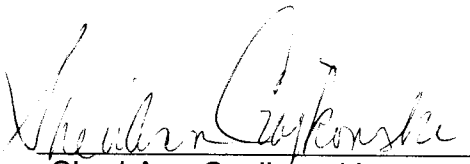


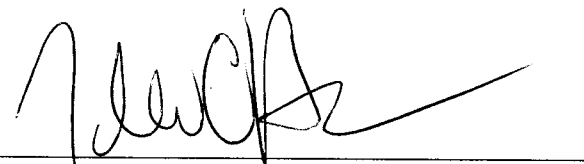
**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, John O'Hern, hereby certify that I am the Chief Operating Officer & Deputy Executive Director of the New Jersey Turnpike Authority and as such Deputy 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 **November 19, 2013** Regular 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 20th day of November, 2013.**

ATTEST:


Sheri Ann Czajkowski
Assistant Secretary to the
Authority


John O'Hern, Chief Operating Office
and Deputy Executive Director for
Veronique Hakim, Executive Director

Corporate Seal

Date: November 20, 2013

**Received in the Governor's Office on November 20, 2013
(hand delivered)**

Received by: Shera Kirk
Print Name Signature

GAU STAMP:

NOV 20 2013

Veto Period Ends: December 5, 2013
(Write in the date the veto period ends)

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

Tuesday, November 19, 2013

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Chairman James Simpson called the Authority into session in the Executive Boardroom of the Authority's Administration Offices, Woodbridge, New Jersey, at 9:30 A.M.

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PRESENT

Present were Chairman James Simpson, Vice Chairman Ronald Gravino, Treasurer Michael DuPont; Commissioner Harold Hodes; Commissioner Daniel Becht; and Commissioner Walden. Commissioners Raymond Pocino and Ulises Diaz were absent. The meeting commenced at 9:30 a.m.

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ALSO PRESENT

Executive Director Veronique Hakim; Chief Operating Officer John O'Hern; Acting Chief Engineer – Robert Fischer; General Counsel Bruce Harris; Chief Financial Officer Donna Manuelli; Human Resources Director Mary-Elizabeth Garrity; Director of Internal Audit James Carone; Acting Director of Maintenance Joseph Lentini; Acting Director of Operations Henry Eibel; Director of Procurement and Materials Management Andrea Ward; Chief Information Officer Barry Pelletteri; Electronic Toll Collection Director Dennis Switaj; Director of Tolls Robert Quirk; Troop Commander Eric Heitmann, State Police Troop D; and Assistant Secretary to the Authority Sheri Ann Czajkowski.

Also present were: Governors' Authorities Unit Representatives Amy Herbold; Ryan Feeney State Treasurer's Office; additional individuals consisting of other NJTA employees; interested organizations; the general public; and from the media: The Star Ledger and The Asbury Park Press.

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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.

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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 regular meeting of October 22, 2013; he did not exercise his power to veto any items in those minutes.

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Upon motion made by Commissioner Hodes seconded by Treasurer DuPont the minutes of the meeting was unanimously approved.

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RECUSALS

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

- Commissioner Hodes: 425-11-2013 and 426-11-2013

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PUBLIC COMMENT

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MURRAY BODIN, Concerned Grandparents

Bodin is unhappy with the current state of the manual of uniform traffic control devices ("MUTCD"). But sections of the MUTCD must be followed.

Mr. Bodin spoke again about yellow fire trucks. Small municipalities are using bright yellow fire trucks because they are more visible and this increases the safety of these vehicles. Mr. Bodin said that going forward when the Authority purchases new equipment and large vehicles the vehicles should be bright yellow color for safety purposes.

Mr. Bodin thanked Chairman Simpson for being a rare public servant who listens to the public.

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VALERIE GALLIMORE-MUNRO, Citizens of Eastern Parkway

Ms. Munro has been a citizen of Hillside for more than thirty years. She lives in the Eastern Parkway neighborhood of Hillside, which abuts the northbound Parkway between the Vauxhall Service Area and Union Toll plaza. She claimed that Highway Authority representatives met with neighborhood representatives in the late 1980's regarding proposed construction in the area of Eastern Parkway. She claims that the Highway Authority said it would construct a sound wall in the area, yet one was not constructed. In 2007, Ms. Munro wrote to NJDOT Commissioner Kris Kolluri complaining about the noise from the Parkway and the condition of the right-of-way fencing. Ms. Munro believes that sound barriers need to be erected in this area because homeowner's are suffering the consequences.

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Roselyn Akombe, Citizens of Eastern Parkway

Ms. Akombe lives in the Eastern Parkway neighborhood of Hillside. This past June, a truck which was illegally travelling on the Parkway, crashed in the area of her back yard. No one was hurt, but for safety reasons she requests a wall be constructed between the Parkway and her neighborhood.

ED Hakim welcomed the opportunity to meet with the Citizens of Eastern Parkway regarding their issues to discuss how the Authority can address their concerns.

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TONIA D. HOBBS,

First Ward Councilwoman, Township of Hillside

Ms. Hobbs has spoken with Richard Raczynski and Robert Fischer regarding the noise and safety issues in the area of Eastern Parkway. Fischer indicated that the Authority wanted to install a berm and additional guard rail in the area. Fischer provided a rendering of the Authority's proposal to the Township Engineer.

The Township of Hillside drafted a resolution in September 24, 2013 requesting the Authority to install a sound wall. Ms. Hobbs claims the property values of homes are being negatively impacted by the absence of a sound wall.

Chairman Simpson stated that the Authority staff will review this matter. ED Hakim indicated that she will meet Ms. Hobbs to discuss her concerns.

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RAHEEM ROACH, Citizens of Eastern Parkway

Mr. Roach lives in the Eastern Parkway neighborhood of Hillside. He expressed his concern about the noise level and the safety of the residents. Mr. Roach sees trucks on this area of the Parkway, although trucks are prohibited from this area of the Parkway. He claimed to hear construction work coming from the Parkway late at night. Mr. Roach concurs with his neighbors that a sound wall is needed in this area.

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SHELLEY BATES, Citizens of Eastern Parkway

Ms. Bates referred to a letter written by former Chief Engineer Richard Raczynski dated August 20, 2013. Raczynski stated that the Authority would consider noise barriers only as part of a new construction or widening project. The letter also stated that the Authority would plant trees and a berm along the right-of-way. Ms. Bates felt that this was not the proper solution and a noise barrier must be constructed in the area.

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BARTON LEE, Independent

Mr. Lee had a checklist of issues on both roadways he wanted to discuss. He itemized those issues: (1) The 17E Toll Plaza looks outdated and express E-ZPass lanes should be added; (2) had the Authority considered a clear view font for its static signs; (3) the parkway Southbound express lanes between milepost 125 and 116 should be widened; (4) there is poor lighting along the junction of 95 South and Route 80 in the area of Teaneck; (5) Mr. Lee applauded the Authority for making Exit 163 a right lane exit, but complained that it is taking too long to complete; (6) all left-lane exits on the Parkway should be eliminated; (7) when will the Parkway 83 to 100 reconstruction project be complete?; (8) the Parkway Exit 168 sign should read "Township of Washington" not Washington/Westwood; and (9) Mr. Lee indicated that the

Massachusetts Turnpike has digital signs over all toll lanes and the Turnpike and Parkway should have the same.

Chairman Simpson asked Mr. Lee to submit his concerns in a written format to the Executive Director and they would be addressed formally.

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Frank Forst, Local 194

Mr. Forst appeared before the Board stating that Franceline Ehret resigned as President of Local 194 and introduced Local 194's new President, Kevin McCarthy.

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Kevin McCarthy, President of Local 194

Mr. McCarthy introduced himself as the new President of Local 194. McCarthy has worked for the Authority for over 24 years. McCarthy stated that Local 194 is having serious problems with the Authority. Local 194 toll collectors are being accused of, and being disciplined for, money shortages with false information.

McCarthy stated that members have been working since July of 2011 without a contract; and with no raise since July of 2010. Local 194 is displeased with how negotiations are proceeding.

McCarthy stated that he believes there will be no savings if privatization of the toll collectors occurs because the Local 194 toll collectors make only \$12/hour. The private company will make a profit and the Turnpike will pay more for the services.

McCarthy, on behalf of Local 194, requested that the Commissioners establish a personnel committee and it meet with the union to discuss their concerns.

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Franceline Ehret, Local 194

Ms. Ehret retired from the Authority in 2011, but has remained the President of Local 194 until recently. Ehret believed that because her father organized Local 194 it was her duty to carry on the legacy by working for the union. Ehret stated that toll collectors are being disciplined and abused unfairly without evidence and everyone should be ashamed and outraged by these actions. Ehret stated that the workers are dedicated and care about their jobs. The Authority's negotiations proposals to the union are hurting worker morale. Ehret loves the Authority but she said it is time for her to move on to something new.

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TOM FUSCALDO, One eye on Paterson

Mr. Fuscaldo does not like technology and believes that E-ZPass violations should not be generated by a computer and mailed to motorists. Rather, E-ZPass violations should be handed to motorists by a human being.

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COMMISSIONER'S COMMENTS

Commissioner Jan Walden requested to attend the meetings with the Citizens of Eastern Parkway and she would also like to sit in on the negotiations with Local 194.

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EXECUTIVE DIRECTOR'S COMMENTS

ED Hakim acknowledged long-time employee Franceline Ehret for her years of service at the Authority and her tenure as Local 194 President and Hakim looks forward to working with Kevin McCarthy, Ehret's successor.

ED Hakim stated that last week the Authority had a ceremony for 21 employees who completed the Authority's apprenticeship program. Through the apprentice program, these employees became electronic technicians, electricians, telecommunications, carpenters, and auto mechanics. Hakim stated that recognition was in order for these employees who worked full-time jobs and went to school in the evening. They are all to be acknowledged and congratulated. The Authority's Maintenance Department oversaw the entire program and worked with Local 194 on the program.

ED Hakim stated that the 2014 budget will be presented today. The Authority is "holding the line" on discretionary operating costs. The Authority will strategically reduce headcount for the eleventh consecutive year. Hakim stated that toll rates will remain unchanged while the Authority continues to make significant investments in its infrastructure with the capital program and the maintenance reserve fund, special project reserve fund, and supplemental capital fund.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 410-11-2013. Moved is the item as follows:

410-11-2013

Human Resources Director Garrity submitted the Personnel Agenda, dated November 19, 2013, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

On motion by Treasurer DuPont and seconded by Vice Chairman Gravino 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.

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LAW

General Counsel Bruce Harris requested approval of item numbers 411-11-2013 through 419-11-2013. Moved as a group those items are as follows:

411-11-2013

In a memorandum dated November 1, 2013, a **Request for Authorization to Reincorporate Various Surplus Property Parcels into the New Jersey Turnpike Right-of-Way**, was approved.

The Law and Engineering Departments recently conducted a review of the Authority's surplus property inventory, during which it was determined that various parcels previously deemed surplus should be included in the New Jersey Turnpike right-of-way (ROW), as such parcels are necessary either for current transportation projects of the Authority, including the Interchange 6 to 9 Widening Program, or for Authority transportation projects anticipated to occur in the future. Attached hereto as Exhibit A is a list of the parcels that should be included in the ROW.

The Law Department, in consultation with the Engineering Department, the Authority's Real Estate Manager/Consultant and Engineering Consultant, therefore recommend that any previous surplus designations for the parcels set forth on the attached Exhibit A be revoked and that the parcels listed on Exhibit A be reincorporated into the Turnpike ROW. It is further recommended that the Executive Director be authorized to take all steps necessary to revoke the surplus status and reincorporate into Turnpike ROW those parcels listed in Exhibit A.

**NJ TURNPIKE AUTHORITY PROPERTIES
TO BE INCORPORATED INTO ROW**

<u>Sec- tion</u>	<u>Parcel ID</u>	<u>Block</u>	<u>Lot</u>	<u>Size</u>	<u>Property Usage</u>
BOROUGH OF BELLMAWR					
2	R302X4, R302X2	180	1	29.2ac	ROW
2	326X1	133	1	0.117ac	ROW
2	313X1	135	1	0.645ac	ROW
TWP OF BORDENTOWN					
3	160A, 160AX	132	4	7.39ac	now ROW due to 6-9 Widening Program
3	2R160BX (incorporates R162X)	129	15.01	12.55ac	R162X declared surplus Sept 1996. now ROW due to 6-9 Widening Program
3	160CX	132	2	4.41ac	declared surplus Sept 1996. now ROW due to 6-9 Widening Program
3	291X	129	Por- tion of 18	7ac (approx.)	declared surplus Sept 1996. 18 acres deeded to Twp of Bordentown 4/9/13. Remainder now ROW due to 6-9 Widening Program
TWP OF CARNEYS POINT					
1	R132X2	252	1	0.54ac	ROW
1	127X1, 126X1, portion of 125X1, and 129X1A	248	Portion of 6	12.45ac	ROW
1	119BX1	248	2	13.26ac	ROW
1	120BX1	248	3	0.55ac	ROW

Section	Parcel ID	Block	Lot	Size	Property Usage
TWP OF CHESTERFIELD					
3	R105X1, R106X2	106	3	5.89ac	ROW. Used as NJTA Service Rd and U-Turn.
3	RA104X1-2	104	1	5.78ac	ROW. Used for Widening Project
3	100X2, 1002X2	107	9	41.0ac	ROW. Used for Widening Project
3	RA101	106	1	2.0ac	ROW. Used as NJTA Maint. Yard.
3	A105	105	11	5.73ac	ROW. Used as NJTA Service Rd and U-Turn.
TWP OF EDISON					
5E	915X1, 914X1	375.HH	12.G3	0.243ac	ROW
CITY OF ELIZABETH					
6	355X	5	482	2330sf	Incorp into ROW to allow retaining wall access
CITY OF JERSEY CITY					
NBHCE	X189	501	11.PT	247sf	ROW
BORO OF LAWNESIDE					
2	539D-11X1	1216	5	0.294ac	ROW
2	538X1, 539A-3X1, 539A-4X1, 539A-5X1, 539A-6X1, 539A-7X1, 539A-8X1	1001	24	1.16ac	ROW.
TWP OF MT. LAUREL					
3	803X1	1302	3		ROW
3	12X1	208	1.02	0.11ac	ROW
3	14X1	205	14	0.3ac	ROW
3	19X1	208	6	0.37ac	ROW
3	R820X4	904	20 (was 21)	21.8ac	ROW
3	814X1	903	6	0.57ac	ROW
TWP OF ROBBINSVILLE					
4	5X2,6X	35	1	1.7ac	5X2 declared surplus 9/96. Being used as Basin and Re-forestation for 6-9 Widening Program
4	5X1	38	10	1.148ac	Used as Basin and Re-forestation for 6-9 Widening Program.
4	7X	25	14	58.04ac	declared surplus 9/96. Return to ROW due to 6-9 Widening Program.
4	9AX	25	12	8.03ac	declared surplus 9/96. Return to ROW due to 6-9 Widening Program.
4	8X	25	13	3.7ac	declared surplus 9/96. Return to ROW due to 6-9 Widening Program.
TWP OF WEST DEPTFORD					
1	210X2	375.02	3.01	3.7ac	ROW
TWP OF WOOLWICH					
1	176X2	45	8	2.94ac	ROW
1	171X1	29	1	3.79ac	ROW
1	157X1	46	5	2.43ac	ROW
1	170X2	55	2	1.6ac	ROW

412-11-2013

NOT USED

413-11-2013

In a memorandum dated November 8, 2013, **Authorization to extend for two and one half (2-1/2) months the insurance agreement for the Authority's Public Officials and Employment Practices insurance, Account No.:10-893-441040, Amount: \$72,504.00**, was approved.

The Authority maintains Public Officials and Employment Practices liability insurance providing total limits of \$30,000,000 with a \$500,000 deductible. Coverage is provided by National Union Fire Insurance Company ("Chartis") (\$20,000,000 aggregate, defense costs in addition) and National Specialty Insurance Company (\$10,000,000 excess of \$20,000,000). These policies are due to expire on December 31, 2013. The broker of record is Willis of New Jersey ("Willis").

In negotiating the annual renewal for this line and other lines of insurance for the Authority, Willis advised the Authority that the timing of casualty insurance renewals would be better placed if it occurred at a time other than at years' end when underwriters are focused on the renewals of many other insureds. Willis suggested that marketing this line of insurance at a time other than year end could provide a benefit to the Authority by allowing a full and robust negotiation at a time that better fits many underwriters schedule; extending the current policy to March 15, 2014 could provide the Authority with this benefit.

Willis approached the underwriters seeking a two and one half (2-1/2) month extension. The underwriters agreed to extend on a pro rata basis, upon the same terms and conditions, resulting in a premium of \$72,504.00, which premium includes all required taxes and surcharges, for coverage as expiring.

It is recommended that the Commissioners approve the extension of the policies with Chartis and National Specialty Insurance Company, for the premiums and upon the terms as set forth above. It is further recommended that the Commissioners ratify and approve all actions taken to date in furtherance of the renewals set forth above and that the Executive Director be authorized to take all such actions and execute all such documents that are deemed necessary or appropriate, after consultation with the Law Department and Hanover Stone, to effect the authorization set forth above.

414-11-2013

In a memorandum dated November 1, 2013, **Authorization to Enter Into a Settlement Agreement with Amlaku Fiseha in the matter of Fiseha v. NJTA, NJSP, Trooper Svrcek, et al., Account No.: 010-893-441020, Amount: \$550,000.00**, was approved.

This personal injury matter arises out of a motor vehicle accident in which New Jersey State Trooper Svrcek struck a pedestrian, Amlaku Fiseha ("Plaintiff"). Plaintiff was walking

northbound on the Bloomfield Station Police Access Road on his way to work as an attendant at a Lukoil gas station (operated by Getty Petroleum Marketing) located at the nearby northbound parkway rest stop when he was struck by Trooper Svrcek's vehicle. Plaintiff stated that his supervisor at Lukoil instructed him to use the access road to get to and from work because he did not have a motor vehicle. The road was neither designed nor intended for pedestrian use.

According to both the defense and plaintiff orthopedic experts, as a result of the accident Plaintiff has suffered (1) a displaced bicondylar right tibial plateau fracture with right tibial tubercle fracture and (2) a multiligamentous left knee tear. As a result Plaintiff underwent eight separate surgeries, was hospitalized for a total of 103 days, and now walks with a limp, thus meeting the injury threshold as set forth pursuant to the Tort Claims Act. The defense expert further believes that Plaintiff has reached maximum medical improvement.

The Law Department, outside counsel, as well as the Authority's third party claims administrator Inservco, have reviewed this matter and recommend that the Authority seek a settlement. After negotiations, outside counsel (Wolff & Samson representing the New Jersey State Police and the Authority, and Gilmore Monahan representing Trooper Svrcek individually) negotiated a settlement of \$550,000.00.

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.

415-11-2013

NOT USED

416-11-2013

In a memorandum dated November 4, 2013, **Authorization to Enter into a Settlement Agreement with Michael French in the matter of French v. Trooper J.T. Squire-Tibbs, et als., Account No.: 010-893-441020, Amount: \$85,000.00**, was approved.

This case involves a claim in which Plaintiff, Michael French, alleges that Trooper Jason Tibbs is liable for the injuries he sustained when Tibbs and two other troopers were subduing him post-arrest when Plaintiff assaulted another inmate in the holding cell.

Our experts concede that French sustained serious injuries, including lacerations, a fracture and a concussion.

The only witnesses are Plaintiff and the troopers, since the inmate who was assaulted by Plaintiff was subsequently deported and cannot be located. Outside counsel and the Law Department have reviewed this matter and recommend that the Authority seek a settlement. After negotiations, outside counsel (Wolff & Samson) representing the New Jersey State Police

and the Authority was able to negotiate a settlement of \$85,000.00.

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.

417-11-2013

In a memorandum dated November 12, 2013, **Authorization to Enter Into a Settlement Agreement in the matter of Trejo v. NJTA, et al., and Stolarski v. NJTA, et al., Amount: \$92,500.00 (to be received by the Authority)**, was approved.

This matter arises out of two motorcycle accidents, one fatal, which occurred on the Garden State Parkway (GSP) on June 18, 2009. Prior to the accident there was an overnight construction project for the removal of painted gore that had existed on what was previously the right shoulder, separating the main line of the GSP from the Exit 155 ramp. Decedent Plaintiff Renea Trejo was travelling northbound around milepost 156.6, encountered uneven "milled" pavement, was unable to maintain control of her motorcycle, fell off, and sustained fatal injuries. Her husband, Plaintiff Stephen Trejo, was present at the time traveling by motorcycle as well, and cradled her in his arms before she was removed from the scene via ambulance. A third Plaintiff, Fred Stolarski, was riding along with the Trejos. Stolarski was unable to maintain control of his vehicle, ran over the Trejo motorcycle, and as a result was ejected and sustained serious injuries. Stolarski was hospitalized for six weeks with various injuries.

The Plaintiffs named various contractors as well as the Authority as defendants. They also named the New Jersey State Police as a defendant.

The construction at issue had taken place pursuant to Public Contract No. 200.001. The construction contract was awarded to co-defendant Ferreira Construction Co., Inc., ("Ferreira"), to serve as General Contractor. The related contract for construction supervision was awarded to co-defendant Dewberry Goodkind, Inc., a/k/a Dewberry Engineering ("Dewberry"). Additionally Statewide Construction and Zone Striping, two subcontractors retained by Ferreira, were named as defendants.

The matter went to mandatory mediation on June 24, 2013, with outside counsel representing the Authority and the State Police. A settlement was tentatively reached as amongst the co-defendants, pursuant to which Statewide would pay a total of \$3,500,000 (\$3 million to the Trejos, and \$0.5 million to Stolarski). This settlement amount covers all claims made against all defendants, including the other contractors, the Authority, and the State Police. The mediator requested that Ferreira, Dewberry, and the Authority each bear their own attorney's fees and waive their rights to recoup these from Statewide and as against each other, relying on the basis that Statewide had agreed to pay the full \$3,500,000, to settle all claims.

The agreements between the Authority, Dewberry, and Ferreira, however, require Dewberry and Ferreira to indemnify the Authority for accidents or liabilities related to the project. The Authority has expended \$110,439.84 for its own defense as of October 31, 2013. It has expended an additional \$21,862.59 towards the defense of the State Police under the Authority's obligation to indemnify the State Police, for a grand total of \$132,302.43. After negotiations, Dewberry has agreed to pay \$50,000.00, and Ferreira has agreed to pay \$42,500.00. We concur with outside counsel's recommendation that we accept these payments in full settlement of the Authority's indemnification claims.

Therefore it is recommended that the Authority's Commissioners authorize the receipt of \$50,000.00 from Dewberry and \$42,500.00 from Ferreira, a total of \$92,500.00 as settlement of the Authority's indemnification claims in this matter. It is also recommended that the Authority's Commissioners authorize the Executive Director to execute any and all documents in furtherance of same.

418-11-2013

In a memorandum dated November 1, 2013, **Authorization to Settle Formal Workers' Compensation Matter -Suzanne Dossantos v. N.J. Turnpike Authority, Account No. 10-870-405070 in an amount of \$158,604.00**, was approved.

At the time of the work related accident, the petitioner was a Parkway Division Toll Collector, hired in May 1988. This recommended settlement will resolve a formal Claim Petition filed in 2009 resulting from a job injury which occurred on or about April 5, 2000.

The petitioner is represented by Geldhauser, Shiffman & Rizzo located in Brick, NJ. The Authority is defended by Special Counsel Curt Cox, Esq. of Kamensky, Cohen & Riechelson, located in Pennington, NJ. The matter is venued in the district office of Toms River before Judge Watson Berich.

Permanency evaluation on behalf of the petitioner was performed by Dr. Martin Riss. Permanency evaluation on behalf of the respondent was performed by Dr. Gregory McClure.

After lengthy negotiations, the Judge of Compensation recommended a settlement recommendation of 62.5% of permanent partial total disability with an Abdullah Credit of 25% for a prior injury. This equates to a new money award of \$158,604.00. Special Counsel and our third party administrator believe this to be a fair settlement in light of the injuries sustained.

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 Assistant Director, HR, Safety & Benefits. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of \$158,604.00.

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

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419-11-2013

In a memorandum dated October 31, 2013, **Authorization to Settle Formal Workers' Compensation Matter -Teresa Blue v. N.J. Turnpike Authority, Account No.: 10-870-405070 in an amount of \$44,445.00**, was approved.

Petitioner Teresa Blue was a Parkway Division Toll Collector hired in November 1989 and retired under an Ordinary Disability Retirement, effective October 1, 2011. This recommended settlement will resolve a re-opening of a formal Claim Petition filed in 2000 resulting from a job injury which occurred on or about November 24, 1999.

The petitioner is represented by Frank Salzer, Esq. located in Toms River, NJ. The Authority is defended by Special Counsel Curt Cox, Esq. of Kamensky, Cohen & Riechelson located in Pennington, NJ. The matter is venued in the district office of Toms River before Judge Ronald Allen.

Permanency evaluation on behalf of the petitioner was performed by Dr. Martin Riss. Permanency evaluation on behalf of the respondent was performed by Dr. Robert Brill.

This re-opener is for the worsening of a prior condition settled under an Order Approving Settlement in 2004. By settling this re-opener claim, the 2nd Injury Fund has agreed to participate in the total disability allocation previously submitted in October 2013, under separate claim and award.

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 Assistant Director, HR, Safety & Benefits. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of \$44,445.00.

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

On motion by Treasurer DuPont and seconded by Vice Chairman Gravino, the Authority unanimously approved item numbers 411-11-2013 through 419-11-2013 (items 412-11-2013 and 415-11-2013 were not used); and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Acting Chief Engineer Robert Fischer requested approval of item numbers 420-11-2013 through 426-11-2013. Moved are the items as follows:

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ORDER FOR PROFESSIONAL SERVICES (OPS)

420-11-2013

In a document dated October 31, 2013, **a Recommendation to Issue Order for**

Professional Services No. P3477 for the Garden State Parkway to TransSystems Corporation for the Design Services for Contract No. P100.317 - Bridge Repairs and Resurfacing, Milepost 126 to 172, Maintenance Reserve Fund No. 03020001, Funding allocation: Funding Year 2014: \$800,000.00; Funding Year 2015: \$195,000.00, Amount: \$995,000.00, was approved.

This Order for Professional Services will provide for the inspection, condition evaluation and preparation of contract documents for the annual bridge repair contract for Bridge Repairs and Resurfacing on the northern sector of the Parkway.

This assignment is classified as a "Simple Project" based on the scope of work being clearly defined and not likely to change during the course of the project, and the cost not to exceed \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 49 engineering firms were prequalified and eligible under Profile Codes: A092 – Bridges: Miscellaneous Repairs; and A093 – Bridges: Deck Replacement and Rehabilitation. Five firms submitted EOIs by the closing date of October 9, 2013.

Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from the top three firms. The firms in the order of ranking are: 1) TranSystems Corporation; 2) Cherry Weber & Associates; and 3) Arora & Associates, P.C. The fee submitted by TranSystems Corporation has been reviewed and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. P3477 be issued to the firm TranSystems Corporation of Paramus, New Jersey, not to exceed the amount of \$995,000.00, allocated as follows: \$800,000.00 in 2014 and \$195,000.00 in 2015. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.75, based on a 10% allowance for profit and an overhead rate of 149.77% or, the firm's overhead rate as determined by Federal Audit Regulation (FAR) procedure, whichever is less, plus authorized, direct non-salary expenses. The 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 No. 134) and Executive Order No. 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).

421-11-2013

In a document dated November 4, 2013, a **Recommendation to Issue Order for Professional Services No. T3487 to BEM Systems, Inc. for Environmental Engineering Consultant, Order for Professional Services No. T3487, Environmental Compliance**

Activities at the Clara Barton Service Area 1S, John Fenwick Service Area 1N, Walt Whitman Service Area 3S, and James Fenimore Cooper Service Area 4N, Non-departmental Operating: 010-00-892-446050 (SBE Set-Aside), Amount: \$617,318.00, was approved.

This Order for Professional Services will provide the Authority with the professional services of an environmental engineering consultant to provide operation, maintenance and compliance monitoring of groundwater remediation activities, groundwater compliance monitoring and reporting and necessary remedial investigations/actions at the above referenced service areas on the New Jersey Turnpike in accordance with current New Jersey Department of Environmental Protection regulations. The scope also includes remedial investigations and remedial actions as may be needed to further enhance and ensure the most effective remediation of the sites.

This assignment is classified as a "Simple Project" based on the scope of work being clearly defined and not likely to change during the course of the project, and the cost not to exceed \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and seven engineering firms were prequalified and eligible under Profile Codes: C195 – Soil & Groundwater Remediation Investigations; C196 – Soil & Groundwater Remediation Design; and C197 – Remediation Systems: Operation & Maintenance. This is a SBE Set-Aside Project and, therefore, only those firms that have been designated as a Small Business Enterprise as determined and defined by the Division of Minority and Women Business Development / Department of the Treasury in N.J.A.C. 12A:10A-1 et seq. were eligible to submit an EOI. Five firms submitted EOIs by the closing date of October 4, 2013.

Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from the top three firms. The firms in the order of ranking are: 1) BEM Systems, Inc.; 2) First Environmental, Inc.; and 3) Matrix New World Engineering, Inc. The fee submitted by BEM Systems, Inc. has been reviewed and 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. T3487 be issued to the firm of BEM Systems, Inc. of Chatham, New Jersey, not to exceed the amount of \$617,318.00, allocated as follows: \$319,000.00 in 2014 and \$298,318.00 in 2015. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.8, based on a 10% allowance for profit and an overhead rate of 154.4% or, the firm's overhead rate as determined by Federal Audit Regulation (FAR) procedure, whichever is less, plus authorized, direct non-salary expenses. The 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 No. 134) and Executive Order No. 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).

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NON-COMPETITIVE PROCUREMENTS / MISCELLANEOUS

422-11-2013

In a document dated November 4, 2013, a **Request for Authorization to Enter into Agreement No. 84-13 for the Garden State Parkway to New Jersey Department of Transportation and Cape May County for a Cost Reimbursement Agreement Associated with the Removal of the Beesley's Point Bridge's Navigation Channel Spans, Supplemental Capital Fund No. 08027025, Amount: \$3,000,000.00**, was approved.

Request for authorization for the Executive Director to enter into a cost reimbursement agreement with the New Jersey Department of Transportation (NJDOT) and Cape May County (County) in an amount not to exceed \$3 million to reimburse the Authority for certain costs to be incurred by the Authority for the demolition of the County's Beesley's Point Bridge's navigation spans. The agreement will provide a vehicle for NJDOT to provide funds for the demolition to the County, and for the County to transfer the funds to the Authority. The demolition will be performed under the Authority's Contract No. P100.251, Replacement of Structure Nos. 28.0S and 28.5S, Milepost 27.0 to 28.8.

It is, therefore, requested that the Executive Director be authorized to enter into a cost reimbursement agreement in an amount not to exceed \$3 million with the New Jersey Department of Transportation and Cape May County to cover the items 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.

423-11-2013

In a document dated November 1, 2013, a **Request for Authorization to Enter into Agreement No. 86-13 for the New Jersey Turnpike and the City of Linden for a Maintenance and Jurisdictional Agreement of Wood Avenue and Grasselli Road, Amount: \$0**, was approved.

Request for Authorization for the Executive Director to enter into an agreement with the City of Linden relating to the maintenance and jurisdiction of prior improvements to Wood Avenue and Grasselli Road, which agreement shall include the transfer of parcels currently owned by the Authority to the City to be used as public right of way at no cost.

It is, therefore, requested that the Executive Director be authorized to enter into a

Maintenance and Jurisdictional Agreement with the City of Linden to cover the items 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.

424-11-2013

In a document dated October 28, 2013, a **Recommendation to Execute Utility Order No. 1466-P for the Garden State Parkway to G4S Technology, LLC for the Widening of the Garden State Parkway - Phase 3, Milepost 35 to 48, Ten Year Capital Program Fund No. 39028031, Amount: \$4,000,000.00**, was approved.

This Utility Order is necessary to authorize G4S Technology, LLC to undertake ETC duct relocation of fiber optic cables along the GSP associated with the widening of the Garden State Parkway from Mileposts 35 to 48 in order to avoid conflicts with the proposed pavement, sign structure foundations, bridge abutments and guide rail. The Authority will reimburse G4S Technology, LLC for the design, materials and construction associated to the work.

It is, therefore, recommended that the Executive Director be authorized to execute Utility Order No. 1466-P, not to exceed the amount of \$4,000,000.00. The Authority is required by its enabling legislation, N.J.S.A. 27:23-6, to ascertain and pay the costs of relocation or removal of any public utility facilities that the Authority deems necessary to relocate or remove in furtherance of the Authority's highway projects.

425-11-2013

In a document dated October 28, 2013, a **Recommendation to Execute Utility Order No. 1494-P for the Garden State Parkway to PSE&G – Electric for Contract No. P300.236, Interchange 163 Improvements Milepost 162.7 and 163.7, Borough of Paramus, County of Bergen, Ten Year Capital Program Fund No. 39003035, Amount: \$2,000,000.00**, was approved.

Existing facilities will be directly impacted by the construction of Contract No. P300.236, Garden State Parkway Interchange 163 Improvements. The Utility Order will reimburse PSE&G - Electric for the design, materials and construction associated with the relocation of PSE&G overhead electrical facilities into underground conduits in advance of the construction contract. The work will be done under and adjacent to the Garden State Parkway Mainline/Ramps at Interchange 163, including Route 17 in Borough of Paramus, Bergen County.

It is, therefore, recommended that the Executive Director be authorized to execute Utility Order No. 1494-P, not to exceed the amount of \$2,000,000.00. The Authority is required by its enabling legislation, N.J.S.A. 27:23-6, to ascertain and pay the costs of relocation or removal of any public utility facilities that the Authority deems necessary to relocate or remove in furtherance of the Authority's highway projects.

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

426-11-2013

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 Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved item nos. 425-11-2013, 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 426-11-2013 and received same for file.

On motion by Commissioner Becht and seconded by Vice Chairman Gravino, the Authority unanimously approved item nos. 420-11-2013 through 424-11-2013, and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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PROCUREMENT (“PMM”)

Director of Purchasing Andrea Ward requested approval of item numbers 427-11-2013 through 431-11-2013. Moved as a group those items are as follows:

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PUBLIC BIDS SOLICITATIONS

427-11-2013

In a document dated November 4, 2013, **a Request for Mark-Out Services to UtiliQuest, LLC, RM-102877, Budget Code: Various, Amount: \$433,740.00 (Two-Year base contract)**, was approved.

Authorization is requested to award a two-year contract for underground utility locating and marking services (“Mark-Out Services”) on both Roadways. These services are essential in marking and identifying all underground utilities in preparation for construction. Utilities include but are not limited to electric, water, gas, forced sewer mains and telephone lines. Bidders were required to quote rates for six line items of mark-outs, based on specific linear feet, as well as hourly rates for additional services including stand-by and emergency requests. The bid was fully advertised and the ten (10) vendors listed in the Authority’s database for the referenced commodity were notified of the procurement. Unit prices can be obtained from the Procurement and Materials Management (“PMM”) Department. On October 8, 2013, bids were received as follows:

<u>Vendor</u>	<u>Total Bid Price</u> (Per Year)
UtiliQuest, LLC, Alpharetta, GA	\$216,870.00
Olameter DPG, Ann Arbor, MI	\$303,185.00
G4S Technology LLC, Omaha, NE	\$376,953.90
Atlantic InfraTrac LLC, Wall, NJ	\$390,000.00
Premier Utility Services, LLC, Hauppauge, NY	\$764,960.50

Department Estimate: \$290,000.00 / year

Given that UtiliQuest, LLC's low bid amount was significantly below the Departmental Estimate, Maintenance and PMM staff conducted a "sanity hearing" with the vendor. A thorough review of the specifications, each line item, and the Authority's expectations for the services was conducted with representatives from UtiliQuest. The Maintenance staff concluded that this vendor could provide the services in full compliance with the specifications at the rates bid. PMM concurs with this finding.

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). 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 two-year contract to UtiliQuest, LLC in an amount not to exceed \$433,740.00, subject to funding availability at the time of service.

428-11-2013

In a document dated November 13, 2013, **a Request for Gledhill Snow Plow Parts from Tony Sanchez LTD, RM-102537, Budget Codes: Various, Amount: \$79,394.81**, was approved.

Authorization is requested to award a contract for various Gledhill snow plow parts to be maintained in inventory for both Roadways. Bidders were required to a bid on 22 line items of specific parts such as bumper curbs, cylinders, and various assemblies, as well as a discount off manufacturer's list prices for other miscellaneous parts. The bid was fully advertised and the three vendors listed in the Authority database were notified of the procurement. On October 21, 2013, one bid was received as follows:

<u>Vendor</u>	<u>Total Price / Discount</u>
Tony Sanchez Ltd., Ledgewood, NJ	\$79,394.81 / 1%

Departmental Estimate: \$60,000.00

The sole bid amount was significantly higher (30%) than the departmental estimate; however, this estimate was based on pricing from the last contract which was two years ago.

Given the immediate need for snow plow parts, the inventory staff recommends the contract be awarded at this time.

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). 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 Tony Sanchez Ltd., in a total amount not to exceed \$79,394.81, subject to funding availability at the time of ordering. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

429-11-2013

In a document dated November 6, 2013, **a Request for Coarse Paper Products (SBE Set-Aside) to Spruce Industries, Inc., RM-103054, Budget Codes: Various, Amount: \$93,782.30**, was approved.

Authorization is requested to award a contract for coarse paper products to be held in inventory for Authority facilities. These items include paper towels, paper cups, toilet tissue and dispensers for the janitorial section. Bidders were required to bid unit and total prices for 15 line items included in the bid. In addition, the contract was designated as a Small Business Enterprise (“SBE”) Set-Aside contract in accordance with N.J.A.C. 52:32-17 et seq. and N.J.A.C. 17:14-1. The bid was fully advertised and the 68 vendors listed in the Authority’s database for the referenced commodity were notified of the procurement. Unit prices can be obtained from the Procurement and Materials Management Department. On October 2, 2013, bids were received as follows:

<u>Vendor:</u>	<u>Total Price</u>
Spruce Industries, Inc., Rahway, NJ	\$ 93,782.30
All Clean Janitorial Supply Co. Inc., Lawrenceville, NJ	\$102,396.62

Departmental Estimate: \$118,000.00

Non-Compliance

American Paper Towel Co., LLC, Carlstadt, NJ and Y-Pers, Inc., Philadelphia, PA also submitted bids for this solicitation. These bidders, however, are not registered with the State of New Jersey, Division of Minority and Women Business Development as SBEs as required for this Set-Aside contract. The specifications (page 4) state in pertinent part that: “bid proposals from businesses not designated as SBEs will be rejected.” Accordingly, the bids submitted by American Towel Co., LLC and Y-Pers, Inc. are being recommended for rejection.

Summit Paper Company, South Plainfield, NJ ("SPC") which was the Authority's supplier for 2013, having won the award in 2012, submitted a bid in the amount of \$85,962.22. This bid, however, contained significant specification deficiencies. For Item No. 7, SPC proposed 8x800 ft. of roll towels versus the 8x1000 ft. specified, which would result in 20 percent less sheets than required. In addition, for Item No. 14, SPC proposed a hand roll towel dispenser which still requires the use of wrist, arm or elbow to the dispenser. The specifications called for a "Sanitouch" dispenser which does not require any actual touch to the dispenser but will automatically cut and dispense the paper one sheet at a time. Because of these deficiencies, it is recommended that the bid from Summit Paper Company be rejected. Camden Bag and Paper Co., Camden, NJ submitted a bid in the amount of \$85,229.84. This bid also contained a significant deficiency with respect to Item No. 7, specifically where the bidder quoted 8x800 ft. roll towel verses the specified 8x1000 ft. For the same reasons outlined above, it is recommended that the bid from Camden Bag and Paper be rejected.

The bid submitted by Spruce Industries, Inc. complies with all the specifications, and its bid amount is less than the Departmental Estimate.

Bids were procured 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). 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 Spruce Industries, Inc., a certified SBE firm, in a total amount not to exceed \$93,782.30, subject to funding availability at the time of ordering. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

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STATE CONTRACTS AND FEDERAL CONTRACTS

430-11-2013

In a document dated October 31, 2013, **a Request for Electrical Equipment and Supplies (Modification) to Keer Electric Supply Co., Inc., RM-104304, Contract No.1232, State Contract No.75180 expiring 1/31/14, Budget Code: Various, Current Authorized Amount: \$415,000.00, Requested Amount: \$26,000.00, New Authorized Amount: \$441,000.00; and Jewel Electric Supply Co., Inc., RM-104306, Contract No. 1501, State Contract No. 75179, expiring 1/31/14, Budget Code: Various, Current Authorized Amount: \$851,500.00, Requested Amount: \$ 87,000.00, New Authorized Amount:\$938,500.00,** was approved.

On October 6, 2009, the Authority awarded Contract No. 1232, under a State Contract, to Keer Electric Supply Company, Inc. ("Keer Electric") for electrical equipment and supplies. On May 13, 2011, the Authority awarded Contract No. 1501, also under a State Contract, to Jewel Electric Supply Co., Inc. ("Jewel Electric") for the said electrical parts. These electrical parts are necessary for constructing and maintaining the Authority's facilities. The two State Contracts have been extended through January 31, 2014 and additional funds are requested to continue the supply of the essential electrical items.

The Maintenance Department therefore has requested that Contract No. 1232 with Keer Electric be increased by \$26,000 and Contract No. 1501 with Jewel Electric be increased by \$87,000.00 to purchase necessary electrical supplies through the term of the respective State Contracts.

State Contract Nos. 75180 (Keer Electric), and 75179 (Jewel Electric), were procured 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 permit 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 increase the authorized amount of Contract No. 1232 with Keer Electric Supply Company, Inc. by \$26,000.00 for a new total authorized amount of \$451,000.00, and Contract No. 1501 with Jewel Electric Supply Co., Inc. by \$87,000.00 for a new total authorized amount of \$938,500.00 through January 31, 2014, subject to funding availability at the time of order.

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PROFESSIONAL SERVICES

431-11-2013

In a document dated November 15, 2013, **a Recommendation for Arbitrage Compliance, Yield Restriction Compliance and Yield Monitoring Services to Hawkins, Delafield & Wood, LLP, RM-102959, Fees: \$99,000.00**, was approved.

The New Jersey Turnpike Authority issued a request for proposal ("RFP") for a firm to provide arbitrage compliance, yield restriction compliance and yield monitoring services ("Services") in connection with the New Jersey Turnpike Revenue Bond Series 2000-2005, 2009, 2011, 2012, and 2013. The Services include the calculation of (1) the yield on the bonds, (2) the yield on the investments and (3) the rebate amounts for years 2013 and 2014 as well as the completion of any IRS filings and hourly consulting services as needed. The term of the contract is 2 years with the option to extend for two additional 1-year terms.

The RFP was advertised in the Star Ledger and the Trenton Times and posted on the Authority's and the State's websites. In addition, the RFP was mailed to the six firms in our

database. On October 24, 2013 proposals were received from the following 7 firms:

1. Arbitrage Compliance Specialists Inc., Centennial, CO
2. AMTEC Tax-Exempt Compliance, Avon, CT
3. BLX Group LLC, New York, NY
4. Hawkins, Delafield & Wood LLP, New York, NY
5. Omnicap Group LLC, Hermosa Beach, CA
6. The PFM Group, Princeton, NJ
7. Willdan Financial Services, Temecula, CA

An Evaluation Committee (the "Committee"), which was approved by the Executive Director, consisted of personnel from the Authority's Law, Finance, and Procurement and Materials Management Departments. The Committee reviewed the proposals based on the criteria set forth in the RFP.

Based on the Committee's review of the proposals, the Committee invited four firms for oral presentations: BLX Group, LLC ("BLX"), Hawkins, Delafield and Wood, LLP ("Hawkins"), Omnicap Group, LLC and Arbitrage Compliance Specialists Inc. Each firm was asked to clarify certain provisions within each of their proposals and was asked to provide a best and final offer ("BAFO"). The Committee then re-scored each firm and prepared a report which detailed the evaluation process and set forth its findings and recommendations based on the criteria set forth in the RFP.

As set forth in the evaluation report, the committee concluded that Hawkins, Delafield & Wood LLP was the most qualified firm. Hawkins has a clear understanding of the Authority's needs and proposed a well experienced team which has significant experience in delivering arbitrage services to the Authority in past years as well as other similar public entities. As the Authority's current arbitrage consultant, Hawkins understands the complexity of the Authority's bond series and swaps, and has always delivered the required services on time. The firm is a highly regarded bond and underwriters counsel. Hawkins has also worked well with the Authority's bond counsel regarding complex tax issues. The second ranked firm, BLX, was also found to be highly qualified; however BLX scored slightly lower than Hawkins in their approach to the project. BLX's proposed project schedule included significant transition time and the ability to meet the Authority's deadlines was considered to be at a higher risk. Hawkins will require no transition time.

Hawkins proposed a fixed fee of \$79,000 for the 2 year contract period which includes the fees for each required annual bond series report and the monthly fees for yield monitoring services. In addition, under its 2-year contract with the Authority, Hawkins will be authorized to provide additional consulting services and any services related to new bond issues, if applicable. These services will be compensated at the hourly rates as specified in their BAFO for an amount not to exceed \$10,000 for the 2 year period. The RFP also included any future bond series that

would require arbitrage calculations or yield monitoring services. An additional \$10,000 is included for these services for the 2 year period.

Accordingly, authorization is requested to award a two-year contract to Hawkins, Delafield & Wood LLP for arbitrage compliance, yield restriction compliance and yield monitoring services in an amount not to exceed \$99,000. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by Hawkins, subject to funding availability at the time of service.

The process for the professional services contracts 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.

432-11-2013

NOT USED

On motion by Vice Chairman Gravino and seconded by Commissioner Hodes, the Authority unanimously approved of item numbers 427-11-2013 through 431-11-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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GENERAL BUSINESS

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ITS

Director of ETC Dennis Switaj requested approval of item numbers 433-11-2013 and 434-11-2013. Moved is the item as follows:

433-11-2013

In a document dated November 7, 2013, Authorization to Amend the Professional Services Agreement with Xerox State and Local Solutions, Inc. to include the Delaware River Joint Toll Bridge Commission in the New Jersey E-ZPass Customer Service Center Operations, was approved.

The New Jersey Turnpike Authority ("Authority") is the lead agency administering the New Jersey E-ZPass Customer Service Center, which handles back office operations for the Authority, South Jersey Transportation Authority, Delaware River and Bay Authority, Delaware River Port Authority and Burlington County Bridge Commission (collectively "ETC Group"). Xerox State & Local Solutions, Inc. ("Xerox") is the Authority's contractor for the operation and

maintenance of the New Jersey E-ZPass electronic toll collection customer service center ("CSC") and violation processing center ("VPC"). At the Authority's December 2002 Board of Commissioners meeting, a Professional Services Agreement with Xerox State and Local Solutions, Inc. ("Xerox") was approved by the Authority's Board of Commissioners (the "Agreement"). The Agreement expires on July 31, 2016.

The contract between Delaware River Joint Toll Bridge Commission ("DRJTBC") and their current E-ZPass CSC/VPC provider will expire on May 31, 2014, and the DRJTBC has requested that it be permitted to join the New Jersey E-ZPass CSC/VPC through the Authority's Agreement with Xerox. This request gives rise to a unique opportunity for consolidation into the New Jersey E-ZPass customer service operations, and staff recommends that this request be granted. DRJTBC will derive benefits under this consolidated operation, including annual operating cost savings, and migration to an upgraded technology platform. The New Jersey ETC Group will benefit from the economies of scale resulting from an increased customer base and increased number of transactions. The Authority will not incur any costs as the result of this migration.

Therefore, authorization is requested to amend the Professional Services Agreement with Xerox State and Local Solutions, Inc. to include the Delaware River Joint Toll Bridge Commission in the New Jersey E-ZPass Program's Customer Service Center and Violations Processing Center operations.

434-11-2013

In a document dated November 7, 2013, **Authorization to Pay the Pennsylvania Turnpike Commission the Authority's 2014 Annual Membership Assessment in the E-ZPass Interagency Group, Account No.: 890-445900, Amount: \$70,000.00**, was approved.

On December 19, 1991, the Authority's Board of Commissioners granted approval for the New Jersey Turnpike Authority ("Authority") to join with other regional toll agencies for the purpose of procuring an interoperable regional electronic toll collection system. This group, known as the Interagency Group ("IAG"), now includes twenty-four agencies from fourteen states.

Representatives from these agencies meet regularly to address ongoing operational and technological issues. Each year, the Executive Management Committee of the IAG approves a financial plan that includes member assessments. The Pennsylvania Turnpike Commission ("PTC") was designated as Treasurer to oversee the IAG budget. For 2014, the Authority's assessment is \$70,000, same amount as in recent years.

Accordingly, it is recommended that the Authority's Board of Commissioners authorize the payment of the IAG Annual Membership Assessment in the amount of \$70,000 to the PTC – E-ZPass Interagency Fund.

Funds for these assessments are included in Account No. 890-445900.

On motion by Commissioner Walden and seconded by Commissioner Becht, the Authority unanimously approved of item number 433-11-2013 and 434-11-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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EXECUTIVE

Chief Operating Officer/DED John O'Hern requested approval of item numbers 435-11-2013. Moved is the item as follows:

435-11-2013

In a memorandum dated November 4, 2013, **Authorization to Enter into a Successor Collective Negotiations Agreement with IFPTE Local 193 for the period October 1, 2011 through September 30, 2015**, was approved.

Submitted for your consideration is a successor collective negotiations agreement ("CNA") between IFPTE Local 193 ("Local 193") and the New Jersey Turnpike Authority ("Authority"). The successor CNA is a four (4) year contract with a term of October 1, 2011 through September 30, 2015. Attached hereto and made a part hereof is an executive summary noting the major features of the agreement.

One of the most important features of the successor CNA is that in exchange for the Authority agreeing not to contract out the positions of Local 193 Garden State Parkway Toll Supervisors before September 30, 2015, Local 193 agreed to eliminate or reduce all of the contractual benefits which the Office of State Comptroller identified as objectionable in its October 2010 report.

The terms of the agreement are fair and reasonable to both the employees represented by Local 193 and the Authority. Special Labor Counsel joins in recommending that the Authority approve this agreement.

On October 22, 2013, the membership of Local 193 ratified the agreement. Therefore, approval of a successor collective negotiations agreement between Local 193 and the Authority for the four (4) year period of October 1, 2011 through September 30, 2015 is respectfully requested.

Executive Summary

IFPTE Local 193

Successor Collective Negotiations Agreement

On October 21, 2013, IFPTE Local 193 and the Authority reached an agreement on a successor collective negotiations agreement for the period of October 1, 2011 through September 30, 2015, subject to ratification by the membership of the union, approval by the Authority's Board of Commissioners, and the expiration of the Governor of New Jersey's 10-day veto period over the Board of Commissioners' action regarding the agreement without the Governor's veto power being exercised.

The significant provisions of the successor collective negotiations agreement are:

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1. Term: Four (4) years -- October 1, 2011 through September 30, 2015
2. Wage Increase:
 - October 1, 2011 – 0.0% wage increase
 - October 1, 2012 – 0.0% wage increase
 - October 1, 2013 – 1.0% wage increase
 - October 1, 2014 – 1.75% wage increase

The wage increase is the same as that negotiated by the State of New Jersey with the CWA.

3. NJTA agreed that it will not privatize Local 193 Toll Supervisors before September 30, 2015
4. Elimination of Toll Free Commutation
5. Elimination of State of Emergency Bonus
6. Elimination of Holiday Bonus
7. Elimination of Cashing in Accumulated Sick time for Active Employees
8. Elimination of Harry Laderman Scholarship
9. Employees to be paid Temporary Disability Benefits consistent with NJ State rates
10. Employees to be paid Workers' Compensation Benefits consistent with NJ State rates
11. Reduction of the number of paid holidays from 14 to 12
12. Reduction in the amount of paid union release time

On motion by Treasurer DuPont and seconded by Commissioner Hodes, the Authority unanimously approved of item number 435-11-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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FINANCE

Chief Financial Officer ("CFO") Donna Manuelli requested approval of item numbers 436-11-2013 through 438-11-2013. Chairman Simpson spoke about the Authority's management team and how great everyone works together. Chairman Simpson commended Donna Manuelli for the work she has done as CFO. CFO Manuelli thanked the great team that supports her. Treasurer DuPont and Commissioner Hodes stated that the Board agrees with the Chairman's comments about the management team and how pleased they are to have Manuelli as CFO. Moved is the item as follows:

436-11-2013

In a memorandum dated November 19, 2013, Authorization to Adopt the 2014 Annual Budget, was approved.

Attached for your consideration is the 2014 Annual Budget, which includes the Authority's Revenue Budget, Operating Budget, Debt Service Fund Budget, Charges Fund Budget, Maintenance Reserve Fund Budget, Special Project Reserve Fund Budget, Supplemental Capital

Budget, and General Reserve Budget. The Authority arrived at the 2014 Annual Budget proposal by engaging in a comprehensive budget preparation process, which directed departmental managers to think strategically and identify all opportunities to achieve operational efficiencies. With a critical eye, directors reviewed their respective departmental budgets and evaluated all positions and line item expenditures, as well as all proposed project budgets.

The proposed 2014 Annual Budget accomplishes the following:

- (1) Controls operating expenses while maintaining the quality of roads and services;
- (2) Provides spending in excess of \$152 million on Maintenance Reserve, Special Project Reserve, and Supplemental Capital projects;
- (3) Maintains a minimum unencumbered General Reserve Fund balance in excess of \$75 million;
- (4) Meets General Bond Resolution financial covenants and all other financial obligations without the need for a toll increase.

The proposed 2014 Revenue Budget of \$1,631,064,000 includes projected traffic increases of 1.6% on the New Jersey Turnpike and 1.8% on the Garden State Parkway. The 2014 Revenue Budget also includes a reduction of 7.2%, or \$5,880,000, in the federal Build America Bond Subsidy based upon the announced continuation of the automatic federal deficit reduction spending cuts in federal fiscal 2014.

The proposed 2014 Operating Budget of \$476,125,000 represents a \$2.1 million, or 0.4%, increase as compared to the 2013 Operating Budget. The 2014 Operating Budget funds almost \$13.5 million in anticipated increases in health benefit costs and pension costs, anticipated contractual union wage increases, and a potential addition of fifty (50) state troopers to patrol the roadways. Although it must absorb these significant increases to non-controllable costs, the Authority is able to propose a 2014 Operating Budget with only a minor increase over 2013 because of the cost saving initiatives and controls implemented over the past three (3) years. In fact, spending in the areas over which the Authority has direct control is being reduced by 1.7%. The 2014 Operating Budget includes an authorized headcount of 2,004 positions, representing a decline from the 2,010 positions which were authorized in the 2013 Operating Budget. The Authority is decreasing its overall headcount but it is also proposing to increase the number of maintenance department positions in order to maintain the additional lane miles created by the widening of the Turnpike and Garden State Parkway. It must be noted that this will be the eleventh consecutive year that the Authority has reduced its authorized headcount.

The 2014 Annual Budget also includes the 2014 Debt Service Fund budget of \$613,817,200, which includes principal and interest payments payable through revenues on the Authority's currently outstanding bonds. The anticipated new money borrowing in 2014 of approximately \$750 million will include capitalized interest through at least January 1, 2015 and is not included in the 2014 Debt Service Fund budget. The 2014 Charges Fund budget of

\$1,143,000 includes contractual fee payments on the Series 2000B-G auction rate bonds and the Series 2009A-B bonds.

Also attached for your consideration is the 2014 Maintenance Reserve Fund budget totaling \$89,120,800, which includes spending for the maintenance and resurfacing of roadway and bridges on the New Jersey Turnpike and Garden State Parkway. The 2014 Maintenance Reserve Fund budget includes \$74,814,000 of new funding in 2014, and an estimated \$14,306,800 of unspent funds from the 2013 Maintenance Reserve Fund budget which are being carried over. Approval is also requested to have any additional unspent funds from the 2013 Maintenance Reserve Fund Budget carried over and added to the approved 2014 Maintenance Reserve Fund budget. Should the amount of unspent funds from the 2013 Maintenance Reserve Fund budget be less than \$14,306,800, the 2014 Maintenance Reserve Fund budget will be accordingly reduced.

The 2014 Special Project Reserve Fund budget totaling \$38,155,000 is also attached and includes spending for the Authority's scheduled major fleet augmentation and drainage repairs along the roadways. The 2014 Supplemental Capital budget totaling \$25,000,000 is attached. This budget includes funding for construction of a replacement restaurant building at the Grover Cleveland (10N) Service Area and salt storage facilities. Last, the 2014 General Reserve budget totals \$396,501,000 and includes the Authority's contractual payments to the Transportation Trust Fund and Statewide Transportation Capital Plan, and reserves for severe weather costs, self-insured liability claims, and other postemployment benefit costs.

As part of the 2014 Annual Budget, the Authority is adopting a new non-bargaining salary scale, consistent with the recommendations of the 2010 Office of the State Comptroller report. Also included in the 2014 Annual Budget is the Authority's organization chart of senior staff.

The Authority's proposed 2014 Annual Budget controls Operating Budget costs while both maintaining the quality of roads and services and adequately funding the Authority's other project and reserve accounts without the need for a toll increase. The proposed 2014 Annual Budget is consistent with the Authority's Financial Management Principles and Guidelines. It is therefore recommended that the Authority adopt the attached 2014 Annual Budget, which includes the Revenue Budget, Operating Budget, the Debt Service Fund Budget, the Charges Fund Budget, the Maintenance Reserve Fund Budget, the Special Project Reserve Fund Budget, the Supplemental Capital Budget, and the General Reserve Fund Budget. The General Consultant, HNTB Corporation, concurs with this recommendation.

Your approval of this recommendation is respectfully requested.

437-11-2013

In a document dated November 19, 2013, **a Recommendation for Certificate required under Section 713, Turnpike Revenue Bond Resolution, Fiscal Year Ending December 31,**

2014, was approved.

Under the provisions of Section 713 (c) of the Turnpike Revenue Bond Resolution adopted by the Authority on August 20, 1991 as amended and supplemented (the "Resolution"), the Authority, on or before December 1 in each year, shall complete a review of its financial condition for the purpose of estimating whether the Net Revenues (as such term is defined in the Resolution) for such year and for the next succeeding year will be sufficient to comply with subsection (b) of Section 713 of the Resolution and shall by resolution make a determination with respect thereto. A copy of such resolution, certified by an Authorized Officer of the Authority, together with a certificate of such Authorized Officer setting forth a reasonably detailed statement of the actual and estimated receipts and the payments to be made there from for such year, shall be filed with the Trustees on or before December 20.

If it fails to meet the requirements of Section 713 (b) of the Resolution, the Authority shall have its Traffic Engineers conduct a study for the purpose of recommending a schedule of tolls which will provide the necessary revenues to meet the requirements.

The undersigned has completed the review of the financial condition of the Authority for the years 2013 and 2014. The Authority is now in a position to make the determination showing that the requirements of Section 713 (b) of the Resolution will be met in the years 2013 and 2014.

As the basis for your review, I have prepared the following schedules relative to the two years under review, 2013 and 2014, which accompany this memorandum.

Schedule A

This schedule contains a Resolution which states that a review has been made of the Authority's financial condition for the purpose of estimating whether the tolls, revenues, fees, charges, rents and other income and receipts from the operation of the New Jersey Turnpike and the Garden State Parkway during 2013 and 2014, including investment income treated as revenues for each year, will be sufficient to provide all of the payments and meet all other requirements as specified in Section 713 (b) of the Resolution.

Schedules B and C

These schedules set forth calculations relative to 2013's revenue requirements. Specifically, the schedule provides actual revenue through October 31, 2013 and projected revenue for the balance of the year (November-December, 2013).

Schedules D and G

These schedules set forth figures to support the certification under Section 713(c) of the "Resolution" demonstrating that in each calendar year "Net Revenues shall at least equal the Net Revenue Requirement for such year" as required by Section 713(b) of the Resolution. Under Section 101 of said Resolution, Net Revenues are defined as "... for any calendar year or other period of time, the Pledged Revenues during such year or period less the amounts of the Operating Expenses for such year or period." The Net Revenue Requirement means with respect

to any period of time, "an amount equal to the greater of

- (i) The Sum of the Aggregate Debt Service, Maintenance Reserve Payments, Special Project Reserve Payments, and payments, if any, to the Charges Fund for such period

or

- (ii) 1.20 Times the Aggregate Debt Service for such period (excluding, for purposes of clause (ii) only, any payment due and payable by the Authority under a Qualified Swap upon an early termination thereof)."

Schedules E and F

These schedules set forth calculations relative to 2014's financial projections and estimated revenue provisions.

Based upon a review of the financial condition of the Authority, it is estimated that Net Revenues (as such term is defined in the Resolution) for 2013 and 2014 will be sufficient to comply with Section 713 (b) of the Resolution.

Schedule A

WHEREAS, the Authority, in accordance with subsection (c) of Section 713 of its Turnpike Revenue Bond Resolution adopted August 20, 1991 as amended and supplemented (the "Resolution"), has completed a review of its financial condition for the purpose of estimating whether the tolls, revenues, fees, charges, rents and other income and receipts from the operation of the New Jersey Turnpike and the Garden State Parkway during 2013 and 2014, including investment income treated as revenues for such year, will be sufficient to provide all of the payments and meet all other requirements as specified in subsection (b) of Section 713 of said Resolution.

NOW, THEREFORE, BE IT RESOLVED by the New Jersey Turnpike Authority as follows:

1. That it is determined based upon the review of the financial condition of the Authority as described in the recital hereof, the tolls, revenues, fees, charges, rents and other income and receipts from the operation of the New Jersey Turnpike and the Garden State Parkway during 2013 and 2014, including investment income treated as revenues for such year will be sufficient to comply with subsection (b) of Section 713 of the Resolution.
2. That a copy of this resolution certified by the Chief Financial Officer of the Authority, together with a certificate of said Chief Financial Officer setting forth a reasonably detailed statement of the actual and estimated receipts and payments to be made there from for 2013 and 2014 as shown in schedules which were utilized in said review, shall be filed in its entirety with The Bank of New York

Mellon and U.S. Bank as Co-Trustees, under the Resolution, all in accordance with said Section 713 of said Resolution.

Schedule B

NEW JERSEY TURNPIKE AUTHORITY

Certificate required Under Section 713
Turnpike Revenue Bond Resolution
Fiscal Year Ending December 31, 2013

Operating Fund		\$ 473,997,000
Debt Service Requirements (1)		602,467,200
Charges Fund		1,646,000
Maintenance Reserve		72,635,000
Special Project Reserve		<u>27,783,000</u>
Total Requirements		1,178,528,200
Deduct Revenue:		
Actual Revenue Provision -		
January - October 2013 Revenue	\$1,347,549,300	
Estimated Revenue Provision		
November/December 2013		
(Estimate per Schedule C)	<u>259,887,000</u>	<u>1,607,436,300</u>
Revenue Less Requirements (2)		<u>\$ 428,908,100</u>

(1) Net Debt Service Requirement is as follows:

Series 1991 C Debt Service Requirement	4,365,400
Series 2000 B-G Debt Service Requirement (3)	15,558,800
Series 2003 B-C Debt Service Requirement	167,900,500
Series 2004 C-2 Debt Service Requirement	7,306,800
Series 2005 A-D Debt Service Requirement	35,231,700
Series 2009 A-B Debt Service Requirement (3)	4,436,600
Series 2009 E-I Debt Service Requirement	143,524,600
Series 2010 A Debt Service Requirement	131,387,000
Series 2011 A-B Debt Service Requirement (3)(4)	7,186,400
Series 2012 A-G Debt Service Requirement (3)(4)	58,621,100
Series 2013 A-G Debt Service Requirement (3)(4)(5)	26,948,300
Total Debt Service	<u><u>602,467,200</u></u>

- (2) The estimated surplus will be transferred to the General Reserve Fund.
- (3) Variable rate debt with an associated Interest Rate Swap Agreement has interest included at the fixed swap rate.

- (4) Floating rate notes also include the fixed credit spread as interest expense.
- (5) The Series 2013A bond funding included capitalized interest payable from the date of the bond issuance through January 1, 2015, therefore there is no interest payable from Revenues in 2013

Schedule C

NEW JERSEY TURNPIKE AUTHORITY
 Certificate required Under Section 713
 Turnpike Revenue Bond Resolution
 Fiscal Year Ending December 31, 2013

Month	Toll Revenue	E-ZPass Fees	Build America Bonds Subsidy	Concession Revenue	Income from Investments	Arts Center Revenue	Miscellaneous (1)	Total Revenue
November	\$ 114,828,000	\$ 4,450,000	\$ 6,315,500	\$ 2,409,000	\$ 1,032,000	\$ 38,500	\$ 771,000	\$ 129,844,000
December	115,139,000	4,200,000	6,315,500	2,547,000	1,032,000	38,500	771,000	130,043,000
	\$ 229,967,000	\$ 8,650,000	\$ 12,631,000	\$ 4,956,000	\$ 2,064,000	\$ 77,000	\$ 1,542,000	\$ 259,887,000

NOTES: (2) *Miscellaneous Revenues* include cellular tower rentals, park & ride facilities, rental income, towing fees, surplus property sales, billboard commissions, and easements

Schedule D

NEW JERSEY TURNPIKE AUTHORITY
 Certificate required Under Section 713
 Turnpike Revenue Bond Resolution
 Fiscal Year Ending December 31, 2013

The following are the appropriate calculations which indicate that the Net Revenue Requirement will be satisfied.

Revenues		\$ 1,607,436,300
Operating Expenses		<u>473,997,000</u>
Net Revenues		<u>1,133,439,300</u>
(i) Debt Service Requirements	602,467,200	
(i) Charges Fund	1,646,000	
(i) Maintenance Reserve	72,635,000	
(i) Special Project Reserve	<u>27,783,000</u>	<u>704,531,200</u>
Excess Revenues		<u>\$ 428,908,100</u>
Net Revenues		\$ 1,133,439,300
(ii) "... 1.20 times Aggregate Debt Service"		
1.20 x	602,467,200	<u>722,960,640</u>
Excess Revenues		<u>\$ 410,478,660</u>
Debt Service Coverage		<u>1.88</u>

The Revenue Requirement under section 713(b) of the Turnpike Revenue Bond Resolution states that in each calendar year Net Revenues shall at least equal the Net Revenue Requirements for such year. Under Section 101 of said Resolution, Net Revenues are defined as "...for any calendar year or other period of time, the Pledged Revenues during such year or period less the amounts of the Operating Expenses for such year or period." The Net Revenue Requirement means with respect to any period of time, "an amount equal to the greater of (i) the sum of Aggregate Debt Service, Maintenance Reserve Payments, Special Project Reserve Payments, and payments, if any, to the Charges Fund for such period or (ii) 1.20 times the Aggregate Debt Service for such period (excluding, for purposes of clause (ii) only, any payment due and payable by the Authority under a Qualified Swap upon an early termination thereof)."

Schedule E

NEW JERSEY TURNPIKE AUTHORITY

Certificate required Under Section 713
Turnpike Revenue Bond Resolution
Fiscal Year Ending December 31, 2014

Operating Fund	\$ 476,125,000
Debt Service Requirements (1)	613,817,200
Charges Fund	1,150,000
Maintenance Reserve	74,814,000
Special Project Reserve	<u>21,000,000</u>
Total Requirements	1,186,906,200
Deduct Revenue:	
Estimated Revenue Provision	
January/December	
2014	
(Estimate per Schedule F)	1,631,064,000
Revenue Less requirements (2)	<u>\$ 444,157,800</u>

(1) Net Debt Service Requirement is as follows:

Series 1991 C Debt Service Requirement	4,365,400
Series 2000 B-G Debt Service Requirement (3)	17,248,000
Series 2003 B-C Debt Service Requirement	174,163,600
Series 2004 C-2 Debt Service Requirement	7,306,800
Series 2005 A-D Debt Service Requirement	33,415,000
Series 2009 A-B Debt Service Requirement (3)	4,621,800
Series 2009 E-I Debt Service Requirement	143,524,600
Series 2010 A Debt Service Requirement	131,387,000
Series 2011 A-B Debt Service Requirement (3)(4)	5,248,200
Series 2012 A-G Debt Service Requirement (3)(4)	48,411,300
Series 2013 A-G Debt Service Requirement (3)(4)(5)	44,125,500
Series 2014 Debt Service Requirement (6)	<u>-</u>
Total Debt Service	<u>613,817,200</u>

- (2) The estimated surplus will be transferred to the General Reserve Fund.
- (3) Variable rate debt with an associated Interest Rate Swap Agreement has interest included at the fixed swap rate.
- (4) Floating rate notes also include the fixed credit spread as interest expense.
- (5) The Series 2013A bond funding included capitalized interest payable from the date of the bond issuance through January 1, 2015, therefore there is no interest payable from Revenues in 2014.
- (6) The Series 2014 new money bond issue is expected to include capitalized interest payable from the date of bond issuance through at least January 1, 2015, therefore there is no interest payable from Revenues in 2014.

Schedule F

NEW JERSEY TURNPIKE AUTHORITY
Estimated Revenue Provision
January 2014 through December 2014

Month	Toll Revenue (1)	E-ZPass Fees	Build America Bonds Subsidy	Concession Revenue	Income from Investments	Arts Center Revenue	Miscellaneous (1)	Total Revenue
January	\$ 107,098,000	\$ 4,282,000	\$ 6,315,400	\$ 2,627,000	\$ 1,194,800	\$ 407,900	\$ 815,000	\$ 122,740,100
February	101,529,000	4,019,500	6,315,400	2,158,000	1,108,800	407,900	835,000	116,373,600
March	116,302,000	4,528,000	6,315,500	2,077,000	1,200,700	407,900	835,000	131,686,100
April	117,414,000	3,706,000	6,315,400	2,547,000	1,194,800	315,500	835,000	132,327,700
May	126,408,000	3,975,000	6,315,400	3,117,000	1,298,900	315,500	835,000	142,264,800
June	128,537,000	4,004,000	6,315,400	3,435,000	1,273,900	315,500	835,000	144,715,800
July	132,986,000	4,484,000	6,315,400	3,811,000	1,238,200	315,500	835,000	149,983,100
August	136,269,000	4,762,000	6,315,400	3,794,000	1,308,700	315,500	835,000	153,599,600
September	117,831,000	4,502,000	6,315,500	3,690,000	1,284,000	315,500	835,000	134,773,000
October	122,075,000	5,474,000	6,315,400	2,694,000	1,312,200	38,400	835,000	138,744,000
November	116,407,000	4,499,000	6,315,400	2,542,000	1,282,100	38,400	835,000	131,918,900
December	116,691,000	4,164,500	6,315,400	2,608,000	1,304,900	38,500	835,000	131,957,300
	\$ 1,439,547,000	\$ 52,400,000	\$ 75,785,000	\$ 35,100,000	\$ 15,000,000	\$ 3,232,000	\$ 10,000,000	\$ 1,631,064,000

NOTES: (1) Miscellaneous Revenues include cellular tower rentals, park & ride facilities, rental income, towing fees, surplus property sales, billboard commissions, and easements

Schedule G

NEW JERSEY TURNPIKE AUTHORITY
Certificate required Under Section 713
Turnpike Revenue Bond Resolution
Fiscal Year Ending December 31, 2014

The following are the appropriate calculations which indicate that the Net Revenue Requirement will be satisfied.

Revenues	\$ 1,631,064,000
Operating Expenses	<u>476,125,000</u>
Net Revenues	<u>1,154,939,000</u>
(i) Debt Service Requirements	613,817,200
(i) Charges Fund	1,150,000
(i) Maintenance Reserve	74,814,000
(i) Special Project Reserve	<u>21,000,000</u>
Excess Revenues	<u>\$ 444,157,800</u>

Net Revenues		\$	1,154,939,000
(ii) "... 1.20 times Aggregate Debt Service"			
1.20 x	613,817,200		<u>736,580,640</u>
Excess Revenues		\$	<u>418,358,360</u>
Debt Service Coverage			<u>1.88</u>

The Revenue Requirement under section 713(b) of the Turnpike Revenue Bond Resolution states that in each calendar year Net Revenues shall at least equal the Net Revenue Requirements for such year. Under Section 101 of said Resolution, Net Revenues are defined as "...for any calendar year or other period of time, the Pledged Revenues during such year or period less the amounts of the Operating Expenses for such year or period." The Net Revenue Requirement means with respect to any period of time, "an amount equal to the greater of (i) the sum of Aggregate Debt Service, Maintenance Reserve Payments, Special Project Reserve Payments, and payments, if any, to the Charges Fund for such period or (ii) 1.20 times the Aggregate Debt Service for such period (excluding, for purposes of clause (ii) only, any payment due and payable by the Authority under a Qualified Swap upon an early termination thereof)."

438-11-2013

Chief Financial Officer Donna Manuelli presented the **Financial Summary** for the ten (10) months ended October 31, 2013.

On motion by Treasurer DuPont and seconded by Commissioner Hodes, the Authority unanimously approved of item number 436-11-2013 through 437-11-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

On motion by Treasurer DuPont and seconded by Commissioner Hodes, the Authority unanimously approved of item number 438-11-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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OPERATIONS

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Acting Director of Operations Henry Eibel requested approval of item number 439-11-2013. Treasurer DuPont stated that he regularly travels the Parkway and Turnpike and has seen the management team hands-on and he has noticed that the new safety programs instituted are working and making the roadways safer for the motoring public. ED Hakim credited Chairman Simpson with his efforts to push the management team to introduce new safety programs at the Authority. Moved is the item as follows:

439-11-2013

Acting Director of Operations Henry Eibel requested acceptance of the **Resume of All**

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Fatal Accidents for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2013 through 11/07/2013; both with 2012-2013 Yearly Comparisons through October, 2013.

On motion by Vice Chairman Gravino and seconded Treasurer DuPont, the Authority unanimously approved item number 439-11-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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STATE POLICE

Troop Commander Eric Heitmann requested for approval of item number 440-11-2013.

Moved is the item as follows:

440-11-2013

Troop Commander Eric Heitmann requested acceptance of the **New Jersey State Police Troop D Activity Reports**, For October 2013, with 2012 – 2013 Yearly Comparisons.

On motion by Commissioner Hodes and seconded Vice Chairman Gravino, the Authority unanimously accepted the reports contained in item number 440-11-2013 and received same for file.

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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:

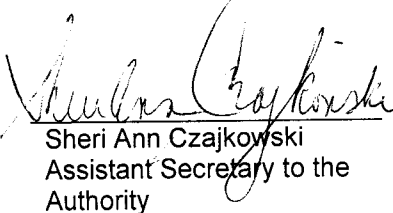
- A. Personnel;
- B. Purchase, Lease or Acquisition of Real Property;
- C. Pending or Anticipated Litigation; and/or
- D. Contract Negotiations.

The motion was made by Commissioner Hodes and seconded Treasurer DuPont, and, after the voice vote, the motion was duly adopted by the Board of Commissioners of the New Jersey Turnpike Authority.

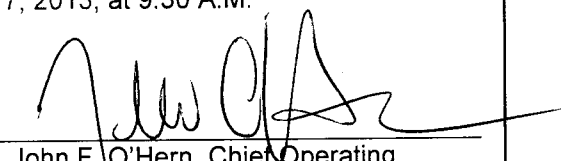
Executive Session was adjourned at 10:52 a.m.; Chairman Simpson resumed the public portion of the meeting.

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The motion to adjourn was made by Treasurer DuPont and seconded by Commissioner Becht, and, after the voice vote, the motion was duly adopted. The Authority adjourned at 10:55 a.m., to meet on Tuesday, December 17, 2013, at 9:30 A.M.


 Sheri Ann Czajkowski
 Assistant Secretary to the
 Authority

November 19, 2013
Dated


 John F. O'Hern, Chief Operating
 Officer/DED for
 Veronique Hakim, Executive Director