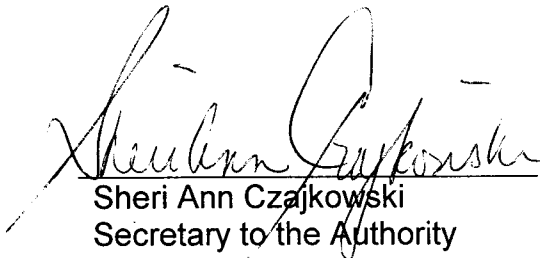


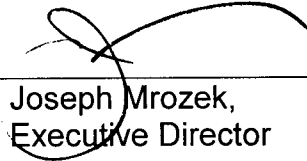
**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, Joseph Mrozek, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such, **Executive Director** certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the **August 30, 2016** 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 30th day of August, 2016.**

ATTEST:


Sheri Ann Czajkowski
Secretary to the Authority

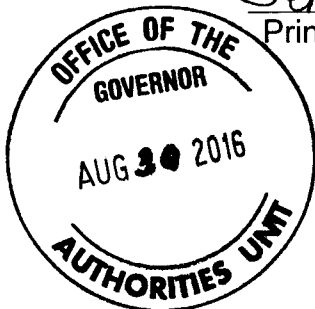

Joseph Mrozek,
Executive Director

Corporate Seal

Date: August 30, 2016

**Received in the Governor's Office August 30, 2016
(hand delivered)**

Received by: Jenne Marie Joseph L. Maro
Print Name Signature



Veto Period Ends:

September 14, 2016
(Write in the date the veto period ends)

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

Tuesday, August 30, 2016

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

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PRESENT

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

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ALSO PRESENT

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

Also present were: Governors' Authorities Unit Representatives Lisa LeBoeuf; additional individuals consisting of other NJTA employees; interested organizations; the general public; and from the media: New Jersey Advance Media.

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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.

Executive Director Mrozek takes Roll Call:

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

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EXECUTIVE SESSION

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

- Litigation

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

Executive Session was adjourned at 9:35 a.m.; Chairman Hammer resumed the public portion of the meeting.

Executive Director Mrozek takes Roll Call:

1. Chairman Hammer
2. Vice Chairman Gravino
3. Treasurer DuPont
4. Commissioner Pocino
5. Commissioner Becht
6. Commissioner Minella

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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 July 26, 2016; he did not exercise his power to veto any items in those minutes.

Upon motion made by Treasurer DuPont seconded by Commissioner Becht 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 is recusing from items 289 thru 297

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PUBLIC COMMENT

None.

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EXECUTIVE DIRECTOR'S COMMENTS

None.

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COMMISSIONER’S COMMENTS

None.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 283-08-2016. Moved is the item as follows:

283-08-2016

Human Resources Director Garrity submitted the Personnel Agenda, dated August 30, 2016, 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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ROLL CALL

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

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LAW

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General Counsel Bruce Harris requested approval of item numbers 284-08-2016 through 288-08-2016. Moved are the items as follows:

284-08-2016

In a memorandum dated August 16, 2016, request for Authorization to Amend Authority Regulations N.J.A.C. 19:9-3.1 and 3.2 to Increase Towing and Road Service Fees, was approved.

Pursuant to the Authority’s enabling legislation, N.J.S.A. 27:23-5(s), the Authority has the power to adopt regulations to “fix maximum towing and storage fees” for towing and storage services on a highway project. The Authority’s current maximum routine towing and road service fees, as set forth at N.J.A.C. 19:9-3.1 and 3.2, have remained unchanged for twelve years.

The proposed amendments were originally approved by the Board of Commissioners in September 2015 under Agenda Item No. 373-09-2015, and published for notice and comment in the New Jersey Register on November 16, 2015 at 47 N.J.R. 2750(a). The proposed

amendments provided for an increase in the maximum service charge for routine towing services for Class 1 vehicles (under 6,999 pounds registered GVW) from \$60 to \$72, and increase the maximum charge for towing service on the New Jersey Turnpike and Garden State Parkway for Class 1 vehicles from \$2.00 to \$3.50 per mile, up to a maximum of \$107.00. The proposed amendments also fixed maximum towing fees for routine towing services that begin on one of the roadways and continue off the roadway to a location other than an Authority-authorized garage facility ("Alternate Destination Tows"), and increased the maximum road service charge on the New Jersey Turnpike and Garden State Parkway to \$60.00, from the current maximum charge of \$30.00.

The Authority received nine (9) comments on the proposed amendments from eight (8) of the Authority's current towing service providers and from the Garden State Towing Association. All of the commenters objected to the Authority's proposal to regulate Alternate Destination Tows. In response to the comments, the Authority has re-proposed the amendments to N.J.A.C. 19:9-3.1 and 3.2 with clarifications. Specifically, the re-proposed amendments make clear that the maximum fees for Alternate Destination Tows do not apply when the tows continue off the Roadway and terminate outside of the State of New Jersey, and further do not apply to Class 3 vehicles; that is, tractor trailers, buses (15,000 pounds or more registered gross vehicle weight), or any vehicle requiring the use of a Landoll tractor trailer. The specific re-proposed amendments are attached hereto.

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

OTHER AGENCIES

NEW JERSEY TURNPIKE AUTHORITY

Reproposed Amendments: N.J.A.C. 19:9-3.1 and 3.2

Authorized By: New Jersey Turnpike Authority

Authority: N.J.S.A. 27:23-5(s)

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number:

Submit written comments by _____ to:

General Counsel

New Jersey Turnpike Authority

P.O. Box 5042

Woodbridge, New Jersey 07095-5042

The agency reproposal follows:

Summary

The New Jersey Turnpike Authority (the "Authority") repropose to amend its rules at N.J.A.C. 19:9-3.1 and 3.2 to increase the allowable fees that may be charged by service providers for routine towing services and road service on the New Jersey Turnpike and Garden State Parkway. Pursuant to the Authority's enabling legislation, N.J.S.A. 27:23-5(s), the Authority has the power to adopt regulations to "fix maximum towing and storage fees" for towing and storage services on a highway project. The Authority's current maximum routine towing and road service fees have remained unchanged since 2004, despite the significant increase in fuel and other costs since that time.

The proposed amendments were originally proposed in the New Jersey Register on November 16, 2015 at 47 N.J.R. 2750(a). During the public comment period on the original notice of proposal, the Authority received nine (9) comments on the proposed amendments, from eight (8) of the Authority's current towing service providers and from the Garden State Towing Association. All of the commenters objected to the Authority's proposal to regulate "alternate destination tows"; that is, towing jobs that begin on the Authority's Roadways but end, by agreement between the tower and patron, at a location other than an Authority-approved garage facility. Further, the commenters expressed concern that the new proposed maximum fees remained too low, and several commenters also requested that the Authority raise the maximum fees for extra heavy duty towing services, which fees were not the subject of the original proposal.

In response to the comments, the Authority has repropose amendments to its rules at N.J.A.C. 19:9-3.1 and 3.2. The Authority has clarified its proposed amendment regarding maximum fees for "alternate destination tows" to make clear that such fees do not apply when the tows continue off the Roadway and terminate outside of the State of New Jersey. The Authority has further made clear in its reproposal that such fees for "alternate destination tows" do not apply to Class 3 vehicles; that is, tractor trailers, buses (15,000 pounds or more registered gross vehicle weight), or any vehicle requiring the use of a Landoll tractor trailer.

However, upon review, the Authority does not believe it is appropriate to raise the maximum fees for routine towing and road services beyond what was originally proposed, nor does the Authority believe that is appropriate at this time to raise the maximum fees for extra

heavy duty towing and recovery services set forth in N.J.A.C. 19:9-3.1(a)(4). The increased routine towing and road service rates as proposed by the Authority will bring the fees paid by Authority patrons for such services consistent with the fees charged by towers under contract to other transportation agencies in the region.

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

A summary of the proposed amendments follows:

The amendments proposed to N.J.A.C. 19:9-3.1(a)(1) provide for an increase in the maximum service charge for routine towing services for Class I vehicles (under 6,999 pounds registered GVW) from \$60 to \$72, and increase the maximum mileage charge from \$2.00 to \$3.50 per mile, up to a maximum of \$107.00. In addition, the amendments proposed to N.J.A.C. 19:3.1(a)(1) propose a new subsection (i)(2) to fix maximum towing fees for routine towing services of Class 1 vehicles that begin on the New Jersey Turnpike or Garden State Parkway and continue off that roadway to locations other than an Authority-authorized garage facility. However, this new subsection (i)(2) shall not apply to towing services that terminate outside of the State of New Jersey.

The amendments proposed to N.J.A.C. 19:9-3.1(a)(2) provide for an increase in the maximum service charge and mileage charge for routine towing services for Class 2 vehicles (straight truck (up to 14,999 pounds GVW), car with trailer, or trailer without car) from \$100 to \$132, and mileage charge from \$3.00 to \$4.00 per mile, up to a maximum of \$172.00. In addition, the amendments proposed to N.J.A.C. 19:3.1(a)(1) propose a new subsection (i)(1)(b) to fix maximum towing fees for routine towing services of Class 2 vehicles that begin on the New Jersey Turnpike or Garden State Parkway and continue off that roadway to locations other than an Authority-authorized garage facility. However, this new subsection (i)(1)(b) shall not apply to towing services that terminate outside of the State of New Jersey.

In addition, the amendments proposed to N.J.A.C. 19:3.1(a)(2) provide for a twenty percent increase in the maximum fees for additional charges related to towing Class 2 and 3 vehicles, and provide for a clarification of the section, without altering its meaning, to make clear the difference in maximum rates as they apply to Class 2 and Class 3 vehicles.

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

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

The amendments further repropose amending N.J.A.C. 19:9-3.2(a) and (b) to increase

the maximum road service charge on the New Jersey Turnpike and Garden State Parkway to \$60.00, from the current maximum charge of \$30.00.

Social Impact

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

Economic Impact

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

Federal Standards Statement

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

Jobs Impact

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

Agriculture Industry Impact

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

Regulatory Flexibility Analysis

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

Housing Affordability Impact

The rules repropoed for amendment will have no impact on affordable housing in New Jersey and there is no likelihood that the rules would evoke a change in the average costs

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associated with housing because the rules reposed for amendment concern routine towing services on the New Jersey Turnpike and Garden State Parkway.

Smart Growth Impact

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

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

SUBCHAPTER 3: FEES

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

(a) Towing rates charged by Authority-authorized companies on the Roadway, pursuant to contracts entered into after [June 15, 2004] **the effective date of this rule** shall not exceed the following rates or such rates as may be approved and amended by the members of the Authority from time to time in accordance with P.L. 2003, c.79 (N.J.S.A. 27:23-42b(7)) or with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the rules on agency rulemaking, N.J.A.C. 1:30:

1. Class 1 Vehicles (under 6,999 pounds registered gross vehicle weight (GVW) for the purpose of towing rates only):
 - i. Service charge of [\$60.00] **\$72.00**; plus
 - [ii.] **(1)** [\$2.00]**\$3.50** per mile on the Roadway, up to a maximum **fee to tow the vehicle to the Authority-authorized garage facility**, including the service charge, of [\$80.00]**\$107.00**; and
 - (2) for tows that continue off the Roadway to locations other than an Authority-authorized garage facility, \$3.50 per mile on the Roadway, plus \$10.00 per mile for the first mile off the Roadway, and \$7.50 per mile for each additional mile off the Roadway, except that this section shall not apply to tows that terminate outside the State of New Jersey.**
2. Other classes of vehicles (7,000 pounds and over registered GVW):
 - i. **Class 2 Vehicles (for the purpose of towing rates only, straight truck (up to 14,999 pounds gross vehicle weight), car with trailer, or trailer without car):**
 - [i.] **(1)** Service charge of [\$100.00] **\$132.00** [for straight truck (up to 14,999 pounds gross vehicle weight), car with trailer, or trailer without car and \$250.00 for tractor trailer, bus (15,000 pounds or more registered gross vehicle weight)]; plus

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

b. for tows that continue off the Roadway to locations other than an Authority-authorized garage facility, **\$4.00 per mile on the Roadway, \$10.00 per mile for the first mile off the Roadway, and \$8.00 per mile for each additional mile, except that this section shall not apply to tows that terminate outside the State of New Jersey.**

ii. **Class 3 Vehicles (for the purpose of towing rates only, tractor trailer, bus (15,000 pounds or more registered gross vehicle weight), or any vehicle requiring the use of a Landoll tractor trailer:**

(1) **Service charge of \$ 250.00; plus \$ 5.00 per mile on the Roadway, up to a maximum, including the service charge, of \$ 300.00.**

iii. **Where applicable, the following additional fees may be charged for services to Class 2 or 3 vehicles:**

[iii.](1) [An additional charge of \$25.00]**\$30.00** for connecting air lines and [~~\$25.00~~]**\$30.00** for connecting lights;

[iv.](2) [An additional charge of \$45.00]**\$54.00** for disconnecting drive shaft on all trucks;

[v.](3) [An additional charge of \$40.00]**\$48.00** per axle for removing an axle; and

[vi.](4) [Additional charge of \$45.00]**\$54.00** for removing an air scoop.

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

i. [~~\$60.00~~]**\$80.00** per hour for a light wrecker; and

ii. [~~\$100.00~~]**\$130.00** per hour for a heavy wrecker.

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

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

i. **\$250.00 per hour for specialized equipment, including but not limited to, [Landoll hydraulic trailer with tractor or]Oshkosh box trailer with tractor.**

ii. **\$450.00 per hour for Rotator 60-ton capacity and up, and for 50 ton construction crane.**

(b) **No change.**

19:9-3.2 Road service rates on the Roadway

(a) Road service rates on the Turnpike for Class 1 vehicles charged by Authority-authorized service companies pursuant to contracts entered into after [June 15, 2004] **the**

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effective date of this rule shall conform with the following rates or such rates as may be approved and amended by the members of the Authority from time to time in accordance with P.L. 2003, c.79 (N.J.S.A. 27:23-42b(7)) or with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the rules on agency rulemaking, N.J.A.C. 1:30:

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

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

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

285-08-2016

In a memorandum dated August 18, 2016, **a Recommendation Authorization to enter into an Agreement with Evergreen Environmental, LLC to Purchase a Conservation Easement for Garden State Parkway Interchange 0 Project Garden State Parkway, Township of Dennis, County of Cape May, Amount: \$180,000.00,** was approved.

The Authority is currently undertaking an improvements project at Interchange 0 on the Garden State Parkway (the "Project"), which includes modifications to the interchange to address safety issues and to accommodate current and future traffic volumes. In accordance with the environmental permit issued for the Project by the New Jersey Department of Environmental Protection ("NJDEP"), the Authority must comply with certain wetlands mitigation requirements, including riparian zone mitigation.

EREH, LLC ("EREH"), an affiliate of Evergreen Environmental, LLC ("Evergreen"), owns a 24.54 acre site known as the Townsend Sound Mitigation Site located on Block 269, Lot 2 on the tax map of Dennis Township, Cape May County (the "Townsend Site") which is made up of wetland and upland with tidal marsh and forest components. NJDEP has determined that the Townsend Site is acceptable to mitigate for various Project environmental impacts to comply with the permit requirements for the Project.

Under the proposed agreement, Evergreen will cause EREH to encumber the Townsend Site with a conservation easement in a form acceptable to both the Authority and NJDEP to satisfy the environmental permit requirements for the Project, and will later convey the Townsend Site to an appropriate governmental agency or a charitable conservancy. The Authority will pay Evergreen \$180,000.00 for these services. As the Authority will not take title to the Townsend

Site, the Authority will avoid any expenses related to the ownership of the property.

Accordingly, it is requested that Board of Commissioners delegate to the Executive Director the authority to enter into an agreement with Evergreen pursuant to the terms set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

286-08-2016

In a memorandum dated August 12, 2016, **Authorization for the Authority to renew its cyberinsurance policy for one additional year upon the same terms and conditions as the current policy, (September 15, 2016 - September 15, 2017), Renewal Amount: not to exceed \$460,065.35, Business Interruption: not to exceed \$ 66,744.00, Account No. 010-00-893-121010,** was approved.

Since 2014, the Authority, has maintained cyber liability insurance in a total limit of \$50 million to protect it from a myriad of cyber risks, which coverage expires September 15, 2016. This insurance provides the Authority protection from theft of its electronic data and other cyber-related risks, including the following: (1) Media Wrongful Act (including libel, slander and invasion of privacy); (2) Privacy and Cyber Security (claims resulting from a breach of protected confidential information); (3) Privacy Regulatory Defense, Awards and Fines (costs, such as attorneys' fees, associated with a breach of personal information and resulting governmental proceedings for an alleged violation of privacy regulations); (4) Data Recovery Expenses (costs to replace programs and data following a cyber security breach); (5) Data Breach Response and Crisis Management Costs (costs to investigate breaches, notify appropriate individuals and mitigate loss); and (6) Extortion Threat (coverage for costs to investigate and terminate a threat to commit an intentional attack against the Authority's computer system). Absent from the existing program is business interruption coverage, which would provide coverage for revenue interruption resulting from a breach in the Authority's cyber system after a 12-hour waiting period.

Willis of New Jersey, Inc. ("Willis"), the broker of record for this line, was tasked with seeking a renewal of the cyber policy with little or no increase in premium and adding business interruption coverage as an enhancement to the current coverage. Willis marketed the primary program to a number of underwriters: (1) the incumbent, XL Catlin; (2) Axis, who declined to quote; (3) AIG, whose indication was not competitive; and (4) Beazley, who provided a competitive quotation. While Beasley's price quotation was slightly lower than the incumbent, it contained a number of features, including sublimits, which were considered unacceptable to the Authority.

Based on the recommendation of Willis, and the Authority's risk management consultant, Hanover Stone Partners, LLC ("Hanover Stone"), it is recommended to renew the coverage for

one (1) year with the following carriers, upon the same terms and conditions as the current policy:

<u>Underwriter</u>	<u>Coverage</u>
XL Specialty Insurance Company	Primary \$10 million (subject to \$250,000 deductible)
Zurich American Insurance Company	\$10 million excess of \$10 million
AIG	\$10 million excess of \$20 million
Axis Insurance Company	\$10 million excess of \$30 million
Ironshore Specialty Insurance Company	\$10 million excess of \$40 million

Willis was able to negotiate no increase in premium from last year's premium of \$460,035.65. Willis and Hanover Stone also recommend that the Authority purchase the business interruption enhancement at a premium of \$66,744, for a total premium not to exceed \$526,779.65, which amount includes all New Jersey mandatory taxes and fees. After review and discussion with Hanover Stone Partners, LLC, the Authority's insurance consultant, and Willis, both recommend, and the Law Department agrees, that the Authority should renew the coverage as set forth above at the full \$50 million limit and include the business interruption coverage enhancement option.

It is therefore recommended that the Commissioners authorize renewal of cyber liability insurance with coverage as set forth above. It is further recommended that the Executive Director, after consultation with the Authority's Law Department, be authorized to execute all documents and to take any and all further actions to effectuate the renewal of the policies consistent with the intent of the recommendation.

287-08-2016

In a memorandum dated August 8, 2016, **Authorization to Settle Formal Workers' Compensation Matter - Raymond Krum v. New Jersey Turnpike Authority, Account: 10-870-405070, Amount: \$44,388.00**, was approved.

Petitioner Raymond Krum is a Turnpike Division Automotive Training Manager hired in May 1990. This recommended settlement will resolve a formal Claim Petition filed in 2015.

The petitioner is represented by Zager Fuchs, PC, located in Red Bank, NJ. The Authority is defended by Special Counsel Grant Henderson, Esq. of Capehart & Scatchard, P.A., located in Mt. Laurel, NJ. The matter is venued in the district office of New Brunswick before the Honorable Judge Dana Wilt Mayo.

The total settlement award is \$44,388.00.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Authority's Benefits Manager. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of **\$44,388.00**.

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

288-08-2016

In a memorandum dated August 5, 2016, **Authorization to Settle Formal Workers' Compensation Matter – James Miller v. New Jersey Turnpike Authority, Account: 10-870-405070, Amount: \$81,060.00**, was approved.

Petitioner James Miller is a Turnpike Division Building Maintenance Mechanic hired in September 2011. This recommended settlement will resolve a formal Claim Petition filed in 2013.

The petitioner is represented by Gill & Chamas, LLC, located in Woodbridge, NJ. The Authority is defended by Special Counsel John Geaney, Esq. of Capehart & Scatchard, P.A., located in Mt. Laurel, NJ. The matter is venued in the district office of New Brunswick before the Honorable Judge Robert Thuring.

The total settlement award is \$81,060.00.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Authority's Benefits Manager. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of **\$81,060.00**.

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

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item numbers 284-08-2016 through 288-08-2016 and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

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

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ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 289-08-2016 through 295-08-2016. Moved as a group are the items as follows:

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PUBLIC BID SOLICITATIONS – AWARD OF CONTRACTS

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289-08-2016

In a document dated August 11, 2016, **Recommendation to Award Contract No. A900.422, RM-126086, New Jersey Turnpike and Garden State Parkway, Joseph M. Sanzari, Inc., Immediate and Scheduled Repairs, Milepost 0 to 122 New Jersey Turnpike, Milepost 0 to 172 Garden State Parkway, Special Project Reserve No. 04007003 and Various Funds, Amount: \$3,000,000.00**, was approved.

Frequently the Authority must expedite emergency repair work caused by accident or deterioration. This contract will provide the Authority the ability to have immediate and scheduled construction/repair work performed on an as-needed basis. The work to be performed under this contract involves immediate and scheduled repairs to Authority facilities, including, but not limited to, bridge structures, roadways, drainage facilities, culverts, sign structures, toll plazas, etc. The limits of work extend from Mileposts 0 to 122 including the Pearl Harbor Memorial Turnpike Extension and the Newark-Bay Hudson County Extension along the New Jersey Turnpike, and Mileposts 0 to 172 along the Garden State Parkway in Salem, Gloucester, Camden, Burlington, Mercer, Middlesex, Union, Hudson, Essex, Bergen, Cape May, Atlantic, Ocean, Monmouth and Passaic Counties in New Jersey. The immediate and scheduled repairs will be as directed by the Engineering Department by work orders for a period of two years. The Executive Director will have the option to authorize a one year extension at his sole discretion.

Five bid proposals were received on July 28, 2016 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal of 4.84% may be compared to the engineer's estimate of 14.5%. These percentages represent a weighted average mark-up on the contractor's time and materials cost of performing the work. Although significantly lower than the engineer's estimate, representatives of Joseph M. Sanzari, Inc. were contacted and they have indicated that they are comfortable with their bid. Joseph M. Sanzari, Inc. was low bidder on the previous immediate and scheduled repair contract with a similar low bid and they completed that contract competently and satisfactorily. The low bidder, Joseph M. Sanzari, Inc., has previously performed work for the Authority and is considered competent to complete this contract.

This contract will be limited to \$3,000,000.00 of immediate and scheduled construction repair work. Funding for each work order will be on a task basis from an account to be determined when the need arises. The source of funds for each work order will be approved through the Work Request Authorization Form process.

It is, therefore, recommended that Contract No. A900.422 be awarded to the low bidder, Joseph M. Sanzari, Inc. of Hackensack, New Jersey in the amount of \$3,000,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection

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

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

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ORDER FOR PROFESSIONAL SERVICES (OPS)

290-08-2016

In a document dated August 8, 2016, **Recommendation to Issue Order for Professional Services No. A3622, RM-125923, New Jersey Turnpike and Garden State Parkway, CDM Smith, Inc., General Traffic Engineering Consultant Services, Non-Departmental Operating Budget 010-00-890-444030 and Various Funds, \$2,000,000.00 on-call assignments, \$61,750.00 2016, \$246,985.00 2017, \$248,215.00 2018, \$188,946.00 2019, Amount: \$2,745,896.00**, was approved.

Under this Order for Professional Services (OPS), the General Traffic Engineering Consultant will perform expert traffic engineering consultation, traffic studies and short and long term traffic revenue projections and analyses in addition to other services required of the "Traffic Engineers" by the Authority's General Bond Resolution. The consultant will also perform project specific tasks on an as-needed basis, the scope and fee for which will be negotiated as the need for such services arise. The term of the OPS is 3 years and the Executive Director will have the option to authorize up to three (3) one-year extensions.

This assignment is classified as a "Complex Project" because the fee exceeds \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and ten engineering firms were prequalified and eligible under Profile Codes: D492 - Traffic Engineering: Data Collection & Demand Modeling and D493 - Traffic Engineering: Toll Revenue & Sensitivity Analysis. Two firms submitted EOIs by the closing date of June 2, 2016.

In accordance with N.J.A.C. 19:9-2.8, since there were only two EOIs received, both of which were deemed complete, the Review Committee did not evaluate the EOIs and both firms received a Request for Technical and Fee Proposals. The Technical and Fee Proposals were received from both firms on July 11, 2016. Based on the Review Committee's review of the Technical Proposals the ranking of the firms is: 1) CDM Smith, Inc. and 2) Stantec Consulting Services, Inc. The fee submitted by CDM Smith, 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. A3622 be issued to the firm of CDM Smith, Inc. of Edison, New Jersey not to exceed the amount of \$2,745,896.00 of which \$745,896.00 is for Core Services and is being funded out of the Non-Departmental Operating Budget, allocated as follows: \$61,750.00 in 2016; \$246,985.00 in 2017; \$248,215.00

in 2018 and \$188,946.00 in 2019. The \$2,000,000.00 balance is allocated for on-call assignments which includes reimbursement of direct salaries times a maximum multiplier of 2.8 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).

291-08-2016

In a document dated August 10, 2016, **a Recommendation to Issue Supplement B to Order for Professional Services T3450, RM-125788, New Jersey Turnpike, CB&I Environmental & Infrastructure, Inc., Supervision of Construction Services for Contract No. T300.188, Improvements at Interchange 10, Ten Year Capital Program Fund No. 39003035, Original OPS Amount: \$1,610,000.00, Amount of Supplement A: \$913,000.00, Amount of Supplement B: \$786,000.00, Revised OPS Amount: \$3,309,000.00,** was approved.

This Order for Professional Services was approved at the July 2013 Commission Meeting in the amount of \$1,610,000.00 to provide for supervision of construction services for Contract No. T300.188, Improvements to Interchange 10, to ensure the contract is constructed in accordance with the Contract Plans and Specifications.

Supplement A provided additional compensation to CB&I Environmental & Infrastructure, Inc. (CB&I) for unanticipated supervision of construction and management services necessary to oversee the construction activities associated with the Interchange 10 Improvements. CB&I has also provided additional professional services to oversee Change Order and extra work incorporated into the contract by issuance of multiple Changes of Plan required to address unanticipated field conditions. The unanticipated services required and included in Supplement A resulted from a lack of construction area access, conflicts with existing utilities and proposed foundation work and significant unanticipated construction of electrical work. These issues have adversely affected the Contractor's construction schedule and critical path work causing an approximate sixteen (16) month impact to the project.

Supplement B will provide additional compensation to CB&I for additional unanticipated supervision of construction services necessary to oversee the construction activities associated with Authority issued Change of Plan No. 3 (COP No. 3). COP No. 3 was issued as a result of the unforeseen deteriorated condition of the existing concrete bridge deck of Structure No. 88.09A (Ramp TS over Turnpike Mainline). Subsequent to the removal of the pavement overlay

of Structure No. 88.09A, it was discovered that there was inadequate cover over the existing deck reinforcing steel and the bridge deck concrete was severely deteriorated. This resulted in the Authority directing the Design Engineer of Record to prepare a Change of Plan to provide for the reconstruction of a new bridge deck. Supplement B will compensate CB&I for the unanticipated supervision of construction services necessary to oversee the deck reconstruction. It will also provide for the unanticipated services required during the bridge deck field investigations and delays while COP No. 3 was being prepared. The effect of Authority issued COP No. 3 has resulted in a nine (9) month increase in time to complete the work. The net effect, due to field conditions and changes, has resulted in an overall two (2) year delay to complete the work.

It is, therefore, recommended that Supplement B to Order for Professional Services No. T3450 be issued to CB&I Environmental & Infrastructure, Inc. not to exceed the amount of \$786,000.00 with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$2,523,000.00 to \$3,309,000.00. 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.

292-08-2016

In a document dated August 17, 2016, **a Recommendation to Issue Supplement B to Order for Professional Services No. A3496, RM-125792, SJH Engineering, P.C., Supervision of Construction Services for Contract No. A200.301, Safety Improvements at Traversable Medians, Along the New Jersey Turnpike and Garden State Parkway, Ten Year Capital Program Fund No. 39002016, Original OPS Amount: \$590,000.00, Amount of Supplement A: \$330,000.00, Amount of Supplement B: \$ 130,000.00, Revised OPS Amount: \$1,050,000.00**, was approved.

This Order for Professional Services was approved at the July 24, 2013 Commission Meeting in the amount of \$590,000.00. Under the referenced OPS, SJH Engineering, P.C. is providing supervision of construction services for the above referenced contract. The work to be performed under this contract involves safety improvements at traversable medians along both the New Jersey Turnpike and Garden State Parkway.

Supplement A was issued at the August 2014 Commission Meeting in the amount of \$330,000.00 to provide additional compensation to SJH Engineering, P.C. for approximately five months of additional supervision of construction services not originally anticipated when the OPS was issued. The completion of Contract No. A200.301 was initially delayed due to lane closing restrictions, inclement weather and conflicts with other ongoing Authority contracts. Further, the Contractor had not progressed the work as scheduled. The Authority assessed liquidated damages to the Contractor for the delays they were responsible for at that time.

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In February 2015, Griffin Sign, Inc. (Griffin) defaulted on Contract No. A200.301 and no work has been performed since. The Authority's Law Department has negotiated a formal Takeover Agreement with Griffin's Surety, Berkley Regional Insurance (Berkley), who has retained a Contractor to complete the remaining work. Once work on the contract resumes, it is estimated that three months of contract supervision will be required. For more than a year, SJH Engineering, P.C. has provided support services to the Authority in its discussions and negotiations with Berkley, which has resulted in exhausting the approved funds. Supplement B will provide the necessary funds to compensate SJH Engineering, P.C. for the upcoming construction supervision services. The compensation paid to SJH Engineering, P.C. will be withheld from monies due Berkley, as work is completed as stipulated in the Takeover Agreement.

It is, therefore, recommended that Supplement B to Order for Professional Services No. A3496 be issued to SJH Engineering, P.C. not to exceed the amount of \$130,000.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$920,000.00 to \$1,050,000.00. The original contract was procured pursuant N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8.

293-08-2016

In a document dated August 4, 2016, **Recommendation to Issue Supplement C to Order for Professional Services No. P3329, RM-126156, Garden State Parkway, The RBA Group, Inc., Order for Professional Services No. P3329, Design Services for Improvements at Interchanges 41 and 44, Contract No. P300.225, Ten Year Capital Program Fund No. 39023006, Original OPS Amount: \$3,390,000.00, Amount of Supplement A: \$880,000.00, Amount of Supplement B: \$120,000.00, Amount of Supplement C: \$470,000.00, Revised OPS Amount: \$4,860,000.00,** was approved.

This Order for Professional Services was issued at the October 2010 Commission Meeting in the amount of \$3,390,000.00 to provide professional engineering services required for preliminary and final design, all environmental permitting, mitigation site investigation and post-design for interchange improvements at Jimmie Leeds Road (proposed Interchange 41) and Pomona Road (existing Interchange 44) and other related work.

Supplement A was issued at the March 2012 Commission Meeting in the amount of \$880,000.00 to compensate The RBA Group, Inc. for additional design services requested by the Authority for integrating a 1.2 mile section of mainline widening into the Interchange 41 portion of the overall project.

Supplement B was issued at the October 2014 Commission Meeting in the amount of \$120,000.00 to compensate The RBA Group for additional design services requested by the Authority for lighting design changes required of Atlantic County at Interchanges 41 and 44, and

additional post design services required due to coordination needed with recently awarded contracts P200.255 and P200.254, which will widen the Parkway from Mileposts 38 to 48.

Supplement C will compensate The RBA Group for additional design services requested by the Authority to address flooding near East Upland Avenue in Galloway Township which include the preparation of plans to improve the piping and basin within the Atlantic Service Area and the modification of recharge swales. This supplement will also compensate for services to develop an agreement between the Authority and the New Jersey Department of Environmental Protection's Office of Historic Preservation (SHPO) that will outline standard mitigations for any proposed improvement having an adverse effect to the Garden State Parkway Historic District (District). This agreement will identify specific features in the District that require mitigation, standard mitigations and a reporting process that will streamline the regulatory relationship between the Authority and the Office of Historic Preservation. The development of the agreement includes researching reports held by the SHPO, field survey, database management and recommending features that require mitigation.

It is, therefore, recommended that Supplement C to Order for Professional Services No. P3329 be issued to The RBA Group, Inc. not to exceed the amount of \$470,000.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$4,390,000.00 to \$4,860,000.00. 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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MISCELLANEOUS

294-08-2016

In a document dated August 2, 2016, **Recommendation to Issue Supplement No. 1 to Utility Order 1385-T, RM-125915, New Jersey Turnpike, Verizon – New Jersey, Inc., Contract No. T300.176, Interchange 9 Improvements, Grading, Paving, Drainage and Structures, Milepost 83.0, Ten Year Capital Program Fund No. 39003035, Original Utility Order Amount: \$740,000.00, Supplement No. 1 Amount: \$157,482.00, Revised Amount: \$897,482.00,** was approved.

The construction of the Interchange 9 improvements, under Contract No. T300.176, required the removal and relocation of existing Verizon - New Jersey, Inc. (Verizon) fiber optic and copper cable communication facilities along the east and west sides of the Route 18 roadway. The Utility Order reimbursed Verizon for the installation for new fiber optic and copper cables, splicing the new cables, the installation of new telephone manholes and poles, and the removal of existing infrastructure, as well as engineering support and inspection services.

Supplement No. 1 to this Utility Order will reimburse Verizon for unanticipated costs associated with relocation of telephone duct work required due to changes in the scope of work. Per the original contract plans, the relocation of the telephone ducts spanning under Structure 83.34BR (the Route 18 Bridge over NJTA Ramps TE & WT at Interchange 9) were to be completed only after the new Route 18 Bridge was replaced. Due to overall project delays, the Authority requested the Contractor and Verizon expedite the work to reduce the overall delay. Accordingly, the Contractor began the construction of the proposed utility support structure that would eventually support the Verizon telephone ducts ahead of schedule and simultaneous with the Route 18 Bridge construction. This required Verizon to revise their design and relocation procedure to independently support the telephone ducts spanning over Ramps TE & WT. Supplement No. 1 provides compensation to Verizon for this additional work.

It is, therefore, recommended that Supplement 1 to Utility Order No. 1385-T be issued to Verizon – New Jersey, Inc. not to exceed the amount of \$157,482.00. The addition of this amount increases the total authorized fee from \$740,000.00 to \$897,482.00. The Authority is required by its enabling legislation, N.J.S.A. 27:23-6, to ascertain and pay the costs of relocation or removal of any public utility facilities that the Authority deems necessary to relocate or remove in furtherance of the Authority’s highway projects.

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ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

295-08-2016

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 Board unanimously approved item nos. 289-08-2016 through 294-08-2016; 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 295-08-2016 and received same for file.

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ROLL CALL

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

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MAINTENANCE

Director of Maintenance Kenneth McGoldrick requested approval of item numbers 296-08-2016 through 297-08-2016. Moved as a group those items are as follows:

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FINAL ACCEPTANCE

296-08-2016

In a document dated August 12, 2016, Recommendation for Final Acceptance Contract No. P500.376 – Roof Replacement at Parkway Montvale Service Area \$5,299.00, Contract No. A200.310 – Immediate Repair of Drainage Structures and Underground Repairs \$39,745.97, Fund Nos: Various Sources, Amount Due to Contractors \$45,044.97, was approved.

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

Contract No.	Contractor	Award Total Amount	No. of Change Orders	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
P500.376	Pravco, Inc.	\$529,900.00	1	(\$6,188.00)	\$523,712.00	\$5,299.00
A200.310	J. Fletcher Creamer & Son, Inc.	\$2,000,000.00	1	\$12,702.21	\$1,987,297.79	\$39,745.97
						\$45,044.97

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

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ACKNOWLEDGE REPORTS OF

MAINTENANCE EXPENDITURES UNDER DELEGATED AUTHORITY

297-08-2016

031309

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

- Construction Contract Progress Report
- Change Order Summary

On motion by Treasurer DuPont and seconded by Vice Chairman Gravino, the Board unanimously approved item no. 296-08-2016; 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 297-08-2016 and received same for file.

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ROLL CALL

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

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PROCUREMENT (“PMM”)

Deputy Director of Procurement and Materials Management Donna Wilser requested approval of item numbers 298-08-2016 through 311-08-2016. Moved as a group those items are as follows:

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PUBLIC BIDS SOLICITATIONS

298-08-2016

In a document dated August 12, 2016, a Recommendation for 2016-2019 Snow Removal and Salting Services on the New Jersey Turnpike (Rebid), Joseph M. Sanzari, Inc., RM-124635 Roadways (Maintenance) RM-124633 Authority Toll Plazas, Service Area Facilities (Maintenance), Budget Code: Various, Amount: \$339,000.00 (3 years), was approved.

Authorization is requested to award two (2) contracts for snow removal services for two (2) areas on the New Jersey Turnpike. These contracts did not receive any bids in the prior solicitation. The contracts will be for three (3) years with the option to extend for two (2) additional one-year terms. Bidders were required to bid “Regular” and “Standby” hourly rates for the specified equipment at each location, with the maximum allowable hourly bid rate for loaders capped at \$350.00 and the maximum allowable hourly bid rate for Standby not to exceed 50% of the hourly rate bid for Regular operating time. In addition, the bid established fixed rates for supervisory and/or back-up vehicles at \$125.00 per hour (for both Regular and Standby hours). The bid was fully advertised and the 34 vendors listed in the Authority’s database for the referenced services were notified of the procurement. On July 27, 2016 bids were received from

three (3) vendors for two (2) of the five (5) areas solicited. For the second time, no bids were received for Contract Nos. LPT-01-16 (Turnpike Interchange 1), LTP-06-16 (Turnpike Interchange 6) and LTP-11-16 (Turnpike Interchange 11). The Maintenance and Procurement and Materials Management ("PMM") Departments' staff thoroughly reviewed all bids and make the following recommendation:

Staff recommends that contracts for snow removal and salting services be awarded to the lowest responsible bidders (highlighted in bold in the attached bid results).

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

Accordingly, authorization is requested to award Contract Nos. LTP-13A-16 and PTN-25B-16 to Joseph M. Sanzari, Inc. for snow removal services as outlined herein, for a total amount not to exceed \$339,000.00 for the three (3) year term, subject to funding availability at the time of service. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor. The prices for the succeeding years of the contract will be adjusted yearly based on a Consumer Price Index ("CPI") factor consisting of the average of 1) the New York/ Northern New Jersey CPI and 2) the Philadelphia/Southern New Jersey CPI. The maximum annual increase permitted however shall be five percent. Additional authorization is requested to permit direct negotiations with available snow removal vendors for Contract Nos. LTP-01-16, LTP-06-16 and LTP-11-16, in accordance with *N.J.S.A. 27:23-6.1(a)*, and to delegate authority to the Executive Director to award the negotiated contracts, including any extensions thereof.

Contract LTP- 13A-16		Toll Plaza Interchange 13A		Estimated Contract Value - \$34,500	
		Joseph M. Sanzari, Inc. Hackensack, NJ			
Regular Time	Bid Hours	Hourly Rate	Total		
1. Loader (2)	8	\$350.00	\$5,600.00		
2. Supervisory Vehicle (1)	8	\$125.00	\$1,000.00		
3. Back-Up Vehicle (4)	8	\$125.00	\$4,000.00		
Standby Time					
1. Loader (2)	2	\$175.00	\$ 700.00		
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00		
3. Back-Up Vehicle (4)	2	\$125.00	\$ 1,000.00		
TOTALS			<u>\$12,550.00</u>		

031311

Turnpike Roadway

Contract PTN-25B-16	HCBE TO MM 8.0 EAST & WEST			Estimated Contract Value - \$78,500.00			
		Joseph M. Sanzari, Inc. Hackensack, NJ		Triple C Nurseries Holmdel, NJ		Silvi Concrete Fairless Hills PA	
Regular Time	Bid Hours	Hourly Rate	Total	Hourly Rate	Total	Hourly Rate	Total
1. Plow Trucks w/Authority supplied plows (6)	8	\$325.00	\$15,600.00	\$549.00	\$26,352.00	\$685.00	\$32,880.00
2. Supervisory Vehicle (1)	8	\$125.00	\$ 1,000.00	\$125.00	\$ 1,000.00	\$125.00	\$ 1,000.00
Standby Time							
1. Plow Trucks w/Authority supplied plows (6)	2	\$162.50	\$ 1,950.00	\$274.00	\$ 3,288.00	\$342.50	\$4,110.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00	\$125.00	\$ 250.00	\$125.00	\$ 250.00
TOTALS			\$17,800.00		\$30,890.00		\$38,240.00

299-08-2016

In a document dated August 12, 2016, **a Recommendation for 2016-2019 Snow Removal and Salting Services at various New Jersey Turnpike Toll Plazas (Rebid), Longford Landscapes & Excavation, Inc., RM-124633 (Maintenance), Budget Code: Various, Amount: \$121,500.00 (3 years)**, was approved.

Authorization is requested to award three (3) contracts for snow removal services for three (3) Interchange Toll Plazas on the New Jersey Turnpike. These contracts did not receive any compliant bids in the prior solicitation. The contracts will be for three (3) years with the option to extend for two (2) additional one-year terms. Bidders were required to bid "Regular" and "Standby" hourly rates for the specified equipment at each location with the maximum allowable hourly bid rate for loaders capped at \$350.00 and the maximum allowable hourly bid rate for Standby not to exceed 50% of the hourly rate bid for Regular operating time. In addition, the bid established fixed rates for back-up vehicles at \$125.00 per hour (for both Regular and Standby hours). The bid was fully advertised and the 34 vendors listed in the Authority's database for the referenced services were notified of the procurement. On August 10, 2016 bids were received from one (1) vendor for three (3) of the five (5) areas solicited. For the second time, no bids were received for Contract Nos. LTP-08-16 (Turnpike Interchange 8) and LTP-13-16 (Turnpike Interchange 13). The Maintenance and Procurement and Materials Management ("PMM") Departments' staff thoroughly reviewed all bids, and make the following recommendation:

Staff recommends that contracts for snow removal and salting services be awarded to the lowest responsible bidders (highlighted in bold in the attached bid results).

Bids were procured and authorization is being sought to award these contracts in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). These awards are

also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award Contract Nos. LTP-07-16, LTP-7A-16 and PTN-25B-16 to Longford Landscapes & Excavation, Inc. for snow removal services as outlined herein, for a total amount not to exceed \$121,500.00 for the three (3) year term, subject to funding availability at the time of service. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor. The prices for the succeeding years of the contract will be adjusted yearly based on a Consumer Price Index ("CPI") factor consisting of the average of 1) the New York/ Northern New Jersey CPI and 2) the Philadelphia/Southern New Jersey CPI. The maximum annual increase permitted however shall be five percent. Additional authorization is requested to permit direct negotiations with available snow removal vendors for Contract Nos. LTP-08-16 and LTP-13-16, in accordance with N.J.S.A. 27:23-6.1(a), and to delegate authority to the Executive Director to award the negotiated contracts, including any extensions thereof.

Turnpike Toll Plazas

Contract LTP-07-16	Toll Plaza Interchange 7		Estimated Contract Value - \$13,500.00
	Longford Landscapes and Excavation, Inc. Hamilton, NJ		
Regular Time	Bid Hours	Hourly Rate	Total
1. Loader (1)	8	\$ 345.00	\$2,760.00
2. Back-Up Vehicle (2)	8	\$125.00	\$2,000.00
Standby Time			
1. Loader (1)	2	\$172.50	\$ 345.00
2. Back-Up Vehicle (2)	2	\$125.00	\$500.00
TOTALS			<u>\$5,605.00</u>

Contract LTP-7A-16	Toll Plaza Interchange 7A		Estimated Contract Value - \$13,500.00	
		Longford Landscapes and Excavation, Inc. Hamilton, NJ		
Regular Time	Bid Hours	Hourly Rate	Total	
1. Loader (1)	8	\$ 345.00	\$2,760.00	
2. Back-Up Vehicle (2)	8	\$125.00	\$2,000.00	
Standby Time				
1. Loader (1)	2	\$172.50	\$ 345.00	
2. Back-Up Vehicle (2)	2	\$125.00	\$500.00	
TOTALS			<u>\$5,605.00</u>	

Contract LTP-8A-16		Toll Plaza Interchange 8A		Estimated Contract Value - \$13,500.00	
		Longford Landscapes and Excavation, Inc. Hamilton, NJ			
Regular Time	Bid Hours	Hourly Rate	Total		
1. Loader (1)	8	\$ 345.00	\$2,760.00		
2. Back-Up Vehicle (2)	8	\$125.00	\$2,000.00		
Standby Time					
1. Loader (1)	2	\$172.50	\$ 345.00		
2. Back-Up Vehicle (2)	2	\$125.00	\$500.00		
TOTALS			<u>\$5,605.00</u>		

300-08-2016

In a document dated August 15, 2016, a Recommendation for Intermediate Distribution Frame Equipment, ePlus Technology, Inc., R-125323 (ITS), Budget Code: 390 00 830 156555 39005013IT, Amount: \$323,513.23, was approved.

Authorization is requested to award a contract to provide the Authority with various computer racks, cable management kits, power distribution units, and patch panels required to outfit new buildings which are scheduled to be commissioned within the next 12 months. This equipment is specified as owner-supplied in the building contracts and will be installed by ITS Staff. The bid was fully advertised and the four (4) vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On August 11, 2016, one (1) compliant bid was received as follows (unit prices are available from the PMM Department):

<u>Vendor</u>	<u>Total Bid Price</u>
ePlus Technology, Inc., Newtown, PA	\$323,513.23

Departmental Estimate: \$340,000.00

Non-Compliance:

An additional bid was submitted by Graybar Electric Co., Inc., of Teterboro, NJ, in the amount of \$296,564.82. This bidder, however, failed to include ownership information on the required Stockholder/Partnership Disclosure Statement as required by the specifications. Paragraph 6 of the "Instructions to Bidders" states that a "Stockholder/Partnership Disclosure Statement" is a mandatory requirement at time of bid and failure to submit one requires bid rejection. Thus, it is recommended that the bid submitted by Graybar Electric Co., Inc. be rejected.

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

Accordingly, authorization is requested to award a contract to ePlus Technology, Inc. for a total amount not to exceed \$323,513.23. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

301-08-2016

In a document dated August 12, 2016, **a Recommendation for Removal of Trash, Wood, Concrete and Asphalt, Modification/Extension, Freehold Cartage, Inc., RM-125869, Contract No. 1722-2 (Maintenance), Budget Code: Various, Current Authorized Amount: \$225,610.00, Requested Amount: \$22,561.00, New Authorized Amount: \$248,171.00,** was approved.

At the July 31, 2012 Board of Commissioners Meeting, the Authority awarded a contract to Freehold Cartage, Inc. (NJTA Contract No. 1722) to provide for the removal of trash, wood, concrete, and asphalt from various locations on both Roadways (Agenda Item No. 283-07-2012). The contract was for two years with the option to extend for two additional one-year terms. The second and final extension of the contract (Contract No. 1722-2) expires August 15, 2016. The PMM and Maintenance Departments are currently soliciting a new contract for these services. Due to the expiration date of the existing contract, the Maintenance Department requests that the contract be extended for a period not to exceed three (3) months in order to allow for a competitive bid process and establishment of a new contract. The cost for this extension will be in an amount not to exceed \$22,561.00 for the three-month period thru November 15, 2016.

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

Accordingly, approval is requested to extend Contract No. 1722-2 through November 15, 2016 and to increase the authorized amount of the Contract by \$22,561.00, for a new total authorized amount not to exceed \$248,171.00, subject to funding availability at the time of service.

302-08-2016

In a document dated August 22, 2016, **a Recommendation for Generator Maintenance, Modification, FM Generator, Inc., RM-126265, Contract No. 1857-2 (Maintenance), Budget Code: Various, Current Authorized Amount: \$85,000.00, Requested Amount: \$30,000.00, New Authorized Amount: \$115,000.00,** was approved.

At the June 25, 2013 Board of Commissioners Meeting, the Authority awarded a contract to FM Generator, Inc. (NJTA Contract No. 1857) for the preventive maintenance and repair of

generators at Authority facilities on both Roadways (Agenda Item No. 252-06-2013). The current contract, NJTA No. 1857-2, which expires on 08/09/2016, is the second extension of the original contract. The Maintenance Department has requested additional funds to facilitate payment for additional services required prior to the contract expiration.

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

Accordingly, approval is requested to increase the authorized amount of Contract No. 1857-2 with FM Generator, Inc. by \$30,000.00, for a new total authorized amount not to exceed \$115,000.00, subject to funding availability at the time of service.

303-08-2016

In a document dated August 17, 2016, **a Recommendation for Integrated Key Accountability System Modification, Deister Electronics USA, Inc., RM-126429, Contract No. 2151 (Maintenance), Budget Code: Various, Current Authorized Amount: \$365,375.00, Requested Amount: \$70,000.00, New Authorized Amount: \$435,375.00,** was approved.

At the June 30, 2015 Board of Commissioners Meeting, the Authority awarded a 3-year contract to Deister Electronics USA, Inc. (NJTA Contract No. 2151) to furnish cabinets and panels for the phased-in implementation of an electronic key accountability system for both Roadways to control and monitor access to the keys to Authority facilities and property (Agenda Item No. 258-06-2015). The initial implementation was based on the identified needs at various locations within the Maintenance Department. Given the success of the initial implementation, Authority Staff has identified additional locations in other Departments that will benefit from this system. Therefore, the Maintenance Department has requested additional funds to implement this key accountability system at additional locations.

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

Accordingly, approval is requested to increase the authorized amount of Contract No. 2151 with Deister Electronics USA, Inc. by \$70,000.00 for a new total authorized amount not to exceed \$435,375.00, subject to funding availability at the time of ordering.

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STATE CONTRACTS AND FEDERAL CONTRACTS

304-08-2016

In a document dated August 11, 2016, **a Recommendation for Aluminum Sign Material, Garden State Highway Products, Inc., R-125598 (Maintenance), Budget Code: 010 00 500 423900, State Contract No. 86462 expiring 4/30/17, Amount: \$196,575.50,** was approved.

Under this contract, Garden State Highway Products, Inc. will supply the Authority with aluminum sign blank material in various sizes. This material will be used by the Maintenance Department's sign shop to fabricate traffic signs on both Roadways. These products are covered under NJ State Contract No. 86462 expiring 4/30/17.

This procurement, under State Contract No. 86462, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract under State Contract No. 86462 for aluminum sign blank material to Garden State Highway Products, Inc. for an amount not to exceed \$196,575.50.

305-08-2016

In a document dated August 9, 2016, **a Recommendation for Annual Support for F5 Load Balancer Devices, SHI International Corp., R-125681 (ITS) / Budget Code: 010 00 830 466010, State Contract No. 88536 expiring 5/31/19, Amount: \$57,087.50,** was approved.

Under this contract, SHI International Corp. will provide annual support for F5 Networks load balancer products. The devices and software package allow ITS Staff to balance network traffic loads and switch to alternate servers based on the application, capabilities and business needs. The coverage term of this contract is through September 22, 2017. This licensing and support is available from NJ State Contract No. 88536 expiring 5/31/2019.

This procurement, under State Contract No. 88536, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract under State Contract No. 88536 for annual support of F5 Networks load balancer products to SHI International Corp. for an amount not to exceed \$57,087.50.

306-08-2016

In a document dated August 11, 2016, a Recommendation for Toad Software Licenses and Support, SHI International Corp., R-126015 (ITS) / Budget Code: 010 00 830 121020, State Contract No. 89851 expiring 6/30/20, Amount: \$48,311.44 (3-Year Contract), was approved.

Under this contract, SHI International Corp. (“SHI”) will provide the Authority with three (3) years of licensing and support for Toad Development Suites and Toad Database Administration Suites for Oracle. Toad is an essential tool for Authority software developers because it provides a simple, consistent way to engineer, manage, and maintain code. Toad reduces the risks of bugs, performance, and inconsistent standards. The term of the SHI contract for software licensing and support is through 6/30/19. This licensing and support is available from NJ State Contract No. 89851 expiring 6/30/2020.

This procurement under State Contract No. 89851 is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority’s enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. Furthermore, the State Contract provides access to several software providers and, therefore, requires agencies to seek multiple quotes to ensure the most competitive pricing. Quotes were solicited from three (3) authorized dealers, and the following two (2) quotes were received:

<u>Vendor</u>	<u>Total Price</u>
SHI International Corp., Somerset, NJ	\$48,311.44
PCMG Inc. Chantilly, VA	\$48,318.99

Accordingly, authorization is requested to award a contract under State Contract No. 89851 for Toad Software licenses and annual support to SHI International Corp. for a total amount not to exceed \$ 48,311.44.

307-08-2016

In a document dated August 8, 2016, Heating, Ventilation, and Air Conditioning Repair Parts, WJC Electronics & Appliance Parts, Inc. t/a Johnstone Supply, Inc., RM-126074 (Maintenance) / Budget Code: Various, State Contract No. 41606 expiring 5/31/19, Requested Amount: \$60,000.00 (3-Year Contract), was approved.

Under this contract, WJC Electronics & Appliance Parts, Inc. will provide heating, ventilation and air conditioning (HVAC) repair parts. These parts are required by the Maintenance Department to repair and maintain all Authority facilities in the southern areas on both Roadways. These HVAC repair parts are available from NJ State Contract No. 41606 expiring 5/31/2019.

This procurement, under State Contract No. 41606 is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract for HVAC repair parts under State Contract No. 41606 to WJC Electronics & Appliance Parts, Inc. for a total amount not to exceed \$60,000.00, subject to funding availability at the time of ordering. Authorization is further requested to permit the redistribution of the above amount to the two individual contracts previously authorized for HVAC parts (Agenda Item No. 235-06-2016), within the total combined authorized amount of all three contracts (\$405,000.00) if necessary during the contract term.

308-08-2016

In a document dated August 8, 2016, **a Recommendation Lawn and Grounds Equipment Parts and Repair, Modification, Cherry Valley Tractor Sales, Inc., RM-125593, Contract No. 1386 (Maintenance), State Contract No. 76907 expiring 10/28/2016, Budget Code: Various, Current Authorized Amount: \$315,000.00, Requested Amount: \$60,000.00, New Authorized Amount: \$375,000.00,** was approved.

At the September 28, 2010 Board of Commissioners Meeting, the Authority awarded a contract to Cherry Valley Tractor Sales, Inc. (NJTA Contract No. 1386) to supply parts and repair services for lawn and grounds equipment under State Contract No. 76907 (Agenda Item No. 234P-10). This contract is utilized primarily by the Maintenance Department for road repairs on both Roadways. The referenced State Contract is valid to 10/28/2016 and additional funds are required to purchase necessary parts and repairs for lawn and grounds equipment through the term of the contract.

The original procurement, under State Contract No. 76907, was in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, approval is requested to increase the authorized amount of Contract No. 1386 with Cherry Valley Tractor Sales, Inc. by \$60,000.00 for a new total authorized amount of \$375,000.00 through October 28, 2016, subject to funding availability at time of order.

309-08-2016

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In a document dated August 12, 2016, a Recommendation for Chainsaw and Trimmer Parts Modification, Cammps Hardware & Lawn Products, Inc., RM-125909, Contract No. 1363 (Inventory), State Contract No. 76915 expiring 10/28/2016, Budget Code: Various, Current Authorized Amount: \$72,000.00, Requested Amount: \$10,000.00, New Authorized Amount: \$82,000.00, was approved.

At the July 27, 2010 Board of Commissioners Meeting, the Authority awarded a contract to Cammps Hardware & Lawn Products, Inc. (NJTA Contract No. 1363) to supply Stihl brand chain saw and trimmer parts under State Contract No. 76915 (Agenda Item No. 182H-10). These items are stored in inventory and utilized primarily by the Maintenance Department for lawn and grounds maintenance on both Roadways. The referenced State Contract is due to expire 10/28/16 and additional funds are required to purchase the necessary parts through the term of the contract.

The original procurement under State Contract No. 76915 was in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, approval is requested to increase the authorized amount of Contract No. 1363 with Cammps Hardware & Lawn Products, Inc. by \$10,000.00, for a new total authorized amount not to exceed \$82,000.00, subject to funding availability at the time of order.

310-08-2016

In a document dated August 8, 2016, a Recommendation for Weather Forecasting Service Modification, Telvent USA Holding, LLC, RM-126076, Contract No. 1786 (Operations), State Contract No. 83247 expiring 12/31/2016, Budget Code: Various, Current Authorized Amount: \$207,699.00, Requested Amount: \$25,000.00, New Authorized Amount: \$232,699.00, was approved.

At the November 27, 2012 Board of Commissioners meeting, the Authority awarded a contract to Telvent USA Holding, LLC (NJTA Contract No. 1786) to provide weather forecasting services for the Authority's Roadways (Agenda Item No. 432-10-2012). The contract was the result of a joint procurement conducted by the New Jersey Purchase Bureau on behalf of the NJDOT and the Authority which includes routine weather forecasting, special forecasting, and training classes and data distribution by internet. The referenced State Contract has been extended through 12/31/2016 and additional funds are required for the remaining term of the contract.

The original procurement, under State Contract No. 83247, was in accordance with N.J.A.C. 19:9-2.5(a), promulgated pursuant to N.J.S.A. 27:23-1 *et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, approval is requested to extend Contract No. 1786 through the expiration of the State Contract and to increase the authorized amount of the Contract by \$25,000.00, for a new total authorized amount not to exceed \$232,699.00, subject to funding availability at the time of ordering.

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PROFESSIONAL SERVICES

311-08-2016

In a document dated August 19, 2016, **a Recommendation for Financial Advisory Services, First Southwest, a Division of Hilltop Securities, Inc., RM-125014 (Finance), Budget Code: Various, Estimate: (3-Year Contract), \$300,000.00 - for 3 years for Base Services, \$1,527,000.00 - for 3-years for Bond Issue Services, Investment Bidding, and Swap, Transaction Services (Subject to WRAF process), Amount: \$1,827,000.00**, was approved.

The New Jersey Turnpike Authority ("Authority") issued a Request for Proposal ("RFP") to secure the services of a firm ("Financial Advisor") to provide financial advisory services. Specifically, the Financial Advisor will provide general financial advisory services ("Services") in connection with the Authority's outstanding bonds, investments and swaps ("Base Services"). In addition, the Financial Advisor will provide advice on specific bond issuance(s) that may occur during the term of the contract, as well as advice on investment agreements and swap agreements ("Transaction Services"). The Financial Advisor is expected to review, analyze, and recommend appropriate strategies that meet the Authority's financial goals, budgetary objectives and debt management standards. The term of the contract is for a period of three (3) years with an option to extend the contract under the same terms and conditions, for two (2) additional one-year terms at the discretion of the Authority and concurrence of the Financial Advisor. On July 25, 2016, the Authority received proposals from the following three (3) firms:

1. Lamont Financial Services Corporation, Fairfield NJ
2. The PFM Group, Princeton, NJ
3. First Southwest, New York, NY

The Executive Director established an evaluation committee (the "Committee") comprised of the Authority's Chief Operating Officer/Deputy Executive Director; Chief Financial Officer and Treasury Manager as voting members and General Counsel and Director of Procurement and Materials Management as non-voting members. The Committee reviewed the proposals and invited all three firms for oral presentations. The presentations were conducted on August 8th and each of the firms was invited to submit a best and final offer ("BAFO").

The Committee's findings are presented in an Evaluation Report. The Committee recommends that First Southwest, a Division of Hilltop Securities, be awarded the contract for the Services. The Committee found that First Southwest's proposal was most responsive to the Authority's extensive scope of services outlined in the RFP and the firm received the highest overall score. First Southwest, has been in the financial advisory business for over 60 years and has been ranked the #1 financial advisor in the nation for toll roads based on the number of transactions by IpreoMuniAnalytics for the five-year period ending June 30, 2016. In addition to being the Authority's current financial advisor, First Southwest has also served as financial advisor on bond issuance for the New Jersey Transportation Trust Fund Authority, the New Jersey Higher Education Student Assistance Authority and the New Jersey Tobacco Settlement Finance Authority. The Committee was also impressed with First Southwest's very experienced project team that has been working with the Authority for the past several years and has provided excellent service. Furthermore, First Southwest exhibited a thorough understanding of the municipal markets and the short and long term challenges facing the Authority. The firm has all the relevant software and technology platforms that are used in today's bond market. First Southwest also offers all the benefits of a large national firm, including investment management, on-line swap valuation, GASB (General Accounting Standards Board) compliance services, post-issuance compliance services and OPEB (Other Postemployment Benefits) planning and evaluation. As required by the RFP, First Southwest will not participate as an underwriter in any Authority bond issuance when serving as financial advisor.

The RFP also required the Financial Advisor to be qualified as: (1) an independent registered municipal advisor ("IRMA") registered with the Securities and Exchange Commission and Municipal Securities Rulemaking Board; and (2) a qualified independent representative ("QIR") pursuant to Title VI Section 731 of the Dodd-Frank Wall Street reform, and Consumer Protection Act. First Southwest is a qualified IRMA and QIR.

In addition to receiving the highest technical score, First Southwest offered a very competitive fee proposal and received the highest score for the evaluation criteria. The firm proposed the lowest annual fee cap for Base Services at \$100,000 per year (\$300,000 for the three-year term).

First Southwest also proposed the lowest per transaction fee caps for new money bond issuance at \$50,000 and refunding bond issuance at \$55,000. (For comparative purposes, the Committee evaluated the bond issuance transactional costs assuming one (1) new money and four (4) refunding bond transactions per year.) Furthermore, First Southwest proposed a cap on fees for investment agreements at \$39,000 per transaction (which was the second lowest fee proposed for this category). The firm also proposed a cap on fees for any new, amended or terminated swap agreements at \$50,000 per transaction. (For comparative purposes, the Committee evaluated the swap agreements based on four (4) transactions per year.) Based on the anticipated number of transactions, First Southwest's proposed annual fees for Transaction Services will not exceed \$509,000 (\$1,527,000 for the three-year term).

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

Accordingly, authorization is requested to issue a three-year professional services contract to First Southwest as the Financial Advisor and designated IRMA and QIR. The total authorized amount of \$300,000 will include the Base Services as outlined in the RFP, based on actual hours and subject to annual not-to-exceed caps outlined herein. In addition, an overall three-year cap of \$1,527,000 will be authorized for WRAFs to be issued on a per transaction basis to cover any bond issuances, investment bidding or swap transaction services that will be required, each subject to the per transaction caps outlined herein, for a total authorized amount for the Services (Base Services and Bond Issuances combined) not to exceed \$1,827,000 for the three (3)-year term. All future expenditures are subject to the funding availability at the time of service.

It is also requested that the Board of Commissioners authorize the Executive Director to exercise the two 1-year options to extend such agreements on behalf of the Authority if the Executive Director deems the exercise of such option(s) is in the Authority's best interests. If the options are exercised, the contract(s) for the option period(s) will be on the same terms and conditions as those for the initial three (3)-year contract. Finally, it is requested that the Executive Director be authorized to take such actions and execute any documents as may be deemed necessary and appropriate to further the intent and purpose of the within authorizations.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved of item numbers 298-08-2016 through 311-08-2016; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

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

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GENERAL BUSINESS

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OPERATIONS

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Director of Operations Henry Eibel requested approval of item number 312-08-2016 through 313-08-2016. Moved are the items as follows:

312-08-2016

Director of Operations Henry Eibel requested acceptance of the Resume of All Fatal Accidents for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2016 through 07/31/2016; both with 2015-2016. Yearly Comparisons through July, 2016.

313-08-2016

In a document dated August 2, 2016, a Recommendation for Authorization to pay membership fees to the I-95 Corridor Coalition for 3-years in accordance with the I-95 Corridor Coalition Procedural Guidelines, I-95 Corridor Coalition, University of Maryland, Center for Advanced Transportation Technology, RM-126163, Budget Code: 010 00 890 447060, Amount: \$309,000.00 (\$103,000.00 per year for 3 years), was approved.

The I-95 Corridor Coalition is an alliance of transportation agencies, toll authorities, and related organizations, including public safety, from the State of Maine to the State of Florida, with affiliate members in Canada. The Coalition provides a forum for key decision and policy makers to address transportation management and operations issues of common interest. This consensus-driven organization enables its myriad state, local, and regional member agencies to work together to improve transportation system performance far more than they could working individually. The Coalition has successfully served as a model for multi-state/jurisdictional interagency cooperation and coordination for over a decade.

The Authority is a member of the I-95 Corridor Coalition and members are required to pay annual membership fees.

Accordingly, the Operations Department seeks authorization for the payment of membership fees to the I-95 Corridor Coalition for three (3) years in the amount of \$309,000.00, or \$103,000 per year. The three year period will be from July 1, 2016 through June 30, 2019. The Authority will pay its membership fees on a quarterly basis – July 1st, October 1st, January 1st,

and April 1st – in the amount of \$25,750 per quarter. The first quarterly payment is due retroactive to July 1, 2016.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item numbers 312-08-2016 through 313-08-2016; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

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

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STATE POLICE

Major Eric Heitmann requested for approval of item number 314-08-2016. Moved is the item as follows:

314-08-2016

Major Eric Heitmann requested acceptance of the New Jersey State Police Troop D Activity Reports, For July 2016, with 2015 – 2016 Yearly Comparisons.

On motion by Vice Chairman Gravino and seconded by Commissioner Becht, the Authority unanimously accepted the reports contained in item number 314-08-2016 and received same for file.

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ROLL CALL

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

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FINANCE

Chief Financial Officer (“CFO”) Donna Manuelli requested approval of item numbers 315-08-2016.

CFO Manuelli reported that the Government Finance Officers Association gave the Authority the Distinguished Budget Award for its 2016 Annual Budget. Treasurer DuPont complimented CFO Manuelli on the hard work of her staff to receive this award.

Moved is the item as follows:

315-08-2016

Chief Financial Officer Donna Manuelli presented the Financial Summary for the seven (7) months ended July 31, 2016.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item number 315-08-2016; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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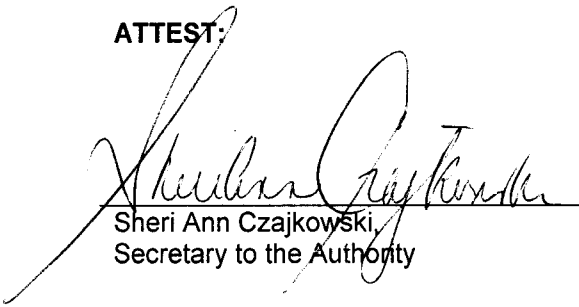
ROLL CALL

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

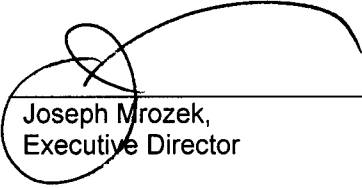
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The motion to adjourn was made by Treasurer DuPont and seconded by Vice Chairman Gravino, and, after the voice vote, the motion was duly adopted. The Authority adjourned at 9:44 a.m., to meet on Tuesday, September 27, 2016, at 9:00 A.M.

ATTEST:



Sheri Ann Czajkowski,
Secretary to the Authority



Joseph Mrozek,
Executive Director

Date: August 30, 2016
