

New Dawn Board of Trustees Meeting

Location: GKV Architects, 675 Third Avenue, Fl 16, New York, NY 10017
Date: August 7, 2018
Time: 9:00 a.m.

Quorum was not met, therefore, the meeting was not held. An Executive Meeting was held instead. No resolutions were passed.

Executive Meeting for Selection of Construction Management Company

Location: GKV Architects, 675 Third Avenue, Fl 16, New York, NY 10017
Date: Tuesday, August 7, 2018
Time: 9:00 A.M.

Present: Mr. Ronald Tabano and Ms. Jane Sun

Absent: Dr. Phil Weitzman, Mr. Les Winter, Ms. Darlene Anderson

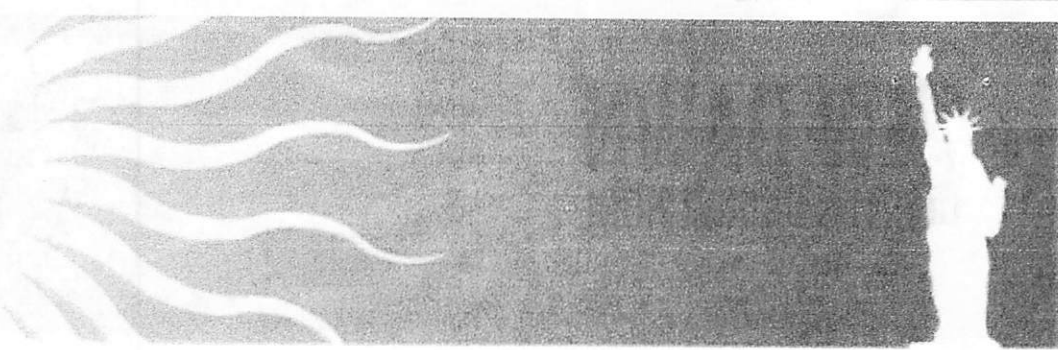
Staff Members/ Visitors Present: Dr. Asmussen, Mr. Jose Obregon, Architect Team from Gerner Kronick and Valcacer Architects, DPC, and representatives from:

1. Taurino Management, Inc.
2. Benchmark Builders, Inc.
3. Clune Construction Company

The sole purpose of this meeting was to interview prospective construction managing companies that will perform the construction/renovation of the building located at 242 Hoyt Street, Brooklyn, New York 11217. The construction/renovation project is expected to begin shortly after New Dawn Charter High School purchases the property. The presentation of each construction company is recorded as such:

I. Taurino Management, Inc.

Representing Taurino Management, Inc. was Mr. Christopher Cangemi, President of Taurino Management, Inc. and Mr. Salvatore A. DeGrotta, Vice President of the company. Taurino Management, Inc. is in the construction business for a total of three (3) years. It has experience in construction projects ranging from 7K square feet to 120 square feet in size. The School of Visual Arts, Harlem Village Academy, World Avenue School, and Apple Bank are among the clients they have done work for. Other projects



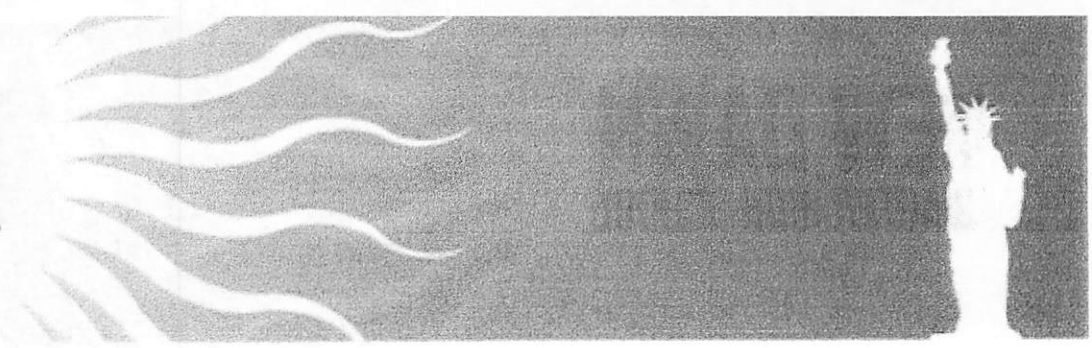
that Taurino Management, Inc. has completed includes work for The Dream School and the Village Community School which included a 25M dollar budget. The Taurino team stated that they are well within their comfort zone working with Charter Schools and that the size of the New Dawn Charter High School project is well within the company's capabilities. The Taurino team indicated that they can work within the requirements of performance bonds although they do not recommend this but because it is a requirement of the bond, they can do it. The Taurino team advised New Dawn Charter High School that because the school is using performance bonds, this requirement would increase the total construction cost by approximately 3%. Taurino Management, Inc. indicated that they feel comfortable putting together a bonding package. Taurino also indicated that they can provide a savings of 2% if New Dawn Charter High School pays subcontractors directly. Taurino Management, Inc. also indicated that phasing the construction will not be an issue. During the pre-construction phase, Taurino Management, Inc. outlined the scope of items to be provided which included the following:

- 1) Attendance at regular weekly project review meetings.
- 2) Providing advice on procedures, subcontractors, costs, construction methods and all other relevant issues as required.
- 3) Preparation of detailed construction schedule, to include phasing of work, updated at weekly project meetings.
- 4) Soliciting bids from at least four subcontractors per trade.
- 5) Identification of long lead items and arranging for any pre-purchasing if required.
- 6) Preparation of a trade by trade budget prior to bidding by subcontractors.

In respect to construction management costs, Taurino Management, Inc. indicated that they will charge a 6% construction manager fee, 3% for insurance, and a 9% General Conditions fee.

II. Benchmark Builders, Inc

Representing Benchmark Builders, Inc. was Mr. Fred Sacramone, Principal, Mr. Todd R. Phillips, Executive Vice President, Mr. George Samiou, and three (3) other team members which included Mr. Steven Attardi, Project Manager. Benchmark Builders, Inc. informed those present that the company has worked with several schools in NYC including Trinity School. The team also indicated that they have a good working relationship with GKV Architects and has more than ten (10) years' experience in construction management in NYC. The company has approximately 300M dollars of revenue and more than 120 employees. The company is interior-focused and is comfortable with a project such as New Dawn's. Benchmark Builders, Inc. also identified lead personnel that will be in the role of day to day contact person, General supervisor,



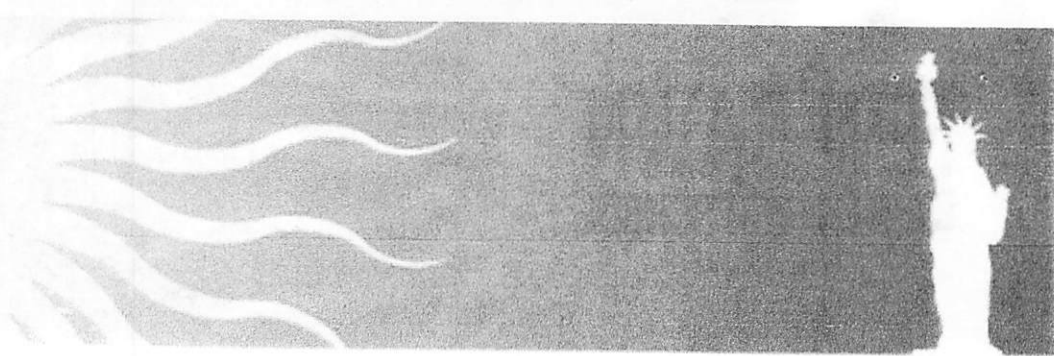
budgeting expert, and the safety supervisor on site. The team also took the time to inquire from New Dawn what are the limitations/restrictions that need to be observed for a phased construction project. The construction team offered possibilities and scenarios on how the job can be accomplished within the phasing guidelines. A suggestion made by Benchmark Builders, Inc was to move school hours to a 10 AM to 5 P.M. schedule so that construction crews can accomplish most of the noise intensive work in the morning before students arrive. To provide accurate pricing, Benchmark Builders, Inc. requested that a 75% completed drawing be provided. In respect to the performance bond, Benchmark Builders, Inc. indicated that they can bond the job. They also had reservations about the bonding process since it does not really provide any assurances the project will be complete. Again, since it is a requirement of the bonding process, they can do it. Benchmark Builders, Inc. outlined strategies that the construction company will employ to maximize value and quality of installations during the project. These strategies include:

- 1) Pre-qualifying potential subcontractors New Dawn Charter School leadership team
- 2) Defining packages clearly to be bid on that includes elevator, lights, stairs, finishes, mechanical equipment, and such.
- 3) Bid package review with New Dawn Charter School leadership team
- 4) Carefully planning out logistics and phasing so subs will be locked into sequence of jobs.

III. Clune Construction Company

Representing Clune Construction Company was Mr. Tommy Dwyer, Executive Managing Director, Mr. Teddy Kalaboukas, Senior Project Manager, Mr. Paul Puca, Project Manager, Mr. Kevin Crowley, Superintendent, and two other team members. Clune Construction Company represented the biggest of the three construction companies bidding for the project. The company has a 935M dollar operating volume. The company has experience working in Brooklyn, NY. It is an employee owned company and the Clune team indicated that it performs thorough sub-contractor vetting to maximize work and minimize costs. To accomplish this, Clune will pre-qualify subcontractors, create bid packages, performs scope reviews, and will collaborate with New Dawn for the award of sub-contractual work. The Clune Construction Company team presented a possible construction scheduled based on a vacant building being available.

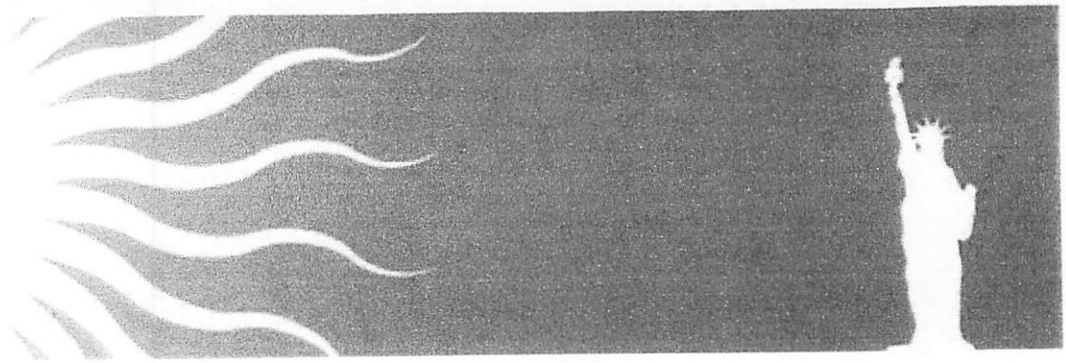
When the requirement for phasing the construction was raised by Mr. Tabano, Mr. Tommy Dwyer made it very clear that doing construction work while the school is session or phasing construction was a big concern for Clune. Mr. Tommy Dwyer voiced his concern over liability issues that will have to be addressed if construction took place while the building was even partially occupied. For example, according to Mr. Tommy



Dwyer, air-monitoring is a non-negotiable and legal requirement that Clune will have to observe if the building was occupied during construction. Additionally, Mr. Tommy Dwyer indicated that demolition will be very difficult if hours are restricted to early morning in a residential neighborhood. Consequently, the Clune team stated that a phased construction will drive the construction costs up and that de-conflicting work space between non-construction personnel and construction personnel in the building will be difficult. Mr. Tommy Dwyer also indicated that certain sub-contractors will have to be union employees.

The construction manager interviews were completed at approximately 12:00 P.M. Afterwards, there was a discussion among Mr. Tabano, Ms. Sun, Dr. Asmussen, and the architect team regarding the presentations. Mr. Tabano and Ms. Sun will report back to the general meeting of the Board.

The meeting was adjourned at 1:00 p.m.



The consensus among the attendees was as follows:

1. Taurino Management, Inc. is a good option but perhaps too small and not enough experience for the job. While they presented a viable option, their presentation lacked the detail that the two other bidding companies contained. Also, there is concern that the company lacks the depth to oversee the project as thoroughly as the other two bidders.
2. In respect to Benchmark Builders, Inc. all attendees agreed that this company had the best presentation overall. The presentation was detailed and discussions were geared towards problem-solving. The Benchmark team also took the time to ask pertinent questions relevant to the construction expectations and the needs of the school. Benchmark, Inc. also offered viable solutions to some of the challenges that a phased construction presents. All agreed that Benchmark Builders, Inc. is sufficiently experienced, has the breadth, and the depth where a project of this size is well within their capabilities.
3. While Clune Construction Company was the largest of the three bidders, the presentation stagnated when team members resisted the requirement that the project must be phased and that a reduced school staff and student presence will be at the school during construction. The Clune presentation was much centered on why a phased operation would be costly and a huge liability for their company and New Dawn Charter High School.

Conclusion. It was agreed by all in attendance that New Dawn Charter High School should provide Benchmark Builders, Inc. near complete architectural drawings so that it can enter a reliable bid. GKV Architects agreed that they would provide such drawings to Benchmark Builders, Inc. Once they submit a bid, the Board will review and make a decision on the hiring of a Construction Manager.