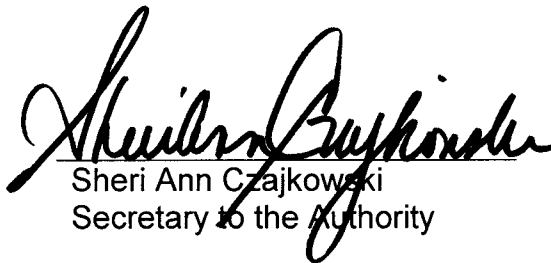



**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, Joseph Mrozek, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such **Executive Director** certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the **September 23, 2014** Regular Meeting of the Authority.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority **this 23rd day of September, 2014.**

ATTEST:


 _____ Sheri Ann Czajkowski Secretary to the Authority	 _____ Joseph Mrozek, Executive Director
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Corporate Seal

Date: September 23, 2014

**Received in the Governor's Office on September 23, 2014
(hand delivered)**

Received by:

<u>Lashenna Kirk</u> Print Name	 Signature
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Veto Period Ends:

October 7, 2014
(Write in the date the veto period ends)

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

Tuesday, September 23, 2014

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Acting Chairman Ronald Gravino called the Authority into session in the Executive Boardroom of the Authority's Administration Offices, Woodbridge, New Jersey, at 8:30 A.M.

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PRESENT

Present were Acting Chairman Ronald Gravino; Commissioner Joseph D. Bertoni; Commissioner Raymond Pocino; Commissioner Harold Hodes; Commissioner Daniel Becht; and Commissioner John D. Minella. The meeting commenced at 8:30 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 Joseph Lentini; Director of Operations Henry Eibel; Director of Procurement and Materials Management Andrea Ward; Chief Information Officer Barry Pelletteri; Director of Tolls Robert Quirk; Troop Commander Eric Heitmann, State Police Troop D; and Secretary to the Authority Sheri Ann Czajkowski.

Also present were: Governors' Authorities Unit Representatives Chris Howard; additional individuals consisting of other NJTA employees; interested organizations; the general public; and from the media: The Star Ledger, The Bergen Record, and News 12.

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

- A. Personnel;
- B. Collective Negotiations Agreements.

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

Executive Session was adjourned at 09:30 a.m.; Acting Chairman Gravino resumed the public portion of the meeting. Treasurer Michael DuPont and Commissioner Ulises Diaz, who were not present at roll call at 8:30 a.m., were present when roll call was taken at 9:30 a.m.

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NOTICE OF MEETING

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

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ACTION ON MINUTES

The Executive Director reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Chris Christie received the proceedings of the regular meeting of September 23, 2014; he did not exercise his power to veto any items in those minutes.

Upon motion made by Treasurer DuPont seconded by Commissioner Bertoni 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: Items 350 thru 356**
- **Commissioner Hodes: Item 373**
- **Commissioner Becht: Items 340, 342, and 343**
- **Commissioner Minella: Items 340, 342, and 343**

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PUBLIC COMMENT

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Murray Bodin, Concerned Grandparents

Mr. Bodin stated that September has been one of the most exciting months of his life. The changes that have occurred have been incredible and have changed the way he does things and how people respond to him. Bodin stated that much has to do with what he has learned at the Authority and he thanked everyone who has educated him and have helped him move his projects forward in a substantial way. Bodin stated that he is working with management at the Authority, he is being educated, and he thanked staff and the Board of Commissioners for the cooperation that they have given him.

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Michele Spector, Evergreen Woods

Ms. Spector is a resident of Evergreen Woods, Brick, New Jersey. She stated that the Parkway 83-100 improvement project is negatively impacting her neighborhood and requested that the Authority construct a sound wall between the Parkway and his neighborhood.

Spector stated that information provided by the Authority has been misleading, i.e., the noise reduction pavement to be used near residential properties. Spector stated that according to the FHWA, this pavement is not considered a mitigation strategy. The pavement is short-lived, relieves 3-5 decibels of tire noise only, not any other kind of vehicle noise. She claimed that saying the amount of trees to be cleared was reduced by moving the basin to the median was misleading. A 100-foot-wide swath of dense forest is gone. The community is now exposed to 4 northbound lanes, as well as the 4 southbound lanes. The people of Evergreen Woods are unique in that there is more than one project going on and they are at the crossroads. Spector stated that Evergreen Woods received no noise or air quality studies, unlike other locations. The northern shoulder section near Evergreen Woods was cut to the fence. Spector stated that Chief Engineer Fischer claimed that while in negotiations with the NJDEP to relocate the basins an error was not stopped. Therefore, a 5 ½ foot tall basin was erected in its place. Spector stated that trees are severely overgrown, half dead, and this in no way can replace the razed 40 ft. trees that once stood in that place.

Spector claimed that the health of the residents is at issue. She stated a young boy who lives in Evergreen Woods must now get asthma treatments 3 times each week because of the diminished air quality. In addition, the boy's mother has the same issues, as do many other residents. The clearing of the existing shoulders, 40 feet of forests, and low lying brush, along with clearing the median, has altered the area which has brought the noise of the road closer to the community.

Spector stated that the current Authority is finishing incomplete projects started by the NJHA with this shoulder restoration improvement project. Residents of Evergreen Woods claim that the basin and shoulder widening were a part of the same project, were reviewed together, but permitted separately. The residents believe that both projects should have been reviewed together and a more stringent EIS ordered. According to decibel levels measured in the sound study conducted by Ocean County Health Department, the threshold for noise was exceeded and a noise wall should be built.

Spector stated that an Authority vehicle visited the community but did not assess anything; no one opened its doors. Spector stated that the residents have posted a 20 minute video on You Tube called Parkway Noise. Spector referenced another community, the Laurence Brook Community in East Brunswick, which will be given a noise barrier wall. Residents want the problem to be taken care of with the construction of a noise barrier wall because the damage is

too extensive to be fixed by scattered trees.

Residents want an effective solution and are asking the Authority to install a sound wall and they believe the project qualifies for one. Spector stated that when the NJHA filed Chapter 79, Article C.27:23-12 Exemption from taxation, (12), states, "The exercise of the powers granted by this act will be in all respects for the benefit of the people of the State, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions." Spector stated that the Authority forgot this passage.

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Stephen Brill, Evergreen Woods

Mr. Brill is a resident of Evergreen Woods, Brick, New Jersey. He stated that the Parkway 83-100 improvement project is negatively impacting his neighborhood and requested that the Authority construct a sound wall between the Parkway and his neighborhood.

Mr. Brill stated that when the Garden State Parkway was originally constructed in the 1950's it included the northbound and southbound roadways separated by a wide vegetated median. Two twelve foot lanes with 10 foot right shoulders and a 6 foot left shoulder were originally provided. As population grew, the daily traffic volume grew and the NJHA restriped the roadway to increase the number of through lanes. This restriping provided three 11 foot lanes which reduced the shoulder width to approximately 3 to 4 feet. Brill stated that the restriping moved the Parkway closer to Evergreen Woods. However, the noise level did not increase because the shoulder area of dense trees and bushes was left untouched.

Brill stated that due to the number of serious accidents in this area, on March 1, 2008, the Authority reduced the speed limit of the Parkway from 65 mph to 55 mph between mile post 80 and 100. This speed limit reduction was intended to be a temporary measure, and 65 mph would resume after safety measures constructed under this project were implemented. While the Parkway is primarily intended for the use of automobiles, truck use is permitted south of interchange 105, and within project limits.

Brill stated that the Authority intends to use 'noise reduction pavement which should provide a reduction of 3 to 5 decibels in tire noise generated by traffic. However, he said the Authority did not account for the 10 mph speed increase, which doubles for each increment of ten miles per hour. According to the EO 215 Environmental Impact study, twenty-one locations were used for ozone monitoring, included in the study were Monmouth University in West Long Branch and Colliers Mills Wildlife Management Area in Jackson Township. Particulate matter monitoring performed at Hooper Avenue School, Toms River. Residents cannot help but wonder why there was no monitoring performed at Evergreen Woods or within Brick Township.

Brill read an excerpt from an article from the Centers for Disease Control and Prevention, 2010. It stated, "Traffic emissions are highest at the point of release and typically diminish to near background levels within 150-300 meters of the roadway. Numerous epidemiological

studies have consistently demonstrated that living close to a major road or in the areas of higher traffic density is associated with adverse health effects including asthma, chronic obstructive pulmonary disease and other respiratory systems."

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COMMISSIONER'S COMMENTS

Acting Chairman Gravino congratulated reporter Larry Higgs on his move from the Asbury Park Press to NJ.com and stated that the Authority looks forward to working with Mr. Higgs in his new role.

Treasurer DuPont stated Jamie Fox has been confirmed as the new NJDOT Commissioner and he therefore wanted to thank Acting Chairman Gravino for his passion for the Authority and his leadership of the Board.

Gravino thanked Commissioner Bertoni for his assistance to Gravino and working with the Board.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 339-09-2014. Moved is the item as follows:

339-09-2014

Human Resources Director Garrity submitted the Personnel Agenda, dated September 23, 2014, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

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

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LAW

General Counsel Bruce Harris requested approval of item numbers 340-09-2014 through 349-09-2014. Moved as a group those items are as follows:

340-09-2014

In a memorandum dated September 11, 2014, Ratification of Action Taken and Authorization for the Acquisition of Property Interests Necessary for the Interchange 14A Improvements Project, New Jersey Turnpike Section NB-HCE, City of Bayonne and City of Jersey City, County of Hudson, Project No. 39013027, Amount: \$62,500.00, was approved.

The New Jersey Turnpike Authority ("Authority") is proceeding with its plans for the construction of the Interchange 14A Improvements Project (the "Project") in Bayonne and Jersey City, Hudson County. This Project includes improvements to the ramp network connecting the Turnpike and local roadways at Interchange 14A, including connections to and from Route 440. The Engineering Department anticipates advertising the construction contract for the Project in September 2014.

Under Agenda Item No. 394-10-2012, the Commissioners deemed various property interests necessary for the Project and authorized the Executive Director to take all steps necessary to prepare for the acquisition of those interests, including the filing of eminent domain proceedings, depositing the appraised value into court and filing a Declaration of Taking.

The Authority had appraisals prepared by independent appraisers and reviewed by Value Research Group, LLC, the Authority's Real Estate Manager/Consultant, which set a value for each necessary property interest. The Authority entered into good faith negotiations with the owners or their respective counsel as appropriate for the purchase of same or the settlement of any claims related to the acquisition based on this appraised value and in compliance with the laws governing its powers of eminent domain.

Negotiated Sales

Following negotiations, the Authority has reached an agreement with the property owners of the following parcel:

Parcel 268

Owners: Alaen Adames and Erenia Gonzales

49 East 51st Street

Block 46, Lot 22

City of Bayonne, Hudson County, New Jersey

Amount: \$40,000.00

The Authority must acquire a temporary construction easement over a portion of land containing approximately .011 acres. Following settlement negotiations, the Authority has agreed to purchase the temporary construction easement for a period of two months for \$40,000.00. If the work continues beyond two months, the Authority shall pay an additional \$5,000.00 per month so long as work continues which requires access to the property. The Engineering Department has estimated that the necessary work requiring access to the property will take less than two months.

New Eminent Domain Proceedings

With respect to the below parcel, the Authority was not able to acquire the parcels through fair negotiation with the property owners, and eminent domain proceedings have been filed as a last resort.

Parcel 269

Owners: Miroslaw Krulasik and Ewa Jakubik

46 East 52nd Street

Block 46, Lot 23

City of Bayonne, Hudson County, New Jersey

Amount: \$22,500.00

The Authority must acquire (1) a portion of land containing approximately 0.002 acres; and (2) a temporary construction easement over a portion of land containing approximately .004 acres.

The acquisitions as proposed above do not involve property designated as "Preserved Farmland" pursuant to and as required by the Agriculture Development and Retention Act N.J.S.A. 4:1C-11 et seq., and State Agricultural Development Committee Rules N.J.A.C. 2:76-1.1, the Act's implementing regulations. Nor have the above-referenced properties been designated or encumbered as Green Acres Properties pursuant to N.J.S.A. 13:1D-52 et seq. and N.J.A.C. 7:35-26.1 et seq.

The Law Department, in consultation with the Authority's Real Estate Consultant and Authority Counsel, recommends that the Authority acquire these properties upon the terms and conditions as set forth above. Accordingly, it is requested that the Authority's Commissioners authorize the Executive Director to take all steps necessary to acquire the parcels set forth above for the amount set forth herein and to satisfy any additional costs of the temporary construction easement relating to delays involving Parcel 268, said costs not to exceed Ten Thousand Dollars (\$10,000).

341-09-2014

In a memorandum dated September 9, 2014, **Ratification of Action Taken and Authorization for the Acquisition of Property Interests and Expenditure of Funds Required for the Interchange 105 Improvements Project, Garden State Parkway, Borough of Tinton Falls, Monmouth County, Project No.: 39003035, Amount: \$350,000 (\$315,000 previously authorized, an additional \$35,000 is needed)**, was approved.

The New Jersey Turnpike Authority is proceeding with its plans for the construction of the Interchange 105 Improvements on the Garden State Parkway ("GSP"), which includes reconstruction of the interchange at Hope Road and NJ Route 36 and the construction of a new southbound connection from the GSP to Wayside Road (the "Project"). The acquisition of property interests necessary for the Project in a timely manner is critical to the success of the Project. In light of this, under Agenda Item No. 395-10-2012, the Commissioners authorized the Executive Director to take all steps necessary to prepare for the acquisition of those property interests necessary for the Project, with the final action being submitted to the Commissioners for

ratification.

The Authority had appraisals prepared by independent appraisers and reviewed by Value Research Group, LLC, the Authority's Real Estate Manager/Consultant, which set a value for each necessary property interest. The Authority entered into good faith negotiations with the owners or their respective counsel as appropriate for the purchase of same in compliance with the laws governing its powers of eminent domain. With respect to the below property, negotiations reached an impasse and eminent domain proceeding were filed, as ratified under Agenda Item No. 382-10-2013.

Settled Eminent Domain Proceedings:

The following is a description of property for which the Authority recommends settlement of the eminent domain proceedings:

1. Parcels Nos.: 4662A, 4662B, 4662C, C4662A
 Owner: George Philibosian, et al.
 Hope Road
 Block 1803, Lot 1
 Borough of Tinton Falls, Monmouth County, New Jersey
 Amount: \$350,000 (\$315,000 previously authorized, an add'l \$35,000 is needed)

The property consists of a vacant 9.93 acre site. The taking consists of an 8,480 square foot or 0.195 acre taking in Fee Simple (Parcel 4662A), a 7,355 square foot or 0.169 acre taking in Fee Simple (Parcel 4662B), a 12,220 square foot or 0.281 acre taking in Fee Simple (Parcel 4662C), and the creation of a 2,365 square foot or 0.055 acre Temporary Construction Easement (C4662A). The Temporary Construction Easement will be in effect for six months, and once construction is complete, the area will be restored to its previous condition.

The acquisitions as proposed above do not involve property designated as "Preserved Farmland" pursuant to and as required by the Agriculture Development and Retention Act N.J.S.A. 4:1C-11 et seq., and State Agricultural Development Committee Rules N.J.A.C. 2:76-1.1, the Act's implementing regulations. Nor have the above referenced properties been designated or encumbered as Green Acres Properties pursuant to N.J.S.A. 13:1D-52 et seq. and N.J.A.C. 7:35-26.1 et seq.

Accordingly, it is requested that the Authority's Commissioners authorize the Executive Director, with the assistance of the Law Department, Engineering Department, Authority Counsel and other Authority consultants, to take all steps necessary to settle the eminent domain proceeding above for the amount set forth herein.

342-09-2014

In a memorandum dated September 9, 2014, **Authorization to Declare Property Surplus to the Authority's Needs and to Transfer to Spectra Energy Corporation, New Jersey Turnpike, Parcel 2RX28Z, Portion of Block 15701, Lot 2, City of Jersey City, Hudson County**, was approved.

Certain Authority property known as Parcel 2RX28Z, located in the City of Jersey City, consists of approximately 0.9 acres of vacant land situated between Grand Street, Merseles Street and Pacific Avenue (the "Property"). The property is not being used by the Authority, but contains a gas pipeline and related equipment owned by Spectra Energy Corporation ("Spectra") installed pursuant to a License to Cross with the Authority.

In accordance with the Authority's Surplus Property Policy, the Law Department has circulated information regarding the Property to the Chief Engineer, the Director of Maintenance, the Director of Operations and the Authority's Engineering Consultant, HNTB Corporation, for review. Each has reviewed the information regarding the Property and all have certified that the Authority no longer requires the Property and does not see any future use of the property by the Authority.

Spectra has expressed interest in purchasing the Property for its appraised value of \$850,000. The Authority's Real Estate Consultant has concurred that this amount represents the fair market value of the Property. As an exception to the Authority's Surplus Property Policy requiring public bidding, the Authority may sell property to any public utility. As a licensee of the Federal Energy Regulatory Commission, with the legal authority to condemn property under eminent domain, Spectra may be considered a public utility under this Policy.

Accordingly, it is recommended that authorization be given to declare Parcel 2RX28Z surplus to the Authority's needs. It is further recommended that the Executive Director be authorized to take any steps necessary to sell Parcel 2RX28Z to Spectra for the fair market value of \$850,000.00, in accordance with the Authority's Surplus Property Policy. This authorization is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by Spectra pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

343-09-2014

In a memorandum dated September 11, 2014, **a Request for Authorization to enter into Memorandum of Agreement ("MOA") with the City of Bayonne for New Jersey Turnpike Interchange 14A Improvements Project, New Jersey Turnpike, Cities of Bayonne and Jersey City, County of Hudson**, was approved.

The New Jersey Turnpike Authority ("Authority") is proceeding with its plans for the

construction of the Interchange 14A Improvements Project (the "Project") in Bayonne and Jersey City, Hudson County. This Project includes improvements to the ramp network connecting the Turnpike and local roadways at Interchange 14A, including connections to and from Route 440. The Engineering Department anticipates advertising the construction contract for the Project in September 2014. As part of the Project, the Authority proposes to perform various improvements on the right of way and other real property owned by the City of Bayonne.

Pursuant to a proposed Memorandum of Agreement ("MOA"), Bayonne agrees to permit the Authority, its agents and contractors, access to Bayonne property as necessary to perform work in furtherance of the Project. In addition, Bayonne agrees to transfer to the Authority certain real property known as Parcels 262A, 262B and 262C (Block 394.02, Lot 1, Block 394.01, Lot 1 and Block 393, Lots 23 and 24) and to grant the Authority permanent aerial easements (Parcels AE262D and AE262E) over portions of Pulaski Street and Avenue E in Bayonne, which are necessary for the Project. Following completion of the Project, the Authority agrees to transfer to Bayonne certain unused portions of property to be acquired by the Authority for the Project in Bayonne. Each property transfer will be for the total cost of \$1.00.

Accordingly, it is requested that the Authority's Commissioners delegate to the Executive Director the authority to execute the MOA with the City of Bayonne pursuant to the terms outlined above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

344-09-2014

In a memorandum dated September 12, 2014, **a Request for Authorization to Enter Into Easement Agreements with Consolidated Rail Corporation ("Conrail"), City of Newark, County of Essex, City of Edison, County of Middlesex**, was approved.

Authority staff have negotiated three easement agreements ("Easement Agreements") with Consolidated Rail Corporation ("Conrail"), to give Conrail necessary access to certain Authority property located in the City of Newark, County of Essex, and to give the Authority necessary access to certain Conrail property located in the City of Newark, County of Essex, and the City of Edison, County of Middlesex. The Easement Agreements are more particularly described as follows:

1) **Easement from Authority to Conrail (Newark)**

The Authority will grant Conrail a permanent easement over property located underneath the New Jersey Turnpike highway structure between Stationing 264+00 and Stationing 269+00, on the east and west sides of Conrail's property at Block 5042, Lot 90 in Newark, for the purpose of allowing Conrail access through Authority property to Conrail's adjacent property.

2) Easement from Conrail to the Authority (Newark)

Conrail will grant the Authority a permanent easement to permit the Authority to access two (2) parcels owned by Conrail in Newark in the area of the Oak Island Viaduct. The Authority may, at its sole cost and expense, construct and maintain an access road and culvert on the property, subject to Conrail's review and approval.

3) Easement from Conrail to the Authority (Edison)

Conrail will grant the Authority a permanent easement over a portion of Conrail's property located on the right-of-way of the Raritan Industrial Track ("Raritan IT") from the intersection of the Raritan IT and the east side of the New Jersey Turnpike at Mile Post 84.53 and proceeding in an easterly direction approximately 0.25 miles to the intersection of the Raritan IT and Midvale Road in Edison, for the purpose of allowing the Authority to access its adjacent property.

Each of these easements will be granted in consideration of the sum of One Dollar (\$1.00). Accordingly, it is requested that the Authority's Commissioners delegate to the Executive Director the authority to execute these easements with Conrail pursuant to the terms outlined above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

345-09-2014

In a memorandum dated September 8, 2014, a Recommendation to Enter into a Memorandum of Agreement (MOA) with the County of Atlantic for the design, construction and coordination of the Garden State Parkway Widening Project from Milepost 35 to Milepost 48, Agreement No. 85-13, was approved.

The New Jersey Turnpike Authority (the "Authority") is continuing with the widening of the Garden State Parkway from Interchange 35 to Interchange 80 ("GSP Widening"). In furtherance of the GSP Widening, the Authority has completed Final Design of the widening through the limits of Atlantic County. The improvements between MP 35 and MP 48 will involve construction activities and improvements to various crossings, all within the jurisdiction of the County of Atlantic ("County"), including, but not limited to, Clarks Landing, Westcoat, Tilton, Washington, and Delilah roads as well as crossing over the Bikeway East.

An agreement with the County is necessary to allow the Authority and its agents to use and have the right of ingress and egress from the County's right of way for the required crossings, and to outline the County's role in the review and approval of the Authority's design plans, proposed improvements and construction activities related to the GSP Widening. The proposed MOA, Agreement No. 85-13, memorializes the proposed improvements at the County's facilities and the rights and responsibilities of the Authority and the County during design and construction.

Accordingly, it is therefore recommended that the Executive Director be authorized to execute Agreement No. 85-13 with the County pursuant to the terms 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.

346-09-2014

In a memorandum dated September 11, 2014, **a Recommendation to Authorize the Executive Director to Execute Agreement for Right of Use of Fiber with PEG Bandwidth, LLC, Amount: \$4,293,411.00 (Revenue to the Authority)**, was approved.

The New Jersey Turnpike Authority ("Authority") owns and maintains a fiber optic network within the Authority right of way. Portions of this network are leased to third parties, who pay the Authority both an annual User Fee and an annual Maintenance Fee. Authority staff have negotiated an agreement ("Agreement") with PEG Bandwidth, LLC ("PEG") whereby the Authority will provide PEG the exclusive use of two (2) strands of single mode fiber optic cable, consisting of approximately 244.1 miles, within the Authority's existing fiber optic duct network.

The term of the Agreement shall be for a period of twenty (20) years. PEG shall compensate the Authority \$116,325 per year as an annual User Fee and \$73,200 per year as an annual Maintenance Fee. The Maintenance Fee shall increase by 3% per year after the first year.

Accordingly, it is requested that the Board of Commissioners authorize the Executive Director to execute an Agreement with PEG Bandwidth, LLC, in accordance with the terms set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

347-09-2014

In a memorandum dated September 9, 2014, **a Request for Authorization to extend the Authority's contract with Aon Risk Services, Inc. ("Aon") for brokerage, loss control, safety and administrative services with respect to the Authority's Rolling Owner Controlled Insurance Program ("ROCIP") for a second six (6) month term, Account No.: 390 850 156555, Amount: \$439,976.00**, was approved.

In March 2014, by agenda item no. 088-03-2014, the Authority approved a six (6) month extension to the Authority's contract with Aon Risk Services, Inc., ("Aon") for brokerage, loss control, safety and administrative services in connection with the Authority's Rolling Owner Controlled Insurance Program ("ROCIP"). Rather than renew for a full year, as is provided under the current agreement, this six (6) month extension was sought to allow the Authority sufficient

time to negotiate with Aon to restructure the ROCIP program to better meet the needs of the Authority. The Authority's requirements regarding the ROCIP, which covers construction along the length of both the Parkway and the Turnpike, has changed since the inception of the program, especially with regard to safety and loss control programs and management of claims. Since the Authority decided to cease enrolling contractors in the ROCIP and to instead have each individual contractor provide its own insurance, effective in April 2014, it was initially thought that administrative requirements would decrease over time, and the renewal amount of \$341,110 for the six (6) month renewal sought was less than half the annual amount of Aon's service contract.

After a thorough review of the program, a number of adjustments to the program were agreed to, all within the original Scope of Work, in order to address specific areas of concern within the program. The Authority was successful in doubling the number of safety inspection hours provided by Aon, increasing the staff from one (1) Safety Inspector to two (2) Safety Inspectors, which the Authority believes will support its overall loss control efforts. Additionally, Aon has agreed to perform administrative services associated with the transition from the ROCIP to the post-ROCIP insurance program, specifically, reviewing and approving contractor insurance certificates, while the Authority fully develops and implements CAPEX, the computer program that will ultimately streamline this process for the Authority. Aon has also agreed to provide ongoing advice and direction to contractors during the transition from the ROCIP to the post-ROCIP program. The first six (6) month renewal and this renewal, if approved, will have the combined effect of maintaining Aon at their prior annual service fee, without increase, but with significantly increased safety services and administrative services for the Authority. Aon has already commenced providing some of the services outlined above, in a satisfactory manner.

Accordingly, authorization is requested to extend Aon's contract with the Authority for an additional six (6) months, as set forth above, in an amount not to exceed \$439,976. It is further recommended that the Commissioners authorize the Executive Director to execute any other documents and take any other actions necessary to effect the intent of this authorization.

348-09-2014

In a memorandum dated September 16, 2014, **Authorization to increase the amount awarded for cyber insurance an additional amount of \$15,684 representing additional surplus lines taxes and fees due to the State of New Jersey, Account No.: 010-00-893-121010, in an amount of \$15,684.00,** was approved.

By Agenda Item 262-07-2014, at the Authority's July 29th meeting, the Commissioners authorized the placement of cyber insurance for a total limit of \$50 million, with five (5) layers of underwriters, each responsible for a \$10 million layer, to protect the Authority from theft or other unauthorized use of its electronic data. Upon the expiration of the Governor's veto period, staff

authorized Willis of New Jersey, Inc., the Authority's casualty insurance broker, to bind such coverage with each of the underwriters. Due to an omission on the part of the broker, the amount authorized in the Agenda Item, \$422,545.55, did not include the total amount necessary to cover mandatory New Jersey state taxes and surcharges. This amount only includes \$2,704.55 for such taxes and fees rather than the full amount of \$18,388.55 - a deficiency of \$15,684. Authorization is requested to approve an additional payment of \$15,684. Authorization is also requested for the Executive Director to take such actions as are consistent with the authorization provided herein.

349-09-2014

In a memorandum dated September 4, 2014, **Authorization to Settle Formal Workers' Compensation Matter - Jeanette Vega v. N.J. Turnpike Authority, Account No. 10-870-405070, in an amount of \$46,674.00,** was approved.

Petitioner Jeanette Vega is a Parkway Division Toll Collector hired in October 1999. This recommended settlement will resolve a formal Claim Petition filed in 2011 resulting from a job injury which occurred on or about August 10, 2010.

The petitioner is represented by Shebell & Shebell, LLC, located in Shrewsbury, NJ. The Authority is defended by Special Counsel Denis P. Kelly, Esq. of Gilmore & Monahan located in Toms River, NJ. The matter is venued in the district office of Toms River before Judge Bradley Henson.

Permanency evaluation on behalf of the petitioner was performed by Dr. Gary Skolnick. Permanency evaluation on behalf of the respondent was performed by Dr. Robert Brill.

Settlement was reached among all parties at 30% of partial total or \$46,674.00.

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 **\$46,674.00**.

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

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Authority unanimously approved item numbers 340-09-2014, 342-09-2014, and 343-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved item numbers 341-09-2014, and 344-09-2014 through 349-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 350-09-2014 through 352-09-2014. Moved are the items as follows:

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MISCELLANEOUS

350-09-2014

In a document dated September 12, 2014, **a Recommendation to Execute Work Order No. 1538-T for the New Jersey Turnpike to Xerox State and Local Solutions and G4S Technology, LLC for New Jersey Turnpike Interchange 14A Improvements, Milepost N0.0 to N4.0, Contract No. T300.311, Ten Year Capital Program Fund No. 39013027, Amount: \$400,000.00,** was approved.

Under the Authority's current contract with Xerox State and Local Solutions ("Xerox") for New Jersey E-ZPass system operations and maintenance, Xerox subcontracts the maintenance and operation of the Authority's fiber optic network to G4S Technology, LLC ("G4S") (formerly Adesta, LLC). A portion of the Authority's fiber optic network will be impacted by the construction of the Interchange 14A Improvements Project (the "Project"). This Work Order is necessary to have G4S install underground conduits, underground fiber optics and fiber optic manholes, and to effect the removal of underground fiber optic cables and the abandonment of underground conduit that will be directly impacted by the Project.

It is, therefore, recommended that the Executive Director be authorized to execute Work Order No. 1538-T, not to exceed the amount of \$400,000.00.

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FINAL ACCEPTANCES

351-09-2014

In a document dated September 4, 2014, **a Recommendation for Final Acceptance for Contract No. T200.249 - \$147,524.15 and Contract No. T869.120.003 - \$379,620.86, Fund - Various Sources, Amount Due to Contractors: \$527,145.01,** 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	# of COs	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
T200.249	Crisdel Group, Inc.	\$7,584,491.00	1	(208,283.64)	\$7,376,207.36	\$147,524.15
T869.120.003	C. Abbonzio Contractors Inc.	\$7,048,461.52	1	(\$653,274.45)	\$6,395,187.07	\$379,620.86
Total						\$527,145.01

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultant and the Chief Engineer. All required contract documents including the Engineer's Final Certifications, Maintenance Bonds, Affidavit of Prevailing Wage and the Final Payment certificates have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Contractors have certified that there are no liens outstanding against the

Contractors. Accordingly, it is recommended that each contract listed above be accepted and final payment in the amounts shown above be made to the Contractors.

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ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

352-09-2014

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

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

On motion by Commissioner Becht and seconded by Commissioner Diaz, the Authority unanimously approved item nos. 350-09-2014 and 351-09-2014, 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 352-09-2014 and received same for file.

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MAINTENANCE

Director of Maintenance Joseph Lentini requested approval of item number 353-09-2014 through 356-09-2014.

Acting Chairman Gravino recognized Joe Lentini, Director of Maintenance, who will be leaving the Authority after 30 years of service. Gravino thanked Lentini for his hard work and dedication and wished him the very best.

COO O'Hern stated that Lentini has been a good friend for more than ten years. O'Hern said Lentini is an impressive employee because he took on everything the Authority has ever asked him to do. Lentini was the head of Buildings/Trades. After the untimely passing of John Cifelli, he took over all of the administrative responsibilities of the Maintenance Department. Later, he took charge of the entire Maintenance Department. Last year was one of the most difficult winters New Jersey has ever experienced. Through Joe's leadership and tireless efforts, there were no major issues on our roadways. O'Hern said that one thing that stands out to him was the first one-way toll project on the Parkway in 2004. Joe ran the maintenance part of the project. He did not just stand by and watch others work. In the dark of night, he put on his safety vest and shoveled with the other workers. Joe's willingness to jump in, contribute, and work hard has allowed him to serve the Authority well for the past 30 years. He will be greatly missed.

ED Mrozek stated that although he worked with Joe at this Authority for only 6 months he spent several hours with him at STMC for many winters in his former capacity at the DOT. Lentini's dedication to the Authority, work ethic, and his perseverance will be sorely missed.

Mr. Lentini thanked both NJHA and NJTA for giving him the opportunity to advance up the ranks at the Authority. He started as an electrician and worked his way up to the Director of Maintenance. Lentini said that it has been an honor to lead the Authority's Maintenance Department, the best group of workers in New Jersey. Lentini thanked Acting Chairman Gravino for his many years of support. He also thanked former NJHA Executive Director George Zilocchi for helping him advance into management. Lentini said he is grateful to the Authority because it allowed him to build a good life for his family, raise his daughter, and put her through college.

Moved as a group those items are as follows:

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PUBLIC BID SOLICITATIONS – AWARD OF CONTRACTS

353-09-2014

In a document dated September 5, 2014, **a Recommendation to Reject and Re-Advertise Contract No. A200.346 for the New Jersey Turnpike and Garden State Parkway for Guide Rail and Impact Attenuator Maintenance and Repair on the New Jersey Turnpike and Garden State Parkway, Bergen, Burlington, Essex, Hudson, Mercer, Middlesex, Monmouth, Union and Passaic Counties**, was approved.

Authorization is requested to reject the bids submitted for the maintenance and repair of steel guide beam rail on an as needed basis from Mile 71 to Mile 122 including the Pearl Harbor Memorial Extension along the New Jersey Turnpike and Mile 104 to Mile 172 along the Garden State Parkway in Bergen, Burlington, Essex, Hudson, Mercer, Middlesex, Monmouth, Union and Passaic Counties, New Jersey. The contract was advertised in accordance with N.J.A.C. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order No. 37 (Corzine 2006).

One (1) bid proposal was received on July 10, 2014 for the above contract, as shown on the attached bid summary sheet. The sole bidder, J. Fletcher Creamer & Son, Inc., submitted a bid of \$9,634,674.00, which is approximately 19% above the Engineer's Estimate. Subsequent negotiations with the contractor resulted in a reduction of less than 2%. The Maintenance Department reviewed the negotiated bid, which is approximately 17% higher than the Engineer's Estimate. The Maintenance Department deemed J. Fletcher Creamer & Son, Inc.'s bid excessive and recommends rejection. Accordingly, both the Maintenance Department and the Authority's General Consultant believe that the Authority can achieve a more competitive pricing by re-bidding the contract with revised specifications.

Accordingly, authorization is requested to reject the bid submitted by J. Fletcher Creamer & Son, Inc. Authorization is also requested to re-advertise the contract at a later date as outlined herein.

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

354-09-2014

In a document dated September 5, 2014, **a Recommendation to Reject and Re-Advertise Contract No. A200.350 for the New Jersey Turnpike and Garden State Parkway for Guide Rail and Impact Attenuator Maintenance and Repair on the New Jersey Turnpike and Garden State Parkway, Atlantic, Burlington, Camden, Cape May, Gloucester, Mercer, Monmouth, Ocean and Salem Counties**, was approved.

Authorization is requested to reject the bids submitted for the maintenance and repair of steel guide beam rail on an as needed basis from Mile 0 to Mile 71 including the Pearl Harbor Memorial Extension along the New Jersey Turnpike and Mile 0 to Mile 104 along the Garden State Parkway in Atlantic, Burlington, Camden, Cape May, Gloucester, Mercer, Monmouth, Ocean and Salem Counties, New Jersey. The contract was advertised in accordance with N.J.A.C. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order No. 37 (Corzine 2006).

One (1) bid proposal was received on July 10, 2014 for the above contract, as shown on the attached bid summary sheet. The sole bidder, J. Fletcher Creamer & Son, Inc., submitted a bid of \$7,674,436.00, which is approximately 16% above the Engineer's Estimate. Subsequent negotiations with the contractor resulted in a reduction of approximately 1%. The Maintenance Department reviewed the negotiated bid, which is approximately 15% higher than the Engineer's Estimate. The Maintenance Department deemed J. Fletcher Creamer & Son, Inc.'s bid excessive and recommend rejection. Accordingly, both the Maintenance Department and the Authority's General Consultant believe that the Authority can achieve a more competitive pricing by re-bidding the contract with revised specifications.

Accordingly, authorization is requested to reject the bid submitted by J. Fletcher Creamer & Son, Inc. Authorization is also requested to re-advertise the contract at a later date as outlined

herein.

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

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FINAL ACCEPTANCES

355-09-2014

In a document dated August 28, 2014, **a Recommendation for Final Acceptance, Contract No. P500.294 for the Garden State Parkway to JPC Group, Inc. for the Storage Building at GSP Swainton Maintenance Yard (Old District 7), Supplemental Capital Fund No. 08007019, Amount Due Contractor: \$22,664.59,** was approved.

All work performed on each of the construction contracts listed below has 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	# of COs	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
P500.294	JPC Group, Inc.	\$1,087,304.98	1	\$45,924.30	\$1,133,229.28	\$22,664.59
Total						\$22,664.59

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 Contractor has certified that there are no liens outstanding against the Contractors. Accordingly, it is recommended that the 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

356-09-2014

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

- Construction Contract Progress Report

On motion by Commissioner Diaz and seconded by Commissioner Bertoni, the Authority unanimously approved item nos. 353-09-2014 and 355-09-2014, 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 356-09-2014 and received same for file.

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PROCUREMENT (“PMM”)

Director of Purchasing Andrea Ward requested approval of item numbers 357-09-2014 through 368-09-2014. Moved as a group those items are as follows:

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PUBLIC BIDS SOLICITATIONS

357-09-2014

In a document dated September 9, 2014, a Request for Repair of Toll Vault Lids to Tri-Technologies, Inc., RM-109440, Budget Code: Various, Amount: \$57,375.00, was approved.

Authorization is requested to award a contract to Tri-Technologies, Inc. for repair of vault lids on the Parkway toll booths. This is part of an ongoing effort to maintain and repair the vaults used with the automatic coin machines. For comparative purposes, bidders were required to quote the cost to repair 1,500 vault lids. The bid was fully advertised and the two vendors listed in the Authority’s database for this service were notified of the procurement. On August 14, 2014, one bid was received:

<u>Vendor</u>	<u>Unit Price</u>	<u>Total Price</u>
Tri-Technologies, Inc., Mt. Vernon, NY	\$38.25	\$57,375.00
Departmental Estimate: \$60,000.00		

Bids were procured, and authorization is being sought to award this contract in accordance with *N.J.S.A. 27:23-1 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 Tri-Technologies, Inc. to repair toll vault lids at a total cost not to exceed \$57,375.00, subject to the availability of funding at the time of order. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

358-09-2014

In a document dated September 9, 2014, **a Request for Automotive Oils and Lubricants to David Weber Oil Company, RM-110267, Budget Code: Various, Amount: \$171,827.71**, was approved.

Authorization is requested to award a contract for automotive oils and lubricants to be stored in inventory. These oils and lubricants will be used on the Authority's entire fleet of vehicles, including State Police vehicles. Items under this contract include, but are not limited to, motor oils, greases and transmission fluids. Bidders were required to bid unit and total prices on 18 items, as well as provide a discount off manufacturers list for other miscellaneous items. The bid was fully advertised and the 45 vendors listed in the Authority's database for these products were notified of the procurement. Unit prices can be obtained from the Procurement and Materials Department. On August 20, 2014, bids were received as follows:

<u>Vendor</u>	<u>Total Bid Price</u>
David Weber Oil Co, Carlstadt, NJ	\$171,827.71
Commercial Lubricants, LLC Staten Island, NY	\$179,873.15
Craft Oil Corp. d/b/a/ Petro Choice, Avoca, PA	\$180,524.00
Departmental Estimate: \$185,000.00	

A bid was also submitted by Bi-Lo Industries, Deer Park, NY in the amount of \$157,429.90. Upon review of Bi-Lo Industries' bid, the Law Department determined it should be rejected due to fatal flaws in both the Letter of Surety and the Proposal Bond. Neither form document was executed by a surety nor did this bidder provide any other form of valid bid bond. The Bidder Guidelines/Check list states that failure to provide the required bid bond will result in bid rejection.

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 David Weber Oil Company for automotive oils and lubricants in an amount not to exceed \$171,827.71, subject to funding availability at the time of order. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

359-09-2014

In a document dated September 9, 2014, **a Request for Lumber and Construction Materials to Bayway Lumber, Inc., RM-109830 and RM-109838, Budget Code: Various, Amount: \$113,331.44**, was approved.

Authorization is requested to award a contract for lumber and construction materials for

various uses on both Roadways. Bidders were required to bid unit and total prices for 70 different types of lumber and construction materials, as well as a discount off manufacturers' list prices for miscellaneous items. Due to frequent market fluctuations in the lumber industry, the term of this contract will be six-months, with the option to extend for three additional six-month terms. The bid was fully advertised and four vendors listed in the Authority's database for these products were notified of the procurement. Unit prices can be obtained from the Procurement and Materials Management Department. On August 19, 2014, bids were received as follows:

<u>Vendor</u>	<u>Total Bid Price</u>
Bayway Lumber, Inc., Linden, NJ	\$ 113,331.44
Madison Township Lumber Supply Co. Inc., Matawan, NJ	\$ 123,690.68
Departmental Estimate: \$122,000.00	

An additional bid was received from U.S. Lumber, Inc. of Woodbury, NJ in the amount of \$200,331.98. This bidder, however, failed to include the mandatory bid guarantee. Paragraph 6 of the Bidder Guidelines/Checklist states that failure to provide a bid bond or other form of bid guarantee will result in rejection. Therefore, U.S. Lumber's bid should 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 Bayway Lumber, Inc. for lumber and construction materials in an amount not to exceed \$113,331.44, subject to availability of funding at time of order. Authorization is further requested for the Executive Director to approve each of the three six-month extensions upon satisfactory performance by the vendor.

360-09-2014

In a document dated September 9, 2014, a Recommendation for Henderson Snow Plow Parts, Reject and Re-bid, RM-110243, Budget Code: Various, was approved.

The Inventory Section requisitioned a contract for Henderson plow parts for Maintenance snow equipment. Bidders were required to bid unit and total prices for 43 different plow parts, as well as a discount off the manufacturer's list prices for miscellaneous parts. The bid was fully advertised and 12 vendors listed in the Authority's database for this commodity were notified of the procurement. On August 28 2014, two bids were received:

<u>Vendor</u>	<u>Total Bid Price</u>
Chamung Supply Corporation, Elmira, NY	\$ 83,720.00
Henderson Products, Inc., Flanders, NJ	\$ 358,994.75

Departmental Estimate: \$225,000.00

The Procurement and Materials Management and Maintenance Departments reviewed

the bids and recommend that both be rejected. The apparent low bidder, Chamung Supply Corporation, submitted prices for only two of the 43 line items. Section II C1 "Basis of Award" states that "[b]idders must supply a price for the items listed. Bids not having a price for the listed item may be rejected." Chamung Supply Corporation's bid is deemed non-responsive and staff recommends that it be rejected. The second lowest bidder, Henderson Products, Inc., submitted a bid in the amount of \$358,994.75 which is 60% over the Departmental Estimate. Staff deemed Henderson Products, Inc.'s bid excessive and recommend rejection. Maintenance and Procurement and Materials Management staff believe that the Authority can achieve a more competitive pricing by re-bidding the contract with revised specifications.

Accordingly, authorization is requested to reject the bids submitted by both Chamung Supply Corporation and Henderson Products, Inc. Authorization is also requested to re-advertise the contract at a later date.

361-09-2014

In a document dated September 10, 2014, a Request for Gledhill Snow Plow Parts Modification to Tony Sanchez, LTD., RM-110625, Contract No. 1931, Budget Code: Various, Current Authorized Amount: \$79,394.81, Requested Amount: \$15,878.96, New Authorized Amount: \$95,273.77, was approved.

On December 6, 2013, the Authority awarded Contract No.1931, to Tony Sanchez, LTD to supply various Gledhill snow plow parts. These items are needed to repair or replace damaged or worn parts on snow plowing equipment. The contract funds were depleted due in part to last year's severe winter, and additional funds are needed to purchase necessary snow plow parts through the remaining term. The majority of these snow plow parts are stocked in the Authority's inventory.

This contract was publicly bid in accordance with *N.J.S.A. 27:23-6.1*, *N.J.A.C. 19:9-2.2* and Executive Order 37 (Corzine 2006). The contract will expire December 5, 2014 and has an option to extend for two additional one-year periods under the same terms and conditions.

Accordingly, approval is requested to increase the authorized amount of Contract No. 1931 with Tony Sanchez, LTD. by \$15,878.96 for a new total authorized amount of \$95,273.77, through December 5, 2014, subject to funding availability at the time of order.

362-09-2014

In a document dated September 10, 2014, a Recommendation for Henderson Snow Plow Parts (Modification) to Henderson Products, Inc., RM-111129 / Contract No. 1600, Budget Code: Various, Current Authorized Amount: \$188,989.69, Requested Amount: \$20,000.00, New Authorized Amount: \$208,989.69, was approved.

On January 1, 2013, the Authority awarded Contract No. 1600 to Henderson Products, Inc. to supply various Henderson snow plow parts. These items are needed to repair or replace

damaged or worn parts on snow plowing equipment. The contract funds were depleted due in part to last year's severe winter, and additional funds are needed to purchase necessary snow plow parts through the remaining term. The majority of these snow plow parts are stocked in the Authority's inventory.

This contract was publicly bid in accordance with *N.J.S.A. 27:23-6.1*, *N.J.A.C. 19:9-2.2* and Executive Order 37 (Corzine 2006). The contract will expire December 31, 2014 and Henderson Products, Inc. has opted not to extend for an additional one-year period. Items included in this contract will be publicly bid prior to the contract expiration.

Accordingly, approval is requested to increase the authorized amount of Contract No. 1600 with Henderson Products, Inc. by \$20,000.00 for a new total authorized amount of \$208,989.69, through December 31, 2014, subject to funding availability at the time of order.

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STATE CONTRACTS AND FEDERAL CONTRACTS

363-09-2014

In a document dated September 8, 2014, **a Recommendation for Oracle Database Licenses to Dell Marketing, LP, R-110634 / State Contract No. 77003 expiring 06/30/15, Budget Code: 040 00 830 652010 04000118, Amount: \$154,517.80,** was approved.

Under this contract, Dell Marketing, LP will supply the Authority with Oracle licenses for four core processors used in the production environment for Phases I and II of the Kronos (time and attendance record keeping) project. These products are covered under New Jersey State Contract A-77003 which expires 6/30/15.

This procurement, under State Contract No. 77003, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award the referenced State Contract to Dell Marketing, LP in an amount not to exceed \$154,517.80.

364-09-2014

In a document dated September 10, 2014, **a Recommendation for Wireless Communications Equipment to New Jersey Business Systems, Inc., R-110866 / R-110893 / R-111073, Budget Code: 080 00 830 156555 08007029, State Contract No. 83899 expiring 04/30/18, Amount: \$76,750.50,** was approved.

Under this contract New Jersey Business Systems, Inc. will supply "Redline" wireless communication equipment for the following New Jersey Turnpike locations: 1) Installation of 10

subscriber units to unify the transport layer off the Interchange 14A tower which will replace existing equipment that is underperforming; 2) replacement of the wireless equipment that was damaged during a July 2914 lighting storm at the Interchange 11 tower; and 3) installation of radios on the Interchange 12 tower. The Redline equipment communicates to the lane controller signs as well as variable message signs at these locations. The equipment is covered under New Jersey State contract A-83899 which expires 4/30/18.

This procurement, under State Contract No. 83899, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award the referenced State Contract to New Jersey Business Systems, Inc. in an amount not to exceed \$76,750.50.

365-09-2014

In a document dated September 10, 2014, **a Recommendation for Aluminum Sign Material to Garden State Highway Products Inc., R-110830 / State Contract No. 86462 expiring 04/30/16, Budget Code: 010 00 500 423900, Amount: \$93,701.75**, was approved.

Under this contract, Garden State Highway Products, Inc. will supply the Authority various size blank aluminum sign material. This material will be used by the Maintenance Department to fabricate traffic signs on both roadways. These products are covered under New Jersey State Contract No. A-86462 which expires 4/30/16.

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 the referenced State Contract to Garden State Highway products, Inc. in an amount not to exceed \$93,701.75.

366-09-2014

In a document dated September 9, 2014, **a Recommendation for Replacement Chainsaw and Trimmer Parts (Modification) to Cammps Hardware and Lawn Products, Inc., RM-110610, Contract No. 1363, State Contract No. 76915 expiring 06/28/15, Budget Code: Various, Current Authorized Amount: \$52,000.00, Requested Amount: \$10,000.00, New Authorized Amount: \$62,000.00**, was approved.

In August 2010, the Authority awarded a contract to Cammps Hardware & Lawn

Products, Inc. for "Stihl" chainsaw and trimmer replacement parts and supplies. The contract was procured through New Jersey State Contract No. 76915 expiring June 28, 2015. The funds have been depleted and the Inventory Section has requested an increase to Contract No. 1363 in the amount of \$10,000.00. These parts were heavily used during hurricane season and additional funds are required to purchase necessary supplies through the remaining term of the contract.

The original procurement, under 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 of \$62,000.00, subject to funding availability at the time of order.

367-09-2014

In a document dated September 5, 2014, **a Recommendation for Ford OEM Auto Parts (Modification) to Route 23 Auto Mall, LLC, RM-110992, Contract No.1698A, State Contract No. 79167 expiring 06/25/15, Budget Code: Various, Current Authorized Amount: \$379,414.07, Requested Amount: \$125,000.00, New Authorized Amount: \$504,414.07,** was approved.

On July 17, 2012, the Authority awarded Contract No.1698A to Route 23 Auto Mall, LLC to supply Ford OEM auto parts for Authority and New Jersey State Police (Troop D) vehicles. Vehicles include passenger, as well as light and heavy duty trucks. The New Jersey State Contract has been extended to June 25, 2015 and additional funds are needed to purchase necessary GM OEM auto parts through the remaining term of the contract. The majority of these auto parts will be stocked in the Authority's inventory.

The original procurement, under State Contract No. 79167, 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. 1698A with Route 23 Auto Mall, LLC. by \$125,000.00 for a new total authorized amount of \$504,414.07 through June 25, 2015, subject to funding availability at the time of order.

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PROFESSIONAL SERVICES

368-09-2014

In a document dated September 4, 2014, **Authorization to extend the Professional Services Contract with Marsh & McLennan Agency, LLC for property insurance brokerage services for one (1) additional month, Term: One (1) Month, Budget Code: 010 00 893 121010, Amount Not to Exceed: \$14,583.34**, was approved.

At the September 25, 2012 Commission Meeting (Agenda No. 342-09-2012), the Authority authorized the award of a professional services contract to Marsh & McLennan Agency, LLC, Mount Laurel, NJ, in an annual amount not to exceed \$175,000.00, for a term of two (2) years. Coverage includes major and minor bridge and all other property for both Roadways. The contract is slated to expire on October 31, 2014. The Authority, via a RFP, solicited a new contract and received five proposals. The Law Department has requested that the contract with Marsh & McLennan Agency, LLC be extended for one month through November 30, 2014 pending establishment of a new contract. The pro-rated monthly cost will not exceed \$14,583.34.

The procurement process for this professional services contract was conducted in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.1(b) promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). Accordingly, authorization is requested to increase the contract with Marsh & McLennan Agency, LLC by \$14,583.34 bringing the total authorized amount to \$189,583.34, subject to funding availability at the time of service.

On motion by Commissioner Pocino and seconded by Commissioner Becht, the Authority unanimously approved of item numbers 357-09-2014 through 368-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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GENERAL BUSINESS

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OPERATIONS

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Director of Operations Henry Eibel requested approval of item number 369-09-2014. Moved the item as follows:

369-09-2014

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

Accidents for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2014 through 09/12/2014; both with 2013-2014 Yearly Comparisons through August, 2014.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved item number 369-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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STATE POLICE

Troop Commander Eric Heitmann requested for approval of item number 370-09-2014. Moved is the item as follows:

370-09-2014

Troop Commander Eric Heitmann requested acceptance of the **New Jersey State Police Troop D Activity Reports**, For August 2014, with 2013 – 2014 Yearly Comparisons.

On motion by Commissioner Becht and seconded by Commissioner Bertoni, the Authority unanimously accepted the reports contained in item number 370-09-2014 and received same for file.

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FINANCE

Chief Financial Officer ("CFO") Donna Manuelli requested approval of item number 371-09-2014. Moved is the items as follows:

371-09-2014

Chief Financial Officer Donna Manuelli presented the **Financial Summary** for the eight (8) months ended August 31, 2014.

On motion by Commissioner Pocino and seconded by Commissioner Bertoni, the Authority unanimously approved of item number 371-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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EXECUTIVE

Chief Operating Officer ("COO") John O'Hern requested approval of item numbers 372-09-2014 and 373-09-2014. Moved is the items as follows:

372-09-2014

In a memorandum dated September 2, 2014, **a Recommendation to enter into an Addendum to the Authority's Operating Agreement with Sunoco, Inc., for the Management of certain Pre-Sunoco environmental contamination matters at the Cheesequake, Forked**

River, Vauxhall, and Atlantic Service Areas on the Garden State Parkway, was approved.

The New Jersey Turnpike Authority ("Authority") owns services areas on its property along the Garden State Parkway ("Parkway") and New Jersey Turnpike ("Turnpike"). The Authority and Sunoco, Inc., ("Sunoco") are parties to operating agreements whereby Sunoco supplies fuel at these service areas.

This agenda item seeks authorization for the Executive Director to enter into an Addendum with Sunoco to establish and confirm which party is responsible for managing remediation work solely related to Pre-Sunoco environmental conditions at the Cheesequake, Forked River, Vauxhall, and Atlantic service areas on the Parkway. Pre-Sunoco environmental conditions are those environmental contamination conditions which have been confirmed, through appropriate testing, to have arisen any time prior to Sunoco's assumption of operations of the fuel stations at the service areas pursuant to the Assignment Agreement dated January 7, 2011.

Environmental remediation work must be performed at the aforementioned service areas. Sunoco has agreed to perform some of the remediation, although it is not responsible for the costs associated with the Pre-Sunoco contamination.

Sunoco acknowledges that during the period from 2004 to 2011 it mistakenly overcharged the Authority for diesel motor fuel supplied to Authority Maintenance Districts by Four Hundred Eighteen Thousand, One Hundred and Twelve Dollars (\$418,112.00). Sunoco agrees to place these monies into a segregated Diesel Fund. When Sunoco undertakes required remediation activities at any of the above-referenced service areas, Sunoco will apply the Diesel Fund to pay for the costs to undertake such activities. It is unlikely that the Diesel Fund will fully fund the cost of the needed remediation. But if monies remain in the fund at the end of the remediation work, those monies will be remitted to the Authority.

In addition, the Authority purchases fuel for its Maintenance facilities at a discounted rate from Sunoco. Sunoco will further agree to amend its operating agreement to allow the Authority to receive the discounted rate for fuel delivered to Authority administrative and State Police facilities on both roadways.

Thus, authorization is respectfully requested to delegate to the Executive Director the authority to enter into the Addendum with Sunoco based on the parameters set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any other documents and take any or all actions deemed necessary to effectuate the intent of this authorization.

On motion by Commissioner Hodes and seconded by Commissioner Pocino, the Authority unanimously approved of item numbers 372-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

373-09-2014

In a memorandum dated September 12, 2014, **a Recommendation to enter into a License Agreement with Tesla Motors, Inc., to permit the installation of four (4) electric vehicle charging stations at both the Molly Pitcher and Joyce Kilmer Service Areas located on the New Jersey Turnpike**, was approved.

The New Jersey Turnpike Authority (“Authority”) owns services areas on its property along the New Jersey Turnpike (“Turnpike”) and Garden State Parkway (“Parkway”). In recent years, bills have been introduced by the Legislature directing the Authority to install electric vehicle charging stations at its service areas. None of the bills have become law, but the Authority has been considering how to address the evolving electric vehicle market.

Last year, Tesla Motors, Inc. (“Tesla”), which manufactures electric vehicles, approached the Authority about installing electric vehicle charging stations at two (2) service areas along the Turnpike. The Authority and Tesla have identified four (4) parking spaces located in the parking area at the Molly Pitcher Service Area, which is located at milepost 71.7 southbound side on the Turnpike, and four (4) parking spaces in the Joyce Kilmer Service Area, which is located at milepost 78.7 on the northbound side of the Turnpike, as suitable locations for the installation of electric vehicle charging stations.

Tesla has requested to license from the Authority the above spaces for an initial term of seven (7) years, with an option, exercised at the Authority’s discretion, for an additional three (3) years. Tesla, which does not charge its customers for the use of the charging stations, would be responsible for the full cost of the installation, maintenance, and utilities related to the charging stations. As part of the installation of its charging stations, Tesla would also install all necessary cabling and equipment to allow electric service to be brought to the Turnpike service areas not only to enable the Tesla charging stations but also to provide electric service to an area abutting the Tesla locations that would be suitable for the installation of alternative electric vehicle charging station.

Authorization is respectfully requested to delegate to the Executive Director the authority to enter into a License Agreement with Tesla based on the parameters set forth above. It is further recommended that the Commissioners authorize the Executive Director to execute any other documents and take any or all actions deemed necessary to effectuate the intent of this authorization.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Authority unanimously approved of item numbers 373-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

Acting Chairman Gravino asked if any Commissioner had any other Authority business to discuss. Commissioner Minella offered what has been marked as agenda item 374-09-2014 into consideration. Commissioner Minella stated that the agenda item had just been discussed in closed session. He noted that each Commissioner had the agenda item and had an opportunity to review it.

374-09-2014

In a memorandum dated September 23, 2014, **a request for Authorization to Enter into Memorandums of Agreement with IFPTE Local 193 and IFPTE Local 200/200A**, was approved.

Staff of the New Jersey Turnpike Authority ("Authority") has been negotiating with IFPTE Local 193 ("Local 193") and IFPTE Local 200/200A ("Local 200") to modify their collective negotiations agreements with the Authority in exchange for the Authority agreeing not to privatize the positions of Local 193 Assistant Plaza Supervisors, Local 193 Plaza Supervisors, Local 200 Toll Plaza Supervisors, and Local 200A Interchange Managers before September 30, 2019.

On August 28, 2014, Dolores Gorczyca, International Representative for IFPTE, e-mailed all of the members of the Authority's Board of Commissioners the unions' proposal of economic concessions in exchange for the Authority agreeing not to privatize the tolls supervision and interchange manager positions before September 30, 2019. Specifically, the unions offered the following concessions:

- 1. Reduce annual salaries of current tolls supervisors and interchange managers:
 - October 2015 – reduce by \$1,000
 - October 2016 – reduce by \$750
 - October 2017 – reduce by \$500
- 2. Establish new salary scales for employees who are promoted into the unions:

Job Title	Range of New Annual Base Salary Scale
Toll Plaza Supervisor (Local 200)	Minimum salary reduced from \$69,958 to \$46,000 Maximum salary reduced from \$80,290 to \$68,000
Interchange Manager (Local 200)	Minimum salary reduced from \$83,035 to \$70,000 Maximum salary reduced from \$94,680 to \$84,000
Assistant Plaza Supervisor (Local 193)	Minimum salary reduced from \$67,556 to \$45,000 Maximum salary reduced from \$78,133 to \$57,000
Plaza Supervisor (Local 193)	Minimum salary reduced from \$78,682 to \$60,000 Maximum salary reduced from \$82,118 to \$69,000

- 3. Reduce the number of Personal Leave/Comp Days provided to tolls supervisors from six (6) to five (5).

The terms of the unions' proposal are fair and reasonable to the employees represented by Local 193 and Local 200, and to the Authority. Therefore, it is respectfully recommended that the Authority accept the unions' proposal as outlined above and the Board of Commissioners direct the Executive Director and Authority staff to negotiate the final terms and conditions of

Memorandums of Agreement ("MOAs") with Local 193 and Local 200, consistent with the terms set forth above. In addition, it is further recommended that authority be delegated to the Executive Director, following such negotiations, to execute such MOAs, consistent with the terms set forth above. Such MOAs would thereafter take effect upon the ratification of the MOAs by the memberships of Local 193 and Local 200.

On motion by Commissioner Pocino and seconded by Treasurer DuPont, the Authority unanimously approved of item numbers 374-09-2014; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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The motion to adjourn was made by Treasurer DuPont and seconded by Commissioner Pocino and, after the voice vote, the motion was duly adopted. The Authority adjourned at 10:02 a.m., to meet on Tuesday, October 21, 2014, at 9:30 A.M.

ATTEST:


Sheri Ann Czajkowski
Secretary to the Authority


Joseph Mrozek,
Executive Director

Date: September 23, 2014