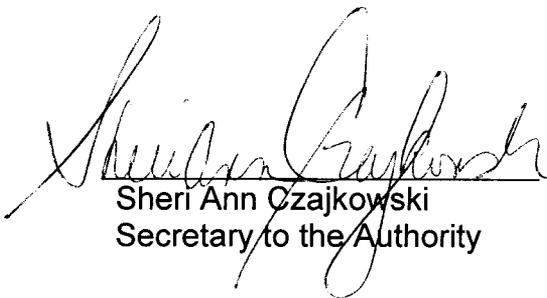


**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, John O'Hern, hereby certify that I am the Chief Operating Officer & Deputy Executive Director of the New Jersey Turnpike Authority and I certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the **December 17, 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 17th day of December, 2013.**

ATTEST:


Sheri Ann Czajkowski
Secretary to the Authority


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

Corporate Seal

Date: December 17, 2013

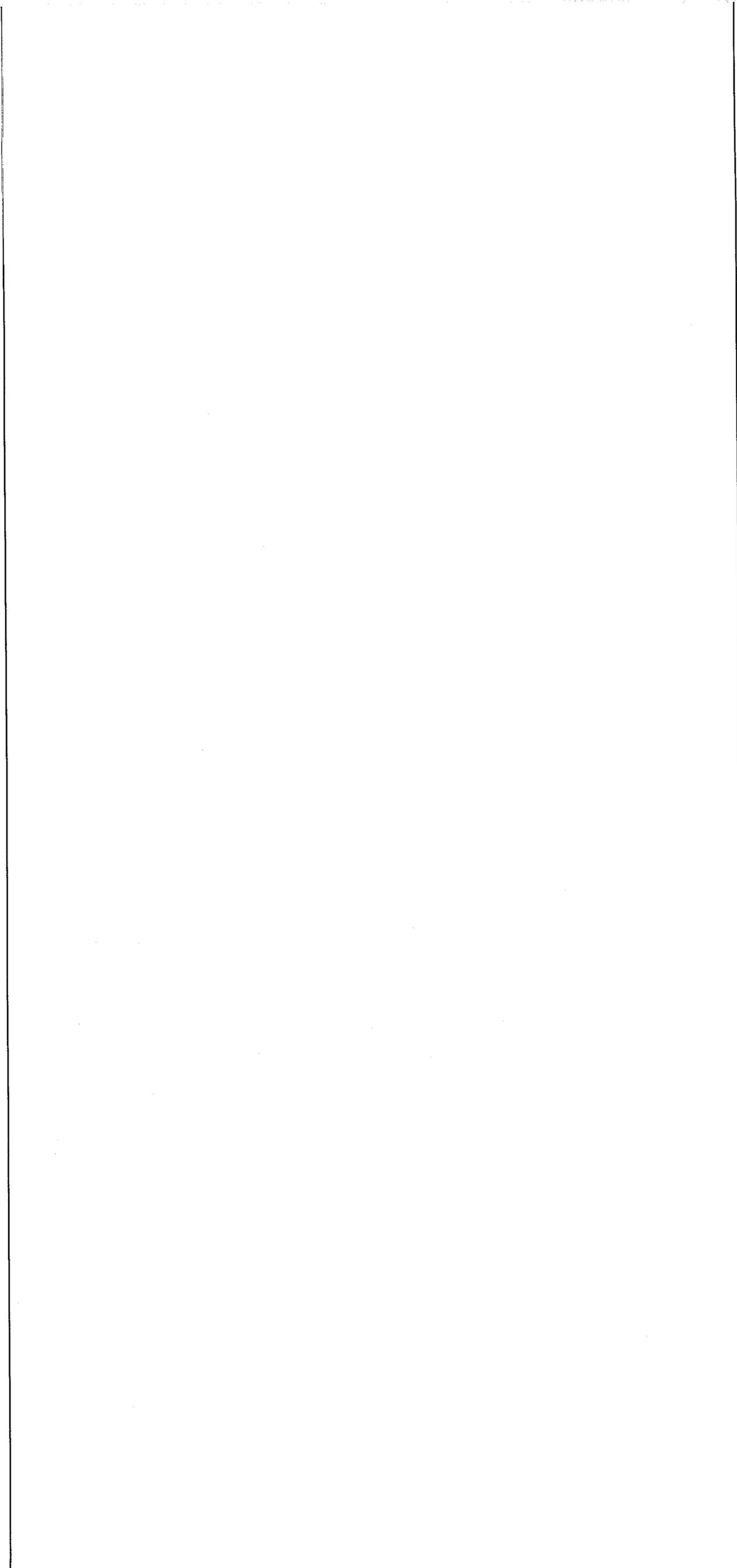
**Received in the Governor's Office on December 17, 2013
(hand delivered)**

Received by: Lashana Kirk 
Print Name Signature

GAU STAMP:

DEC 17 2013

Veto Period Ends: January 2, 2014
(Write in the date the veto period ends)



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

Tuesday, December 17, 2013

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Vice Chairman Ronald Gravino 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 Chief of Staff Joseph Bertoni for Chairman James Simpson, Vice Chairman Ronald Gravino, Treasurer Michael DuPont; Commissioner Raymond Pocino; Commissioner Harold Hodes; Commissioner Daniel Becht; and Commissioner Walden. Commissioner Ulises Diaz was 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; 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; Director of Maintenance Joseph Lentini; Director of Operations Henry Eibel; Director of Procurement and Materials Management Andrea Ward; Chief Information Officer Barry Pelletteri; Director of Tolls Robert Quirk; Troop Commander Eric Heitmann, State Police Troop D; and 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.

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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 November 19, 2013; he did not exercise his power to veto any items in those minutes.

Upon motion made by Treasurer DuPont and seconded by Commissioner Walden 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 Pocino: 448-12-2013 through 459-12-2013**
- **Commissioner Hodes: 458-12-2013 and 459-12-2013**

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PUBLIC COMMENT

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Kevin McCarthy, President of Local 194

Mr. McCarthy expressed his concern for the toll collectors who are facing the loss of their jobs as a result of the Authority's RFP which will privatize manual toll collection positions. With the threat of losing their jobs, these employees are wondering how they will support their families. McCarthy stated that the Authority saved millions of dollars from the concessions the toll collector unions made in 2011 and the union hoped those concession would allow the toll collectors to keep their jobs. McCarthy, on behalf of Local 194, requested that the Authority reconsider privatization.

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Frank Forst, Advisor to Local 194

Mr. Forst addressed the Board regarding the Authority's RFP to privatize manual toll collection services, which encompass about 500 full-time employees and 500 part-time employees. ED Hakim notified Local 194 that the Authority will be terminating toll collectors in July of 2014. The union is looking to save these jobs. Forst said that toll collectors who have fewer than ten (10) years of pension service will not be vested in the pension system and will be returned their pension contributions. Forst then claimed that the pension system will return to the Authority the pension contributions it made for the employees who have fewer than ten (10) years of pension service and are let go because of privatization. Therefore, the Authority should be willing to pay the toll collectors severance. But the Authority has rejected the union's request to pay toll collectors severance upon separation. The Authority is a \$1.5 billion operation and has substantial surpluses of funds. The union made major concessions in 2011 and it should not have to make any additional concessions when toll collectors are earning \$12 per hour. The Authority is asking other workers to make concessions so that toll collectors can save their jobs. Forst asked the Commissioners not to proceed with privatization.

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Spencer Uzomu, Toll Collector

Mr. Uzomu is a toll collector for one (1) year and he depends on his paycheck to pay his bills. Although he has held other jobs, his toll collector job means a lot to him and his family and this job is by far the best job that he has ever had. Mr. Uzomu asked the Board to reconsider privatization.

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Charles Wowkanech, NJ AFL-CIO

Mr. Wowkanech stated that he was under the impression that when toll collector privatization was discussed in 2011 the issue was making the cost of the Authority toll collectors competitive with private industry toll collectors. And in 2011, the toll collectors made significant economic concessions to make them competitive with private industry. But the toll collectors are again facing the threat of privatization. Privatization is an inhumane act that the Authority is pursuing. Is it not the government's job to create good jobs for people? These actions are contrary to what we are attempting to achieve as public officials. Privatization will have a negative effect. Everyone understands that electronic toll collection is coming, but until then you need toll collectors to represent the Authority. This RFP is taking people in the wrong direction, let the workers continue to work and provide for their families.

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Cindy Van Wart, Local 194 Toll Collector

Ms. Van Wart is a Local 194 toll collector at Exit 8A. Ms. Van Wart is a single mother who needs her job to support her family. She asked the Board to reconsider privatization.

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Franceline Ehret, CWA

During this holiday season, it is difficult for the toll collectors to feel good because they do not know if they will be losing their jobs. There are many hard working people who have taken thousands of dollars in pay cuts. The Authority stripped them of any sense of morale. Last year, the Authority offered to extend the toll collectors to September of 2014 in exchange for concessions to be made by all members of Local 194. The union agreed to make the concessions, but the Authority changed its mind and elected not to extend the toll collectors. Yet even by offering to make concessions, the Authority was going to extend the collectors for only a short period of time. Eventually, the Authority is going to let the toll collectors go. What the Authority is doing is wrong. Ehret asked the Board to think about how privatization will affect these employees and their families when the savings for the Authority will be insignificant. Ehret asked the Board to reconsider privatization of toll collection services.

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Hetty Rosenstein, NJ Director of CWA

Ms. Rosenstein stated that she analyzed the cost of current toll collectors compared to privatize costs. She found that the savings amounted to \$5.3 million, but only if the private corporation makes no profit. She therefore stated that this privatization effort will not save money for the Authority and all it will do is destroy the lives of hundreds of employees. Ms. Rosenstein stated that the people have sacrificed enough, the record for privatization is dismal, and this Board has the opportunity to say no to privatization.

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Councilman Ray Greaves, Bayonne

Mr. Greaves stated that in 2011 he came before the Board discussing the pain on the employees faces when they were faced with losing their jobs. These employees have made huge concessions to maintain their employment at the Authority. Toll collectors are truly Ambassadors to New Jersey and are the face of the Authority. These jobs are needed for the Authority and these employees. He asked the Authority not to pursue privatization.

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COMMISSIONER'S COMMENTS

Treasurer DuPont stated that the speakers were heard and the Board will review the numbers.

Commissioner Walden requested to receive a copy of the report prepared by Hetty Rosenstein.

Commissioner Pocino stated that he would like a presentation conducted for the Board with the details outlining privatization.

Commissioner Walden also requested a copy of the letter that ED Hakim sent to the employees affected by potential privatization.

Vice Chairman Gravino recognized Bond Counsel Tricia Gasparine for being honored as one of New Jersey's Top 40 Lawyers Under the age of 40.

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EXECUTIVE DIRECTOR'S COMMENTS

No comments were made.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 441-12-2013. Moved is the item as follows:

441-12-2013

Human Resources Director Garrity submitted the **Personnel Agenda**, dated December 17, 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 Commissioner Becht 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 442-12-2013 through 447-12-2013. Moved as a group those items are as follows:

442-12-2013

In a memorandum dated December 2, 2013, **Authorization for the Sale of Surplus Property Parcel 92-330C to 4315 Route One, LLC for the Sum of \$1,100,000**, was approved.

New Jersey Turnpike Authority Surplus Property Parcel 92-330C (the "Property") is located at 4315 Route 1 South in South Brunswick, New Jersey, and consists of approximately 7.0 ± acres of land and a vacant building. The Board of Commissioners declared the Property surplus to the Authority's needs on May 20, 2008. In accordance with the Authority's Surplus Property Policy (the "Policy"), the property was offered for sale through a public bid process in September 2013, but no bids were received. Pursuant to the Policy, Authority staff thereafter negotiated directly with prospective purchasers.

The Law Department, as recommended by the Authority's Real Estate Consultant, recommends acceptance of the highest offer received for the Property of \$1,100,000 tendered by 4315 Route One, LLC, a New Jersey limited liability company whose address is 33 Anderson Way, Monmouth Junction, New Jersey 08852. This offer is contingent upon an inspection period which shall expire on February 1, 2014, during which time if an inspection of the property reveals conditions not acceptable to the 4315 Route One, LLC, the contract for sale may be terminated and the Authority must refund the ten percent deposit.

Accordingly, it is recommended that the Authority accept the offer of \$1,100,000 submitted by 4315 Route One, LLC for the Property, contingent upon the Treasurer of the State of New Jersey completing the review of all document submitted by the purchaser pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008) and having no objection to same. Furthermore, it is recommended that authorization be given to the Executive Director, in consultation with the Law Department, to execute all documents and take any steps

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necessary for the conveyance of Parcel 92-330C to the 4315 Route One, LLC, in accordance with the terms set forth above.

443-12-2013

In a memorandum dated November 26, 2013, **Authorization to extend for one (1) year the Agreement between the New Jersey Turnpike Authority and the New Jersey Pinelands Commission, dated October 31, 2008, to allow the Authority an additional one (1) year to fulfill its obligations to obviate the secondary impacts associated with the Authority's Interchange 30 through 80 Widening Project**, was approved.

By agenda item 199-08, the Commissioners authorized the Executive Director to negotiate and enter into agreements with the New Jersey Pinelands Commission (the "Commission") in connection with the Garden State Parkway Interchange 30 to 80 Widening Project (the "Widening Project"). Among the agreements resulting from this authorization is an agreement between the New Jersey Turnpike Authority (the "Authority") and the Commission whereby the parties agreed to obviate the potential for the Widening Project to generate secondary growth-related impacts to properties within the Pinelands which would be inconsistent with the Commission's land use program (the "Secondary Impacts Agreement"). Pursuant to the Secondary Impacts Agreement, the Authority would have five (5) years to purchase, in fee or purchase the development rights to, properties identified by the Commission, so as to limit the development potential for such properties. In furtherance of that obligation, the Authority and the Commission entered into an escrow agreement whereby the Authority deposited sufficient funds into an escrow account to ensure that a source of funds would be available to acquire such properties pursuant to the Secondary Impacts Agreement. The Secondary Impacts Agreement permitted the Authority to extend the time to fulfill its obligations under that agreement for one year. Staff anticipates that the obligations of the Secondary Impacts Agreement will be completed within the one (1) year extension time period. Authorization by the Commissioners would extend the time period for the Authority to complete its requirements to January, 2015.

Based on the above, it is recommended that the Commissioners authorize the extension of the Secondary Impacts Agreement as set forth above. In addition, it is recommended that the Executive Director be authorized to execute any and all documents and take all such actions in furtherance thereof, after review and approval by the Law Department and outside General Counsel.

444-12-2013

In a memorandum dated December 13, 2013, **Authorization to renew Excess Liability Insurance and to Delegate Authority to the Executive Director to place a "buffer layer" for Automobile Liability Insurance if deemed in the Authority's best interest and Authorization**

To Delegate Authority to the Executive Director to place Excess Workers Compensation insurance for the following policy periods: (1) Excess Umbrella Liability Insurance - Self-Insured General Liability and Automobile Liability Insurance Program (February 1, 2014 to March 15, 2015) and (2) Excess Workers Compensation Insurance (February 1, 2014 to March 15, 2015), Account No.: 010893-441040, was approved.

The Authority maintains Excess Liability Insurance and Excess Workers Compensation Insurance policies, both of which are due to expire on February 1, 2014.

Willis of New Jersey ("Willis"), the Authority's broker of record for these insurance lines, obtained renewal quotations for each coverage, for a period of one (1) year plus an additional forty five (45) days, in order to provide the Authority with an improved schedule for subsequent renewal years. The quotations were reviewed by staff and with the Authority's Risk Management consultant, Hanover Stone Partners ("Hanover Stone"). Following discussion and analysis, it is recommended that the insurance be renewed as follows:

1. Excess Umbrella Liability Insurance – Self-Insured General Liability and Automobile Liability Insurance Program

The Authority maintains \$100 million of excess "Umbrella" Liability insurance above its \$2 million self-insured retention ("SIR") for its General Liability and \$3 million SIR for its Automobile Liability Insurance programs. The excess Umbrella Liability insurance is structured in four (4) layers of \$25 million each.

Willis approached a number of carriers, including the incumbent, AIG (National Union Fire Insurance Company of Pittsburgh, PA) ("AIG") for renewal quotations for each \$25 million layer of excess coverage. As occurred in the previous renewal year, Willis encountered difficulty in achieving a renewal premium with the same retained limit for Automobile Insurance as in the current policy. AIG indicated a willingness to maintain the current \$2 million SIR for general liability claims, but would only agree to a \$5 million SIR per occurrence for Automobile Liability, an increase of \$2 million from the current \$3 million SIR for this coverage. The other carriers also would provide renewal quotations for Automobile Liability only upon additional risk retention on the part of the Authority. A number of carriers declined to quote on the primary layer due to perceived exposure issues, or due to their perceived inability to be competitive with the expiring policy premium. The terms and conditions for the new policies will be as set forth in the current policies, except with respect to the increased per occurrence SIR for Automobile Liability claims.

After a review of all quotations provided by Willis it is recommended that the Authority place the renewals for the Excess Umbrella Liability Program with the insurance companies and in a total amount no greater than as follows:

Proposed

<u>Insurance Company</u>	<u>Layer</u>	<u>Renewal Premium</u>
National Union Fire Ins. Co. (AIG)	\$25MM excess Retention	\$ 623,982
Arch Specialty	\$25MM excess \$25MM	\$ 196,645
XL Group plc	\$25MM excess \$50MM	\$ 91,000
American Guaranty & Liability	\$25MM excess \$75MM	\$ 50,000
	NJPLIGA	\$ 7,392
	Total	not to exceed \$ 969,019

While this total cost represents a decrease from the current premium of \$1,017,309, the proposed policy year will be extended an additional forty five (45) days; nonetheless, the retained risk by the Authority has increased with respect to Automobile Liability from \$3 million to \$5 million per occurrence.

Given such increase of retained risk by the Authority for its Automobile Liability, the Authority requested Willis to provide quotations from the market for the \$3 million "buffer layer" between the Authority's \$2 million retained risk and the proposed \$5 million SIR for Automobile Liability. Willis has received one quote of \$550,000 and has been requested to continue to negotiate with the markets for a suitable quotation for insurance coverage for the Authority's increased exposure. Therefore, it is requested that Commissioners delegate authority to the Executive Director to place Automobile Liability "buffer layer" coverage with a carrier, should it be deemed in the Authority's best interest, after consultation with staff and Hanover Stone, at a premium not to exceed \$500,000.

(2) Excess Workers Compensation Insurance (February 1, 2014 to March 15, 2015)

The Authority maintains Excess Workers Compensation insurance (statutory) and Employers Liability insurance (\$2,000,000 each accident and each employee for disease) with a self-insured retention (SIR) of \$750,000, with Arch Insurance Company ("Arch") which will expire on February 1, 2014.

Willis was requested to solicit a minimum of three (3) competitive quotations for renewal of the policy. Willis approached the following five (5) insurers for renewal quotations for coverage with the same terms and conditions as set forth in the current policies: AIG, Liberty Mutual, Safety National, Zenith Insurance Company and the incumbent.

From the beginning, Willis encountered difficulty discussing renewal quotations with all markets at the current \$750,000 retention level. Due to market conditions and two (2) significant claims which occurred in the current policy year, underwriters were only willing to offer retention levels much greater than the current \$750,000 the Authority currently has in place. Additional review and analysis of the Authority's current open claims by Willis and Hanover Stone are necessary in order to provide a recommendation for renewal of this line of coverage at a retention

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rate that is financially appropriate for the Authority. Based on the information provided to date, the retention levels could vary from \$1.25 million to \$2 million, with premium amounts also varying. However, staff believes that placement of this coverage would not exceed \$850,000, at the lowest retention level. Therefore, it is requested that the Commissioners delegate to the Executive Director the authority to place this coverage at a retention level that is appropriate for the Authority, after consultation with staff and Hanover Stone, in an amount not to exceed \$850,000.

It is therefore requested that the Executive Director be authorized to bind the renewal coverages as outlined above. It is further requested that authority be delegated to the Executive Director to place the coverages as outlined above. Additionally, it is requested that the Executive Director be authorized to take all such actions and to execute all such documents, after review by Hanover Stone, and with the recommendation of the Law Department, to effectuate the authority set forth above.

445-12-2013

In a memorandum dated November 26, 2013, **Authorization to Authorize Settlement in the Matter of Comito v. Opatosky, et al. in an amount of \$1,800,000.00 (Authority responsible for the \$250,000 deductible)**, was approved.

This matter arises out of a motor vehicle accident that occurred on December 5, 2002, between plaintiff and an Authority employee. The employee had stopped his truck during a snowstorm in an unplowed travel lane of the Garden State Parkway to assist a disabled motorist and his truck was struck by a vehicle driven by Mr. Comito ("Plaintiff"). The impact allegedly caused injuries to Plaintiff's neck, back and left shoulder. Plaintiff also alleged traumatically induced epilepsy/seizure disorder, rendering him totally disabled.

Plaintiff made multiple demands, ranging to \$7 million. Mandatory arbitration was held in 2006 which provided an award of \$1.5 million. Plaintiff required hospitalization for days or weeks at a time for a number of arguably related and non-related medical issues, including alleged episodes of epilepsy type seizures, and various testing and surgeries. The parties conducted settlement discussions, but considering many factors, including the magnitude and fluctuation of Plaintiff's demand, the discussions were not fruitful. As a result of these and other issues, discovery progressed slowly.

This summer, in anticipation of trial, the parties focused efforts anew to negotiate a settlement, and have agreed to settle the matter for \$1.8 million, allocated as follows: AIG, the Authority's insurer - \$1,550,000; and the Authority - \$250,000 (the limit of its self-insured retention).

Accordingly, in light of the potential exposure of this matter and the costs and uncertainties of a jury trial, the Law Department recommends that the Commissioners authorize

full and final settlement of the matter, as set forth above. This settlement will conclude all claims by Plaintiff against the Authority and its employee in this matter. Authorization is also recommended to allow the Executive Director to take all such actions and to execute any and all documents, after review and approval by the Law Department and outside General Counsel, necessary to conclude this litigation.

446-12-2013

In a document dated December 12, 2013, **Authorization to Enter Into a Settlement Agreement with Thomas DeVita in the matter of DeVita, Executor of the Estate of Andrew Pataki, Deceased, et al. v. James L. Lawson, NJTA, et al., Account No.: 010-893-441020, in an amount of \$225,000,** was approved.

This wrongful death matter arises out of a motor vehicle accident on the Garden State Parkway. Decedent was an 84-year-old retired clergyman traveling in the far right lane near milepost 111.3, when his vehicle was struck in the rear by an Authority Maintenance Supervisor, James Lawson, who was operating a truck in the course of his employment. Decedent was transported to a hospital from the scene, where he died approximately five hours later from injuries sustained in the accident. Lawson was issued a summons for careless driving, and ultimately pled guilty to unsafe driving.

The force of the impact caused the decedent's vehicle to spin clockwise 180 degrees and strike a dump truck parked on the shoulder. Decedent needed to be extricated from the vehicle by the fire department due to damage to his vehicle. According to the autopsy report, the cause of death was the traumatic injuries due to the vehicular accident.

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 (McElroy, Deutsch, Mulvaney & Carpenter representing the Authority and Lawson) negotiated a settlement of \$225,000.

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.

447-12-2013

In a memorandum dated December 5, 2013, **Authorization to Settle Formal Workers' Compensation Matter - Lillian Anderson v. N.J. Turnpike Authority, Account No. 10-870-405070 in an amount of \$96,434.00,** was approved.

Petitioner Lillian Anderson was a Parkway Division Toll Collector hired in May 1987 and retired under an Early Retirement, effective June 1, 2012. This recommended settlement will

resolve four (4) formal Claim Petitions filed in 2002, 2007, 2008 and 2011.

The petitioner is represented by Stephen Matarazzo, Esq. of Petro, Cohen, Matarazzo and Warrington, located in Northfield, NJ. The Authority is defended by Special Counsel Stephen Fannon, Esq. of Capehart Scatchard, located in Mount Laurel, NJ. The matter is venued in the district office of Bridgeton before Judge Arthur Marchard.

Permanency evaluations on behalf of the petitioner were performed by Dr. Pressman and Dr. Gaffney. Permanency evaluation on behalf of the respondent was performed by Dr. Kenneth Peacock.

The negotiated settlement awards are: \$16,434.00 for the 2002 claim, \$35,000.00 for the 2007 claim (via Section 20), and \$45,000.00 for the 2011 claim (via Section 20) equaling a total award of \$96,434.00. The 2008 claim will be dismissed as part of the overall settlement.

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 Benefits Manager. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of \$96,434.00. This settlement will be payable under Account No. 10-870-405070.

On motion by Commissioner Hodes and seconded by Treasurer DuPont, the Authority unanimously approved item numbers 442-12-2013 through 447-12-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 448-12-2013 through 459-12-2013. Moved are the items as follows:

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PUBLIC BID SOLICITATIONS

448-12-2013

In a document dated November 29, 2013, **Recommendation to Award Contract No. T100.256, New Jersey Turnpike to D'Annunzio & Sons, Inc., Bridge Deck Repairs and Resurfacing Mileposts 83 to 122 and the Newark Bay-Hudson County Extension, Maintenance Reserve Fund No. 03010001, Funding allocation: \$11,000,000.00; FY 2014, \$707,000.00 FY 2015, in an amount of \$11,707,000.00**, was approved.

This is the first of two Turnpike repair contracts to be awarded for the 2014 construction season, focusing only on bridge deck repairs concentrated in the northern sector of the Turnpike. The work generally involves selective replacement of complete deck panels, concrete spall repairs, joint repairs, replacement of existing asphalt wearing surface and related incidental items.

Four bid proposals were received on November 19, 2013 for the above publicly

advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$11,707,000.00 may be compared to the second low bid proposal in the amount of \$11,746,478.00. The low bidder, D'Annunzio & Sons, Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T100.256 be awarded to the low bidder, D'Annunzio & Sons, Inc. of Clark, New Jersey, in the amount of \$11,707,000.00 allocated as follows: \$11,000,000.00 in FY 2014 and \$707,000.00 in FY 2015. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

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

449-12-2013

In a document dated November 29, 2013, a Recommendation to Award Contract No. P100.267 for the Garden State Parkway to Ferreira Construction Co., Inc., Bridge Repairs and Resurfacing, Parkway Mileposts 126 to 172, Maintenance Reserve Fund No. 03020001, Funding allocation: \$6,000,000.00 FY 2014, \$153,127.50 FY 2015, in an amount of \$6,153,127.50, was approved.

This is the first of two Parkway bridge repair contracts to be awarded for the 2014 construction season, concentrated in the northern sector of the Parkway between Mileposts 126 and 172. The work generally involves selective replacement of complete deck panels, bridge barrier parapet replacement, concrete spall repairs, joint repairs, and replacement of existing asphalt wearing surface, bearing replacement, and miscellaneous substructure repairs.

Five bid proposals were received on November 22, 2013 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$6,153,127.50 may be compared to the second low bid proposal in the amount of \$6,683,623.00. The low bidder, Ferreira Construction Co., Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P100.267 be awarded to the low bidder, Ferreira Construction Co., Inc. of Branchburg, New Jersey, in the amount of \$6,153,127.50 allocated as follows: \$6,000,000.00 in FY 2014 and \$153,127.50 in FY 2015. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for

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this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

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

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ORDER FOR PROFESSIONAL SERVICES (OPS)

450-12-2013

In a document dated November 22, 2013, a **Recommendation to Issue Order for Professional Services No. A3353 for the New Jersey Turnpike and Garden State Parkway to HNTB Corporation for the Recommendation to Ratify Approval of the 2014 Services of the 2011-2015 Main Bridge Inspection Program – Part A, Maintenance Reserve Fund No. 03010005, Funding allocation: \$1,800,000.00 FY 2014, \$100,000.00 FY 2015, in an amount of \$1,900,000.00**, was approved.

Order for Professional Services No. A3353 was issued to HNTB Corporation at the December 2010 Commission Meeting, in an amount not to exceed \$11,800,000.00, to provide for professional engineering services associated with the 2011 – 2015 Turnpike Main Bridge Inspection Program – Part A. The years 2012 – 2015 bridge inspection services scope and fee are to be negotiated annually, subject to approval by the Chief Engineer.

An amount of \$2,420,000.00 was originally authorized for 2011 Part A services, and subsequently increased by \$205,680.00 via Special Project Reserve Transfer to a revised authorized amount of \$2,625,680.00, in order to provide for additional bridge inspection services which were unanticipated and outside the original scope of work. An amount of \$3,000,000.00 was authorized for the 2012 Part A services, and an amount of \$2,300,000.00 was authorized for the 2013 Part A services, bringing the total current authorized amount to \$7,925,680.00.

The 2014 scope of services includes the biennial inspection of 5 Turnpike major bridges, to comply with the federally mandated National Bridge Inspection Standards (NBIS); submittal of biennial major bridge inspection reports; Bridge Prioritization System (BPS) and FHWA Structure Inventory and Appraisal (SI&A) updates; submittal of system-wide Turnpike and Parkway annual program summary reports; cursory inspection of Turnpike and Parkway major bridges during their non-NBIS cycle; quality overview of the Authority's other bridge inspection consultants; management of the Authority's BridgeInspect Collector and Management System; Load and Resistance Factor Rating (LRFR) reviews and manual updates; miscellaneous and specialized inspection and related design assignments; and other required services. HNTB Corporation submitted the 2014 scope and fee for these services in the total amount of \$1,900,000.00, which is considered fair and reasonable for the services to be provided and has been approved by the Chief Engineer.

It is, therefore, recommended that the approval of the 2014 Main Bridge Inspection Program – Part A of Order for Professional Services No. A3353 be ratified in the amount of \$1,900,000.00, allocated as follows: \$1,800,000.00 in 2014 and \$100,000.00 in 2015. Ratification of the Chief Engineer's approval of HNTB Corporation's proposed scope and fee will provide for reimbursement of all services associated with the 2014 Main Bridge Inspection Program – Part A. The addition of \$1,900,000.00 increases the total authorized fee to \$9,825,680.00. The original contract was procured pursuant to N.J.S.A. 52:34-9.1 et seq. and N.J.S.A. 19:9-2.8.

451-12-2013

In a document dated November 29, 2013, a **Recommendation to Issue Order for Professional Services No. P3476 for the Garden State Parkway to KS Engineers, P.C. for Engineering Services for the 2014 New Jersey Turnpike Authority Bridge Inspection Program, Garden State Parkway-North, Mileposts 149 to 172 (Area 1) and Garden State Parkway-South, Mileposts 96 to 123 (Area 3), Maintenance Reserve Fund No. 03010005, Funding allocation: \$1,063,845.92 FY 2014, \$ 100,000.00 FY 2015, in an amount of \$1,163,845.92**, was approved.

This Order of Professional Services will provide engineering services for annual bridge inspections on the Garden State Parkway, which include inspection of 115 bridges in the northern portion of the Garden State Parkway and 120 bridges in the southern portion of the Garden State Parkway. The OPS includes FHWA Structure Inventory and Appraisal (SI&A) form updates, New Jersey Turnpike Authority's Bridge Prioritization System inspections and data collection, and preparation of bridge inspection reports.

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 33 engineering firms were prequalified and eligible under Profile Code: D280C – Bridges, NBIS Program, Complex. Eight firms submitted EOIs by the closing date of October 25, 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) KS Engineers, P.C.; 2) HAKS Engineers, P.C.; and 3) Pickering, Corts & Summerson, Inc. The fee submitted by KS Engineers, P.C, has been reviewed, negotiated and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. P3476 be issued to the firm KS Engineers, P.C. of Newark, New Jersey, not to exceed the amount of \$1,163,845.92, allocated as follows: \$1,063,845.92 in 2014 and \$100,000.00 in 2015. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.625, based on a

10% allowance for profit and an overhead rate of 138.6% 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).

452-12-2013

In a document dated November 29, 2013, a **Recommendation to Issue Order for Professional Services No. P3509 for the Garden State Parkway to Cherry, Weber & Associates, P.C. for Design Services for Contract No. P100.318-Bridge Repairs and Resurfacing, MP 0 to 126, Maintenance Reserve Fund No. 03020001, Funding allocation: \$875,000.00 FY 2014, \$115,431.62 FY 2015, in an amount of \$990,431.62**, was approved.

This Order for Professional Services will provide for the inspection, condition evaluation and preparation of contract documents for the annual bridge repair contracts on the Parkway, for Bridge Repairs and Resurfacing on the southern 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 51 engineering firms were prequalified and eligible under Profile Codes: A092 – Bridges: Miscellaneous Repairs; and A093 – Bridges: Deck Replacement and Rehabilitation. Six firms submitted EOIs by the closing date of October 30, 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) Cherry, Weber & Associates, P.C.; 2) Dewberry Engineers, Inc.; and 3) Arora & Associates, P.C. The fee submitted by Cherry, Weber & Associates, P.C. 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. P3509 be issued to the firm Cherry, Weber & Associates, P.C. of Freehold, New Jersey, not to exceed the amount of \$990,431.62, allocated as follows: \$875,000.00 in 2014 and \$115,431.62 in 2015. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.53, based on a 10% allowance for profit and an overhead rate of 130.3% 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).

453-12-2013

In a document dated November 29, 2013, **a Recommendation to Issue Order for Professional Services No. P3519 to Stantec Consulting Services Inc. for Supervision of Construction Services for Contract No. P100.267 - Bridge Repairs and Resurfacing, Parkway Mileposts 126 to 172, Maintenance Reserve Fund No. 03020001, Funding allocation: \$1,150,000.00 FY2014, \$170,000.00 FY2015, in an amount of \$1,320,000.00**, was approved.

This Order of Professional Services will provide supervision of construction services for Contract No. P100.267.

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 exceeding \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 48 engineering firms were prequalified and eligible under Profile Code B156: Bridge Repair Inspection and B157: Bridge Deck Repair/Replacement. Six firms submitted EOIs by the closing date of October 28, 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) Stantec Consulting Services Inc.; 2) Jacobs Engineering Group; and 3) Ammann & Whitney. The fee submitted by Stantec Consulting Services Inc. 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. P3519 be issued to the firm of Stantec Consulting Services Inc. of Rochelle Park, New Jersey, not to exceed the amount of \$1,320,000.00 allocated as follows: \$1,150,000.00 in FY 2014 and \$170,000.00 in FY 2015. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.5 to cover the cost of fringe benefits, overhead and profit, 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 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's

enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

454-12-2013

In a document dated November 29, 2013, a **Recommendation to Issue Order for Professional Services No. T3520 to Stone & Webster, Inc. for Supervision of Construction Services for Contract No. T100.256 - Bridge Deck Repairs and Resurfacing, Mileposts 83 to 122 and The Newark Bay-Hudson County Extension, Maintenance Reserve Fund No. 03010001, Funding allocation: \$1,700,000.00 FY 2014, \$55,000.00 FY 2015, in an amount of \$1,755,000.00**, was approved.

This Order of Professional Services will provide supervision of construction services for Contract No. T100.256.

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 exceeding \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 48 engineering firms were prequalified and eligible under Profile Code B156: Bridge Repair Inspection and B157: Bridge Deck Repair / Replacement. Four firms submitted EOIs by the closing date of October 24, 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) Stone and Webster, Inc.; 2) HAKS; and 3) STV Incorporated. The fee submitted by Stone & Webster, Inc. 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. T3520 be issued to the firm of Stone & Webster, Inc. of Trenton, New Jersey, not to exceed the amount of \$1,755,000.00 allocated as follows: \$1,700,000.00 in FY 2014 and \$55,000.00 in FY 2015. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.5 to cover the cost of fringe benefits, overhead and profit, 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 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

455-12-2013

NOT USED

456-12-2013NOT USED

457-12-2013

In a document dated November 29, 2013, a Recommendation to Issue Supplement B to Order for Professional Services No. P3358 for the Garden State Parkway to TranSystems Corporation for Design Services for Contract No. P100.233 - Bridge Deck Reconstruction, Milepost 121 to 150 and Contract No. P100.237, Bridge Deck Reconstruction, Mileposts 124 to 163, Ten Year Capital Program Fund No. 39001010, in an amount of Supplement of \$315,000.00, was approved.

This Order for Professional Services was issued at the June 2011 Commission Meeting to provide for design services and preparation of contract documents for two construction contracts for bridge deck reconstruction on the Parkway between Mileposts 121 and 163. This was the first phase of the Parkway bridge deck reconstruction program, focusing on bridge deck reconstruction, parapet and median barrier replacement, deck joint replacement, structural steel repairs, drainage, lighting and other related work on twelve high priority bridges.

This Supplement will compensate TranSystems Corporation for additional design services required in the preparation of contract documents associated with the following:

- The superstructure replacement for Bridge Nos. 124.3SO and 124.8NO. The original scope of work required deck replacement only.
- Additional Maintenance and Protection of Traffic alternates and traffic models were investigated for Bridge Nos. 124.3 SO, 124.8NO and 143.2 to address unanticipated operational concerns of the Operations and Tolls departments during construction.
- The request by the Authority to incorporate bearing replacement at Bridge No. 129.7 based on results of a preliminary seismic vulnerability assessment performed under OPS No. A3356. The original scope of work required deck replacement only.

TranSystems Corporation submitted a revised proposal in the amount of \$315,000.00 to provide the required services. The proposal has been reviewed, negotiated, and is considered fair and reasonable for the services to be provided.

It is, therefore, recommended that Supplement B to Order for Professional Services No. P3358 be issued to TranSystems Corporation not to exceed the amount of \$315,000.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$6,671,000.00 to \$6,986,000.00. The original contract was procured pursuant to N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8.

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NON-COMPETITIVE PROCUREMENTS / MISCELLANEOUS

458-12-2013

In a document dated December 6, 2013, **a Recommendation for a Type 3 Change Order to Contract No. T869.120.103 for the New Jersey Turnpike to George Harms Construction Company, Inc. for the Interchange 6 to 9 Widening Program, NSO/SNO Roadways, Mileposts 50.5 to 51.5, Special Project Reserve Fund No.: 04018048, in an amount of \$1,000,000.00,** was approved.

It is recommended that a Type 3 Change Order be issued to the referenced contract to perform emergency repairs on Turnpike Structure No. 38.90, Hartford Road, which is a mainline bridge over a local road. On November 4, 2013, several beams on Structure No. 38.90 were struck by an over-height vehicle traveling on the local road below the bridge. Initial reports indicated the impact had caused catastrophic structural damage to the bridge.

George Harms Construction Co., Inc. was directed to provide construction services to assist the Authority with expediting repairs required to maintain Turnpike mainline traffic. The contractor was called upon given their close proximity to the accident location and ability to immediately mobilize significant construction resources. Working with the Authority's design and construction personnel, the contractor implemented emergency measures to stabilize the most severely damaged beams, closed the mainline left shoulders and assisted with re-opening the local road below to traffic.

A subsequent structural evaluation of the bridge determined the mainline left shoulders will remain closed due to the load carrying capacity of the bridge. The scheduled repair work will require additional maintenance and protection of traffic, reconstruction of the median area bridge decks, median barrier reconstruction, replacement of two beams, steel repairs to multiple other beams, installation of new bridge bearings, shoulder resurfacing, and related incidental construction.

The preliminary Engineer's Estimate for this work is in the magnitude of \$750,000.00, which will be tracked on a cost-plus basis. Due to the extent of the damage and possible additional work that may arise when the work commences that is unknown at this time, it is recommended that \$250,000.00 be established as a contingency. The Authority will seek third party reimbursement for all costs borne by the Authority as a result of the incident.

It is, therefore, recommended that this Type 3 Change Order to Contract No. T869.120.103 be authorized in the amount not to exceed \$1,000,000.00 to George Harms Construction Co., Inc.

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ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

459-12-2013

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 numbers 448-12-2013 through 457-12-2013, 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 Becht, the Authority unanimously approved item number 458-12-2013, 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 459-12-2013 and received same for file.

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CAPITAL PROGRAM UPDATE

Chief Engineer Fischer gave a presentation on the status of the Authority's 10-year, \$7 billion capital program.

Commissioner DuPont congratulated Fischer on his presentation and ably filling the shoes of his predecessor, Rich Raczynski. DuPont commented that the capital program has created thousands of jobs in New Jersey. DuPont is proud to be a part of this Board and Authority in light of all of the great work the Authority is doing to improve the safety and efficiency of its roadways.

Fischer answered two questions by the Vice Chairman. First, Fischer advised that the Newark State Police barracks construction project will be awarded in early 2014. Second, Fischer said that the project to remove the lights at Exits 9, 10, and 11 on the Parkway will be completed in 2015.

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PROCUREMENT ("PMM")

Director of Purchasing Andrea Ward requested approval of item numbers 460-12-2013 through 477-12-2013. Moved as a group those items are as follows:

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PUBLIC BIDS SOLICITATIONS

460-12-2013

In a document dated November 22, 2013, **Custom Made Machine Shop Parts, MTJ Industries Inc., RM-102484, Budget Codes: Various, in an amount of \$99,885.00**, was

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approved.

Authorization is requested to award a contract for custom made machine shop parts. These parts are utilized by the ITS Department to maintain the Authority's toll collection equipment. Bidders were required to quote on 18 line items, which included gear assemblies, face plates, rollers, shafts, and actuators, as well as a mark-up above cost for miscellaneous parts. The bid was fully advertised and the three vendors listed in the Authority's database for the referenced commodity were notified of the procurement. Unit prices are available from the Procurement and Materials Management Department. On October 30, 2013 one bid was received as follows:

<u>Vendor</u>	<u>Total Price</u>
MTJ Industries Inc., New Rochelle, NY	\$99,885.00

Department Estimate: \$ 99,150.00

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 MTJ Industries Inc., of New Rochelle, NY, in an amount not to exceed \$99,885.00, subject to funding availability at the time of order. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

461-12-2013

In a document dated December 5, 2013, **Trailer-Mounted 3" Diesel-Powered Pump Sets, Xylem Dewatering Solutions, Inc. d/b/a Godwin Pumps of America, R-103226 (Re-Bid), Budget Codes: Various, in an amount of \$46,746.82**, was approved.

Authorization is requested to award a contract for two (2) trailer-mounted, 3" automatic priming diesel-powered pump sets. The pump sets will allow Maintenance to respond to severe flooding conditions at either the Northern or Southern ends of the Turnpike. Bidders were required to bid both unit and total prices for the pump sets. The bid was fully advertised and the ten (10) vendors listed in the Authority's database for the referenced equipment were notified of the procurement. On November 14, 2013, one bid was received:

<u>Vendor</u>	<u>Unit Price</u>	<u>Total Bid Price</u>
Xylem Dewatering Solutions, Inc. d/b/a	\$23,373.41	\$46,746.82
Godwin Pumps of America East Brunswick, NJ		

Department Estimate: \$60,000.00

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 Xylem Dewatering Solutions, Inc. d/b/a Godwin Pumps of America in a total amount not to exceed \$46,746.82, subject to funding availability at the time of ordering. Authorization is further requested for the Executive Director to approve any additional purchases made under the 3-year open-end purchase option at the agreed-upon price terms.

462-12-2013

In a document dated December 4, 2013, **Diesel-Powered Generator, Rejection of Sole Bid and Re-Bid, RM-103681, Budget Codes: Various, in amount of \$0**, was approved.

Authorization is requested to reject the sole bid submitted for the purchase of a standby diesel-powered generator. Bidders were required to bid on a 150KW diesel-powered generator scheduled for replacement as per the specifications. The bid was fully advertised and the five vendors listed in the Authority's database for the commodity were notified of the procurement. On November 26, 2013 one bid was received from United Rentals (North America), Inc. in the amount of \$ 63,995.00.

The sole bid submitted was reviewed by the Maintenance Department and determined that the bid amount of \$63,995.00 for the 150KW diesel-powered generator was excessive in comparison to the departmental estimate of \$48,000.00 (25% higher). Maintenance staff based its estimate on quotes it had recently obtained for this type of equipment as well as prior contract prices. Accordingly, both the Maintenance and Procurement Departments feel the Authority can achieve a better price by re-bidding the contract with revised specifications.

Accordingly, authorization is requested to reject the sole bid submitted by United Rentals (North America), Inc., and re-solicit the contract as outlined herein.

463-12-2013

In a document dated December 3, 2013, **Repair Services and Parts for Aerial Trucks and Digger-Derrick Units, Versalift East, LLC, RM-104067, Budget Codes: Various, in an amount of \$90,500.00**, was approved.

Authorization is requested to award a contract for repair services and parts to Versalift East, LLC for aerial trucks and digger-derrick units. This equipment is used for maintenance of the Authority's facilities. Bidders were required to quote unit and total prices as follows: 1) 500

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hours for repair services; 2) flat rate charges for 60 trips for regional service; and 3) a discount off manufacturer's list prices for additional parts based on \$25,000 worth of parts. The bid was fully advertised, and the vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On November 26, 2013 bids were received as follows:

<u>Vendor</u>		<u>Service Charge</u>	<u>Trip Charge</u>	<u>Discount</u>	<u>Total Price</u>
Versalift Bethlehem, PA.	East,	\$100.00/per hour	\$300.00 each	10%	\$90,500.00

Department Estimate: \$90,000.00

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 one-year contract to Versalift East, LLC in a total amount not to exceed \$90,500.00, 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.

464-12-2013

In a document dated December 5, 2013, **Diesel-Powered, V-Box Spreaders, 3-Year Option, H.A DeHart and Son, Inc., RM-104558, Budget Code: Various, Not to Exceed Amount: \$139,167.78**, was approved.

At the September 27, 2011 Board of Commissioners Meeting (Agenda Item 322-09), the Authority awarded a contract to H.A. DeHart & Son, Inc. for the purchase of diesel-powered, V-Box salt/sand spreaders used in de-icing both roadways. The contract included a 3-year option to purchase additional spreaders which conform to the original specifications for three additional model years. For the final two years of the option the vendor was permitted to request a price increase from the Authority if there had been an overall price increase of the trucks in those later model years, provided that the vendor justified the price increase in writing to the Authority.

Authorization is requested to purchase an additional six spreaders to meet changes in the current snow removal equipment specifications. Pursuant to the contract, the vendor has requested a unit price of \$23,194.63 which represents a 6% increase above the original 2011 bid price. This price is in line with the June 2013 purchase of these units (Agenda No. 256-06-2013) and the increase is due primarily to federal diesel emission changes to the engine that operates the V-box spreader. Both the Procurement and Maintenance Departments have deemed the increase acceptable, in line with current industry pricing, and therefore recommend Board

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authorization of the price increase.

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 contract is in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

Accordingly, authorization is requested to award a contract to H.A. DeHart and Son, Inc. in a total amount not to exceed \$139,167.78.

465-12-2013

In a document dated December 2, 2013, **Removal of Trash, Wood, Concrete and Asphalt (Modification), Freehold Cartage, Inc., RM-104174, Contract No.1722, expiring 8/15/14, Budget Code: Various, Requested Amount: \$ 72,000.00**, was approved.

At the July 31, 2012 Board of Commissioners Meeting (Agenda Item No. 283-07-2012), the Authority awarded a publicly bid contract to Freehold Cartage, Inc. for the removal of trash, wood, concrete and asphalt from both Roadways. Under this contract, Freehold Cartage services four geographical areas which include: Garden State Parkway Central and South, as well as NJ Turnpike North and South. Through the months of November and December 2012, a substantial amount of unanticipated trash removal stops were required in the effort to clean up after Super Storm Sandy. The Maintenance Department has requested an increase in the amount of \$72,000.00 to the contract as additional funds are needed to continue essential trash removal services through the term of the contract.

This contract was 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 contract has passed review by the Treasurer of the State of New Jersey in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

Accordingly, authorization is requested to increase Contract No. 1722 with Freehold Cartage, Inc. under the existing terms and conditions, in a total amount not to exceed \$72,000.00. This will bring the total authorized amount to \$434,520.00, subject to funding availability at the time of service.

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STATE CONTRACTS AND FEDERAL CONTRACTS

466-12-2013

In a document dated December 5, 2013, **Attenuator Replacement Parts, Traffic Safety Service, LLC, RM-104253, Budget Code: Various, State Contract No. 85193, expiring 10/30/16, Amount: \$90,000.00 (3-year aggregate)**, was approved.

Under this contract, Traffic Safety Service LLC will provide replacement parts for mobile

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and stationary attenuators which are used for traffic safety and control on both Roadways. The anticipated annual dollar expenditure is \$30,000.00 for a 3-year aggregate total of \$90,000.00.

This contract will be procured under State Contract No. 85193 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. The State Contract is valid through October 31, 2016.

Accordingly, authorization is requested to award a contract to Traffic Safety Service LLC for attenuator replacement parts in a total amount not to exceed \$90,000.00 through the term of the respective State Contract.

467-12-2013

In a document dated December 10, 2013, **Manual Bi-directional Snow Plows, Valk Manufacturing Company, RM-104490, Budget Code: 010 00 500 480060, State Contract No. 77724 expiring 2/28/14, Amount: \$ 70,500.00**, was approved.

Under this contract, Valk Manufacturing Company will provide 20 manual bi-directional snow plows. These plows will be used by the Maintenance Department to outfit new snow plowing teams needed to accommodate additional travel lanes in the widening portions of both Roadways.

These snow plows are available for purchase from Valk Manufacturing Company under New Jersey State Contract No. 77724 at a unit price of \$3,525.00. This contract will be 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, authorization is requested to award a contract to Valk Manufacturing Company for a total amount not to exceed \$70,500.00.

468-12-2013

NOT USED

469-12-2013

In a document dated December 3, 2013, **Actuate Renewal Maintenance Contract, SHI International Corp., R-104921, Budget Code: 010 00 830 121020, State Contract No. 77560 Expires 6/30/2015, Amount: \$138,227.50**, was approved.

The Integrated Technology Services (ITS) Department requisitioned the annual renewal of software support and maintenance for Actuate. The Actuate software is a tool extensively

used by the electronic toll collection software group to create on-demand and pre-generated toll audit and reconciliation reports for electronic tolls. This tool minimizes the server and database resource loads resulting from large monthly/yearly report generation, allowing instantaneous access. In addition, this contract will ensure continued support from SHI International Corp. for critical production and development services, as well as the creation of essential business information needed to monitor and control toll operations.

This contract will be procured in accordance with N.J.S.A. 27:23:6-1 and N.J.A.C. 19:9-2.5(a), which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. The State Contract 77560 is valid through June 30, 2015. In accordance with the terms of the State Contract, the Authority was required to solicit competitive quotes from three vendors. Three vendors responded:

<u>Vendor</u>	<u>Total Price</u>
SHI International Corp., Somerset, NJ	\$ 138,227.50
Dell Marketing Inc., Buffalo Grove, IL	\$ 138,567.00
En Pointe Technologies Sales, Inc., Gardena, CA	No Quote

Accordingly, authorization is requested to award a one-year contract to SHI International Corp., in the amount of \$138,277.50 for the period April 1, 2014 through March 31, 2015.

470-12-2013

In a document dated November 26, 2013, **Automotive Glass Repairs Modification, Quality Auto Glass Inc., RM-104138, Contract No. 1403, State Contract No. 77927, expiring 10/31/14, Budget Code: Various, Requested Amount: \$7,500.00; Four Star Auto Glass of NJ, Inc., RM-104139, Contract No. 1400, State Contract No. 77928, expiring 10/31/14, Budget Code: Various, Requested Amount: \$10,000.00; and Normans Auto Services, Inc., RM-104140, Contract No. 1401, State Contract No. 77926, expiring 10/31/14 Budget Code: Various, Requested Amount: \$15,000.00**, was approved.

On January 6, 2011, the Authority awarded the following three contracts utilizing the New Jersey State Contract system: Contract No. 1403 to Quality Auto Glass, Inc., Contract No. 1400 to Four Star Auto Glass of NJ, Inc. and Contract No. 1401 to Normans Auto Services, Inc., for automotive glass repair and replacement on any Authority vehicles. The three State Contracts have been extended through October 31, 2014 and additional funds are requested to continue the supply of the essential services.

The Maintenance Department therefore has requested that Contract No. 1403 (State Contract No. 77927) with Quality Auto Glass, Inc., be increased by \$7,500, Contract No. 1400 (State Contract No. 77928) with Four Star Auto Glass of NJ, Inc. be increased by \$10,000.00 and Contract No. 1401 (State Contract No. 77926) with Normans Auto Services, Inc. be increased by

\$15,000.00 to purchase necessary automotive glass repair and replacements through the term of the respective State Contracts. All three Authority Contracts 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, through October 31, 2014, the authorized amount of Contract No. 1403 with Quality Auto Glass, Inc. by \$7,500.00 for a new total authorized amount of \$47,000.00, Contract No. 1400 with Four Star Auto Glass Of NJ, Inc. by \$10,000.00 for a new total authorized amount of \$40,000.00 and Contract No. 1401 with Normans Auto Services, Inc. by \$15,000.00 for a new authorized amount of \$62,500.00 through October 31, 2014, all subject to funding availability at the time of order.

471-12-2013

In a document dated November 25, 2013, **HVAC & Plumbing Repair Parts (Supplies) (Modification), Johnstone Supply, Inc. d/b/a Z & Z Supply, Inc., RM-104303 / Contract No. 1658, Budget Code: Various, State Contract No. 81051 expiring 2/28/14, Requested Amount: \$30,000.00**, was approved.

At the April 25, 2012 Board of Commissioners Meeting (Agenda item 163-04-2012), the Authority awarded a contract to Johnstone Supply, Inc. d/b/a Z & Z Supply, Inc. to supply heating, ventilation and air conditioning ("HVAC") repair parts. These repair parts are used throughout all Authority buildings to repair and maintain HVAC systems.

The contract was procured under New Jersey State Contract No. 81051 which is due to expire February 28, 2014. Funds have been depleted and the Maintenance Department is requesting the authorized contract amount be increased by \$30,000.00 to purchase essential HVAC materials through the expiration of the State Contract.

This contract was 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).

Accordingly, approval is requested to increase the authorized amount of Contract No. 1658 by \$30,000.00 for a new total authorized amount of \$175,000.00, subject to funding availability at the time of order.

472-12-2013

In a document dated November 22, 2013, **International OEM Repair Parts Modification, Ransome International, LLC, RM-104566 / Contract No. 1269A, Budget Code: Various, State Contract No. 73707 expiring 3/17/14, Requested Amount: \$ 40,000.00**, was

approved.

In December 2009, the Authority awarded a contract to Ransome International, LLC to supply International OEM parts for vehicle repairs. This contract includes, but is not limited to, items such as starters, alternators, and brake parts. The State Contract has been extended through March 17, 2014. The Maintenance Department has requested an increase to Contract No. 1269A in the amount of \$40,000.00 as additional funds are required to purchase necessary OEM repair parts through the remaining term of the contract.

This contract was procured under State Contract No. 73707 in accordance with N.J.A.C. 19:9-2.5(a), promulgated pursuant to N.J.S.A. 27:23-1 et seq., the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to increase the authorized amount of Contract No. 1269A by \$40,000.00, for a new total authorized amount of \$480,894.78, subject to funding availability at the time of order.

473-12-2013

In a document dated November 26, 2013, Dodge/Chrysler OEM Repair Parts (Modification), Dick Greenfield Dodge, Inc., RM-104890, Contract No. 1774, Budget Code: Various, State Contract No. 79170 expiring 6/25/14, Requested Amount: \$15,000.00, was approved.

In December 2012, the Authority awarded a contract to Dick Greenfield Dodge, Inc. to supply Dodge Chrysler OEM parts for vehicle repairs. This contract includes, but is not limited to, items such as starters, alternators, and brake parts. The State Contract has been extended through June 25, 2014. The Maintenance Department has requested an increase to Contract No. 1774 in the amount of \$15,000.00 as additional funds are required to purchase necessary OEM repair parts through the remaining term of the contract.

This contract was procured under State Contract No. 79170 in accordance with N.J.A.C. 19:9-2.5(a), promulgated pursuant to N.J.S.A. 27:23-1 et seq., the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to increase the authorized amount of Contract No. 1774 with Dick Greenfield Dodge, Inc. by \$15,000.00, for a new total authorized amount of \$40,000.00 subject to funding availability at the time of order.

474-12-2013

In a document dated November 26, 2013, **Gasboy Fuel System Parts and Repair (Modification), Whitemarsh Corporation, RM-104878 / Contract No. 1263, Budget Code: Various, State Contract No. 75548 expiring 5/31/14, Requested Amount: \$25,000.00**, was approved.

In December 2009, the Authority awarded a contract to Whitemarsh Corporation for the supply of Gasboy fuel tank system parts and repairs. This contract includes, but is not limited to, items such as meter calibrations, leak detection, and replacement parts at 14 Gasboy fuel dispensing locations on both roadways. The State Contract has been extended through May 31, 2014. The Maintenance Department has requested an increase to Contract No. 1263 in the amount of \$25,000.00 as additional funds are required to purchase necessary parts and repairs through the remaining term of the contract.

This contract was procured under State Contract No. 75548 in accordance with N.J.A.C. 19:9-2.5(a), promulgated pursuant to N.J.S.A. 27:23-1 et seq., the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to increase the authorized amount of Contract No. 1263 with Whitemarsh Corporation by \$25,000.00, for a new total authorized amount of \$115,000.00 subject to funding availability at the time of order.

475-12-2013

In a document dated November 22, 2013, **Portable Sanitation Units (Modification), Mercer Group International of NJ, Inc., RM-104869 / Contract No. 1684, Budget Code: Various, State Contract No. 78498 expiring 2/28/14, Requested Amount: \$ 40,000.00**, was approved.

On June 25, 2012 the Authority awarded a contract to Mercer Group International of NJ, Inc. for the rental of portable sanitation units for facilities on both Authority roadways. The funds in Contract No. 1684 have been depleted due to extensive damage and on-going repair work to sewage facilities at Turnpike Interchange 15E and Service Area 10N, respectively, from Super Storm Sandy. Thus, the Maintenance Department has requested that funds for Contract No. 1684 be increased by \$40,000.00.

The requisition was procured under New Jersey State Contract No. 78498 in accordance with N.J.A.C. 19:9-2.5(a), promulgated pursuant to N.J.S.A. 27:23-1 et seq., the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with

the State of New Jersey.

Accordingly, approval is requested to increase Contract No. 1684 with Mercer Group International of NJ, Inc. by \$40,000.00, bringing the total authorized amount to \$125,000.00, subject to funding availability at the time of service.

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SOLE SOURCE

476-12-2013

In a document dated December 3, 2013, **CapEx Manager Software Maintenance Enhancements and License Renewal, CapitalSoft, Inc., RM-104799, Budget Code: 010 00 830 121020, Amount: \$350,000.00 (\$300,000 for Maintenance and \$50,000 for License Renewal)**, was approved.

Authorization is requested to award a sole source contract to CapitalSoft, Inc. for software maintenance, enhancements and license renewal. This CapEx software is used by the Authority's Engineering Department and is a program management tool that allows for the efficient management of construction contracts, OPS agreements, and tracking of the Authority's Capital Program. It is also used in conjunction with the Authority's electronic bidding software, Bid Express ("Bid-Ex"). The Authority has authorized annual awards of sole source contracts to CapitalSoft, Inc. for the license renewal and annual maintenance fees since 2007.

Under this renewal, CapitalSoft, Inc. will be retained to upgrade the software including but not limited to: 1) electronic access for OPS consultants to submit invoices for approval and payment; 2) electronic submission of prequalification documents, insurance and salary rates; 3) programming requirements for the integration of the pre-construction module from Bid-Ex into CapEx; 4) the annual software license renewal for the five month period August 1, 2014 through December 31, 2014. These enhancements will streamline and provide efficiencies to the current process. It will also allow maintenance, general upgrades and license renewals to run concurrently for 2015.

CapEx Software is proprietary to CapitalSoft, Inc. which is the publisher and holder of all copyrights. CapitalSoft, Inc. is the only vendor which has access to the source code needed to debug, improve, maintain and solve CapEx software problems. Thus, no other vendor is capable of providing the services required under the annual maintenance agreement.

Thus, it is recommended that the license renewal and maintenance for CapEx Manager software be procured without public advertisement as a sole source exception to the public bidding laws and consistent with Executive Order No. 37. Accordingly, authorization is requested to award a sole source contract to CapitalSoft, Inc. for the annual license renewal and maintenance services in an amount not to exceed \$350,000.00 for the period January 1, 2014 through December 31, 2014. The award will be made under the sole source procurement

authorization of N.J.A.C. 19:9-2.2(d)1 as promulgated under N.J.S.A. 27:23-6.1. A resolution as required by N.J.A.C. 19:9-2.2(d)1 is attached hereto.

RESOLUTION FOR SOLE SOURCE PROCUREMENT

CAPEX MANAGER SOFTWARE MAINTENANCE AND LICENSE RENEWAL

WHEREAS, in an effort to more efficiently manage the Authority's Capital Program, the Engineering Department utilizes CapEx Manager (the "Software") and;

WHEREAS, the Integrated Technology Services Department has requisitioned the annual license renewal and maintenance services to continue utilizing the Software for the period January 1, 2014 through December, 2014; and

WHEREAS, CapitalSoft, Inc. is the publisher, holder of all copyrights and exclusive distributor of the Software and, therefore, the Software is of a unique and confidential nature that will not admit a generic or standard specification for procurement through competitive solicitation by public advertisement; and

WHEREAS, the annual renewal of the software and maintenance can only be procured from CapitalSoft, Inc. at a cost not to exceed \$350,000.00; and

WHEREAS, the Authority's regulations pursuant to N.J.A.C. 19:9-2(d)1 promulgated under N.J.S.A. 27:23-6.1 permits sole source procurement when only one source for the required product exists.

NOW, THEREFORE, BE IT RESOLVED THAT the Authority's Commissioners hereby authorize and approve the award of a contract to CapitalSoft, Inc. for the annual software maintenance and license renewal of CapEx Manager in an amount not to exceed \$350,000.00, as a sole source exception to procurement by public advertisement permitted by N.J.A.C. 19:9-2.2(d)1 promulgated under the Authority's enabling legislation, N.J.S.A. 27:23-6.1.

477-12-2013

In a document dated December 6, 2013, **Digital Microwave Support, DragonWave, Inc. RM-104800, Budget Code: Various, Amount: \$50,000.00 (aggregate 3-Year Term)**, was approved.

The Integrated Technology Services Department requisitioned a three-year contract to provide warranty coverage and technical support of the DragonWave hardware, the Authority's digital microwave system. Under this contract, DragonWave, Inc. will support digital microwave equipment that was procured in 2009. The microwave equipment serves as a backup to the Authority's fiber network.

As the manufacturer of the hardware, DragonWave, Inc. is the sole provider of warranty coverage, and technical support of its products. Software enhancements and technical support are distributed solely by DragonWave, Inc., and no other company can provide a similar service.

Accordingly, authorization is requested to award a contract to DragonWave, Inc. for the warranty coverage and technical support to the Authority's digital microwave system in an amount not to exceed \$50,000.00 for the period January 1, 2014 through December 31, 2017, subject to funding availability at the time of service. The award will be made under the sole source procurement authorization of N.J.A.C. 19:9-2.2(d)1, as promulgated under N.J.S.A. 27:23-1 et seq., and Executive Order No. 37 (Corzine 2006). A resolution, as required by N.J.A.C. 19:9-2.2(d) 1, is attached hereto.

RESOLUTION FOR SOLE SOURCE PROCUREMENT

Digital Microwave Extended Warranty and Support

WHEREAS, the Integrated Technology Services Department has requisitioned a three-year warranty and support contract of digital microwave hardware for the period January 1, 2014 through December 31, 2017; and

WHEREAS, DragonWave, Inc. is the sole manufacturer of the digital microwave hardware installed and is the only vendor capable of providing all services, repairs and upgrades to these systems; and

WHEREAS, the warranties on these units can only be procured from DragonWave, Inc. at a three-year cost not to exceed \$50,000; and

WHEREAS, the Authority's regulations, pursuant to N.J.A.C. 19:9-2(d)1 promulgated under N.J.S.A. 27:23-6.1, permit sole source procurement when only one source for the required product exists.

NOW, THEREFORE, BE IT RESOLVED THAT the Authority's Commissioners hereby authorize and approve the award of a contract to DragonWave, Inc. for the three-year extended warranty in an amount not to exceed \$50,000.00 for the period January 1, 2014 through December 31, 2017, as a sole source exception to procurement by public advertisement permitted by N.J.A.C. 19:9-2.2(d)1, promulgated under the Authority's enabling legislation, N.J.S.A. 27:23-6.1.

On motion by Commissioner Pocino and seconded by Treasurer DuPont, the Authority unanimously approved of item numbers 460-12-2013 through 477-12-2013; 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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HUMAN RESOURCES

Director of Human Resources Mary Elizabeth Garrity requested approval of item number 478-12-2013. Moved is the item as follows:

478-12-2013

In a memorandum dated December 6, 2013, **a Request for Authorization to Appoint a Replacement Committee Member to the New Jersey Turnpike Authority Employees' Deferred Compensation Plan Administrative Committee; and; Request for Authorization for the Plan Administrator, on behalf of the Restated Plan, to Execute a Custody Agreement with ING National Trust ("ING") and to Delegate to the Administrative Committee the Authority to Handle all Matters in Connection with Maintaining a Custody Agreement for Loan Documents under the Restated Plan**, was approved.

By Agenda Item 350-10-2011, the Commissioners of the Authority authorized the adoption of a Restated Employees' Deferred Compensation Plan (the "Restated Plan"). The Restated Plan provides that the Board appoint a Plan Administrator and an Administrative Committee consisting of five (5) members. By agenda item 351-10-2011, the Board appointed the initial members of the Administrative Committee; agenda item 215-06-2012 delegated to the Administrative Committee the authority to appoint a Deputy Plan Administrator, who shall act for and on behalf of the Plan Administrator in her absence.

Due to a retirement, it is necessary for the Commissioners to appoint a member to the Administrative Committee. The Authority Executive staff has recommended that Scott Carlson, Senior Benefits Manager, be appointed to the Administrative Committee, and further advises, that consistent with their delegated authority pursuant to agenda item 215-06-2012, the Administrative Committee intends to appoint Scott Carlson as Deputy Plan Administrator, who shall act for and on behalf of the Plan Administrator in her absence. This appointment will not increase the number of members on the Administrative Committee.

Additionally, the Restated Plan provided that Employees could take out and receive a loan from his or her account, subject to various limitations and the execution of loan documents (the "Loan Documents"), to be held in trust by a custodian. ING National Trust ("ING") has agreed to receive and hold the Loan Documents on behalf of those participants who decide to make such a loan, without cost to the Authority or the individual employee. The Administrative Committee has reviewed the proposed Custody Agreement and believes that execution of ING's Custody Agreement is fair and reasonable to the Authority and the Restated Plan participants

Therefore, it is requested that authorization be granted to take the steps as set forth above. It is further recommended that the Executive Director be authorized to take any actions and execute any documents that are necessary to effectuate the purpose of the above authorizations.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved of item number 478-12-2013; 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 479-12-2013. Moved is the item as follows:

479-12-2013

Director of Operations Henry Eibel requested acceptance of the **Resume of All Fatal Accidents** for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2013 through 12/09/2013; both with 2012-2013 Yearly Comparisons through November, 2013.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved item number 479-12-2013; 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 480-12-2013. Moved is the item as follows:

480-12-2013

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

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Authority unanimously accepted the reports contained in item number 480-12-2013 and received same for file.

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FINANCE

Chief Financial Officer ("CFO") Donna Manuelli requested approval of item numbers 481-12-2013 through 484-12-2013. Moved is the item as follows:

481-12-2013

In a memorandum dated December 5, 2013, **Authorization to Execute Documentation Required for Compliance with Commodity Futures Trading Commission (CFTC) and European Markets Infrastructure Regulation (EMIR) Rules Concerning Interest Rate Swap Agreements**, was approved.

At its April 16, 2013 meeting, the Authority's Board of Commissioners adopted an Interest Rate Swap Management Plan. Among other things, the Interest Rate Swap Management Plan

includes all of the written policies, procedures, and authorizations required to comply with the Federal Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") signed into law in July 2010. Dodd-Frank Commodity Futures Trading Commission Business Conduct Standards became effective May 1, 2013 and affect all municipal issuers with interest rate swap agreements. Dodd-Frank applies to all interest rate swap transactions including new trades, amendments, assignment/novation and terminations, and defines interactions, disclosures and representations between issuers, their advisors and swap dealers. In addition, the Board of Commissioners appointed First Southwest Company as the Authority's Qualified Independent Representative ("QIR") under its current financial advisory contract with the Authority. The Executive Director was delegated the authority to execute all documents and agreements required for Dodd-Frank compliance, including the International Swaps and Derivatives Association August 2012 Dodd-Frank Protocol, and related schedules and supplements, for each existing and any new interest rate swap dealer relationship.

Subsequently, as part of Dodd-Frank, the Commodity Futures Trading Commission (CFTC) adopted three final rules effective July 1, 2013. To comply with these rules, the Authority's QIR, has recommended that the Authority adopt the International Swap Dealers Association (ISDA) March 2013 Protocol, also referred to as the Dodd-Frank Protocol 2.0, which adds notices, representations and covenants responsive to Dodd-Frank requirements that must be satisfied at or prior to the time that interest rate swap transactions are offered and executed. The Dodd-Frank Protocol 2.0 also includes bilateral delivery requirements, including a Protocol Questionnaire, to allow counterparties to make certain elections related to their swap trading relationship under Dodd-Frank.

In addition, European Markets Infrastructure Regulation (EMIR) rules became effective September 1, 2013 and apply to any European Interest Rate Swap Counterparties. The EMIR rules are similar but not identical to the Dodd-Frank rules, and cover the clearing and reporting of Interest Rate Swap transactions. Currently, the Authority has Interest Rate Swap Agreements with Barclays Bank PLC (Barclays). Barclays is subject to the EMIR rules. Compliance with the EMIR rules is required for new and existing Interest Rate Swap Transactions. To comply with the EMIR rules, the Authority's QIR has recommended that the Authority enter into Barclays EMIR bilateral agreement.

Based upon the recommendations of the Authority's QIR, the federal requirement to comply with Dodd-Frank, and the requirements to comply with EMIR rules, approval is requested to delegate to the Executive Director the authorization to execute all documents and agreements required for Dodd-Frank compliance, including the ISDA March 2013 Dodd-Frank Protocol, and related schedules, questionnaires and supplements, for each existing and any new or potential Interest Rate Swap dealer relationship. In addition, approval is requested to delegate to the Executive Director the authorization to execute the Barclays EMIR bilateral agreement to comply

with EMIR rules which became effective September 1, 2013. There are no changes required to be made to the Authority's Interest Rate Swap Management Plan, adopted April 16, 2013.

482-12-2013

In a memorandum dated December 5, 2013, **Recommendation to Authorize Annual Assessment for the Governor's Authorities Unit for Fiscal Year 2014, Account No.: 010-890-44530, Amount: \$59,146.70**, was approved.

The New Jersey Turnpike Authority has received its assessment from the Office of Governor for an annual fee of \$59,146.70 for the Governor's Authorities Unit. The Governor's Authorities Unit was established in Fiscal Year 1987 as the designee for advisory services as statutory executor of policy implementation for the State's authorities. The Governor's Authorities Unit budget, in turn, is funded through annual assessments of all the State's authorities. The annual assessment reflects the costs incurred by the Governor's Authorities Unit in fulfilling its oversight responsibility.

Therefore, it is requested that approval be granted to make payment in the amount of \$59,146.70 to the State of New Jersey, which amount represents the New Jersey Turnpike Authority's annual assessment for the fiscal year July 1, 2013 to June 30, 2014. Funds for this assessment are budgeted in Operating Budget Account 010-890-445030.

483-12-2013

In a memorandum dated December 9, 2013, **Authorization to Amend Cost Sharing Agreements with the State, acting through the Commissioner of Transportation relating to (i) the Replacement of St. Paul's Avenue Viaduct in Jersey City; (ii) Structural Repairs to Route 495/Routes 1 & 9/Paterson Plank Road Bridge; and (iii) Structural Repairs to Route 46/Hackensack River Bridge**, was approved.

At the January 28, 2009 meeting, the Authority's Board of Commissioners authorized a Cost Sharing Agreement with the State, acting through the Commissioner of the New Jersey Department of Transportation (NJDOT) whereby the Authority agreed to contribute \$120,000,000 towards its share of allowable project costs related to the replacement of the St. Paul's Avenue Viaduct in Jersey City, which is a feeder road to the New Jersey Turnpike. The Authority's contribution was then increased to \$140,000,000 and authorized at the March 24, 2009 Board of Commissioners meeting. A Cost Sharing Agreement for the replacement of the St. Paul's Avenue Viaduct in Jersey City was executed and all payments by the Authority to the State have been made.

At the July 27, 2010 meeting, the Authority's Board of Commissioners authorized, among other things, a Cost Sharing Agreement with the State, acting through the Commissioner of NJDOT whereby the Authority agreed to contribute \$62,605,000 for structural repairs to Route

495/Routes 1&9/Paterson Plank Road Bridge, which is a feeder road to the New Jersey Turnpike. The Authority's contribution to this project was then increased by \$16,295,000 to \$78,900,000 and authorized at the July 28, 2011 Board of Commissioners meeting. At this same meeting, the Board of Commissioners authorized the elimination of a Cost Sharing Agreement between the Authority and the State, acting through the Commissioner of NJDOT for the reconstruction of Route 78, Milepost 53.7 to 58.5 in the amount of \$16,295,000. A Cost Sharing Agreement for structural repairs to Route 495/Routes 1&9/Paterson Plank Road Bridge was executed and all payments by the Authority to the State have been made.

At the July 27, 2010 meeting, the Authority's Board of Commissioners also authorized, among other things, a Cost Sharing Agreement with the State, acting through the Commissioner of NJDOT whereby the Authority agreed to contribute \$18,400,000 for structural repairs to the Route 46/Hackensack River Bridge, a feeder road to the New Jersey Turnpike. A Cost Sharing Agreement was executed and all payments by the Authority to the State have been made.

The Authority has been advised by the State that it was able to fund a portion of the replacement of the St. Paul's Avenue Viaduct in Jersey City with other resources. In addition, the State has advised that it will be able to fund the Route 495/Routes 1&9/Paterson Plank Road project and the Route 46/Hackensack River Bridge project with other resources. Based on this, the State has requested that the Authority amend the agreement for the replacement of the St. Paul's Avenue Viaduct to allow any remaining funds to be used on alternate feeder road projects. In addition, the State has requested that the Authority amend the Route 495/Routes 1&9/Paterson Plank Road project and the Route 46/Hackensack River Bridge project to allow the funds to be used for any state transportation purpose, consistent with the language contained in the Authority's Transportation Capital Plan agreement with the Treasurer of the State of New Jersey.

The payments made for the St. Paul's Avenue Viaduct project were funded from bond proceeds. The payments made for the Route 495/Routes 1&9/Paterson Plank Road project and the Route 46/Hackensack River Bridge project were paid from the Authority's General Reserve Fund.

The Authority's outside bond counsel has reviewed these requests and has advised that the amendments are permitted under the Authority's Turnpike Revenue Bond Resolution adopted on August 20, 1991, as amended and supplemented, and, with regard to the St. Paul's Avenue Viaduct project, will not adversely affect the tax-exempt status of any related outstanding bonds of the Authority. All payments required to be made by the Authority under the three subject agreements have been made, and no additional payments are required. Based upon these factors, approval is requested to authorize the Executive Director to enter into the above-described amendments of the agreements to reflect the changes described above.

484-12-2013

Chief Financial Officer Donna Manuelli presented the **Financial Summary** for the eleven (11) months ended November 30, 2013.

On motion by Treasurer DuPont and seconded by Commissioner Hodes, the Authority unanimously approved of item number 481-12-2013 through 483-12-2013; 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 Becht, the Authority unanimously approved of item number 484-12-2013; 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 485-12-2013 through 486-12-2013. Vice Chairman Gravino thanked ED Hakim and COO O'Hern for their efforts with Academy to increase bus service for the public. O'Hern stated that Lot 10 at the Arts Center has been very popular with commuters and the agreement is a win for all parties involved. Moved are the items as follows:

485-12-2013

In a memorandum dated December 9, 2013, **Authorization to Amend License Agreement with Academy Lines, LLC, to Permit Academy to Provide Bus Services to Lot 10 at the Arts Center**, was approved.

The New Jersey Turnpike Authority ("Authority") and Academy Lines, LLC ("Academy") are parties to a License Agreement, dated as of October 3, 2006 (the "License Agreement"). Pursuant to the License Agreement, Academy operates bus services from various locations along the Garden State Parkway, including the Arts Center South Overflow Parking Lot.

In October of 2012, Superstorm Sandy damaged commuter train lines. Consequently, Academy began running temporary commuter bus service from Lot 10 at the Arts Center ("Arts Center Lot 10"), which is in close proximity to the Arts Center South Overflow Parking Lot. Since that time, demand for bus service from Arts Center Lot 10 has remained strong.

To ensure the safe operation of commuter bus activity at the Arts Center Lot 10 and to further ensure that commuter bus activity does not interfere with events at the PNC Bank Arts Center, Academy desires to license Arts Center Lot 10 from the Authority consistent with the terms and conditions set forth in the License Agreement, as well as some additional conditions. One of the primary additional conditions is that retroactive to January 1, 2013, Academy will remit to the Authority a monthly license of six thousand seven hundred and forty-four dollars and eighty

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three cents (\$6,744.83). Academy will also remit three hundred and twenty-four thousand dollars (\$324,000.00) to the Authority for needed capital improvements to Arts Center Lot 10.

Therefore, authorization is respectfully requested to delegate to the Executive Director the authority to amend the License Agreement with Academy to permit Academy to provide bus services to Lot 10 at the Arts Center based on the parameters set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

486-12-2013

In a memorandum dated December 9, 2013, **Recommendation to enter into Funding Agreement with HMSHost to Construct a New Restaurant Facility at Grover Cleveland Service Area**, was approved.

The New Jersey Turnpike Authority ("Authority") owns twelve (12) service areas on its property along the New Jersey Turnpike ("Turnpike"). Pursuant to an Operating Agreement dated September 21, 2000, and as amended on December 19, 2007 and August 6, 2013, HMSHost Tollroads, Inc., f/k/a HMSHost Corporation, ("HMSHost"), is authorized and obligated to operate and maintain the Restaurants in the Turnpike service areas.

As a result of Superstorm Sandy in October of 2012, the Grover Cleveland Service Area, which is located at milepost 92.9 on the northbound side of the Turnpike in Woodbridge Township, New Jersey, suffered substantial damage. Since that time, the restaurant facility and its amenities at the Grover Cleveland Service Area have been unavailable to the traveling public. Due to the extensive damage to the restaurant facility, the appropriate course of action is to demolish the existing restaurant facility and build a new facility. The Authority and HMSHost have pursued and continue to pursue their respective insurance carriers for the losses and damages incurred at the Grover Cleveland Service Area. To date, however, no agreement has been reached, and no insurance monies have been made available to either party to fund, in whole or in part, the construction of a new Restaurant facility.

Notwithstanding the pending discussions between the parties and their carriers regarding such parties' obligations to pay for such losses and damages, the Authority has determined that there should be no further delay of the construction of a new restaurant facility at the Grover Cleveland Service Area for the convenience of the motoring public traveling the Turnpike. Therefore, the Authority is seeking authorization to fund the construction of a new restaurant facility at the Grover Cleveland Service Area and direct HMSHost to undertake the permitting, design, and construction of a new restaurant facility. The Authority estimates that the cost of this project should not exceed eight million dollars (\$8,000,000.00).

Thus, authorization is respectfully requested to delegate to the Executive Director the

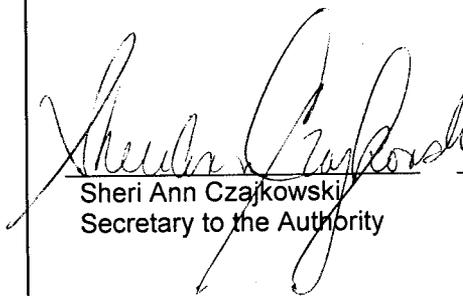
authority to enter into an agreement with HMSHost whereby the Authority will fund the construction a new restaurant facility at the Grover Cleveland Service area in an amount not to exceed eight million dollars (\$8,000,000.00) based on the parameters set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved of item number 485-12-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

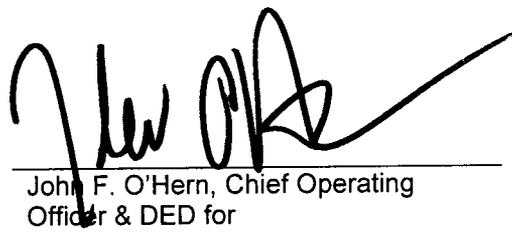
On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved of item numbers 486-12-2013 and 486-12-2013; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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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 10:12 a.m., to meet on Tuesday, January 28, 2014, at 9:30 A.M.


Sheri Ann Czajkowski
Secretary to the Authority

December 17, 2013
Dated


John F. O'Hern, Chief Operating
Officer & DED for

Veronique Hakim, Executive Director

John O'Hern for
UH
12/17/13