally think about school buildings being owned. And this one had a transition, and then we're going from lease to lease. I guess the question is, what responsibility does the lease, the contractual arrangement, the schools impose on this natural-type

thing versus the landlord? School insurance versus landlord insurance? I mean, I don't know. And then in the interim, while you're answering the question, Mr. Grant, that you raised -- I raised earlier to Marc to get information, and that was this whole issue -- if FEMA covers some of the costs, who will cover the other costs if FEMA comes up short? And we need to get some responses here; the latter question that he's checking on-- I don't think they really even thought through that process given who-- But the first question is one that you may be able to respond to now about this lease situation.

MR. LARKINS: Thank you.

Mr. Chairman, as a general matter we have no involvement in leases between the school districts and landlords. We certainly don't have the authority to advance projects at any leased facilities that the districts are leasing, and we usually have no involvement in those situations.

Now, the caveat to that lies in the general matter -- is there are situations where the SDA leases property or facilities as swing space for a school project. In those situations we will outfit the building to make it usable as a school facility. One example, and an eyesore, is in New Brunswick. The SDA demolished a pre-existing building in New Brunswick. We leased a warehouse and outfitted as a school. And that was done -- I don't know -- five or six years ago.

In that instance the money that was expended was to make it usable as a school facility. But separate and apart from that, we generally have no involvement in leases between districts and third parties.

Our goal -- our effort, usually -- is to provide suitable and accommodating space that the district would own so that they would not

have to make use of leased facilities. But, again, with resources and the need across the state, there are certain situations where districts are still in leased facilities.

To answer the second part of the question: It's difficult to answer generally, in terms of where the money would come from to fill a gap in coverage of expenses. I think it would be specific to the particular project. So depending on the size, scope, and nature of the project it would either be, I would imagine, the district itself that would use funding, if they had it available for the project; or the SDA; or approved as a school facility or emergent project through DOE. But I think it really would be project specific in terms of what the nature of the project was, where you're more-- And generally, the way it-- I think the way it shakes out for your more, what might be considered, minor-type projects -- it's usually deferred back to the district. For your larger scale repairs and improvements -- things like that are usually approved by DOE, and SDA would advance it.

But that's sort of just in general, but it really is project-specific.

SENATOR RICE: Okay. Here's my concern: Let me get back to the Paterson reps first. In order for you to lease this space-- First of all, you're leasing the space because you were waiting on new school construction to take place?

MR. SAPARA-GRANT: That's correct.

SENATOR RICE: Okay. And then Marc can make a note to answer this: Marc, I know that there are a number of schools that are supposed to be constructed in Paterson, just like elsewhere. When you answer-- You don't answer me now; I'm going to make a note. I have another question for you. I need to know how many schools and where

they are. See, I see a relationship here where there is some implied responsibility in this situation -- that people don't want to put the dots together. Not you, Marc, but they need to be put together legally.

Now, when you lease the space in Paterson, you could not lease that space without the Department of Education approval, is that correct?

MR. SAPARA-GRANT: That's correct.

SENATOR RICE: Okay, yes.

Now, Marc-- You indicated, Marc, that when you spoke, you spoke-- You were speaking about SDA as a whole, relating to 31 districts; is that correct?

MR. LARKINS: Correct.

SENATOR RICE: Okay, but here's the deal. The deal is that Paterson is one of three districts that is "SDA," but the uniqueness of it is it's controlled by the State. So they can't make any decisions along -- different than the advisory. So it seems to me that, being a non-attorney -- and I think there's one sitting next to you; I'm not sure -- but I believe if I was to argue the uniqueness of the district as it relates to who controls the decision making and how it's going to be approved, then the State has a little different responsibility to Paterson. And therefore when you look at this from a legal perspective based on that relationship-- So I really think that your people -- when I say *your people* I'm talking about the legal people and elected officials. Maybe Marc needs to have-- Marc, I think that needs -- I'm suggesting this because I can't direct the Administration. And I'm strongly suggesting that even though the front office has really been responsive -- the Administration -- to pretty much the districts we are hearing from, etc., etc., that this Committee would appreciate it if you

would sit with your legal people -- Attorney General if you have to, Department of Education legal people, and Paterson people -- and revisit this discussion. I just think that there's a difference between a district that is operated by the State of New Jersey -- the government -- like Newark, like Jersey City-- Well, Jersey City is basically back, but as far as I'm concerned they're still operated, the way they're being treated -- but definitely Paterson, with the most serious problem. That we can't make exceptions to some of the rules that go across 31 other districts, or 20 other districts, even with requiring us to expedite the legislation to the Governor's desk that he would sign-- Because there is going to be a big gap there. And I also think that we should take a look at the cause of the uniqueness of that district. If, in fact, we can get some decent reads on what insurance looks like and what the FEMA people look like -- because even if it doesn't come around it still has to be done -- that maybe there is some degree of a loan -- we call it gap money in government, bridge money, call it what you want to call it legally -- that we can extend to a Paterson situation, which is totally unique in terms of this substantial damage in a number of schools. Yes, we have a Wilson Avenue problem, but we also have -- how many schools in Newark, roughly -- 40, 50 schools, okay? So the point is that we're unique in a little sense. We have a real serious problem with a school district that should have been dealt with a long time ago. They're talking about a number of schools plus leased buildings. You understand where I'm coming from?

Now, I know if you weren't working at the State level and the same Governor told you, when you worked across the street, to figure this out -- you ought to come up with some good stuff. So just act like you--

You all get together as a team, okay? You understand where I'm coming from?

ASSEMBLYWOMAN POU: Absolutely.

SENATOR RICE: Does someone have an issue over here? But you understand what I'm saying, Assemblywoman, okay? This is unique, and I think also-- I think the city should work with them, as well with their lawyers, to make sure there's a lot of legal help researching this stuff so the State can't say, "There's nothing we can do." I really believe that if we are challenged on behalf of those children, I think we'll lose at the State; I think the State would say, "Hold it. You have to at least do something more than you're doing for Paterson." Which I don't think would be discriminating any other district.

ASSEMBLYWOMAN POU: Mr. Chairman.

SENATOR RICE: Yes, go ahead, Assemblywoman.

ASSEMBLYWOMAN POU: If I may just add.

I'm so glad that you pointed that out. I'm so glad that you pointed that out because I think what we need to not lose sight of is the fact that we're here today as a result of the difficult situation -- as a result of the hurricane disaster. And that takes some very creative, intelligent minds getting together and looking for a solution that may be necessary for us to go outside of the norm, particularly because of the devastation that has occurred all throughout the state, but specifically to certain regions of the state and, more specific, to those towns and cities like Paterson.

So I think, as it was pointed out by Mr. Grant -- who, by the way, is the Executive Director of all the public school -- of the Paterson Public School facilities; so he's very familiar with what's going on. The fact

that we are delaying, by virtue of the process, both legislatively as well as through the regulation end of it -- that in itself-- I would hope that someone such as yourself who is really versed, knows what's happening, and the Commissioner -- the Acting Commissioner of Education would come together and propose suggestions of making certain exceptions. That's been done in other disasters; it certainly should be done here. And what we cannot afford to do and allow to happen is that every single day -- to my colleagues -- every single day that goes by, Mr. Larkins, Acting Commissioner Cerf, the Governor, all of us here -- we cannot return those days back to our children. That's one day lost of their education. And that's something over which we have no control. But we do have control of making sure that we stop that from happening and return those children back to their school system, and have an ability to expedite that -- expedite that.

As the Chairwoman from the Education Committee stated earlier, Senator Ruiz made mention that we would have to come up with legislation -- ideas on how we might be able to make these types of much-needed, commonsense changes to what appears to be a very bureaucratic system. We need to make sure to get through this, and we need to do that very quickly.

The fact that it's delaying and slowing the process, tying the hands of the Paterson School District because of our State-controlled status, is certainly unacceptable. And I know that you know that, Mr. Larkins, and I know you feel that. I know you're very much supportive of that. I ask you to please take that back -- take a more proactive role, take charge, if you will, of being our voice from our end -- from the end where you're at, as

we would do from our end legislatively, so folks like Mr. Grant and our children are protected. Because that's our responsibility and our job.

Thank you.

SENATOR RUIZ: Mr. Chairman, I know the Assemblywoman has comments, but I need to run out.

Something that I heard -- that I don't want this to be a practice (indiscernible), and I am hoping that this is not happening in other districts. While we cannot take time back from the days that have been lost, it is incumbent, the utmost responsibility that there is no learning loss throughout this process; that districts get together with the Department of Education to create creative models so that our children, at the end of the day, are complying with their eight hours and the amount of days that are necessary to complete their academic school year. Now, that's our responsibility to ensure that.

On the building and facilities structure, of course, it would make it much easier to fulfill that commitment, but under no circumstance-- It will take some time, without question, for districts to develop whatever strategies they will need, because there has to be built-in time to travel. And whether it's coming up with a longer school day to fit, our children deserve and must be in school for 8 hours a day during the length of their academic school year. And that's-- I just say that into the general masses -- that has nothing to do with SDA.

And I just want to follow up and echo what the Assemblywoman and, through the Chair, what he suggested. The frustration for State-operated schools is not that we want to be-- Obstruction isn't what's happening; it's just that you are (indiscernible).

We have plans of action; we have people who are capable of demonstrating what can be done. And yet we have to go through these levels of statutes that are mandated by the State. And we have to immediately work on ways to clean up whatever it is that will help facilitate the mission of SDA, DOE, and the local school district. And to Paterson, 100 percent-- We may not have had leases in the midst of this, but what we did have, and why it keeps being mentioned, was that we did have a displaced community in a school. And in less than two years that same exact scenario occurred again. So it's very much in the same tone of what's happening throughout the State of New Jersey.

Thank you, Chairman.

SENATOR RICE: Assemblywoman.

ASSEMBLYWOMAN JASEY: Yes, just briefly.

Thank you for coming. I just have a comment and question -- not directed to you, Mr. Grant, but in general.

The comment would be-- Well, the question-- Let me ask the question first. The question is: I'm sitting here thinking about this particular school and wondering is anybody looking at the question of whether or not it should be remediated, should we be spending money to raise the furnaces and raise the switch and those kinds of things if, in fact, this building is so problematic? So that's not a question for an answer today, but I really think we ought to be thinking about that, especially in consideration of limited resources.

And then the comment -- and one that I hope you'll take back to the Administration, Mr. Larkins -- is, correct me if I'm wrong, but I believe that the Acting Commissioner has all kinds of authority through

regulation to deal with situations, and certainly the Governor has the authority through executive orders and directives to deal with emergent situations. So it troubles me that we're sitting here weeks after the flood still trying to figure out who should be doing what. And I think the fact that it's a State-controlled district really forces the issue in terms of: We, as elected officials, need to know the answer to that, and why we're still discussing who's responsible, and what the process is, and how do we get the money there. Meanwhile, students and their families' lives are being disrupted.

So that's a comment; I don't expect an answer on it. But I hope that you will take that back to the Administration and say, "Look, we are in control here so what's the hold up?"

SENATOR RICE: Thank you, Mr. Grant.

And we want to thank you for your comments. And I'm sure between the representatives of your district and the rest of us, and the comments made by Marc, we're encouraging that round table. And I think that's something that we're going to send -- a letter through staff requesting the Department of Education to get with SDA and the Attorney General -- anybody they have to get with, we don't care who they get with -- and with your legal team up there, etc. And I would hope that the Assemblywoman and the Senator's representative district will send a similar letter to try to encourage them, because I think the real emphasis on this is that there is a uniqueness. It's a take-over district, so that makes it a little bit different in terms of the other SDA districts with similar problems that we have to address. And I think that the impact of what occurred in the district makes it even more unique because it's a take-over district. And so there are not a

lot of decisions you can make in that district by yourselves anyway because you don't really have a board, you have an advisory group. That's like having a sorority or fraternity, from my perspective, okay? And you keep getting interim superintendents; and so you just have a problem here.

So with that I'm going to try to move this, because it's almost 4 o'clock and I know we have to get some other speakers up.

MR. SAPARA-GRANT: Mr. Chairman, thank you for the opportunity, and thanks for your concern.

SENATOR RICE: Sure, okay.

Next speaker -- that's Ms. Rosie Grant.

**R O S I E G R A N T:** Yes, sir.

SENATOR RICE: All right.

MS. GRANT: Good afternoon. Thank you for this opportunity.

I'm listening to the conversation that's happening, and I just want to add to the urgency of the situation at School 4 with these kids. They lost all their teacher supplies, they lost all their textbooks, they lost all their office supplies. We're talking about the basement and the first floor. They lost technology. So in addition to being displaced from their facilities, they also don't have the tools that they need in order to succeed. These kids have to keep on learning. And so I'm concerned about a process where Paterson gets money and then waits for the Department of Education to approve the expenditure of that money, and then waits for the SDA to manage the project. These kids are vulnerable. They were at-risk before, and they're especially vulnerable right now. And I ask you to do everything in your power to make sure that this happens, and happens fast. We have a

history with facilities in Paterson; we can't wait three years on this. And so I do plead to you.

I thank you, Assemblywoman, for representing our students so well. We really need whatever you can do for these kids.

I went to visit the temporary space for School 4 two days ago -- last Friday. And there-- The principal is at a round table in the back of the cafeteria. She doesn't have an office, she doesn't have a desk. There is no teachers' room -- it's serious. Our kids have to pass State standardized tests. And so I just wanted to add the human face to the crisis that we're in right now.

Thank you.

SENATOR RICE: Let me thank you as well.

Let me just indicate that that's one of the reasons we asked the Department of Education to send a representative, even if it was not the Commissioner -- the Acting Commissioner. Because we know that we have to deal with the CEO, Marc Larkins, of SDA and try get his cooperation in pulling people together to look into areas and move into the direction -- which he has not done because no one asked and it wasn't a direct responsibility, or at least perceived as one, since everybody's involved.

But that's on infrastructure. Now we're talking about, as you (indiscernible), that a budget was struck; dollars were spent in the school budget for materials and supplies and they're no longer there. And now the question is: How do you replenish them and then stay within budget? DOE approves your budget, so it's important that they get involved at some level. And that's why we're going to try to do that via communications with

the Acting Commissioner and the people responsible, back to those representing Paterson.

And I would hope, Melanie and Sharon, when we send these letters out based on this conversation, let them know that we would like to have answers as soon as we can; because there's going to be a hearing in October, in Garfield -- or at least that Passaic County area -- we know that. And this is going to come up again and we would like to at least be able to, by way of this Committee and representatives there, articulate to the general public and to those who are concerned in the school system where we are with some of this stuff. That's going to be important. I mean, they tell us it's going to be a hundred years, then we should be able to say that and then everybody will get angry. If it's going to be one day, we should be able to say that. But for us to sit in a forum and not be able to say anything because someone didn't take time to take a look at something and get back to us, that's not going to fly well with me. Not that I think the Commissioner cares anyway, but that's another story. He's just as responsible as we are.

Thank you very much.

MS. GRANT: Thank you.

SENATOR RICE: All right, next we're going to call up-- I need to bring Wendy up -- Wendy Kunz -- from the Camden Board, because I know you traveled a long way to be here, Wendy. And then we want to hear from Camden; I know there are a lot of problems in Camden. Camden just gives me headaches, period -- the politics in Camden. But, you know, now you've got nature problems, okay? So just let us know where we're at from your perspective.

And also, just for the record, put your background. Because I happen to know it, but I think it's important for people here to know your background so that they know that you do speak with a degree of authority as it relates to Camden, and architecture, and nature, and the things that are falling apart, and all that stuff.

All right, go ahead.

**W E N D Y S. K U N Z:** Thank you, Chairman and other members of the Committee.

Thank you, Mr. Larkins, for being here and hearing us out.

My name is Wendy Kunz; I'm Director of Construction for the Camden School District. I'm a registered architect here in New Jersey as well as five other jurisdictions -- states -- and Washington, D.C. I'm also a recognized facility -- education facility planner, a very elite group from across the country and around the world that meets once a year and discusses things of this nature.

I do represent Camden, and I have come to talk specifically about Broadway Elementary School. There is some history to it. It was constructed in 1887; scheduled to be off-line in a 2000 long-range facilities plan included in Camden's Capital Plan. The building was vacated in 2000 and was in the process of being decommissioned as a school. The building was considered educationally inadequate and the cost to renovate exceeded the cost of a replacement facility.

Lanning Square was vacated-- Lanning Square -- this is a different school -- was vacated over a weekend in November of 2003 over the school being in imminent danger of collapse.

The student body was located to Broadway, which was reopened on an emergency basis, and another school that was reopened -- Feters Alternative School. Land was identified for Broadway School replacement. Lanning Square was changed from a major renovation to a replacement on a fast-track -- or emergent -- basis. Emergency repairs of Broadway masonry were identified in 2007; the SDA commissioned two separate studies to take place -- this was after the district had performed their own study -- DOE and SDA came down and investigated repairs. The repairs were made in the summer of 2010, but only partially. They identified a certain number of repairs that needed to be done; they left the other repairs undone.

August 23 of this year, the earthquake caused damage to Broadway School. The school was one week from opening -- the schools were cleaned, the schools had whatever repairs we could do to them on the interior over the summer -- they were stocked with teacher supplies, teachers had been in there and set up the rooms. And I got notice of the damage from the earthquake at 4 o'clock. I went down there; I was down there on-site within a half-hour. That evening in the rain and in the dark I closed the building. I closed it as part of my obligations as a registered architect in the State of New Jersey.

The next day when I went down there in the daytime I saw the damage was much more extensive than I had seen the night before. The entire rear wall had bowed out, both vertically and horizontally. It's the first floor. Now, if you can imagine a three-and-a-half story high brick building -- solid brick, not reinforced wood structure -- over a hundred years old; the first floor, out of three floors, was buckled and failing. So we put

together an emergency plan where contractors worked and the staff of the district worked Saturday, Sunday, and Monday of the holiday weekend -- Labor Day. We-- Sunday afternoon the engineer was on-site, and as a contractor was removing some windows the wall moved further. At that point he told the contractor to leave, that it was unsafe to do any more stabilization and repair work. With that, I went down to the site Sunday afternoon; I was down at the site Monday. I was actually -- every day I was at the site, but at different times.

We then had the engineer work up a stabilization plan just to maintain the condition as it was so it wouldn't completely collapse. Then the DOE and SDA came in at the end of that week -- I think it was the 8th of September -- they reviewed the conditions. They haven't gotten back to us yet with any kind of decision.

Our insurance agent had been through -- or engineer from our insurance company had been through on Friday -- this past Friday. He has not gotten a report to the insurance company and, therefore, they have not gotten it to us.

We are very concerned about the stabilization of the building just because we don't want anybody to get hurt. So we relocated, again, over a weekend; the same students -- all different generations of students, but the same student body -- to a third school -- Parkside Elementary School. It requires a longer bus ride; it is way out of the neighborhood. And when we relocated the first time from Lanning Square School, the student body was too large to fit in one school so we had pre-kindergarten though 2nd grade attend the Broadway School, and their brothers and

sisters -- 3rd grade through 6th grade -- attend another school, Fetters, in an adjacent neighborhood, but not within their own neighborhood.

Fetters has had emergency work done to it where a wall started to collapse. It was stabilized after a year-and-a-half by the SDA, as an emergency. We could have done it in-district within a week. The students are still allowed to play in the area outside, and it is a very tight site -- very small site -- and that is one of their play areas. And the school still blocks off -- partitions off -- that end of the gymnasium.

So that's two schools affected by the lack of action on Lanning Square.

In addition, we've had two other walls collapse; we've taken care of them already. We were able to do one in a month; we were able to do the second one in a week. We do have the facilities and the capability to handle these issues, but Broadway School is just way too much. Estimates for the original repair were about \$100,000, and that was to rebuild three masonry piers -- nothing else. When a wall started to move it jumped between \$500,000 to \$1 million for repair of that one bay -- the first floor and the two floors above. Now we're looking at the whole rear wall, which is three classrooms wide, three-and-a-half stories high. Again, this is a solid masonry, solid brick wall; it's from 1887. It does not have reinforcing; it had masonry ties -- iron ties -- within the brick work. They have since rusted out. It was exposed when we took a window out. There is nothing holding the wall together, so we have -- on the inside we have plaster surfaces bending outward; on the outside we have brick bending outward even farther. Other damage that we discovered in the building was separation of a structural wall at the third floor, a worsening of the damage

that was identified to the SDA and DOE several years ago. No damage on the extensive and interior identified just this week -- or this month.

SENATOR RICE: Let me ask you-- I don't mean to be-- I'm trying to watch the clock because we have some Broad Street parking; we have to get people out of here, too.

Okay, so in Camden now -- this is Irene damage, or is this the "earthquake" damage, or a combination of both?

MS. KUNZ: We were fairly lucky with the hurricane, but we did suffer damage with the earthquake.

SENATOR RICE: Okay, then I guess the question to Marc: Marc, there have been assessments on your agency's part of the earthquake damage and, I guess, does FEMA or Federal aid get involved in this as well?

MR. LARKINS: Mr. Chairman, I am unaware of Federal agencies involved right now in this state, actively, with regard to the earthquake. I could certainly be wrong. I'm just unaware of it.

As I understand it, however, there may be insurance coverage for the district. I know that when Wendy mentioned that the insurance company has been contacted, as I understand it they have sent an adjustor and they were awaiting a response from the insurance company regarding the coverage. But in terms of Federal assistance, as I sit here I am unaware of any.

SENATOR RICE: Okay, so -- because I'm going to have to let Wendy -- have a seat so I can get a couple other people up. I'm playing this clock, we're up to probably three minutes now -- three or four. So once the insurance company -- take a look at that, because I understand that some of these schools they are already putting money into; because I remember

going down there a few times, and testimony, and that was as early as last year. And now because of nature, the way the good Lord would have it, we're back where we started and need to get the school back up to snuff.

So I would guess the SDA would be taking a look at what the insurance company is willing to do, and hopefully you don't have to litigate them. And then see what the differential is, and then figure out where we go from there.

And this is why, Senator and Assemblywomen, we're concerned about where we're going next year as it relates to the budget for your agency, because we've always been supportive and we give you all the money we can get there to make it easier in your job. But these little things are coming up, piece by piece, and I can start to smell a whole lot of money on little pieces right now, okay?

Wendy, I don't mean to cut you off. You can have a final word, but I need to get to about three or four more people, and I'm like 10 minutes out from the timeframe here.

MS. KUNZ: Okay. Let me close with this: Lanning Square School is what we need. We now have three replacement schools for the Lanning Square School; this was a project that was literally shovel-ready -- the site was pre-graded. It was reviewed by the DCA. According to DOE it was on the Capital Plan; according to people who I have contact with at SDA it was on the Capital Plan. It was a shock to us to find out it did not make the Capital Plan.

Thank you, and I appreciate your considerations for the district.

SENATOR RICE: Thank you very much. And I'm going to be asking the Chair of the Subcommittee on Facilities to revisit some of those issues that -- to make sure that we have them set up; and that's Chairman (indiscernible), of course.

Next, Kathleen Witcher -- Kathleen from the NAACP, as well as Irvington -- Township of Irvington school system there.

Come on up; how are you doing, Ms. Witcher?

**KATHLEEN WITCHER:** Good afternoon. Thanks for this opportunity. And I think that I'll bring up some issues and be very brief about it -- although I had a page of notes -- to comment.

First, because Irvington has Madison Avenue School that has been vacated now for three years, I will recall -- and I preface my comments to say that -- some of the children who we, as parents, were fighting for a new school to alleviate overcrowding for, are now parents and grandparents themselves. So this has been a decade struggle to get a new school or a renovation to Madison Avenue School in Irvington. And so my first issue was, how are we prioritizing the projects knowing that and understanding that there are at least 40 projects that, prior to the hurricane or the earthquake, these 40 projects in Newark were still on hold. I think only Oliver Street School and maybe one other project were being placed in consideration for renovation or replacement.

But I guess now, hearing that the School Development Authority has only \$100 million in its operating budget, the question to me comes with, not what Mr. Larkins is trying to do, but the ownership that should have been placed with the School Constructions Corporation. We all know of the debacle of that time; and I'm wondering if we would not be

talking about funding sources now if there had been some responsibility laid on those who were in control of those projects then. Of course, three of your sitting members today were not in their seats, and I had hoped that Senator Ruiz would have been here to make comment on what is seen as the State's will to deal with operations of these groups.

I also wanted to mention that, in terms of Wilson Avenue School -- and not just Wilson Avenue, but Lady Liberty Academy Charter School -- the question is: Why are the placements in Catholic schools? Why aren't the children going to public schools that we've already closed down, public schools that are vacant? There's Brown Academy that might have housed at least one of those schools, since it could not be used because of flooding, or other purposes. Lady Liberty, as I understand, has now moved from Pennsylvania Avenue to a location in Harrison, New Jersey.

In future hearings or meetings of this body I would want to know what happens with that. And also, what happens with co-locations? You have a number of co-locations in Newark Public Schools now. You have at George Washington Carver School what is seemingly a disparate co-location where similar facilities are not available throughout the building, but it seems that more has been placed for SPARK-TEAM Academy than for the regular George Washington Carver School program. It seems that SPARK Academy has air conditioning throughout their facility, and of the 36 classrooms in the regular part of the building -- of course, this is not a flooding issue -- but very little has been done to see that those rooms are air conditioned.

My alma mater is Malcolm X. Shabazz High School in Newark -- that's the same as Senator Rice. There's flooding in that building

whether it rains or not. And we asked our new Superintendent of Schools, Cami Anderson, if she could talk about whether or not that school has been slated for any capital improvements. Newark is also a district under takeover. And I've learned a lot today about the authority of having projects placed in-- But certainly if there's something that can be done--

I was in the building when some barrels were catching water and it had not rained in two weeks. What could be done there that provides for better safety and avoids hazards?

I want to stop there, but I wanted to say that I thank you for this opportunity. And maybe when you go to the south you go to Trenton - - because there seems to be a building in collapse there, especially since the hurricane. But that was one of those projects that seemed to run far astray from where it was intended under the SCC.

Thank you.

SENATOR RICE: Ms. Witcher, thank you very much.

I had a conversation, not with the Superintendent of Irvington -- I wasn't able to get her -- but I spoke with Mayor Smith. He had gotten off the phone, he indicated, with her about a week ago to try to find out where we were in Irvington. And I understand we didn't have substantial damage; there may have been a school or two with some water, so they're looking at how that's going to be treated.

In terms of the issue raised in terms of co-location: Marc, maybe you could take a couple of minutes, because I think that's important. The question in Newark was one of transitioning the children outside the City of Newark, when we have SDA-owned facilities here -- we also have school facilities under State control -- they control us, basically -- that are

basically empty that were reasonably operable during the course of this. Was there any reason that-- Who made those decisions? Was that a local decision by the Superintendent that the kids were going to go outside the city, when they could have gone, as she said, to Brown Academy on Bergen Street or someplace else?

MR. LARKINS: Yes, Mr. Chairman, that is a local district decision in terms of student placement, in terms of other existing available space within a district. As I understand it, and I certainly hesitate to speak for the district because, as I said, that is not an SDA decision -- we're not consulted on that. But as we understand it, there were excess capacity in certain areas in the school district, but I think the district encountered certain challenges in terms of placement of students from one region or portion of the district into another. But as we understand it, there is some excess space. Just as an example: The Speedway Elementary School. Of course at the Authority we understand that right now it's under capacity, and then there's some space there. I think the challenge really is where do you bring the students from to put them in the building? But again, those decisions are not within our purview.

SENATOR RICE: Will you request-- Was SDA requested to use any facilities that were owned by you from any of the districts that had flood problems or had problems?

MR. LARKINS: Generally speaking, Mr. Chairman, we don't own any of the buildings. Once we complete our projects, we usually transfer ownership to the district as quickly as we possibly can. So it's few and far between in terms of our actual ownership or control of facilities. We certainly had been working with the districts to the extent that we had

any buildings that are under our control in terms of providing support or additional capacity. But usually those buildings that we control are still able to be used at the districts pleasure, in terms of placement of students, unless there is some real reason why we would object to that usage.

SENATOR RICE: Okay. Thank you very much.

The final two speakers -- if they are still here: Is Clara Garcia here, a parent from Wilson Avenue School? (no response) I believe she left; okay.

Is Elba Matto, who is also a parent from Wilson Avenue, still available? (no response)

Okay. I have one other person--

UNIDENTIFIED MEMBER OF COMMITTEE: Wait a minute; is that him?

SENATOR RICE: Is that Clara? Come on.

UNIDENTIFIED MEMBER OF AUDIENCE: No. My name is Fernando Martinez. I was (indiscernible).

UNIDENTIFIED MEMBER OF COMMITTEE: We didn't get there yet.

UNIDENTIFIED MEMBER OF AUDIENCE: (Indiscernible)

SENATOR RICE: What is your name?

**FERNANDO MARTINEZ:** Fernando Martinez, from Paterson.

SENATOR RICE: Yes, I was getting ready to call your name. I was getting ready to find out who you represent. You can come up, because you're the last one. I was getting ready to call your name.

Yes, I wanted to know: What is SEOC, before you speak? I need to know who I am speaking to.

MR. MARTINEZ: Sure, sure. SEOC stands for Statewide Education Organizing Committee. We are an independent group of parents, kind of like PTA, but independent.

SENATOR RICE: Okay, right.

MR. MARTINEZ: It's statewide. We have five chapters; we're organized in Elizabeth, we're organized in Newark--

SENATOR RICE: I know who you are now, because I remember talking to you. I know some of you come out of Paterson -- I remember now, I got it now. It's coming back. I'm getting a little up in age (laughter); you understand, okay?

MR. MARTINEZ: Okay.

SENATOR RICE: Why don't you go ahead and let us know-- But stay with the issue of the hurricanes; I know that you are very much aware of that, going from Hudson into Paterson. I think we might have a relationship.

MR. MARTINEZ: I will be very brief.

My name is Fernando Martinez, again, the organizer for the Paterson Chapter, so I really appreciate the opportunity you have given me to speak in front of you.

We have a particular concern about School 4 and the whole situation with the school facilities, especially because we have a lot of our members grow up and send their kids to School 4. And we know that it has been damaged, but we have heard some number before like 7 feet of water in the basement; the first floor is destroyed, the basement is destroyed, all the teacher supplies are destroyed. But more because that particular school gets flooded every year. And we have a particular question, perhaps to the

SDA or some of the school district people: Why is it that School 4 gets flooded when it's about a block-and-a-half away from the river; and School 28, that is very close to the river, doesn't get flooded?

So I don't know if this is the right entity to whom to ask the question, or the SDA, but that's a very interesting question that the parents have. Every year the water gets into the basement and the school is actually farther from the river than School 28, which is very close to the river.

And the other part of that is: the whole trouble that our parents are going through right now with the busing -- taking a student from one facility to another one. And we would really appreciate it if we can expedite the process to get that school back in use.

But the other thing is that Paterson has been facing a school facility issue for years and, quite frankly, we had this conversation among our membership. And we kind of came to this question: So what exactly is the role of the SDA? And I like Mr. Larkins a lot, but sometimes our parents think that they actually get in the way of the projects than actually helping this project to move forward. And that's a very valid concern that our parents have in terms of, what exactly are they here for? And what is their role in the whole school facilities? Earlier today I heard from Mr. Larkins that they weren't even involved in the emergency of this particular school. And they also don't have much to do on the emergency projects; that actually the DOE needs to be approving this project. So what exactly is their role?

And maybe you can actually think about this, from a legislator point of view: Have we given too much control to the SDA? Honestly, because we had a lot of projects -- we had four projects before, and now we

have only two. And every time we come to the SDA meetings -- every month, pretty much, we've been coming to Trenton with parents -- we don't hear a date for when we are going to have Marshall Street. When are we going to have this school? We don't hear, actually, on a specific date. And it's understandable -- the need to go to the signing of the project, again; need to go to bidding process again. I don't really know what the process is, but the fact of the matter is that we're not going to have a new school in Paterson until probably seven years from now -- seven years from now. And we have 37, 36 students in a school very near by, from where Marshall Street School is supposed to be. We have a lot of schools that the students go to the basement to play and to the cafeteria to eat; and at PANTHER Academy they go to the classrooms for lunch because we don't have a cafeteria there.

So we are really frustrated with the whole bureaucracy that is in place for our students. And recently we have been having issues with the floors at Roberto Clemente, and they have been playing the hot potato game. The SDA says it's not the responsibility of the SDA to fix the floors, for more than three years, and the school district also hasn't fixed them -- until last week. I appreciate Mr. Chris Grant because he really took this and fixed it -- temporarily -- the floors at Roberto Clemente.

But, you know, the whole game about, "it's not my responsibility; it's their responsibility; it's not my responsibility, it's the State." So that's really tiring for our members, and we really want you to consider the role of the SDA.

Thank you.

SENATOR RICE: Okay, let me interject here, before we end the meeting.

And first of all, thank you for coming down; because you articulated, in your own words, the same conversation that those of us in the legislative houses on both sides on this Committee articulated over and over to the governors. And the reason I say the governors is because I believe in holding people accountable, but I'm smart enough to know that somebody is working for somebody; and sometimes I'm not wasting my time, but I also know that they don't have the authority, as much as they would like to do all they can do, say all they can say. And for some reason there's been this whole pall since the McGreevy Administration to the present about SCC, SDA. We keep thinking legislatively we'll get this stuff back on track. The whole key to the frustration is the funding. Those of us in the Legislature, particularly the Democrat majority, we voted in the past legislation to put the dollars (indiscernible). We knew that SDA needed them even before the CEO got there. We had a conversation with the Governor before the Legislative Black Caucus members -- Assemblywoman Jasey will tell you that -- prior to the Governor getting sworn in, and he said that he understood that we need to expedite these projects; they need to go to bonding. He had asked Jon Corzine, the Governor, to do that, and Jon didn't do it. But when he became Governor, if he didn't get it done prior to transitioning, he would expedite it. Well, since that time we know the history; it has not been expedited.

And so I can't blame the CEO for that, as much as I would want to because it would be easier. I've got to blame him-- I've got to blame the Administration and the people who kind of oversee the

Administration side by saying, "Well, look. Here's what you have to work with." And then you have the board behind the process: "Here's what we're going to approve." Even if you argue against it, they say yay or nay -- that's the way it is. And you make it work this way. And so he's stuck with bringing them good news and bad news. And I can appreciate, and I think most of the members -- not all the members of my Committee -- appreciate the CEO, because he comes to us and he tries not to hold anything back whether it was good news or bad news. And so legislatively we're going to have to do more, work with the Administration to support his needs. Because I think if the funding was there, I believe under this CEO -- like (indiscernible) -- it was there and it was monitored correctly, then he'll be saying yes to everything he could put a dollar on, as long as the dollars were there to make sense.

The other issue raised was one that I think needs to -- whether the SDA can be of assistance. Marc, I believe, is taking a look in the district at these two schools from an engineering perspective. Because it could very well be that the school near the river doesn't flood because of the construction itself -- how they took into account the water tables and things. There could be some piles there; it could be a lot of different things. Whereas the school that's not near the water may be having a whole, totally different infrastructure problem that has nothing to do with the school construction, but has to do with the underground sewer systems and pipelines -- which becomes either a county or municipal responsibility, unless it's on a State highway. Because Paterson, like Newark and Perth Amboy and others, we're still operating under the old infrastructure system where we have these cross-over lines and things that can't take the water,

because the 16-inch pipe is now an 8-inch pipe. Because it's like in your house -- you use so much grease that the big hole becomes smaller, and you can't get it off. And that's what occurs.

So I think an evaluation from the entities, from an engineering perspective, would probably come up with the answer to that. Then the question is -- once you find the answer to that you could be sitting over water -- then the question is: How does it get resolved and who's responsibility is it?

So let me thank you also for coming in. Marc, I would request if you could have your folks get with Mayor Jones as well as the school board people; but really Mayor Jones, who needs to take a look at his infrastructure, maybe, as it relates to that school. And we'll take a look at our responsibility.

I guess the real question, though: Is that a new school you're talking about or is this one from before SDA came in existence?

MR. MARTINEZ: Which one -- the School 4?

SENATOR RICE: The one that's not near the water?

ASSEMBLYWOMAN POU: No, it's an old school; it's an old school.

MS. BENESTA: That's School 4.

MR. MARTINEZ: No, it's an older school -- very, very old school. It's actually the one that's been relocated to Saint Mary's.

SENATOR RICE: Oh, okay. Then, technically then, I don't even think SDA needs to be involved with that. I think who needs to be involved with that is the municipal engineer, by way of whomever else needs to take a look at that area that's away from the water, and find out

why it floods. Because if, in fact, we go in there and decide we're going to tear School 4 down and build it back on the plan -- because that could be a plan -- we're going to have the same problem, okay? So that's that.

Thank you very much.

This is going to conclude this hearing. I know we haven't asked the (indiscernible) to speak, but I do not see her.

I want to thank everybody for coming; I want to thank my colleagues. And I want to personally thank the SDA, and the CEO and members, because anytime we call, they do appear and they respond. They may not make us happy sometimes; and sometimes they don't make us happy, and we let them know that.

But I want to thank you, Mr. Larkins, and your staff. I want to thank Assemblywoman Pou; and I'm going to say publicly I'm looking forward to seeing you on our side of the aisle, which I know will be a great loss to Assemblywoman Jasey, but we'll make it up to you. We have some folks coming down. We're going to take care of your side. (laughter) Don't worry about it.

I also want to make an education piece here, particularly to Assemblywoman Pou, and then to Assemblywoman Jasey, and for the public: The Task Force just concluded their review of the QSAC legislation, which I'm the sponsor of. QSAC is the Quality Single Accountability Continuum Act that we passed to make sure that Paterson and Jersey City and Newark, and any other district in the future that is taken over, does not get taken over for perpetuity. I think it's been 20 years in Paterson, and we still have no control; Newark has been 16. We started to transition Jersey City back. But the report is very interesting, because the report-- We knew

QSAC had to be changed; I knew it when I wrote it. But we couldn't get the kind of cooperation -- Dr. Bolden and the rest of us on the Committee -- there's about 30 people statewide -- so we left some things up to regs that didn't come out.

But it's interesting when you read the report, colleagues: the very things we were saying from day one -- who should have some responsibilities, like principals and stuff; who should be making some of the decisions -- they came out with that. They also showed what we had indicated before: that the No Child Left Behind law and our law conflicted, and it put us in a very precarious situation. And that we should be paying attention -- this is interesting, particularly for Newark and Paterson-- What we said is that we should be paying attention and giving credit; and get out of QSAC, with the indicators based on not so much student performance, but school progress. Because we know we made progress. But they can suppress us; and the other school is not making any progress.

And so it's interesting, because they are in line with our thinking -- that the danger in it is that -- I can smell that because they finally concur with us, without acknowledging they concur with what we have been saying for years -- is that at the end of the day there's another agenda as to how to address it. If we really read the Task Force report, it is really saying to us that we should give Paterson back tomorrow -- without saying it -- we should give this one back. Because it talks about how there are scores that are worse than Paterson, but the State intentionally did not go and take them over because we really can't run it. And it may be because of these conflicts with legislation. Then, fine -- give us back, and start from square one for everybody.

So the reason I raise that publicly is because I'm wearing a different hat: I'm the Chairman of the Legislative Black Caucus in New Jersey. And Assemblywoman Pou is the Chairwoman of the Latino Legislative Caucus. And what I'm asking, publicly, and I think Mila Jasey -- I have to check; I believe she's the Chair of the subcommittee of our Education Committee -- is that correct?

What I'm looking to do -- and I'll get with you on this-- I really believe that we need to put together a professional -- and I'm not talking about the parents; I love the parents. But I'm talking about a professional academic team and attorneys to evaluate this report -- it's easy reading and it's very short -- so that we can have input into what legislation-- Because they're going to deal with regs; they're going to be doing more of this just looking at things. But most of it, they're going to need a lot of legislation done. And we should be in a position to say, "We agree with this, but here's the way we think you should treat it," so we don't get hung out there, and privatize more of the education systems, and all that -- to focus them on public education as much as we can, where it should be.

And so I'm going to reach out for you, because we want some folks who are going in and not be arguing about charters and vouchers; arguing about what the report is saying, what a public school should look like; who should have responsibility regardless of where they are; what regulations we should be taking away from folks. Because what the report is really saying is that some of the issues that came up here today, had we done things differently then the school district would have more control, superintendents would be able to make some decisions on this flood situation versus someone else, etc. And so that's going to be important.

So with that-- Now what I need you to do -- from staff -- I believe that all the members, according to your memo to me, received a copy of that Task Force report. Is that correct? (affirmative responses)

I want to make sure that you get a copy to the Assemblywoman right away, and hopefully you can identify people-- She has it already? Okay, all right. And then I'll reach out and tell you the kind of people we're looking for. We don't need these people coming and doing division; we need to look at this report, okay?

The meeting is adjourned; thank you very much.

Let me, for the record -- let me also thank the City Council President, Donald Payne Jr. -- to him, and the Council, and the Clerk for opening their doors and house to us. The Mayor was invited to greet us; he's probably not here, and I know the Council President was in a meeting. I did see Councilman Baraka's representative, as well as Councilman Rice.

Thank you very much.

**(MEETING CONCLUDED)**