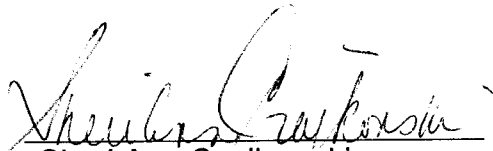


**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

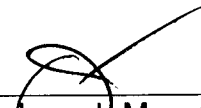
I, Joseph Mrozek, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such **Executive Director** certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the **September 29, 2015** Meeting of the Authority.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority **this 29th day of September, 2015.**

ATTEST:



Sheri Ann Czajkowski
Secretary to the Authority



Joseph Mrozek,
Executive Director

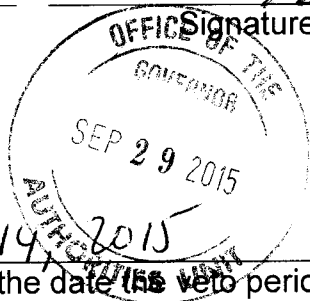
Corporate Seal

Date: September 29, 2015

**Received in the Governor's Office on September 29, 2015
(hand delivered)**

Received by: Lashena Kirk _____
Print Name Signature

Veto Period Ends: October 19, 2015 _____
(Write in the date the veto period ends)



**PROCEEDINGS OF NEW JERSEY TURNPIKE AUTHORITY
BOARD MEETING**

Tuesday, September 29, 2015

ooo0ooo

Chairman Jamie Fox called the Authority into session in the Executive Boardroom of the Authority's Administration Offices, Woodbridge, New Jersey, at 9:00 A.M.

ooo0ooo

PRESENT

Chairman Jamie Fox, Vice Chairman Ronald Gravino, Commissioner Raymond Pocino, Commissioner Ulises Diaz, Commissioner Daniel Becht, and Commissioner John Minella. Treasurer Michael DuPont was absent. The meeting commenced at 9:00 a.m.

ooo0ooo

ALSO PRESENT

Executive Director Joseph Mrozek; Chief Operating Officer John O'Hern; Chief Engineer Robert Fischer; General Counsel Bruce Harris; Deputy Chief Financial Officer Pam Varga; Director of Human Resources Mary-Elizabeth Garrity; Director of Internal Audit James Carone; Acting Director of Maintenance Kenneth McGoldrick; Director of Operations Henry Eibel; Director of Procurement and Materials Management Andrea Ward; Chief Information Officer Barry Pelletteri; Director of Tolls Robert Quirk; Major Eric Heitmann, State Police Troop D; and Secretary to the Authority Sheri Ann Czajkowski.

Also present were: Governors' Authorities Unit Representatives Lisa LeBoeuf; additional individuals consisting of other NJTA employees; interested organizations; and the general public. No one from the media was present.

ooo0ooo

NOTICE OF MEETING

This is a regular meeting of the New Jersey Turnpike Authority. Adequate notice of this meeting has been provided in accordance with Chapter 231, P.L. 1975 in that notice has been given to two newspapers and notice has been forwarded to the Secretary of State, Trenton, New Jersey. In addition, notice of said meeting has been and is being displayed in the main lobby of the Authority's Administration Headquarters in Woodbridge.

Executive Director Mrozek takes Roll Call:

1. Chairman Fox
2. Vice Chairman Gravino
3. Treasurer DuPont (Absent)
4. Commissioner Pocino
5. Commissioner Diaz
6. Commissioner Becht
7. Commissioner Minella

ooo0ooo

EXECUTIVE SESSION

A motion to enter into Executive Session, not open to the public in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-12(b), to discuss matters pertaining to:

- Real Estate Matters;
- Litigation; and,
- Contract Negotiations

The motion was made by Vice Chairman Gravino and seconded by Commissioner Pocino, and, after the voice vote, the motion was duly adopted by the Board of Commissioners of the New Jersey Turnpike Authority.

Executive Session was adjourned at 9:50 a.m.; Chairman Fox resumed the public portion of the meeting at 9:53 a.m.

Executive Director Mrozek takes Roll Call:

1. Chairman Fox
2. Vice Chairman Gravino
3. Commissioner Pocino
4. Commissioner Diaz
5. Commissioner Becht
6. Commissioner Minella

ooo0ooo

ACTION ON MINUTES

The Executive Director reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Chris Christie received the proceedings of the special meeting of August 15, 2015 and the regular meeting of August 25, 2015; he did not exercise his power to veto any items in those minutes.

Upon motion made by Commissioner Pocino seconded by Commissioner Becht the minutes of the meeting was unanimously approved.

ooo0ooo

RECUSALS

The Executive Director reported recusals or abstentions submitted for the record:

- Chairman Fox is recusing from Agenda Items 379 and 398
- Commissioner Pocino is recused from agenda items 376 through 384

ooo0ooo

PUBLIC COMMENT

ooo0ooo

Murray Bodin, Concerned Grandparents

Mr. Bodin appeared before the Board and stated that it no longer has to address his concern regarding guide signs with arrows because NYCDOT will resolve the issue. Bodin stated

that he will continue to work to change the MUTCD in order to improve highway safety. Bodin thanked Authority staff for their continued cooperation working with him.

ooo0ooo

Robert Filipczak, Exit 41 GSP

Mr. Filipczak again addressed the Board to object to NJDEP's requiring the Authority to remove trees to construct storm water retention basins. He said NJDEP's "No Net Loss" policy is foolish because it unnecessarily requires the Authority to cut down trees and then pay money to DEP, which gives the money to municipalities to plant trees. Filipczak stated all of this is unnecessary if NJDEP did not require entities to unnecessarily cut down trees in order to construct storm water retention basins.

He showed a dry ice fire extinguisher which he has patented and will be presenting to the Federal Department of Transportation for consideration. Filipczak said he will be focusing on that project and will no longer regularly appear before the Board.

ooo0ooo

Allen Gambacorto, Representing Towing Companies

Mr. Gambacorto spoke on behalf of the 54 towing companies which operate on the Turnpike and Parkway regarding the agenda item that revises the Towing Regulations. Gambacorto stated that the towers endorse raising the road service charge from \$30 to \$60. He indicated, however, that the towers oppose the Authority's placing a "cap" on the fees that they can impose for alternate destination charges. He asked for the Authority to meet with the towers to negotiate the cap. Gambacorto thanked ED Mrozek and Authority staff for their efforts to revise these Regulations.

ooo0ooo

EXECUTIVE DIRECTOR'S COMMENTS

ED Mrozek stated that agenda item no. 379 was being withdrawn due to a lack of a quorum to approve this item.

ooo0ooo

COMMISSIONER'S COMMENTS

Vice Chairman Gravino recognized retired Turnpike Toll Plaza Supervisor Bob O'Brien who was in attendance. O'Brien thanked the Authority for what it has provided him and indicated that his time at the Authority was fun.

ooo0ooo

PROCUREMENT ("PMM")

Director of Purchasing Andrea Ward requested approval of item numbers 398-09-2015. Moved is the item as follows:

398-09-2015

In a document dated September 23, 2015, a Recommendation for the **New Jersey E-ZPass Customer Service Center, Violations Processing, and Financial Back Office Services Contractor to Xerox State & Local Solutions, Inc., RM-112649, Budget Code: Various, Amount: At Least \$325,600,000.00 (10 years - NJTA's portion approximately 80% of value)**, was approved.

The New Jersey Turnpike Authority ("Authority") is the lead agency of the ETC Group, whose members collect electronic tolls through the NJ E-ZPass System. The ETC Group consists of the Authority, the South Jersey Transportation Authority "(SJTA)", the Delaware River Port Authority, the Delaware River and Bay Authority, the Delaware River Joint Toll Bridge Commission, and the Burlington County Bridge Commission. Each Agency operates and maintains its independent toll collection system(s) and host systems that interface with the NJ E-ZPass System. The contract that the Agencies currently have with a contractor to operate and maintain the NJ E-ZPass System expires in January 31, 2017. Thus, on January 29, 2015, the Authority issued a request for proposal ("RFP") to procure a new contract to provide: 1) a Customer Service Center; 2) Violations Processing; and 3) Financial Back Office services for the NJ E-ZPass System. The contract will be for a term of eight years from the "cut-over" date (anticipated to be February 1, 2017), with the option to extend for one, two-year term at the Authority's sole discretion.

On January 29, 2015, the RFP was advertised in the Star Ledger and the Asbury Park Press, posted on the websites of the Authority and the State of New Jersey, and distributed to 58 firms. The RFP was also advertised in the Wall Street Journal and Toll Road News for several days in February 2015. On May 29, 2015, the Authority received proposals from:

- 1) Xerox State & Local Solutions, Inc., Germantown, MD ("Xerox"); and
- 2) TransCore, LP, New York, NY ("TransCore").

An evaluation committee (the "Committee"), established by the Executive Director, consisted of four (4) senior Authority employees representing the Authority's ITS, Finance, Toll Collection, and Internal Audit Departments. The fifth voting member of the Committee was SJTA's Director of Information and Tolls Technology who represented SJTA and the members of the ETC Group. Furthermore, staff from the Authority's ITS, Finance, Law, and Procurement Departments served as non-voting members of the Committee and the Authority's General Engineering Consultant provided technical assistance.

The Committee first reviewed the written proposals utilizing the criteria set forth in the RFP. Based on the Committee's review of the proposals, the Committee posed extensive written questions to both proposers. Both firms were invited to make oral presentations and demonstrate their technical systems and operational processes. Finally, both firms were requested to submit

best and final offers ("BAFOs").

The Committee's findings were presented in a written report. The Committee found that both firms are highly skilled and have performed similar services at public transportation entities in the USA and abroad. The Committee found, however, that Xerox's proposal stood out and this firm received the highest overall score.

Xerox, formerly known as ACS State & Local Solutions, Inc., is a publicly traded US-based firm and is the incumbent NJ E-ZPass Customer Service Center ("CSC"), Violations Processing, and Financial Back Office Services contractor. Xerox has been in the toll collection business since the 1990's, implementing both lane systems and back-office customer service center solutions for toll agencies. Xerox currently provides services to a wide variety of tolling agencies, including E-ZPass New York, the Bay Area Toll Authority in California, and the Maryland Transportation Authority.

Xerox submitted a detailed technical proposal which incorporated its incumbent knowledge of the current NJ E-ZPass system, as well as its extensive national toll industry experience. Not only did the Xerox proposal meet all the RFP requirements, but many of its proposed technology enhancements would also become available during the early phases of the contract. Xerox's proposed software comports with IT industry best practices and will include integration with other leading software products to provide excellent financial reporting and case management enhancements. In addition, the Xerox proposal includes integration to mobile applications, maintenance management systems, and interfaces which allows for in-depth analytics. Xerox's approach to operational excellence was highlighted by proposing an experienced work force that has been operating the current NJ E-ZPass CSC. Customer service operations will remain in Newark, New Jersey, along with the two existing walk-in centers. Image reviews will continue to be performed in El Paso, Texas. Finally, Xerox's proposal leveraged the imaging power of the Xerox Corporation by including patented technologies for Optical Character Recognition and Vehicle Signature Recognition. These two technologies will improve data processing and provide additional efficiencies, resulting in timely and accurate vehicle image reviews.

Xerox also offered the best fee proposal, one which constitutes significant savings from the current contract. For comparative purposes, the proposers were required to quote the total cost for the contract based on 540,000,000 transactions per year. Xerox's BAFO was \$300,666,167.00 for the entire term of the contract, including the two-year optional extension term (20% less than its initial price proposal) compared to TransCore's BAFO of \$406,056,942.00 for the entire term of the contract, including the two-year optional extension term (5% less than its initial price proposal).

In order to estimate the anticipated contract value, Authority staff recalculated Xerox's pricing taking into consideration the most recent transaction volume (approximately 592,000,000

030853

(NJTA Board Meeting – 09/29/2015)

per year) and the most recent violation administrative fee collections (approximately \$30,000,000 per year), proposed fixed costs and proposed variable costs. Using these more recent metrics, the eight (8)-year cost of the proposed contract would be \$265,800,000. If the Authority opted to exercise the two (2)-year extension, the cost is estimated to be \$59,800,000. These estimated costs will change over the life of the contract given that transaction volumes and collection of administrative fees are dynamic and unpredictable. In addition, these estimates represent the contract cost for the entire ETC Group. The Authority's actual share of the estimated contract cost will be determined by a Memorandum of Understanding ("MOU") to be executed by the Members of the ETC Group. The Authority anticipates its share of the cost would be approximately 80 percent.

In sum, the Committee found that both Xerox and TransCore have the technical and operational capabilities to provide the services and enhancements as required under the RFP. The major difference in the Committee's scores is reflected in the reference and price criteria. TransCore received more positive references than Xerox and Xerox's BAFO price proposal is significantly less than TransCore's BAFO. The Committee is confident that Xerox, which is in compliance with the current contract and has proven that it can satisfy the needs of the ETC Group's customers, can provide the required services at competitive prices, benefiting the Authority and participating Agencies.

This professional services procurement process was conducted in accordance *N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.1(b), N.J.S.A. 52:15(c)-10* and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant Public Law 2005, Chapter 51 and Executive Order No. 119 (Corzine 2006), and having no objection to same.

Accordingly, authorization is requested to award a contract to Xerox State & Local Solutions, Inc. to provide: 1) a Customer Service Center; 2) Violations Processing; and 3) Financial Back Office services for the NJ E-ZPass System in accordance with the pricing and other terms set forth above and in Xerox's responses to the RFP, subject to funding availability at the time of service. Authorization is further requested for the Executive Director to approve the one, two (2)-year extension upon satisfactory performance by Xerox State & Local Solutions, Inc., subject to funding availability. It is also requested that the Executive Director be authorized to take such actions and to execute any and all documents as may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

On motion by Commissioner Pocino and seconded by Commissioner Becht, the Authority unanimously approved item number 398-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

0000000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
RECUSED	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 368-09-2015. Moved is the item as follows:

368-09-2015

Human Resources Director Garrity submitted the Personnel Agenda, dated September 29, 2015, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

On motion by Commissioner Becht and seconded by Commissioner Pocino employment of those named to serve at the pleasure of the Authority and other recommended personnel actions, were approved, ratified and confirmed, to become effective as of the dates specified and at the salaries listed.

0000000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

LAW

ooo0ooo

General Counsel Bruce Harris requested approval of item numbers 369-09-2015 through 375-09-2015 (Item 372 not used). Moved as a group those items are as follows:

369-09-2015

In a memorandum dated September 2, 2015, a Request for Authorization to enter Memorandum of Agreement No. 121-15 with the Pennsylvania Turnpike Commission for the New Jersey Turnpike Authority's reimbursement of actual costs incurred by the Pennsylvania Turnpike Commission in connection with the New Jersey Turnpike Authority's replacement of an existing Emergency Speed Warning/Speed Limit Sign and the installation of a single Variable Message Sign and Variable Speed Limit Sign on the east bound approach of the Pennsylvania Turnpike to the Delaware River Bridge into New Jersey, Project No.: 39006019, Amount: \$73,175.00, was approved.

Approval is requested for Memorandum of Agreement No. 121-15 with the Pennsylvania

Turnpike Commission (the "Commission"). This Agreement is required for the installation of a single New Jersey Turnpike Variable Message Sign and Variable Speed Limit Sign Structure (the "VMS/VLS") on the east bound approach of the Pennsylvania Turnpike to the Delaware River Bridge into New Jersey (the "Project"). The installation will replace an existing Emergency Speed Warning and Speed Limit Sign. Under Memorandum of Agreement No. 121-15, the New Jersey Turnpike Authority (the "Authority") will reimburse the Commission for actual costs incurred by the Commission associated with the Commission's construction of the cast-in-place concrete drilled shaft foundation and pedestal and the installation of anchor bolt assemblies in the median of the Pennsylvania Turnpike (the "Project Initial Construction Phase") as part of a Change of Plan to the Commission's I-95 Interchange, Section B, Toll Conversion Contract. The estimated amount of this work is \$73,175.00.

The Authority will be responsible for completing the Project's Final Construction Phase. The Project's Final Construction Phase will include removal of the Authority's existing Emergency Speed Warning/Speed Limit sign and its associated control systems. The Authority will also construct the remaining right shoulder foundation and pedestal and erect the VMS/VLS. The Authority will install all ITS equipment and electrical power and communication infrastructure required to make the VMS/VLS operational. The Authority will also be responsible for any costs and work needed to complete modifications to the Project Initial Construction Phase as a result of final design.

The Authority's sole financial responsibility to the Commission with respect to the Project is to reimburse the Commission for the actual costs of the Project Initial Construction Phase. Although the estimated cost is \$73,175.00, under Memorandum of Agreement No. 121-15, the Commission reserves the right to receive reimbursement of actual costs in excess of this estimate.

The terms of the Memorandum of Agreement have been reviewed by the New Jersey Turnpike Authority's Engineering and Law Departments and the Pennsylvania Turnpike Commission and have been deemed satisfactory. Accordingly, it is requested that the Board of Commissioners delegate to the Executive Director the authority to execute Memorandum of Agreement No. 121-15 with the Pennsylvania Turnpike Commission and to authorize payment of any actual costs incurred by the Pennsylvania Turnpike Commission in excess of the estimated \$73,175.00. It is further recommended that the Board of Commissioners authorize the Executive Director to execute any other documents and take such other actions as are deemed necessary to execute the intent of this authorization.

370-09-2015

In a memorandum dated September 14, 2015, a Request for Authorization to Enter into (1) Memorandum of Agreement No. 108-14 with the New Jersey Department of

Transportation (“NJDOT) and Equipment Care Centers of Keasbey, LLC; and, (2) Memorandum of Agreement No. 109-14 with the County of Middlesex, the Township of Woodbridge and Orbis Terrarum, LLC for the Design/Construction Coordination of the Driscoll Bridge Access Road Realignment Project, Township of Woodbridge, County of Middlesex, New Jersey, Construction Contract No. A100.196, was approved.

The New Jersey Turnpike Authority (“Authority”) is proceeding with its plans for various projects under the Bridge Security Program located on the New Jersey Turnpike and the Garden State Parkway at various locations (the “Program”).

This Program focuses on projects identified under the Major Bridge Threat and Vulnerability Risk Assessment performed in 2005. This specific project under the Program is the relocation of the access road currently located between the GSP Driscoll Bridge, Structure 127.2 and the NJDOT’s Edison Bridge (“the “Project”), located in Middlesex County (the “County”). This access road, located off Smith Street, a road under the jurisdiction of the County, currently provides the sole access to two properties, one property located east of the Edison Bridge owned by Equipment Care Centers of Keasbey, LLC (“Equipment Care”) and occupied by tenant Express Container Services, and one property owned by the Township of Woodbridge (the “Township”) and used as its Department of Public Works (“DPW”) yard, located west of the Driscoll Bridge. Relocation of this public access road, which will include a new, signalized intersection along Smith Street, will mitigate the risk of a terrorist threat to both bridges.

This agenda item seeks authorization for the Executive Director to enter into two separate Agreements: (1) Agreement No. 108-14 with NJDOT and Equipment Care; and (2) Agreement No. 109-14 with the County, the Township and Orbis Terrarum, LLC (“Orbis”), under which the Authority will fund and undertake all aspects of the Project. The Agreements generally provide for the construction of a new relocated access road, access driveways from the new access road to the DPW yard and the Equipment Care property with standoff from the bridge piers, acquisition of ROW and/or the conveyance of property interests between the parties, as well as maintenance and jurisdiction responsibilities of the various parties.

Specifically, under Agreement No. 108-14, the Authority and NJDOT will each grant a single access easement to Equipment Care, and in exchange, Equipment Care will extinguish a total of fourteen existing access easements under the Driscoll Bridge previously granted by both the Authority and NJDOT. NJDOT will also grant right of entry to the Authority to undertake construction activities related to the Project.

Under Agreement No. 109-14, the County will permit the Authority to construct a new signalized intersection along Smith Street, and the Township will accept jurisdiction of, and agree to maintain, the new signalized intersection. The Township further agrees that, upon completion of the Project and conveyance of the new access road by the Authority to the Township, to dedicate the new access road as a public street. This Memorandum of Agreement also facilitates

an exchange of property between the Authority and Orbis and allows for the Authority to reconfigure a parking lot located on the Orbis property and utilized by its tenant, Russell Reid/Mr. John and to provide a temporary parking lot on Authority ROW for Russell Reid/Mr. John's employees during the construction of the Project.

Accordingly, it is requested that the Authority's Commissioners delegate authority to the Executive Director to execute Agreement No. 108-14 with the NJDOT and Equipment Care and Agreement No. 109-14 with the County, the Township, and Orbis pursuant to the terms outlined above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

371-09-2015

In a memorandum dated September 14, 2015, **Authorization for Executive Director to Execute a Right of Access Agreement with the Township of Irvington in Order to Undertake the Bridge Deck Reconstruction Project (Construction Contract No. P100.233), Garden State Parkway, Township of Irvington, County of Essex**, was approved.

The New Jersey Turnpike Authority ("Authority") is proceeding with its plans for reconstruction of the bridge deck of Structure Number 144.7 on the Garden State Parkway ("GSP") located in the Township of Irvington ("Irvington") under Contract No. P100.233 (the "Project").

In order to undertake the improvements and repairs associated with the Project, the Authority requires a right of access across a municipal parking lot located on Washington Avenue ("Access Area"), with such right of access requiring closure of the Access Area for approximately twenty-four (24) months. This Agenda Item seeks authorization for the Executive Director to execute a Right of Access Agreement under which the Authority shall compensate Irvington for lost revenue during the period that the Access Area is closed to public parking. The agreed upon compensation for the 24-month period shall be \$42,000.00. Should the right of access period be terminated earlier, the compensation to Irvington shall be prorated in accordance with the terms of the agreement.

Accordingly, it is requested that the Authority's Commissioners deem the Access Area as described above necessary for the construction of the Project. In addition, authorization by the Authority's Commissioners is requested to permit the Executive Director to execute this Right of Access Agreement in accordance with the terms set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

372-09-2015

(Not used)

373-09-2015

In a memorandum dated September 9, 2015, Authorization to Amend Authority Regulations N.J.A.C. 19:9-3.1 and 3.2 to Increase Towing and Road Service Fees, was approved.

Pursuant to the Authority's enabling legislation, N.J.S.A. 27:23-5(s), the Authority has the power to adopt regulations to "fix maximum towing and storage fees" for towing and storage services on a highway project. The Authority's current maximum routine towing and road service fees, as set forth at N.J.A.C. 19:9-3.1 and 3.2, have remained unchanged for over ten years. Given the significant increase in fuel and other costs since that time, staff seeks authorization to commence the rulemaking process, in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., to raise the routine towing and road service rates consistent with other transportation agencies in the region.

As recommended by Authority staff, the proposed amendments to N.J.A.C. 19:9-3.1 and 3.2, inter alia, provide for an increase in the maximum service charge for routine towing services for Class I vehicles (under 6,999 pounds registered GVW) from \$60 to \$72, and increase the maximum charge for towing service on the New Jersey Turnpike or Garden State Parkway for Class I vehicles from \$2.00 to \$3.50 per mile, up to a maximum of \$107.00. The proposed amendments also fix maximum towing fees for routine towing services that begin on one of the roadways and continue off the roadway to a location other than an Authority-authorized garage facility, and increase the maximum road service charge on the New Jersey Turnpike and Garden State Parkway to \$60.00, from the current maximum charge of \$30.00. The specific proposed amendments are attached hereto.

Accordingly, it is requested that the Board of Commissioners approve the attached amendments to N.J.A.C. 19:9-3.1 and 3.2 for publication in the New Jersey Register for notice and comment. It is further recommended that the Commissioners authorize the Executive Director to execute any such documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization, including the review of public comments, if any, and the preparation of a report to the Commissioners addressing same. It is further recommended that, if no substantive public comments to the proposed amendments to N.J.A.C. 19:9-3.1 and 3.2 are received during the comment period, the Commissioners authorize the Executive Director to publish the proposed amendments in the New Jersey Register for final adoption without further action by the Board.

OTHER AGENCIES**NEW JERSEY TURNPIKE AUTHORITY****Proposed Amendments: N.J.A.C. 19:9-3.1 and 3.2****Authorized By: New Jersey Turnpike Authority****Authority: N.J.S.A. 27:23-5(s)****Calendar Reference: See Summary below for explanation of exception to calendar requirement.****Proposal Number:**

Submit written comments by _____ to:

General Counsel

New Jersey Turnpike Authority

P.O. Box 5042

Woodbridge, New Jersey 07095-5042

The agency proposal follows:

Summary

The New Jersey Turnpike Authority (the "Authority") proposes to amend its rules at N.J.A.C. 19:9-3.1 and 3.2 to increase the allowable fees that may be charged by service providers for routine towing services and road service on the New Jersey Turnpike and Garden State Parkway. Pursuant to the Authority's enabling legislation, N.J.S.A. 27:23-5(s), the Authority has the power to adopt regulations to "fix maximum towing and storage fees" for towing and storage services on a highway project. The Authority's current maximum routine towing and road service fees have remained unchanged since 2004. Given the significant increase in fuel and other costs since that time, the Authority proposes to raise the routine towing and road service rates consistent with other transportation agencies in the region, to increase the pool of qualified towers who seek to provide services on the New Jersey Turnpike and Garden State Parkway. In accordance with N.J.A.C. 19:9-2.13, the Authority intends to procure routine towing services for both roadways, and road services for the Garden State Parkway, in 2014.

A 60-day comment period is provided; therefore, pursuant to N.J.A.C. 1:30-3.3(a)(5), the proposal is not subject to the provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

A summary of the proposed amendments follows:

The amendments proposed to N.J.A.C. 19:9-3.1(a)(1) provide for an increase in the maximum service charge for routine towing services for Class I vehicles (under 6,999 pounds registered GVW) from \$60 to \$72, and increase the maximum charge for towing service on the New Jersey Turnpike or Garden State Parkway for Class I vehicles from \$2.00 to \$3.50 per mile, up to a maximum of \$107.00. In addition, the amendments proposed to N.J.A.C. 19:3.1(a)(1) propose a new subsection iii to fix maximum towing fees for routine towing services of Class I

vehicles that begin on the New Jersey Turnpike or Garden State Parkway and continue off that roadway to locations other than an Authority-authorized garage facility.

The amendments proposed to N.J.A.C. 19:9-3.1(a)(2) provide for an increase in the maximum service charge and mileage charge for routine towing services for larger vehicles (straight truck, car with trailer, or trailer without car that are 7,000 pounds and over registered GVW) from \$100 to \$132 service charge and from \$3.00 to \$4.00 per mile, up to a maximum of \$172.00.

In addition, the amendments proposed to N.J.A.C. 19:3.1(a)(2) propose a new subsection iii to fix maximum towing fees for routine towing services of larger vehicles (7,000 pounds and over registered GVW) that begin on the New Jersey Turnpike or Garden State Parkway and continue off that roadway to locations other than an Authority-authorized garage facility, and further provide for a twenty percent increase in the maximum fees for additional charges related to towing such vehicles.

The amendments proposed to N.J.A.C. 19:9-3.1(a)(3) provide for an approximately thirty (30) percent increase in the maximum charges for winching and wrecking of all classes of vehicles.

The amendments propose renumbering N.J.A.C. 19:9-3.1(a)(4) as (a)(5), and renumbering N.J.A.C. 19:9-3.1(a)(5) as (a)(4), to make clear that the rates for specialized equipment in former subsection (5) (new subsection (4)) apply only to routine towing services, and not the extra heavy duty towing services set forth in subsection (4) (new subsection (5)).

The amendments further propose amending N.J.A.C. 19:9-3.2(a) and (b) to increase the maximum road service charge on the New Jersey Turnpike and Garden State Parkway to \$60.00, from the current maximum charge of \$30.00.

Social Impact

These proposed amendments will enhance the competitive process for procuring routine towing services on the New Jersey Turnpike and Garden State Parkway by increasing the pool of qualified towers during future towing services procurements. By doing so, these proposed amendments will have a positive effect on the services provided to Authority patrons, and will further the Authority's mandate to ensure the safe and efficient movement of vehicular traffic through the State.

Economic Impact

The Authority does not anticipate that these proposed amendments will have a significant economic impact on the public or other State agencies. The Authority believes that any economic impact that may be borne by the Authority's patrons who utilize routine towing services on the New Jersey Turnpike or Garden State Parkway due to the increased fees will be off-set by the benefits afforded patrons by the increase in the pool of qualified towers. Further, these proposed amendments are intended to establish maximum rates contractors may charge patrons for those

routine towing services.

Federal Standards Statement

The rules proposed to be amended do not contain any standards or requirements which exceed the standards or requirements imposed by Federal law because no Federal standards or requirements apply to the proposed amended regulations.

Jobs Impact

The Authority does not believe that the rules proposed for amendment will result in the creation or the loss of any jobs in the State.

Agriculture Industry Impact

The Authority does not believe that the rules proposed for amendment will have any impact on the agriculture industry in this State.

Regulatory Flexibility Analysis

The rules proposed for amendment impose minimal compliance requirements on small businesses, as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., to the extent that such small businesses intend to participate in the upcoming procurement process for routine towing services on the New Jersey Turnpike and Garden State Parkway. These amended rules will be applied uniformly to all segments of the business community, including small businesses, and are in no way unduly burdensome.

Housing Affordability Impact

The rules proposed for amendment will have no impact on affordable housing in New Jersey and there is no likelihood that the rules would evoke a change in the average costs associated with housing because the rules proposed for amendment concern routine towing services on the New Jersey Turnpike and Garden State Parkway.

Smart Growth Impact

The rules proposed for amendment will have an insignificant impact on smart growth, if any, and there is no likelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2 or within designated centers under the State Development and Redevelopment Plan because the rules proposed for amendment concern routine towing services on the New Jersey Turnpike and Garden State Parkway.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 3: FEES

19:9-3.1 Towing rates on the Turnpike and the Parkway

(a) Towing rates charged by Authority-authorized companies **for disabled vehicles** on the Roadway, pursuant to contracts entered into after [June 15, 2004] **the effective date of this rule**

shall not exceed the following rates or such rates as may be approved and amended by the members of the Authority from time to time in accordance with P.L. 2003, c.79 (N.J.S.A. 27:23-42b(7)) or with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the rules on agency rulemaking, N.J.A.C. 1:30:

1. Class 1 Vehicles (under 6,999 pounds registered gross vehicle weight (GVW) for the purpose of towing rates only):

i. Service charge of [~~\$60.00~~] **\$72.00**; plus

ii. [~~\$2.00~~]**\$3.50** per mile on the Roadway, up to a maximum fee to tow the vehicle to the Authority-authorized garage facility, including the service charge, of [~~\$80.00~~]**\$107.00**; and

iii. for tows that continue off the Roadway to locations other than an Authority-authorized garage facility, **\$10.00 per mile for the first mile off the Roadway, and \$7.50 per mile for each additional mile.**

2. Other classes of vehicles (7,000 pounds and over registered GVW):

i. Service charge of [~~\$100.00~~] **\$132.00** for straight truck (up to 14,999 pounds gross vehicle weight), car with trailer, or trailer without car and \$250.00 for tractor trailer, bus (15,000 pounds or more registered gross vehicle weight) or any vehicle requiring the use of a Landoll tractor trailer; plus

ii. [~~\$3.00~~]**\$4.00** per mile on the Roadway, up to a maximum, including the service charge, of [~~\$130.00~~]**\$172.00** for straight truck, car with trailer, or trailer without car and \$5.00 per mile for tractor trailer or bus or any vehicle requiring the use of a Landoll tractor trailer, up to a maximum, including the service charge, of \$300.00; plus

iii. for tows that continue off the Roadway to locations other than an Authority-authorized garage facility, **\$10.00 per mile for the first mile off the Roadway, and \$8.00 per mile for each additional mile for straight truck, car with trailer, or trailer without car, and \$10.00 per mile for each additional mile for tractor trailer, bus or any vehicle requiring the use of a Landoll tractor trailer; plus**

[iii.]iv. An additional charge of [~~\$25.00~~]**\$30.00** for connecting air lines and [~~\$25.00~~]**\$30.00** for connecting lights;

[iv.]v. An additional charge of [~~\$45.00~~]**\$54.00** for disconnecting drive shaft on all trucks;

[v.]vi. An additional charge of [~~\$40.00~~]**\$48.00** per axle for removing an axle; and

[vi.]vii. Additional charge of [~~\$45.00~~]**\$54.00** for removing an air scoop.

3. Winching and wrecking (all classes of vehicles):

- i. ~~[\$60.00]~~**\$80.00** per hour for a light wrecker; and
- ii. ~~[\$100.00]~~**\$130.00** per hour for a heavy wrecker.

[4.]5. (Subsection renamed (5). No other change.)

[5.]4. Specialized equipment for routine towing services:

- i. \$250.00 per hour for specialized equipment, including but not limited to, [Landoll hydraulic trailer with tractor or]Oshkosh box trailer with tractor.
- ii. \$450.00 per hour for Rotator 60-ton capacity and up, and for 50 ton construction crane.

(b) No change.

19:9-3.2 Road service rates on the Roadway

(a) Road service rates on the Turnpike for Class 1 vehicles charged by Authority-authorized service companies pursuant to contracts entered into after [June 15, 2004] **the effective date of this rule** shall conform with the following rates or such rates as may be approved and amended by the members of the Authority from time to time in accordance with P.L. 2003, c.79 (N.J.S.A. 27:23-42b(7)) or with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the rules on agency rulemaking, N.J.A.C. 1:30:

- 1. Road service charge: [~~\$30.00~~] **\$60.00**;
- 2. through 7. **No change.**

(b) Road service rates on the Parkway for Class 1 vehicles charged by Authority-authorized towing and emergency service providers pursuant to contracts entered into after [June 15, 2004] **the effective date of this rule** shall conform with the following rates or such rates as may be approved and amended by the members of the Authority from time to time in accordance with P.L. 2003, c.79 (N.J.S.A. 27:23-42b(7)) or with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the rules on agency rulemaking, N.J.A.C. 1:30:

- 1. Road service charge: [~~\$30.00~~] **\$60.00**;
- 2. through 7. **No change.**

374-09-2015

In a memorandum dated September 14, 2015, **Authorization to Settle Litigation in the Matter of Rosiana Normil v. John C. Lyons IV, New Jersey Turnpike Authority and the New Jersey State Police, Account No.: 10-893-441043, Amount: \$45,000.00**, was approved.

This matter involves a personal injury claim arising from a motor vehicle accident involving New Jersey State Trooper John Lyons ("Trooper Lyons") and Rosiana Normil ("Normil"). On February 29, 2012, Normil was driving north on the Garden State Parkway while Trooper Lyons was entering the Parkway from an entrance ramp. While driving on the entrance ramp, the marked State Police vehicle Trooper Lyons was operating crossed over into the next lane, causing the vehicles to collide.

Subsequent to the accident, Normil claimed injuries to her cervical and lumbar spine, left knee, and left shoulder. The Authority moved for summary judgment and the Court found that the only injuries caused by this accident were to Normil's knee. Normil underwent surgery for that injury. Plaintiff's counsel has agreed to accept a settlement of \$45,000.00 and Authority Counsel recommends that this settlement be approved.

Therefore it is recommended that the Authority's Commissioners approve the settlement of this matter pursuant to the terms set forth above. It is also recommended that the Authority's Commissioners authorize the Executive Director to execute any and all documents in furtherance of same.

375-09-2015

In a memorandum dated September 3, 2015, **Authorization to Settle Formal Workers' Compensation Matter – Diane Giovanniello v. New Jersey Turnpike Authority, Account: 10-870-405070, Amount: \$36,954.00**, was approved.

Petitioner Diane Giovanniello is a Turnpike Division Maintenance Records Clerk hired in February 2003. This recommended settlement will resolve a formal Claim Petition filed in 2014 for a work related injury which occurred on or about March 29, 2012.

The petitioner is represented by Wysoker, Glassner, Weingartner & Lockspeiser, located in New Brunswick, NJ. The Authority is defended by Special Counsel Melissa Bialos Floyd, Esq. from Capehart & Scatchard, located in Mt. Laurel, NJ. The matter is venued in the district office of Freehold before the Honorable Judge Eugene Mulvaney.

Permanency evaluation on behalf of the petitioner was performed by Dr. Martin Riss. Permanency evaluation on behalf of the respondent was performed by Dr. Kenneth Peacock.

After all negotiations, a settlement award of 25% of partial total or \$36,954.00 was agreed upon.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Authority's Benefits Manager. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of **\$36,954.00**.

This settlement will be payable under Account No. 10-870-405070.

On motion by Commissioner Pocino and seconded by Vice Chairman Gravino, the Authority unanimously approved item numbers 369-09-2015 through 371-09-2015, 373-09-2015 through 375-09-2015 (Item 372-09-2015 not used); and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

OOO0000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 376-09-2015, 378-09-2015, 380-09-2015 and 381-09-2015 (Item 377-09-2015 was not used and item 379 was withdrawn). Moved is the items as follows:

ooo0ooo

PUBLIC BID SOLICITATIONS – AWARD OF CONTRACTS

376-09-2015

In a document dated September 1, 2015, a **Recommendation to Award Contract No. T500.395 for the New Jersey Turnpike to Benjamin R. Harvey Co., Inc. for the Construction of Troop D Newark Station and Associated Site work, Interchange 14 – Newark Airport, Milepost 104.7 SB, Ten Year Capital Program Fund No. 39005013, Amount: \$20,944,000.00,** was approved.

This contract is advertised to replace Contract No. T500.272, which was terminated by Commission action at the Authority's July 2015 Commission Meeting. Contract No. T500.395 covers the non-completed work of the T500.272 Contract and will provide for construction of a new state police station for the Turnpike at Interchange 14. The work includes a 32,000 square foot two story building, grading, drainage / stormwater installations and paving for parking areas to accommodate approximately 80 vehicles and new utility services. The completion date is August 2017.

Nine bid proposals were received on August 25, 2015 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$20,944,000.00 may be compared to the Engineer's Estimate in the amount of \$20,546,749.50. The low bidder, Benjamin R. Harvey Co., Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T500.395 be awarded to the low bidder, Benjamin R. Harvey Co., Inc. of Ocean, New Jersey, in the amount of \$20,944,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

The General Consultant, HNTB Corporation, concurs with this recommendation.

377-09-2015

(Not Used)

ooo0ooo

ORDER FOR PROFESSIONAL SERVICES (OPS)

378-09-2015

In a document dated September 17, 2015, **a Recommendation to Issue Supplement A to Order for Professional Services No. T3487 for the New Jersey Turnpike to BEM Systems, Inc. for the Environmental Compliance Activities at the Clara Barton Service Area 1S, John Fenwick Service Area 1N, Walt Whitman Service Area 3S, & James Fenimore Cooper Service Area 4N, Non-Departmental Operating Budget No. 010-00-892-446050, Original OPS Amount: \$617,318.00, Amount of Supplement: \$110,000.00, Revised Amount of OPS: \$727,318.00,** was approved.

This Order for Professional Services was approved at the November 2013 Commission Meeting in the amount of \$617,318.00 to provide for remedial investigations and actions to address soil and groundwater contamination at four Service Areas at the southerly end of the Turnpike.

Supplement A is necessary to give the consultant additional time to complete remedial actions that have been initiated during the term of the OPS. The completion of these remedial actions and the results regarding their effectiveness will allow the Engineering Department to determine whether the method of remediation initiated during the OPS should be continued. This determination is necessary to define the scope of work required to be undertaken in a subsequent OPS that is required to be issued in order to continue with the remediation of the contamination at the subject service areas as necessary to comply with New Jersey Department of Environmental Protection regulations.

It is, therefore, recommended that Supplement A to Order for Professional Services No. T3487 be issued to BEM Systems, Inc. not to exceed the amount of \$110,000.00 with compensation on the same basis as the original Order for Professional Services. Funding will be allocated to the 2016 budget. The addition of this amount increases the total authorized fee from \$617,318.00 to \$727,318.00. The original contract was procured pursuant N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8.

379-09-2015

Withdrawn

ooo0ooo

NON-COMPETITIVE PROCUREMENTS

ooo0ooo

FINAL ACCEPTANCES

380-09-2015

In a document dated September 4, 2015, **a Recommendation for Final Acceptance for Contract P200.315, Central Pavement Restoration and Miscellaneous Improvements for Milepost 80 to 143 in an amount of \$535,250.74; Contract P100.266, Bridge Repairs and Resurfacing for Milepost 0 to Milepost 126 in an amount of \$146,680.33; Contract P500.351, PNC – Parking Lot 10 Lighting and Accessibility Improvements in an amount of \$92,191.52; and Contract P200.306, Garden State Parkway MP 35 to 48, Stormwater Collection System Cleaning and Inspection in an amount of \$15,801.64, Fund No. Various Sources, for a total Amount Due to Contractors of \$789,924.23,** was approved.

All work performed on each of the construction contracts listed below have been completed in accordance with the contract documents and to the satisfaction of the Engineering Department. Accordingly, it is recommended that these contracts be deemed complete and approved for Final Acceptance. The table below lists each contract and includes pertinent Change Order and financial information including the final payment amount due the contractor upon Final Acceptance.

Contract No.	Contractor	Award Total Amount	Number of Change Orders	Additions/Reductions	Final Total Contract Amount	Final Payment Amount
P200.315	Stavola Contracting Co., Inc.	\$7,716,260.00	1	\$433,694.00	\$8,149,963.00	\$535,250.74
P100.266	Joseph M. Sanzari, Inc.	\$5,764,320.00	3	\$15,764.23	\$5,780,084.23	\$146,680.33
P500.351	Joseph M. Sanzari, Inc.	\$1,131,390.00	1	\$46,944.00	\$1,173,762.69	\$92,191.52
P200.306	Mount Construction Co., Inc.	\$766,147.00	1	\$23,935.26	\$790,082.26	\$15,801.64
Total						\$789,924.23

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultant and the Chief Engineer. All required contract documents including the Engineer's Final Certifications, Maintenance Bonds, Affidavit of Prevailing Wage and the Final Payment certificates have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Contractors have certified that there are no liens outstanding against the Contractors. Accordingly, it is recommended that each contract listed above be accepted and final payment in the amounts shown above be made to the Contractors.

ooo0ooo

ACKNOWLEDGE REPORTS OF**ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY**

381-09-2015

The Board acknowledges the reports of Engineering Expenditures Under Delegated Authority as indicated below:

- Construction Contract Progress Report
- Change Order Summary
- Utility Order Report

On motion by Commissioner Diaz and seconded by Commissioner Becht, the Authority unanimously approved item nos. 376-09-2015, 378-09-2015, 380-09-2015 (Item 377-09-2015 not used and 379-09-2015 was withdrawn); and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 381-09-2015 and received same for file.

OOO0000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	RECUSED	YES	YES	YES

ooo0ooo

MAINTENANCE

Acting Deputy Director of Maintenance Parkway Kenneth McGoldrick requested approval of item numbers 382-09-2015 through 384-09-2015. Moved as a group those items are as follows:

ooo0ooo

PUBLIC BID – AWARD OF CONTRACTS

382-09-2015

In a document dated September 3, 2015, **a Recommendation to Award Contract No. A200.393 for the New Jersey Turnpike & Garden State Parkway to Daidone Electric, Inc. for the Maintenance and Repair of the Roadway Lighting System on the New Jersey Turnpike and Garden State Parkway, Special Projects Reserve Fund No. 04018052, Amount: \$3,390,000.00,** was approved.

This contract involves the maintenance and repair of the roadway lighting system, on an as needed basis, from Mile 0 to Mile 122 along the New Jersey Turnpike and Mile 0 to Mile 172 along the Garden State Parkway in Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hudson, Mercer, Middlesex, Monmouth, Ocean, Passaic, Salem and Union Counties, New Jersey.

Four (4) bid proposals were received on August 18, 2015 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid, submitted by Daidone Electric, Inc., in the amount of \$3,390,000.00, meets all the terms and conditions and

030869

may be compared to the Engineer's Estimate in the amount of \$3,508,850.00. Daidone Electric, Inc. has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A200.393 be awarded to the low bidder, Daidone Electric, Inc. of Newark, New Jersey, in the amount of \$3,390,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134 – McGreevey 2004) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

The General Consultant, HNTB Corporation, concurs with this recommendation.

ooo0ooo

ORDER FOR PROFESSIONAL SERVICE (OPS)

383-09-2015

In a document dated September 3, 2015, **a Recommendation to Award OPS No. A3583 for the New Jersey Turnpike and Garden State Parkway to InfraMap Corp. for On-Call Subsurface Utility Engineering Services, Fund No.: Various Funds, Amount: \$2,000,000.00**, was approved.

The Authority requires the professional services of an on-call subsurface utility engineering consultant to assist the Engineering and Maintenance Departments on a variety of tasks on an as-needed basis. The services will generally consist of surveying and mapping utilities and other assets for integration into the Authority's GIS management system and to identify potential utility conflicts on construction projects. The Order for Professional Services is for a two (2) year term commencing on or about November 1, 2015 with an option for two (2), one (1) year extensions, provided the fee ceiling is not exceeded in the prior two (2) years. The total authorized fee is \$2,000,000 and each individual task order assignment must be less than \$250,000. Each task will be authorized via the Work Request Authorization Form (WRAF) process.

The assignment is classified as a "Simple" project where the scope of work is clearly defined and the estimated fee is \$2,000,000 or less. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and twenty-four (24) firms were prequalified and eligible under Profile Codes: D440-Geotechnical Studies & Subsurface Investigations; and D600-Geographic Information Systems (GIS). Eight (8) prequalified and eligible firms submitted EOIs by the closing date of July 24, 2015.

Subsequent to the scoring of the EOIs by the Review Committee, rate sheets and

multipliers were requested from the top three firms. The firms in order of ranking are: 1) InfraMap Corp.; 2) Taylor Wiseman & Taylor; and 3) KMA Consulting Engineers, Inc. The rate sheet and multiplier submitted by Taylor, Wiseman & Taylor has been reviewed, negotiated and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. A3583 be issued to the firm InfraMap Corp., Windsor, New Jersey, not to exceed the amount of \$2,000,000. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

ooo0ooo

ACKNOWLEDGE REPORTS OF
MAINTENANCE EXPENDITURES UNDER DELEGATED AUTHORITY

384-09-2015

The Board acknowledges the reports of Maintenance Expenditures Under Delegated Authority as indicated below:

- Construction Contract Progress Report

On motion by Commissioner Diaz and seconded by Commissioner Becht, the Authority unanimously approved item nos. 382-09-2015 and 383-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 384-09-2015 and received same for file.

OOO0OOO

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	RECUSED	YES	YES	YES

ooo0ooo

PROCUREMENT ("PMM")

Director of Purchasing Andrea Ward requested approval of item numbers 385-09-2015, 387-09-2015 through 397-09-2015, 399-09-2015 through 401-09-2015, and 408-09-2015 (Item 386-09-2015 not used). Moved as a group those items are as follows:

ooo0ooo

PUBLIC BIDS SOLICITATIONS

385-09-2015

In a document dated September 4, 2015, **a Recommendation for Rental of Office Trailers (Re-bid) to Hale Trailer Brake and Wheel, RM-116836 and RM-116841(A), Budget Code: Various, Amount: \$84,318.00**, was approved.

Under this contract, Hale Trailer Brake and Wheel will provide for monthly rental of 20 temporary office trailers. These temporary trailers will be used by Authority employees working extensively (after hours) during the snow season. In addition, some trailers are used at Authority facilities requiring temporary additional office space. The bid was divided into regional areas on both Roadways. Bidders were requested to quote monthly rates for varying sized trailers. The rates also include delivery, set up, anchoring, blocking, leveling, steps, unit teardown and removal upon termination of contract. The bid was fully advertised and the four (4) vendors listed in the Authority's data base for the referenced commodity were notified of the procurement. On August 21, 2015, one bid was received as follows: (Unit prices are available in the Procurement and Materials Management office.)

<u>Vendor</u>	<u>Total Bid Price</u>
Hale Trailer Brake and Wheel, West Berlin, NJ	\$ 84,318.00

Departmental Estimate: \$95,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Hale Trailer Brake and Wheel for a total amount not to exceed \$84,318.00, subject to funding availability at the time of order. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

386-09-2015**(Not Used)**

387-09-2015

In a document dated September 8, 2015, **a Recommendation for Roadway Sweeping Services to Reilly Sweeping, Inc., RM-115429 and RM-117383 (A), Budget Code: Various, Amount: \$102,525.00 (3 of 4 Regions)**, was approved.

Authorization is requested to award a contract for roadway sweeping services on the Authority's Main Line, Ramps, Interchanges, Toll Plazas and Parking Lots at various locations on

both Roadways. The bid was divided into four (4) geographical Regions: 1) NJ Turnpike (Northern) milepost 75.5 to milepost 122; 2) Garden State Parkway (Northern) milepost 106.4 to milepost 172.3; 3) NJ Turnpike (Southern) milepost 0.0 to milepost 75.5; and 4) Garden State Parkway (Southern) milepost 0.0 to milepost 106.4. Bidders were permitted to bid on one or multiple regions. Bidders were required to supply an hourly rate for Routine Services (250 hours for each Region) and Emergency Services (25 hours for each Region). The bid was fully advertised and the 27 vendors listed in the Authority's data base for the referenced service were notified of the procurement. On August 27, 2015, bids were received as follows:

<u>Vendor</u>	<u>Region</u> <u>Hourly</u>	<u>Region 2</u> <u>Hourly</u>	<u>Region 3</u> <u>Hourly</u>	<u>Region</u> <u>Hourly</u>	
Reilly Sweeping, Inc., Middlesex, NJ					
Routine Services	\$122.00	\$122.00	\$122.00	\$220.00	
Emergency Services	\$147.00	\$147.00	\$147.00	\$260.00	
Region Total	\$34,175.	\$34,175.0	\$34,175.	\$61,500.	\$164,025.00

Departmental Estimate: \$125,000.00 (For all 4 Regions)

After reviewing the unit pricing submitted by Reilly Sweeping, Inc. in Region 4, the Maintenance Department determined that the pricing was excessive in comparison to other regions as well as current contract prices for that Region. It is therefore recommended that the bid for Region 4 be rejected and the contract for that Region be rebid.

Non-Compliance:

An additional bid was received from C & L Sweeper Service of Jackson, NJ. This bidder, however, failed to include the required bid security as required by the specifications. Paragraph 6 of the "Instructions to Bidders" states that a "Bid Bond or Cashier's Check for 10% of the amount Bid or a Letter of Surety" is a mandatory requirement, and failure to submit one will result in bid rejection. Thus, it is recommended that C & L Sweeper Service bid be rejected.

Bids were procured, and authorization is being sought to award this contract in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to reject and re-bid Region 4, and to award a contract to Reilly Sweeping, Inc. for Regions 1, 2, and 3 in a total amount not to exceed \$ 102,525.00, subject to funding availability at the time of order. Authorization is further the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

388-09-2015

In a document dated September 23, 2015, a **Recommendation for Snow Removal at Toll Plazas and Service Areas to Multiple Vendors, RM-117306 (A), Budget Code: Various, Amount: \$1,120,800.00 (3 years)**, was approved.

Authorization is requested to award multiple contracts for snow removal and salting services ("Services") at New Jersey Turnpike Toll Plazas and Services ("Areas") for three snow seasons beginning October 15, 2015 through April 15, 2018. These Services are supplemental to the snow removal contracts previously awarded for the Turnpike's mainline. The request for bid ("RFB") was divided into 34 Areas. Unit and total prices were requested on hourly rates given the numbers and varying types of vehicles. In addition, the RFB established fixed rates for supervisory vehicle standby services at \$125.00 per hour and back-up vehicles at \$35.00 per hour, as well as a maximum hourly bid rate of \$350.00 for loaders. The maximum hourly rate for standby time on all equipment, other than supervisory vehicles, could not exceed 50% of the hourly bid rate for regular operating time. Bids were evaluated and compared based on the price for the specified number of hours for loaders and back-up vehicles with arrow boards.

The bid was fully advertised and the 23 vendors listed in the Authority's data base for the referenced services were notified of the procurement. On September 9, 2015, bids were received for 18 out of 34 Areas. No bids were received for 16 Areas and these Areas will be re-advertised. The Maintenance and Procurement and Material Management's ("PMM") staff thoroughly reviewed all the bids and inspected the bidders' equipment proposed for their respective bid Areas. **Staff recommends that contracts for snow removal and plowing services be awarded to the lowest responsible bidders (highlighted in bold in the attached bid summaries).**

Non Compliance:

Bids were also received from three bidders whose bids were deemed unacceptable:

1) One bid was received from Joseph M. Sanzari, Inc. of Hackensack, NJ for Contract No. SPN-01A-15. This bidder, however, failed to include the required Stockholder Disclosure Affidavit as required by the specifications. Paragraph 6 of the "Instructions to Bidders" states that a "Stockholder/Partnership Disclosure Statement" is a mandatory requirement, and failure to submit one will result in bid rejection. Thus, it is recommended that the bid submitted by Joseph M. Sanzari, Inc. be rejected.

2) Six (6) bids were received from Silvi Concrete ("Silvi") of Fairless Hills, PA: Contract Nos. LPT-07-15; LPT-07A-15; LPT 08-15; LPT 08A-15; LPT 09-15 and LPT 10-15. There are two deficiencies with all of Silvi's bids. This bidder did not use the correct bid sheets for back-up vehicles and bid excessively with respect to the capped rates for loaders. The original bid sheets,

in error, did not include the fixed amount of \$35.00 for back-up vehicles. The final bid sheets, however were corrected with the fixed rates and publicized via Addendum 1 on August 27th, long before the bid opening date. Silvi bid \$250.00 instead of \$35.00 for the back-up vehicles, which was significantly above the fixed rate. In addition, Silvi bid an hourly rate of \$825.00 on all six bids for loaders, significantly above the capped rate of \$350.00. Maintenance and PMM staffs deemed Silvi's bids non-compliant and excessive and recommend that all six (6) bids be rejected.

3) Three (3) bids were received from Central Jersey Landscaping, Inc. ("CJL") of Chesterfield, NJ for Contract Nos. LTSA – 6-15; LTSA-7S-15 and LTSA-8N-15. This bidder's loaders were not available for the scheduled inspection when Maintenance and PMM visited CJL's facility. The specifications required that the equipment inspections be performed within five (5) business days of the bid opening. At the September 14th inspection, CJL's representatives explained that the loaders were not available. Instead CJL showed Staff a lease agreement with a term of December 1, 2015 thru March 31, 2016, which dates do not coincide with the underlying Services contracts. Therefore, it is recommended the three (3) bids submitted by CJL be rejected.

Accordingly, authorization is requested to reject the bids submitted from Joseph M. Sanzari, Inc., Silvi Concrete and Central Jersey Landscaping, Inc. In light of these rejections, an additional six (6) Areas received no compliant bids and will need to be re-advertised.

Bids were procured, and authorization is being sought to award these contracts in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). These awards are also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Authorization is requested to award twelve (12) contracts to Tarheel Enterprises, Inc., of Morgan, NJ; Tuckahoe Sand & Gravel Co., Inc., of Pleasantville, NJ and Joseph DeFino Trucking Co., Inc., of Cliffwood Beach, NJ for snow removal and salting services as highlighted in the attached bid summaries, in a total amount not to exceed \$1,120,800.00 for the three (3) year term, subject to funding availability at the time of service. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendors. The prices for the succeeding years of the contract will be adjusted yearly based on the Consumer Price Index ("CPI") as designated in the average CPI for combined New York/ Northern New Jersey and Philadelphia/Southern New Jersey areas. The maximum annual increase permitted however shall be five percent. Finally, authorization is requested to re-advertise for snow removal and salting services at the 22 Areas for which contracts are not awarded.

Contract No. LPT-09-15 Toll Plaza Interchange 9Anticipated Contract Expenditure
= \$16,200.00**Tarheel
Enterprises, Inc.
Morgan, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$2,800.00
2. Back up Vehicle w/Arrow Board	2	8	\$ 35.00	\$ 560.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 150.00	\$ 300.00
2. Back up Vehicle w/Arrow Board	2	2	\$ 35.00	\$ 140.00
TOTALS				<u>\$3,800.00</u>

Contract No. LTP-10-15 Toll Plaza Interchange 10Anticipated Contract Expenditure
=\$16,200.00**Tarheel
Enterprises, Inc.
Morgan, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$2,800.00
2. Back up Vehicle w/Arrow Board	2	8	\$ 35.00	\$ 560.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 150.00	\$ 300.00
2. Back up Vehicle w/Arrow Board	2	2	\$ 35.00	\$ 140.00
TOTALS				<u>\$3,800.00</u>

Contract No. LTP-12-15 Toll Plaza Interchange 12Anticipated Contract Expenditure=
\$16,200.00**Tarheel
Enterprises, Inc.
Morgan, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$2,800.00
2. Back up Vehicle w/Arrow Board	2	8	\$ 35.00	\$ 560.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 150.00	\$ 300.00
2. Back up Vehicle w/Arrow Board	2	2	\$ 35.00	\$ 140.00
TOTALS				<u>\$3,800.00</u>

Contract No. LSTA-1-15 John Fenwick 1N & Clara Barton 1S Service AreasAnticipated Contract Expenditure =
\$ 22,600**Tuckahoe Sand &
Gravel Co., Inc.
Pleasantville, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	2	8	\$ 350.00	\$ 5,600.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class V)	1	8	\$ 700.00	\$ 5,600.00
Monday to Friday Standby Time				
1. Loaders as specified	2	2	\$ 175.00	\$ 700.00

2. Plow Trucks with Contractor supplied plows & Spreaders (Class V)	1	2	\$ 350.00	\$ 700.00
TOTALS				<u>\$12,600.00</u>

Contract No. LTSA-3S-15 Walt Whitman Service Area 3S

Anticipated Contract Expenditure = \$ 16,200.00

**Tuckahoe Sand & Gravel Co., Inc.
Pleasantville, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$ 2,800.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class V)	1	8	\$ 700.00	\$ 5,600.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 175.00	\$ 350.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class V)	1	2	\$ 350.00	\$ 700.00
TOTALS				<u>\$ 9,450.00</u>

Contract No. LTSA-4N-15 James Fennimore Cooper Service Area 4N

Anticipated Contract Expenditure = \$ 16,200.00

**Tuckahoe Sand & Gravel Co., Inc.
Pleasantville, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$ 2,800.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class V)	1	8	\$ 700.00	\$ 5,600.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 175.00	\$ 350.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class V)	1	2	\$ 350.00	\$ 700.00
TOTALS				<u>\$ 9,450.00</u>

Contract No. LTSA-6-15 Woodrow Wilson 6N & Richard Stockton 6S Service Areas

Anticipated Contract Expenditure = \$ 29,400.00

**Tuckahoe Sand & Gravel Co., Inc.
Pleasantville, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	2	8	\$ 350.00	\$ 5,600.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	8	\$ 700.00	\$11,200.00
3. Supervisory Vehicle	1	8	\$ 300.00	\$ 2,400.00
Monday to Friday Standby Time				
1. Loaders as specified	2	2	\$ 175.00	\$ 350.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	2	\$ 350.00	\$ 1,400.00
3. Supervisory Vehicle	1	2	\$125.00	\$ 250.00
TOTALS				<u>\$21,300.00</u>

**Contract No. LTSA-10N-15 Grover Cleveland
Service Area 10N**Anticipated Contract Expenditure =
\$ 29,400.00Joseph DeFino
Trucking Co.,
Inc.
Cliffwood Beach,
NJ

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$ 2,800.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	8	\$ 465.00	\$ 7,440.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 160.00	\$ 320.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	2	\$ 215.00	\$ 860.00
TOTALS				<u>\$11,420.00</u>

**Contract No. LTSA-10S-15 Thomas Edison
Service Area 10S**Anticipated Contract Expenditure =
\$ 29,400.00Joseph DeFino
Trucking Co.,
Inc.
Cliffwood
Beach, NJ

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$ 2,800.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	8	\$ 465.00	\$ 7,440.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 160.00	\$ 320.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	2	\$ 215.00	\$ 860.00
TOTALS				<u>\$11,420.00</u>

**Contract No. LTSA-12S-15 Alexander Hamilton
Service Area 12S**Anticipated Contract Expenditure =
\$ 29,400.00Joseph DeFino
Trucking Co.,
Inc.
Cliffwood Beach,
NJ

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 350.00	\$ 2,800.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	8	\$ 500.00	\$ 8,000.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 160.00	\$ 320.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	2	2	\$ 250.00	\$ 1,000.00
TOTALS				<u>\$12,120.00</u>

**Contract No. LTSA-13S-15 Vince Lombardi
Service Area 13S**

Anticipated Contract Expenditure =
\$ 32,400.00

**Joseph DeFino
Trucking Co.,
Inc.
Cliffwood Beach,
NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total
1. Loaders as specified	1	8	\$ 340.00	\$ 2,720.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	3	8	\$ 500.00	\$12,000.00
Monday to Friday Standby Time				
1. Loaders as specified	1	2	\$ 160.00	\$ 320.00
2. Plow Trucks with Contractor supplied plows & Spreaders (Class VII)	3	2	\$ 250.00	\$ 1,500.00
TOTALS				\$16,540.00

Turnpike Mainline

Contract No. SPN-01A-15 Supplemental Plow Team: Mainline between Interchange 16/18E to 15E North and South including Interchange 15X Plaza and Ramps

**Joseph DeFino
Trucking Co., Inc.
Cliffwood Beach, NJ**
**Harbor Trucking, LLC
East Brunswick, NJ**

Monday to Friday Regular Time	Qty	Bid Hours	Hourly Rate	Total	Hourly Rate	Total
1. Plow Trucks with Authority supplied plows & Spreaders	4	8	\$ 530.00	\$ 16,960.00*	\$ 550.00	\$17,600.00*
2. Supervisory Vehicle	1	8	\$ 150.00	\$ 1,200.00	\$ 160.00	\$ 1,280.00
Monday to Friday Standby Time						
1. Plow Trucks with Authority supplied plows & Spreaders	4	2	\$ 265.00	\$ 2,120.00*	\$ 275.00	\$ 2,200.00*
2. Supervisory Vehicle	1	2	\$125.00	\$ 250.00	\$125.00	\$ 250.00
TOTALS				\$20,530.00*		\$21,330.00*

* Note: Extension prices corrected from original bid sheet.

408-09-2015

In a document dated September 22, 2015, **a Recommendation for Swing Gates and Arms to PSX, Inc., R-117883 and R-119241 (Budget), Budget Code: 040 00 500 650010 04008142, Amount: \$256,281.00**, was approved.

Under this contract, PSX, Inc. will provide eight (8) horizontal swing gates and spare arms for use at New Jersey Turnpike facilities. The gates and arms will replace ones that have been damaged beyond repair. The gates are vital to prevent traffic from entering the closed Roadway during maintenance activities. The bid was fully advertised and the four vendors listed in the Authority's data base for the referenced commodity were notified of the procurement. On September 15, 2015, a sole bid was received as follows:

<u>Vendor</u>	<u>Total Bid Price</u>
PSX, Inc., Kennett Square, PA	\$ 256,281.00

Departmental Estimate \$250,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to PSX, Inc. for a total amount not to exceed \$256,281.00.

389-09-2015

In a document dated September 11, 2015, **a Recommendation for 7 Cubic-Yard Dump Trucks to Hunter Truck Sales and Service, Inc., RM-118535, Budget Code (2016): 040 00 500 156555 04007021D, Amount: \$4,381,641.00 (3 Year Open-End Option)**, was approved.

At the March 25, 2014 Board of Commissioners meeting (Agenda Item 102-03-2014), the Authority awarded a contract to Ransome International, LLC (now Hunter Truck Sales and Service, Inc.) for the purchase of 7 cubic-yard dump trucks. The contract included a 3-year option to purchase additional vehicles which conform to the original specifications for three additional model years. For the final two years of the option, the vendor was permitted to request a price increase from the Authority if there had been an overall price increase of the dump trucks in those later model years, provided that the vendor justified the price increase in writing to the Authority.

Authorization is requested to purchase 27 additional dump trucks to replace existing older models that have exhausted their life expectancy and to supplement the Roadway Division's fleet due to widening projects on both Roadways. As permitted in the contract, the vendor requested a unit price increase of 2.5% (above 2014 model) due to increased cost of raw materials such as steel, front and rear axles, and chassis components. The Maintenance Department determined that the requested increase is reasonable.

This contract was originally bid and awarded in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This contract is in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

Accordingly, authorization is requested to exercise the contract option to purchase additional 7 cubic-yard dump trucks from Hunter Truck Sales and Service, Inc., for a total amount not to exceed \$4,381,641.00.

390-09-2015

In a document dated September 9, 2015, **a Recommendation for the Rejection of Sole Bid and Re-Bid Contract of Mobile Trommel, R-117962, Budget Codes: 010 00 500 480060,** was approved.

Authorization is requested to reject the sole bid submitted for the purchase of a portable trommel. The trommel will replace the Authority's existing topsoil shredder purchased in 1988. The bid was fully advertised and the four (4) vendors listed in the Authority's data base for the referenced commodity were notified of the procurement. On August 27, 2015, one (1) bid was received.

The sole bid was received from Wright Equipment Corporation of Farmingdale, NJ. This bidder, however, failed to include the required bid security as required by the specifications. Paragraph 6 of the "Instructions to Bidders" states that a "Bid Bond or Cashier's Check for 10% of the amount Bid or a Letter of Surety" is a mandatory requirement, and failure to submit one will result in bid rejection. Thus, it is recommended that the bid submitted by Wright Equipment Corporation be rejected.

Accordingly, authorization is requested to do the following: 1) reject the sole bid submitted by Wright Equipment Corporation; 2) immediately re-advertise the bid; and 3) delegate to the Executive Director the authority to award the contract to the lowest responsible and responsive bidder after the bid opening. The rebid and contract award will be ratified at the next Board of Commissioners Meeting.

391-09-2015

In a document dated September 16, 2015, **a Recommendation to Reject Sole Bid and Re-Bid for Paging System, R-117936, Budget Codes: N/A,** was approved.

Authorization is requested to reject the sole bid submitted for the purchase of a paging system. The ITS Department requisitioned the paging system to provide the Authority with 100 speakers for the Authority's new facilities (Maintenance and State Police). The bid was fully advertised and the vendor listed in the Authority's data base for the referenced commodity was notified of the procurement.

On September 15, 2015, a sole bid was received from ePlus Technology, Inc. of Newtown, PA ("ePlus"). This bidder, however, failed to include the required Stockholder/Partnership Disclosure Statement as required by the specifications. Paragraph 6 of the "Instructions to Bidders" states that a "Stockholder/Partnership Disclosure Statement" is a mandatory requirement, and failure to submit one will result in bid rejection. Thus, it is recommended that the bid submitted by ePlus Technology, Inc. be rejected.

Accordingly, authorization is requested to reject the sole bid submitted by ePlus Technology, Inc. and re-advertise the contract.

030881

0000000

STATE CONTRACTS AND FEDERAL CONTRACTS

392-09-2015

In a document dated September 8, 2015, **a Recommendation for Computer Aided Dispatch (“CAD”) Towing Software to SHI International Corp., R-118328, Budget Code: 040 00 830 653010 04008163, State Contract No. 89851 expiring 06/30/2020, Amount: \$79,365.00,** was approved.

Under this contract, SHI International Corp. (“SHI”) will provide software development services to enhance the existing towing dispatch management application on both Roadways. These services will constitute Phase II of the project commenced by SHI. Specifically, SHI will develop two new software applications for companies that provide towing and roadside services. In addition, these two applications will enable the towing companies to receive incident information from the existing dispatch management application. The two digital dispatch applications will provide enhanced functionality: one from a traditional desktop computer; the other via mobile web browsers running on smart phones. Both versions of the application will allow contracted towers to receive new service calls, and to update the status and details of received service calls.

This procurement, under State Contract No. 89851, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract to SHI International Corp. for enhancements to the towing dispatch management software in an amount not to exceed \$79,365.00.

393-09-2015

In a document dated September 11, 2015, **a Recommendation for Data Domain Expansion to EMC Corporation, R-118815, Budget Code: 080 00 830 156555 08007111, State Contract No. 75580 expiring 09/30/15, Amount: \$103,435.00,** was approved.

Under this contract, EMC Corporation will provide the Authority with an expansion of the Authority's EMC Data Domain Storage System. This system consolidates backup and archival data reducing storage requirements by 10 to 30 times on a server. It provides a cost-effective storage solution for onsite retention and is highly efficient for network-based replication and disaster recovery. Expansion of the Advanced Traffic Management and Predication system utilized by the Operations Department has significantly increased the Authority's data storage

requirements, making this a critical upgrade.

This procurement, under State Contract No. 75580 is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award the referenced State Contract to EMC Corporation in an amount not to exceed \$103,435.00.

394-09-2015

In a document dated September 4, 2015, **a Recommendation for Data Storage Area Network Expansion to IBM Corporation, R-118816, Budget Code: 080 00 830 156555 08007111, State Contract No. 70265 expiring 09/30/15, Amount: \$361,768.47**, was approved.

Under this contract, IBM Corporation ("IBM") will provide, install and configure two (2) computer servers to expand the IBM "XIV" storage area networks ("SAN") located in Hamilton, NJ and Woodbridge, NJ. These networks are vital as they store all Authority data, with the exception of toll transactions, and serve as the primary agents for the Authority's backups. The additional servers will run the required media agents for the CommVault software program, which will then store the information on the DataDomain shelf.

This procurement, under State Contract No. 70265 is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract to IBM for two servers to expand the Authority's data SAN in an amount not to exceed \$361,768.47.

395-09-2015

In a document dated September 8, 2015, **a Recommendation for Maintenance & Repair for Heavy Duty Vehicles Over 15,000 Lbs. GVWR to Robert H. Hoover & Sons, Inc., RM-118007, Budget Code: Various, State Contract No. T-2108 expiring 07/20/2018, Amount: \$30,000.00, and to Del Val International Trucks, Inc., RM-118006, Budget Code: Various, State Contract No. T-2108 expiring 07/20/2018, Amount: \$30,000.00**, was approved.

Under two contracts, Robert H Hoover & Sons, Inc. and Del Val International Trucks, Inc. will maintain and repair heavy duty vehicles (Over 15,000 lbs. GVWR) ("Services") on both Roadways. Given the wide geographic area for the Services, the Maintenance Department decided to utilize the Services from the two vendors on an as-needed basis in the respective authorized "not-to- exceed" amounts. The contracts can be procured via the New Jersey State

Contract Index No. T-2108, which is valid until July 20, 2018.

State Contract No.	Vendor Name, Location	Total Authorized Amount
89257	Robert H Hoover & Sons, Inc.	\$30,000.00
89267	Del Val International Trucks, Inc.	\$30,000.00

These procurements, under State Contract Index No. T-2108, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award two contracts to the listed vendors, for a total authorized amount not to exceed \$60,000.00, subject to funding availability at the time of order. Authorization is further requested to permit the redistribution of the above amounts to the individual contacts within the total authorized amount if necessary during the contract term.

396-09-2015

In a document dated September 3, 2015, **a Recommendation for HVAC Repair Parts (Modification) to Johnstone Supply d/b/a Z and Z Supply, Inc., Contract No. 1658, RM-118022, Budget Code: Various, State Contract No. 81051 expiring 02/29/16, Current Authorized Amount: \$250,000.00, Requested Amount: \$50,000.00, New Authorized Amount \$300,000.00, and to Charles F. Connolly Dist. Co., Contract No. 1660, RM-118023, Budget Code: Various, State Contract No. 81039 expiring 02/29/16, Current Authorized Amount: \$45,000.00, Requested Amount: \$7,500.00, New Authorized Amount \$52,500.00,** was approved.

On April 30, 2012, the Authority awarded Contract No. 1658 to Johnstone Supply, Inc. and Contract No. 1660 to Charles F. Connolly Dist. Co. to supply heating, ventilation, and air-conditioning (HVAC) repair parts. The HVAC parts are used to maintain the Authority's facilities. The State Contracts have been extended to February 29, 2016. The Maintenance Department has requested that these contracts be increased as additional funds are required to purchase necessary HVAC repair parts through the newly extended terms.

The original procurements, under State Contract Nos. 81051 and 81039, were in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, approval is requested to extend Contract Nos. 1658 and 1660 through the

expiration of the State Contract and to increase the authorized amount of Contract No. 1658 with Johnstone Supply, Inc. by \$50,000.00, for a new total authorized amount of \$300,000.00, and to increase the authorized amount of Contract No. 1660 with Charles F Connolly Dist. Co. by \$7,500.00 for a new authorized amount of \$52,000.00, both subject to funding availability at the time of orders.

397-09-2015

In a document dated September 11, 2015, **a Recommendation for Catch Basin Castings and Manholes (Modification) to Campbell Foundry Company, RM-118528, Contract No. 1854, Budget Code: Various, State Contract No. 84205 expiring 06/30/16, Current Authorized Amount: \$55,000.00, Requested Amount: \$25,000.00, New Authorized Amount: \$80,000.00**, was approved.

In July 2013, the Authority awarded Contract No. 1854 to Campbell Foundry Company to supply catch basins, inlets and manholes for use in maintaining the Authority's storm drains. The State Contract has been extended through June 30, 2016. The Maintenance Department has requested an increase to Contract No. 1854 in the amount of \$25,000.00 as additional funds are required to purchase necessary catch basin castings and manholes through the remaining term of the contract.

The original procurement, under State Contract No. 84205, was in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey

Accordingly, approval is requested to extend Contract No. 1854 through the expiration of the State Contract and to increase the authorized amount of Contract No. 1854 Campbell Foundry Company by \$25,000.00, for a new total authorized amount of \$80,000.00, subject to funding availability at the time of order.

ooo0ooo

PROFESSIONAL SERVICES

399-09-2015

In a document dated September 18, 2015, **a Recommendation for Health Benefits Consulting Services to The Segal Company, RM-115989, Budget Code: Various, Amount: \$298,500.00**, was approved.

The New Jersey Turnpike Authority ("Authority") issued a request for proposal ("RFP") to engage the services of a firm to provide Health Benefits Consulting Services related to the procurement and placement of third party claims administration vendors ("TPAs") for its Medical,

Dental, Vision and Pharmacy Plans. The Authority's COBRA, Flexible Spending and Health Spending Accounts will also be included in the TPA procurement. The Authority's TPA's must be implemented and effective as of May 1, 2016.

The RFP was publicly advertised on July 1 and 2, 2015, posted on the Authority's and State of New Jersey websites and distributed to 21 firms. On August 11, 2015, proposals were received from the following six firms:

1. The Segal Company, New York, NY
2. Hay Group, Jersey City, NJ
3. Deloitte Consulting LLP, Parsippany, NJ
4. Gallagher Benefit Services, Inc., Mount Laurel, NJ
5. AON Hewitt, Morristown, NJ
6. Mercer Health & Benefits, LLC, Morristown, NJ

An Evaluation Committee (the "Committee"), established by the Executive Director, consisted of personnel from the Authority's Human Resources and Finance Departments. In addition, staff from the Law and Procurement and Materials Management Departments served as non-voting members of the Committee. The Committee reviewed the written proposals based on the criteria set forth in the RFP and scored each firm individually. Based on the Committee's review of the proposals, the Committee invited representatives from the following two top ranked firms to make oral presentations and provide best and final offers ("BAFO"s):

1. AON Hewitt ("AON"), Morristown, NJ
2. The Segal Company ("Segal"), New York, NY

The Committee's findings were presented in an Evaluation Report. The Committee found that the two firms it interviewed were highly skilled and both had numerous public sector clients and extensive experience. The Committee scored the firms based on the written proposals, oral presentations, responses to questions and BAFOs.

Segal received the highest overall score. Segal's written proposal was fully responsive to the Scope of Services in the RFP and the firm presented a professional and comprehensive oral presentation by their senior management. Segal's proposed project team, comprising of 17 members, have extensive and recognized experience in health care consulting services and claims audits. In addition, Segal demonstrated a clear understanding of the challenges facing the Authority in the upcoming procurement for TPAs given the overall implementation timeline as well as the numerous and complex employee/retiree benefit plans. The firm promises to work closely with Authority staff to ensure that the Authority's service needs are addressed and met. Segal has the ability to conduct pre and post implementation audits on all seven benefit plans and their representatives emphasized the importance of doing these audits. The Committee acknowledged Segal's extensive list of relevant references. The firm provides similar services for several public

sector entities such as NJ Transit.

Segal submitted a BAFO for the Services for a flat fee of \$208,500 and fees for the implementation audits (pre and post) for all 7 benefit plans in the amount of \$90,000 for a total amount of \$298,500. This combined fee proposed is competitive.

The procurement process for this professional services contract was conducted in accordance with *N.J.S.A. 27:23-6.1* of the Authority's enabling legislation, *N.J.A.C. 19:9-2.1(b)* promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2006), and having no objection to same.

Accordingly, authorization is requested to award a one-year contract to The Segal Company for Health Benefits Consulting Services in an amount not to exceed \$298,500.00, subject to availability of funding at the time of service. It is also requested that the Executive Director be authorized to take such actions and to execute any and all documents as may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

400-09-2015

In a document dated September 23, 2015, **a Recommendation for Electric Vehicle Charging Stations to NRG EV Services, LLC, RM-114497, Amount: (Revenue to the Authority)**, was approved.

The New Jersey Turnpike Authority ("Authority") issued a request for proposal ("RFP") to engage the services of a non-exclusive provider to design, furnish, install, manage and maintain, at its own cost and expense, certain direct current charging stations at certain Service Areas on the New Jersey Turnpike and Garden State Parkway ("Services"). The RFP was advertised on July 2, 2015 and posted on the Authority's and the State's websites. In addition, it was distributed to 3 firms listed in the Authority's database for these Services. The contract will be for a term of seven years, with the option to extend for one additional three-year term at the Authority's discretion. On or before the closing date of August 5, 2015, the Authority received proposals from the following two vendors:

Vendor

NRG EV Services, LLC, Princeton, NJ

ChargePoint, Inc., Campbell, CA

An Evaluation Committee (the "Committee"), which was approved by the Executive Director, consisted of personnel from the Authority's Patron Services and Maintenance Departments. One non-voting member from the Procurement and Materials Management Department also served on the Committee. The Committee first reviewed the written proposals

based on the criteria set forth in the RFP. Based on the Committee's review of the proposals, the Committee invited representatives from NRG EV Services, LLC to make an oral presentation and provide a best and final offer ("BAFO"). The Committee detailed its recommendations in an Evaluation Report.

The Committee found that both firms were highly skilled and have national presence constructing and operating network charging stations. The Committee, however, determined that NRG EV Services ("EVgo") submitted the best proposal and thus received the highest score. EVgo, formed in 2010, is owned by NRG Energy, Inc., a Fortune 200 energy company based in New Jersey. As of July 2015, EVgo owns and operates more than 350 charging cords at more than 200 separate stations, comparable to the size of Tesla's charging station network.

EVgo provided a concise and detailed response highlighting its experience, financial standing, personnel, proposed scope and approach to integrating the Authority's Service Areas into a successful and sustainable charging network that will meet present and future customer demand. This firm has a strong understanding of the needs of public sector clients having built and continuing to operate a charging network with the City of Chicago, IL as well as a partnership with the California Public Utilities Commission. EVgo proposed to perform all the required services at its own expense. The Authority would have no out-of-pocket expenses associated with the charging stations. EVgo will charge the customers a nominal utility fee primarily based on nationally uniform subscription programs with the respective vehicle manufacturers. EVgo offered the Authority an annual license fee of \$14,400.00 based upon a total of 12 charges (6 Areas) at \$100.00 per month. This total annual revenue amount could increase if agreed-upon additional charging stations are constructed within the existing Service Areas. Finally, EVgo received a very favorable reference from the Chicago Department of Transportation. The Committee concluded that EVgo is qualified to perform the Services and recommends that it be awarded the contract.

The procurement process for this professional services contract was conducted in accordance with *N.J.S.A. 27:23-6.1* of the Authority's enabling legislation, *N.J.A.C. 19:9-2.1(b)* promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2006), and having no objection to same.

Accordingly, authorization is requested to award a contract to NRG EV Services, LLC to perform the Services for a seven-year term as outlined herein and to further authorize the Executive Director to approve the one three-year extension upon satisfactory performance by NRG EV Services LLC. It is also requested that the Executive Director be authorized to take such actions and to execute any and all documents as may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

401-09-2015

In a document dated September 4, 2015, **a Recommendation for the Employee Assistance Program Services (Modification/Extension) to Deer Oaks EAP Services, RM-118961, Budget Code: Various, Extension Term: October 1, 2015 through November 30, 2015, Current Authorized Amount: \$40,897.00, Requested Amount: \$6,000.00, New Authorized Amount: \$46,897.00,** was approved.

At its August 31, 2010 meeting (Agenda No. 214T-10), the Authority's Board of Commissioners authorized the award of a contract to Deer Oaks EAP Services, San Antonio, TX, to provide an employee assistance program ("EAP"). The EAP provides professional evaluation, counseling and referral services as well as training on work life skills. Due to the September 30, 2015 expiration of the contract, the Authority issued a RFP on June 11, 2015. Proposals were received and the review is ongoing. Until a final recommendation is made and the Board of Commissioners grants authorization to enter into a new contract, the Authority needs to maintain the current EAP Services contract. The Human Resources Department therefore requested that the contract with Deer Oaks EAP Services be extended through November 30, 2015 at the same terms and conditions as the original contract. The cost for EAP Services from October 1, 2015 through November 30, 2015 will be in an amount not to exceed \$6,000.00

Accordingly, authorization is requested to extend the term of Contract No. 1392-2 with Deer Oaks EAP Services through November 30, 2015 and increase the authorized amount by \$6,000.00. This will bring the total authorized amount to an amount not to exceed \$46,897.00, subject to funding availability at the time of service.

On motion by Commissioner Diaz and seconded by Commissioner Becht, the Authority unanimously approved of agenda item nos. 385-09-2015, 387-09-2015 through 397-09-2015, 399-09-2015 through 401-09-2015, and 408-09-2015 (Item 386-09-2015 not used); and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

OOO0000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

GENERAL BUSINESS

ooo0ooo

OPERATIONS

030889

ooo0ooo

Director of Operations Henry Eibel requested approval of item number 402-09-2015. Moved the item as follows:

402-09-2015

Director of Operations Henry Eibel requested acceptance of the **Resume of All Fatal Accidents** for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2015 through 09/11/2015; both with 2014-2015 Yearly Comparisons through August, 2015.

On motion by Commissioner Pocino and seconded by Vice Chairman Gravino, the Authority unanimously approved item number 402-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

OOO0000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

STATE POLICE

Major Eric Heitmann requested for approval of item number 403-09-2015. Moved is the item as follows:

403-09-2015

Major Eric Heitmann requested acceptance of the **New Jersey State Police Troop D Activity Reports**, For August 2015, with 2014 – 2015 Yearly Comparisons.

On motion by Commissioner Diaz and seconded by Vice Chairman Gravino, the Authority unanimously accepted the reports contained in item number 403-09-2015 and received same for file.

OOO0000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

FINANCE

Deputy Chief Financial Officer Pamela Varga requested approval of item number 404-09-2015. Moved is the items as follows:

404-09-2015

Deputy Chief Financial Officer Pamela Varga presented the **Financial Summary for the eight (8) months ended August 31, 2015.**

On motion by Commissioner Pocino and seconded by Vice Chairman Gravino, the Authority unanimously approved of item number 404-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

OOO0000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

EXECUTIVE

Executive Director Joseph Mrozek requested approval of item numbers 405-09-2015 and 406-09-2015. Moved is the items as follows:

405-09-2015

In a document dated September 10, 2015, **Authorization is requested to publish public notice of the 2016 New Jersey Turnpike Authority Board Meetings in accordance with Chapter 231, P.L. 1975, as set forth in the schedule submitted below. All Board Meetings will be held at the New Jersey Turnpike Authority Administration Offices located at 581 Main Street, Woodbridge, New Jersey; commencing at 9:00 A.M., unless otherwise notified,** was approved.

2016 BOARD MEETING DATES (Tuesdays unless otherwise noted 9:00 a.m.)
January 26 th
February 23 rd
March 29 th
April 26 th
May 24 th
June 28 th
July 26 th
August 30 th
September 27 th
October 25 th
November 22 nd
December 20 th

406-09-2015

In a memorandum dated September 23, 2015, **Authorization to Enter into Lease Agreement (including Option to Purchase) with O&R Woodbridge Office, LLC, regarding 1**

Hess Plaza, Woodbridge, was approved.

New Jersey Turnpike Authority's ("NJTA") administrative staff of approximately 450 employees operates out of two (2) buildings in Woodbridge, Middlesex County. NJTA leases approximately 100,000 sq. ft. from Mack-Cali at 581 Main Street in Woodbridge. Leasing this space costs NJTA about \$3 million per year for rent and utilities. NJTA also houses administrative staff in what was the New Jersey Highway Authority Headquarters ("Parkway Building"). NJTA owns this 75,000 sq. ft. building, which opened in 1961. The Parkway Building is located on King George's Road in Woodbridge.

NJTA's lease with Mack Cali for 581 Main Street expires in January 2017. In order to evaluate the best options for its future headquarters ("HQ") building, NJTA engaged in a public solicitation to hire a real estate consultant. At its January 27, 2015 meeting, under Agenda Item No. 040-01-2015, NJTA's Board of Commissioners awarded a contract to Savills Studley ("Savills") to act as NJTA's real estate consultant.

With the goal of having NJTA's HQ in close proximity to the Turnpike and/or Parkway, Savills conducted a financial assessment of several options, including, but not limited to: (a) enter into new lease at 581 Main Street and rehabilitate the Parkway Building; (b) enter into new lease at an alternate leased property and rehabilitate the Parkway Building; and (c) enter into new lease at an alternate leased property to house all NJTA personnel currently located at 581 Main Street and the Parkway Building; (d) purchase an office building to house all NJTA personnel currently located at 581 Main Street and the Parkway Building; and (e) build a new office building to house all NJTA personnel currently located at 581 Main Street and the Parkway Building.

Early in the evaluation of these options, NJTA rejected the concept of building a new office building because it was cost prohibitive. Thereafter, NJTA staff and Savills toured multiple office buildings in the relevant geographic area and received pricing from six (6) locations, including 581 Main Street. As part of its review of the available property options, Savills recommended that NJTA consider the soon to be vacant office building at 1 Hess Plaza, on Route 9 South in Woodbridge, owned by O&R Woodbridge Office, LLC ("O&R"). 1 Hess Plaza is an office building of approximately 180,000 square feet of usable space and can house all of NJTA's administrative staff. In 2011-2012, 1 Hess Plaza underwent a more than \$60 million renovation.

After an evaluation of the available properties in the geographic area that meet the needs of NJTA, including their overall costs to NJTA, NJTA staff, with concurrence from Savills, recommends that NJTA enter into a two-year lease with an option to buy 1 Hess Plaza and related property. This recommendation is based on both the quantitative and qualitative aspects of the scenarios under consideration.

NJTA staff, with the assistance of Savills and outside Authority counsel, have negotiated an agreement with O&R to lease 1 Hess Plaza in Woodbridge for two (2) years commencing in

February 1, 2017 for an annual lease cost of two million eight hundred seventy-four thousand five hundred twenty-two and 00/100 dollars (\$2,874,522.00). Included within the lease agreement is an option for NJTA, after leasing the building for two (2) years, to purchase the building and related thirteen (13) acres for the net price of \$25.9 million. NJTA staff, Savills, and outside Authority counsel recommend that this agreement be approved by the Authority. Below are some of the reasons that support this recommendation:

1. Lowest cost alternative with a total 30 year cost estimated to be almost \$100 million lower than the next lowest cost alternative on an absolute basis, and almost \$45 million lower on a net present value basis;

2. NJTA receives the benefit of more than \$60 million in capital improvements that were made to 1 Hess Plaza building's infrastructure in 2011 – 2012;

3. Of the buildings considered, 1 Hess Plaza is the only with LEED certification thereby yielding operating cost efficiencies;

Completes the 2003 consolidation of NJTA and New Jersey Highway Authority by housing all administrative staff in a single building;

4. 1 Hess Plaza building is located close to both the Turnpike and Parkway; and

5. Effective January 1, 2016, NJTA will get rent free use of 80% of 1 Hess Plaza and 100% of the building by August 1, 2016.

The above highlights that NJTA can purchase for \$25.9 million a building that has recently undergone a \$60 million renovation. And the purchase will save NJTA almost \$100 million in absolute costs over the next 30 years.

Based on the foregoing, authorization is requested for the Executive Director to enter into an agreement with O&R Woodbridge Office, LLC, to lease 1 Hess Plaza, Woodbridge, for fifteen (15) years with lease payments commencing on February 1, 2017, in accordance with the terms set forth above. The annual lease payments for the first two years shall be \$2,874,522.00/year. Authorization is further requested for the Executive Director to exercise the one-time option in the lease agreement to purchase the 1 Hess Plaza building and related 13 acres of property (Lot 1.011, Block 235.01, Township of Woodbridge, Middlesex County) for a net purchase price of \$25.9 million in February 2019, in accordance with the terms set forth above. It is also requested that the Executive Director be authorized to take such actions and to execute any and all documents as may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

On motion by Commissioner Diaz and seconded by Commissioner Pocino, the Authority unanimously approved of item numbers 405-09-2015 and 406-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

0000000

ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

ooo0ooo

COMMISSIONER

Vice Chairman Gravino requested approval of item number 407-09-2015. VC Gravino thanked Treasurer DuPont and Commissioner Pocino for participating on the Evaluation Committee for the External Auditing Service RFP. VC Gravino also thanked Lisa Gorab of Wilentz Goldman & Spitzer and Steve Kantor of FirstSouthwest for their help with RFP.

Moved is the item as follows:

407-09-2015

In a memorandum dated September 23, 2015, **Authorization to Enter into a Contract for External Auditing Services, RM –116699, Amount: \$1,366,000.00**, was approved.

On July 1, 2015, the New Jersey Turnpike Authority (“Authority”) issued a request for proposal (“RFP”) for a firm to provide external auditing services specifically to issue an opinion on the Authority’s annual financial statements. Executive Order No. 122 (McGreevey 2004) requires that a procurement process for the selection of independent auditors be conducted at least every five (5) years. The Authority’s current contract for these services expires on October 31, 2015.

The new contract will be for a term of three (3) years, with the option to extend for two (2) additional one-year terms at the Authority’s sole discretion. The RFP was distributed to 20 firms and posted on the Authority’s and State of New Jersey’s website. On August 5, 2015, proposals were received from the following eleven (11) firms:

BDO USA, LLP, Wilmington, DE	McGladrey LLP, Blue Bell, PA
CliftonLarsonAllen LLP, Mt. Laurel, NJ	O’Connor Davies, LLP, Cranford, NJ
Deloitte & Touche LLP, Parsippany, NJ	WISS & Company, LLP, Iselin, NJ
Ernst & Young LLP, Iselin, NJ	WithumSmith+Brown, PC, Toms River, NJ
Holman / Frenia Allison, P.C., Medford, NJ	Zelenkofske Axelrod LLC, Harrisburg, PA
KPMG LLP, Melville, NY	

In accordance with Executive Order No. 122 (McGreevey 2004), an Evaluation Committee (the “Committee”), was established by the Board of Commissioners with approval from the Chairman of the Authority. The Committee consisted of Vice Chairman Ronald Gravino, Treasurer Michael DuPont, and Commissioner Raymond Pocino. In addition, staff from the Authority’s outside counsel, Wilentz Goldman & Spitzer P.A., and Financial Advisor, FirstSouthwest, served as non-voting members of the Committee in an advisory capacity. The

Committee reviewed the written proposals based on the criteria set forth in the RFP. Based on the Committee's review of the proposals, the Committee invited representatives from the following three top-ranked firms to make oral presentations and provide best and final offers ("BAFO"s):

1. Deloitte & Touche LLP, Parsippany, NJ
2. Ernst & Young LLP, Iselin, NJ
3. KPMG LLP, Melville, NY ("KPMG")

The Committee's findings were presented to the Authority's Audit Committee in an Evaluation Report. The Committee found that each of the three accounting firms it interviewed was highly skilled and each has national presence. All three firms have vast experience in public sector accounting and they had excellent references.

The Committee found, however, that KPMG, LLP ("KPMG") stood out among the firms. Key factors which influenced the Committee's decision were KPMG's experience with public sector clients, its proposed project team, and relevant experience with similar type clients. KPMG presented a clear understanding of the Authority's needs. KPMG is a large firm with vast resources and specialists and currently serves as the Authority's auditor. Its fee proposal, although not the lowest, was competitive for the services required. The Authority's Audit Committee concurs with this recommendation.

Proposers were asked to quote annual audit fees plus a fixed fee for consent letters for each bond offering(s). In addition, hourly rates were requested for on call services.

KPMG proposed annual fees of \$296,500 for 2015, \$304,500 for 2016 and \$315,000 for 2017. In addition, consent letters as needed will be authorized at a flat fee of \$22,000 per letter for 2015, \$22,000 per letter for 2016, and \$23,000 per letter for 2017. In addition, audit fees for the extension years were proposed at \$325,500 for 2018 and \$336,000 for 2019 and consent letters at \$24,000 per letter for each of the extension years.

The procurement process for this professional services contract was conducted in accordance with *N.J.S.A. 27:23-6.1* of the Authority's enabling legislation, *N.J.A.C. 19:9-2.1(b)* promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2006), and having no objection to same.

Accordingly, authorization is requested to award a three (3) year contract to KPMG for annual auditing services at a cost not to exceed \$916,000. It is also requested that additional funds be made available for the issuance of consent letters and on-call services in an amount not to exceed \$150,000 per year for three (3) year for a combined 3-year total of \$1,366,000. Authorization is further requested for the Executive Director to approve the two, one-year extensions upon satisfactory performance by KPMG, LLP, subject to funding availability. Should

030895

the option years be exercised, audit fees should not exceed \$325,500 and \$336,000, respectively, and consent letters and on-call services should not exceed \$150,000 per year. It is also requested that the Executive Director be authorized to take such actions and to execute any and all documents as may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

On motion by Commissioner Diaz and seconded by Commissioner Becht, the Authority unanimously approved of item numbers 407-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

000000

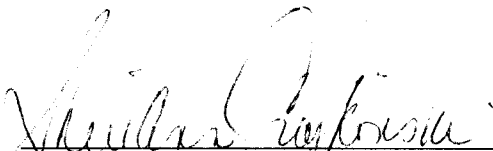
ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

000000

The motion to adjourn was made by Commissioner Pocino and seconded by Vice Chairman Gravino, and, after the voice vote, the motion was duly adopted. The Authority adjourned at 10:14 a.m., to meet on Tuesday, October 27, 2015, at 9:00 A.M.

ATTEST:



 Sheri Ann Czajkowski,
 Secretary to the Authority



 Joseph Mrozek,
 Executive Director

Date: September 29, 2015

030895

the option years be exercised, audit fees should not exceed \$325,500 and \$336,000, respectively, and consent letters and on-call services should not exceed \$150,000 per year. It is also requested that the Executive Director be authorized to take such actions and to execute any and all documents as may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

On motion by Commissioner Diaz and seconded by Commissioner Becht, the Authority unanimously approved of item numbers 407-09-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

000000

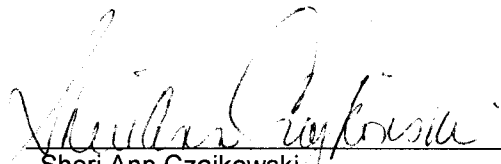
ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	ABSENT	YES	YES	YES	YES

000000

The motion to adjourn was made by Commissioner Pocino and seconded by Vice Chairman Gravino, and, after the voice vote, the motion was duly adopted. The Authority adjourned at 10:14 a.m., to meet on Tuesday, October 27, 2015, at 9:00 A.M.

ATTEST:



 Sheri Ann Czajkowski,
 Secretary to the Authority



 Joseph Mrozek,
 Executive Director

Date: September 29, 2015
