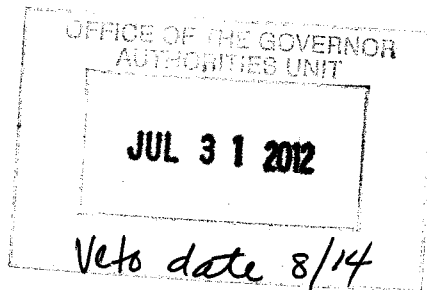


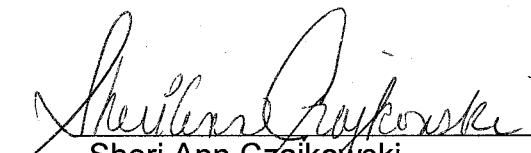
**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, Veronique Hakim, 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 July 31, 2012 Regular Meeting of the Authority.

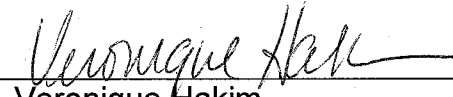
IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority this 31st day of July, 2012.

ATTEST:





Sheri Ann Czajkowski
Assistant Secretary to the Authority




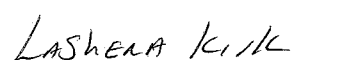
Veronique Hakim,
Executive Director

Corporate Seal

Date: July 31, 2012

**Received in the Governor's Office on July 31, 2012
(hand delivered)**

Received by:

 _____ Print Name	 _____ Signature
--	---

Veto Period Ends:

August 14, 2012
(Write in the date the veto period ends)

PROCEEDINGS OF NEW JERSEY TURNPIKE AUTHORITY**BOARD MEETING****TUESDAY, July 31, 2012****ooo0ooo**

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

ooo0ooo**PRESENT**

Present were Chairman James S. Simpson, Vice Chairman Ronald Gravino, Treasurer Michael DuPont (via telephone); Commissioner Harold Hodes (Absent); Commissioner Raymond Pocino; Commissioner Ulises Diaz and Commissioner Daniel Becht. The meeting commenced at 9:30 a.m.

ooo0ooo**ALSO PRESENT**

Executive Director Veronique Hakim; Deputy Executive Director John O'Hern; Chief Engineer Richard Raczynski; Acting Director of Law Phillip Espinosa; Electronic Toll Collection Director Dennis Switaj; Chief Financial Officer Donna Manuelli; Human Resources Director Mary-Elizabeth Garrity; Director of Internal Audit James Carone; Assistant Director of Maintenance Joseph Lentini; Director of Operations Sean Hill; Purchasing Director Andrea Ward; Chief Information Officer Barry Pelletteri; Director of Tolls Robert Quirk; Major Leonard Albine, State Police Troop D; and Assistant Secretary to the Authority Sheri Ann Czajkowski.

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

ooo0ooo**NOTICE OF MEETING**

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

ooo0ooo

ACTION ON MINUTES

The Executive Director reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Chris Christie received the proceedings of the regular meeting of June 26, 2012; he did not exercise his power to veto any items in those minutes.

Upon motion made by Vice Chairman Gravino and seconded by Commissioner Pocino the minutes of the meeting was unanimously approved.

ooo0ooo

RECUSALS

The Executive Director reported that advisements of recusal had been submitted and asked for any further recusals or abstentions to be placed on record for this meeting. Those results are regarding the following items:

Commissioner Pocino: 260-07-2012 thru 265-07-2012, 267-07-2012 and
269-07-2012 through 275-07-2012

Commissioner Diaz: 266-07-2012 and 268-07-2012

ooo0ooo

PUBLIC COMMENT

Chairman Simpson opened the floor to public comment on matters relating to the current agenda and all other matters.

ooo0ooo

MURRAY BODIN, Concerned Grandparents

At a prior meeting, Mr. Bodin announced that he was retiring from appearing before the Authority's Board of Commissioners. But he announced he has changed his mind. He further advised that society is always evolving and that we as individuals need to think differently about how we approach problems.

ooo0ooo

Franceline Ehret, Local 194

Ms. Ehret indicated that she would illustrate how decisions by the Board of Commissioners can negatively affect the lives of Authority employees. Ms. Ehret said that Patrick Kelly, a 58 year old Toll Collector, recently committed suicide. Ms. Ehret suggested that economic concessions, which included a July 1, 2012 salary decrease of \$7,000, made by Local 194 toll collectors in 2011 put so much economic strain on Mr. Kelly that he took his own life. In 2005, the Authority commended Mr. Kelly for his assistance with an Amber Alert situation. Ms. Ehret indicated that Local 194 made public offers to save the Authority money. The Authority,

(NJTA Board Meeting – 07/31/2012)

however, rejected the union's offers and demanded significant pay cuts from toll collectors. Ms. Ehret asked the Board of Commissioners of the Authority to give back to the toll collectors the recent last \$7,000 pay cut so that the actions of Mr. Kelly are not duplicated by others.

ooo0ooo

Bill Mullins, IFPTE Local 194

Mr. Mullins noted that two Turnpike toll collectors had recently been robbed while on duty. Mr. Mullins requested additional safety measures be put in place to protect the Toll Collectors from robberies. Mr. Mullins suggested that a joint task force be put in place with the Authority, State Police and Local 194.

ooo0ooo

COMMISSIONER'S COMMENTS

NO COMMENTS WERE MADE.

ooo0ooo

EXECUTIVE SESSION

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

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

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

Executive Session was adjourned at 10:20 a.m.; Chairman Simpson resumed the public portion of the meeting.

ooo0ooo

EXECUTIVE DIRECTOR'S COMMENTS

ED Hakim thanked Phil Espinosa, Acting Director of Law, for the work that he has done in the Law Department. Espinosa has been a stellar legal advisor and partner to this Authority. ED Hakim indicated that Bruce Harris will become the Authority's General Counsel in late August.

Chairman Simpson echoed ED Hakim's thoughts regarding Espinosa's participation with all of the transportation authorities. Chairman Simpson added that he is glad Espinosa will remain a part of the transportation family by doing work DOT and NJ Transit.

ooo0ooo

HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item 255-07-2012. Moved is the item as follows:

255-07-2012

Human Resources Director Garrity submitted the **Personnel Agenda**, dated July 31, 2012, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

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

ooo0ooo

LAW

Acting Director of Law Philip Espinosa requested approval of items 256-07-2012 through 259-07-2012. Moved as a group those items are as follows:

256-07-2012

In a memorandum dated July 18, 2012, **a Recommendation for the Ratification of Action Taken and Authorization for the Acquisition of Property Interests Required for the New Jersey Turnpike Authority, Interchange 6-9 Widening Program, Acquisition of Three (3) Properties or Payment of Damages Related to Same, 2009 Capital Construction Program, in an amount of \$802,705.64 (\$534,512.14 was previously approved; an additional \$268,193.50 is required)**, was approved.

The New Jersey Turnpike Authority (the "Authority") is proceeding with its plans to widen the Turnpike between Interchange 6 in Mansfield Township, Burlington County and Interchange 9 in East Brunswick Township, Middlesex County (the "Widening Program"). The roadway will be widened to 12 lanes with major modifications constructed at four interchanges. Final design is currently underway and construction is proceeding.

The acquisition of the necessary property interests is critical to the success of the Widening Program. In light of same, the Commissioners of the Authority authorized the Executive Director to take all steps necessary to prepare for the acquisition of property rights needed through final construction of the Widening Program with final action being brought to the Commissioners for ratification under Agenda Item No. 315-09-2011.

This Agenda Item seeks authorization to acquire certain property interests or pay for expenses or damages, as well as ratify final action taken with regard to same as follows:

I. Settled Eminent Domain Proceeding. The Authority has acquired the property interest referenced below after the commencement of a condemnation action, and had previously submitted said acquisition to the Authority's Commissioners for approval. The following is a

description of the payment of damages to the property owner relative to the above matter.

1) Turnpike Design Section 8, ROW Section 4L

Parcel Series 1220, Block 3, Lot 1.01 (Partial Taking)

257 Prospect Plains Road, Township of Cranbury, Middlesex County

Owner: Keystone Cranbury East, LLC c/o Prologis

Amount: \$428,145.64 (\$211,742.14¹ was previously approved for payment of damages; an additional **\$216,403.50** is required for payment of further damages)

The Authority's Commissioners previously approved the payment of damages in the amount of \$ 211,742.14 under Agenda Item Nos. 084-03-2011 and 002-01-2012. This agenda item seeks approval for the payment of further damages in the amount of \$216,403.50. This agenda item does not pertain to payment for the required property interests, for which approval was obtained from the Authority's Commissioners under Agenda Item Nos. 93-10 and 075-03-2012 in the amount of \$71,550.00.

The acquisition in Section I above does not involve property designated as "Preserved Farmland" pursuant to and as regulated 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 has this property 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.*

II. Settled SADC Eminent Domain Proceedings. Agenda Item 70-10 describes in detail the process that the Authority undertook in order to purchase property interests it required for the Widening Program that were designated as farmland within an Agricultural Development Area ("ADA") or Preserved Farmland. Below are such properties for which the Authority has reached settlements with both the property owners and SADC. As was previously submitted to the Authority's Commissioners, 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. The Authority then entered into good faith negotiations with the owners and their respective counsel as appropriate for the purchase of same based on this appraised value and in compliance with the laws governing its powers of eminent domain. The settled property acquisitions below include both: (1) "friendly condemnations" where the Authority was able to reach a settlement with the Property Owners, but commenced condemnation proceedings to resolve the monetary compensation with the SADC; and (2) condemnation actions that could not be settled prior to the commencement of condemnation proceedings with either the property owner or the SADC, but that were eventually settled with both parties. In addition, the below

¹ In Agenda Item No. 002-01-2012, the caption incorrectly referenced this amount as \$211,842.14 as an error was made in citing to the previously approved amount for damages as \$210,333.89, which should have been \$211,233.89. The body of that agenda item however is correct.

matters were part of a global settlement agreement with the SADC, which was approved by the Authority's Commissioners under agenda item no. 048-02-2012 as reiterated below.

1) Turnpike Section 1, ROW Section 3D

Parcel Series 186D, Block 30, Lot 6.01 (Partial Taking)

Hedding Road, Mansfield Township, Burlington County

Owners: Lawrence Durr and Carol Durr

Amount: \$121,700.00 (\$99,900.00² was previously approved; an additional \$21,800.00 is required for settlement)

The Authority's Commissioners previously approved the acquisition of the required property interests by condemnation under Agenda Item Nos. 70-10 and 123-10 for \$52,600.00 and \$47,300.00, respectively. The Authority had essentially come to an agreement with the property owner, but could not come to an agreement with the SADC. After extensive negotiations, the Authority was able to reach an agreement with the SADC as to payment for their interests in an overall agreement, which was approved by the Authority's Commissioners under Agenda Item No. 048-02-2012. This agenda item seeks approval for the difference in the amount previously approved and the amount agreed to by SADC and memorialized in a consent order in the amount of \$22,700.00. These amounts do not include damages paid to the tenant farmer.

2) Turnpike Section 1, ROW Section 3D

Parcel Series 191, Block 5, Lot 2.01 (Partial Taking)

Old York Road, Mansfield Township, Burlington County

Owners: Marguerite S. Winzinger and John Winzinger, Jr.

Amount: \$252,860.00 (\$222,870.00 was previously approved; an additional \$29,990.00 is required for settlement)

The Authority's Commissioners previously approved the acquisition of the required property interests by condemnation under Agenda Item Nos. 70-10 and 170-10 for \$151,700.00 and \$71,170.00, respectively. The Authority had essentially come to an agreement with the property owner, but could not come to an agreement with the SADC. After extensive negotiations, the Authority was able to reach an agreement with the SADC as to payment for their interests in an overall agreement, which was approved by the Authority's Commissioners under Agenda Item No. 048-02-2012. This agenda item

² The amount in the caption of Agenda Item No. 123-10 incorrectly added the amounts to equal \$99,000 as opposed to the correct amount of \$99,900, the rest of that agenda item with respect to this property was correct.

seeks approval for the difference in the amount previously approved and the amount agreed to by SADC and memorialized in a consent order in the amount of \$30,000.00.

All actions taken by the Executive Director have been necessary for the purchase of the properties listed above including the satisfaction of certain other costs required by law to be paid at closing. All actions taken by the Executive Director have been reviewed by outside counsel and reviewed and approved by the Law Department.

Based on the foregoing, it is requested that the Authority Commissioners ratify any and all actions taken by the Executive Director as outlined herein for the acquisition of the properties set forth above.

257-07-2012

In a memorandum dated July 18, 2012, **Authorization to extend broker and insurance agreements for three (3) months for the following lines of insurance with an estimated renewal premium for each line: (1) Excess Liability (\$297,293.00); (2) Turnpike Bridge and Non-Bridge Property (\$844,260.25); (3) Public Officials and Employment Practices Liability (\$83,622.00); and Professional Liability (\$223,095.00), Account No: 10893-441040**, were approved.

The New Jersey Turnpike Authority (the "Authority") maintains various lines of insurance for protection against liability claims and for the protection of its physical assets. In 2009, a Request for Proposal ("RFP") was released and awards were made to brokers for a three (3) year period for placement of the following coverages: (1) Excess Liability Insurance – Self Insured General Liability and Automobile Liability Insurance Program; (2) Major Bridge and Property Insurance for property located on the Turnpike roadway; (3) Public Officials and Employment Practices Liability Insurance, all of which are due to expire on August 31, 2012. The Authority has also maintained a Professional liability policy for its consultants for many years, most recently renewed for a three (3) year period to expire on August 31, 2012.

In April 2012, the Authority entered into a two (2) year agreement with Hanover Stone Partners, L.L.C. ("Hanover Stone") to provide comprehensive insurance and risk management consulting services to the Authority. The services include a review of the Authority's insurance program, its method of procuring insurance, and to provide recommendations for cost savings and improvements to the program, among other things. Hanover Stone has proceeded expeditiously and has commenced a comprehensive review of the Authority's insurance program and has made preliminary suggestions as to areas of improvement. Hanover Stone has also commenced a review of the Authority's procurement methods for insurance brokerage firms and insurance. However, in order to allow sufficient time for a complete, comprehensive, and detailed review of the program, and the procurement process, it has become necessary to extend the

lines of insurance, and the respective broker agreements, for three (3) months, to November 30, 2012. During this time, following a full review of the program and recommendations as to cost savings and improvements, a new competitive procurement will be undertaken.

The respective brokers for each line were requested to secure extensions on a pro-rata basis, with no increase in rate, through November 30, 2012. Each insurance company was amenable to such extension.

With respect to the Excess Liability policy, the broker, Risk Strategies, Inc., has advised that the cost for the three (3) month extension is as follows:

<u>Carrier</u>	<u>Total</u>
National Union	\$209,033.00
Arch	\$51,443.00
XL	\$24,079.00
Zurich	<u>\$12,738.00</u>
Total	\$297,293.00

With respect to the Turnpike Bridge and Non-Bridge Property policy, the broker, the NIA Group has advised that the cost for the three (3) month extension is as follows:

<u>Carrier</u>	<u>Total</u>
Ace (Illinois Union)	\$414,700.00
Chartis (Lexington)	\$330,851.00
HISCOX (Lloyds of London)	\$97,869.25
Boiler and Machinery Inspection (Fees)	<u>\$840.00</u>
Total	\$844,260.25

With respect to the Public Officials and Employment Practices policy, the broker, Risk Strategies, Inc., has advised that the cost for the three (3) month extension is as follows:

<u>Carrier</u>	<u>Total</u>
National Union	\$60,375.00
National Specialty	<u>\$23,247.00</u>
Total	\$83,622.00

With respect to the Professional Liability policy, the broker, Aon, has advised that the cost for the three (3) month extension is as follows:

<u>Carrier</u>	<u>Total</u>
Zurich	\$223,095.00

Therefore, it is requested that the Commissioners authorize the Executive Director and the Law Department to extend the brokerage and insurance agreements at the same rates and upon the same terms, as set forth above. It is also recommended that the Executive Director be authorized to sign all such documents and take all such actions so as to effectuate the intent of the above authorization.

258-07-2012

In a memorandum dated July 18, 2012, **Authorization to Settle Litigation Involving Property Damage to Lacey Road Bridge, New Jersey Turnpike Authority v. Porchtown Recycler and Cholish Salvage, Inc., et al., in an amount of \$4.325 million**, was approved.

This case arises from an accident occurring on June 4, 2008. An improperly loaded car crusher trailed by Porchtown Recyclers, Inc., ("Porchtown") impacted the overpass on the Garden State Parkway. The incident caused significant damage to the overpass. The damage to the bridge, along with the cost of a temporary bridge, resulted in the New Jersey Turnpike Authority ("Authority") incurring expenses totaling \$5.6 million.

Pursuant to a Joint Prosecution Agreement entered into between the Authority and the Authority's insurance companies, Landmark Insurance Company and Lexington Insurance Company, a subrogation action was filed to recover the costs of the damage.

Harleysville Insurance Company, the insurance company for Porchtown, the primary tortfeasor, also insures Green Acres, the recycling facility where the car crusher was stored. Harleysville Insurance Company has agreed to contribute a combined \$3.4 million towards settlement. Star Insurance Company, the insurance company for Cholish, the owner of the car crusher, has agreed to contribute \$925,000 toward a global settlement, for a total of \$4.325 million. Pursuant to the Joint Prosecution Agreement, the Authority would be entitled to 64.44% of the recovery amount, minus expenses and fees, currently estimated to be approximately \$600,000. The Authority had previously received \$2,000,000 partial reimbursement for the damages to the bridge.

The proposed settlement has been reviewed by outside counsel and reviewed and approved by the Authority's Law Department. Therefore, it is recommended that the Commissioners approve the settlement of this case as set forth above.

Accordingly, it is recommended that the Commissioners authorize the Executive Director and the Law Department to execute such documents and take all such actions that are necessary or advisable to conclude this case substantially as set forth above.

259-07-2012

In a memorandum dated July 17, 2012, **a Request for Approval of New Jersey Turnpike Authority's Share of \$65.5 Million Out-of-Court Settlement between 25 State Attorneys General and JP Morgan Chase & Co.**, was approved.

The New Jersey Turnpike Authority received a Notice Letter, dated July 9, 2012, from the Claims Administrator for the \$65.5 million out-of-court settlement between 25 State Attorneys General (including the State of New Jersey Attorney General) and JP Morgan Chase & Co. ("JP Morgan"). This settlement is the result of an investigation by the State Attorneys General into

alleged violations of state and federal antitrust and others laws by JP Morgan in the marketing, sale and placement of Municipal Bond Derivatives by rigging bids and fixing prices and other terms and conditions with respect to specific Municipal Bond Derivatives transactions. The State Attorneys General alleged in the Settlement Agreement that certain JP Morgan employees participated in an illegal scheme with brokers and providers, with whom they had relationships, to put their mutual pecuniary interest ahead of those of the Municipal Bond Derivative clients they represented. As a result, JP Morgan and these brokers and providers received unjust profits.

The New Jersey Turnpike Authority entered into, with JP Morgan, one or more of the derivative transactions affected by the aforementioned illegal conduct and is the subject of the settlement. The Authority's share, should it participate in the settlement, is \$151,873.86. The deadline for participation is submission of the: (1) Election to Participate form; and (2) Executed Release postmarked no later than August 23, 2012.

The New Jersey Turnpike Authority's participation in the out-of-court settlement between the 25 State Attorneys General and JP Morgan would foreclose the Authority from its right to sue JP Morgan from 1998-2006 for anticompetitive and/or unfair trade practice claims, including claims for damages brought in the pending civil class action in the U.S. District Court for the Southern District of New York: *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950, Master Civil Action No. 08-2516 (S.D.N.Y.).

The terms of the out-of-court settlement between the 25 State Attorneys General and JP Morgan have been reviewed by the Law Department, together with the Finance Department, and the consensus is that the New Jersey Turnpike Authority should elect to participate in the settlement and accept its \$151,873.86 share in damages. In December 2011, the Commissioners approved the Authority's participation in a similar settlement with Bank of America Corporation arising out of similar illegal conduct relating to Municipal Bond Derivatives. Similar to the justification for the Bank of America settlement, the vast expenditure in cost, effort and time necessary to pursue independently any litigation against JP Morgan would be ill-advised and any favorable results could not be guaranteed.

Accordingly, authorization is recommended to permit the New Jersey Turnpike Authority to participate in the \$65.5 million out-of-court settlement between 25 State Attorneys General and JP Morgan and to accept its damages share of \$151,873.86 by directing the Executive Director to execute the Election to Participate form and the Release. Further approval is requested to allow the Executive Director to take any other actions as are deemed necessary to effectuate the intent of the Board of Commissioners' authorization.

On motion by Commissioner Pocino and seconded by Vice Chairman Gravino, the Authority unanimously approved item number 256-07-2012 through 259-07-2012; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

ooo0ooo

ENGINEERING

Chief Engineer Richard Raczynski requested approval of item numbers 260-07-2012 through 274-07-2012. Moved are the items as follows:

ooo0ooo

PUBLIC BID SOLICITATIONS – AWARD OF CONTRACTS

260-07-2012

In a document dated July 20, 2012, **a Recommendation to Ratify Award of Contract No. P100.185-1 on the Garden State Parkway to Allied Painting, Inc. for Repainting of Structural Steel and Miscellaneous Improvements to Parkway Northbound Bridge over Raritan River and Smith Street, Structure No. 127.2N, Ten Year Capital Program Fund No. 39001008, in an amount of \$22,289,395.00,** was approved.

Six bid proposals were received on July 10, 2012 for the above publicly re-advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$22,289,395.00, may be compared to the second low bid proposal in the amount of \$22,687,225.00. The low bidder, Allied Painting, Inc., has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P100.185-1 be awarded to the low bidder, Allied Painting, Inc. of Cherry Hill, New Jersey, in the amount of \$22,289,395.00 and ratified at the July 31, 2012 Commission Meeting. 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 were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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

261-07-2012

In a document dated July 12, 2012, **a Recommendation to Award Contract No. A100.226 for both the New Jersey Turnpike and Garden State Parkway to IEW Construction Group, Inc. for Security and Access Restriction, Ten Year Capital Program Fund No. 39001011, in an amount of \$2,937,472.26,** was approved.

This contract will provide for the installation of security and on-bridge access restriction measures on FCM box beams, deck access hatches and catwalks for multiple bridges along the New Jersey Turnpike and Garden State Parkway.

Three bid proposals were received on June 26, 2012 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$2,937,472.26, may be compared to the second low bid proposal in the amount of \$3,038,444.00. IEW Construction Group, Inc. has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A100.226 be awarded to the low bidder, IEW Construction Group, Inc. of Trenton, New Jersey, in the amount of \$2,937,472.26. 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 were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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

262-07-2012

In a document dated July 12, 2012, a Recommendation to Award Contract No. T200.261 for the New Jersey Turnpike to South State, Inc. for Left Shoulder Restoration Milepost 0 to 29, Ten Year Capital Program No. 39002016, in an amount of \$16,180,996.00, was approved.

This contract provides for removal of existing left shoulder pavement and subgrade material, the construction of aggregate base course, hot mix asphalt base and surface course pavement along Turnpike Northbound and Southbound mainline roadways between Milepost 0 and 29, and will reinforce and restore left shoulders to a safe and serviceable condition.

Four bid proposals were received on July 10, 2012 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$16,180,996.00, may be compared to the second low bid proposal in the amount of \$16,296,823.00. South State, Inc. has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T200.261 be awarded to the low bidder, South State, Inc. of Bridgeton, New Jersey, in the amount of \$16,180,996.00. 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 were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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

ooo0ooo

ORDER FOR PROFESSIONAL SERVICES (OPS)

263-07-2012

In a document dated July 12, 2012, **a Recommendation to Issue Order for Professional Services No. T3310 for the New Jersey Turnpike to McCormick Taylor, Inc. for Design Services for Contract No. T200.265 Drainage Repairs Milepost 117 to 122, Ten Year Capital Program No. 39002003, in an amount of \$1,550,000.00,** was approved.

The work to be performed under the referenced Order for Professional Services (OPS) will consist of professional services required to prepare final design documents for a drainage repair contract developed from a priority listing of storm water collection system deficiencies previously identified under Order for Professional Services No. T3258 and included in "Findings Report." The limits of Contract No. T200.265 shall include the entire New Jersey Turnpike roadway system from Milepost 117 to 122, and other related work defined in the RFEOL's Scope of Services

This assignment is classified as a "Simple Project" based on the scope of work being clearly defined and not likely to change during the course of the project, and the cost not exceeding \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 41 engineering firms were prequalified and eligible under Profile Codes: A250 – Fully Controlled Access Highways and A265 – Roadway Storm Water Collection Systems. Eight firms submitted EOIs by the closing date of May 30, 2012.

Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from the top three firms. The firms in the order of ranking are: 1) McCormick Taylor, Inc.; 2) Arora & Associates, P.C.; and 3) Boswell Engineering. The fee submitted by McCormick Taylor, 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. T3310 be issued to the firm of McCormick Taylor, Inc. of Mount Laurel, New Jersey, not to exceed the amount of \$1,550,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.80, based on a 10% allowance for profit and an overhead rate of 154.5% or, the firm's overhead rate as determined by Federal Audit Regulation (FAR) procedure, whichever is less, plus authorized, direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 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).

264-07-2012

In a document dated July 27, 2012, **a Recommendation to Issue Order for Professional Services No. P3427 for the Garden State Parkway to STV Incorporated for Supervision of Construction Services for Contract No. P100.185, Repainting of Structural Steel and Miscellaneous Improvements to Parkway Northbound Bridge over Raritan River and Smith Street Structure No. 127.2N, Ten Year Capital Program Fund No. 39001008, in an amount of \$2,475,000.00,** was approved.

The referenced Order for Professional Services (OPS) provides construction supervision services for Contract No. P100.185 which includes work on Garden State Parkway Structure No. 127.2N, Driscoll Memorial Bridge. The contract will consist of blast cleaning and painting structural steel, cleaning the bridge drainage system, structural steel repairs, catwalk retrofit, maintenance and protection of traffic and other incidental work.

This assignment is classified as a "Complex Project" since the scope of work is not clearly defined and likely to change during the course of the project, and the cost exceeds \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 31 engineering firms were prequalified and eligible under Profile Code: B158 – Bridge Repainting/Inspection. Four firms submitted EOIs by the closing date of February 6, 2012.

All four firms were requested to submit Technical and sealed Fee Proposals: 1) Ammann & Whitney Consulting Group; 2) Johnson, Mirmiran & Thompson; 3) STV Incorporated; and 4) URS Corporation. The Committee reviewed and evaluated each firm's Technical Proposal and final scoring resulted in STV Incorporated being the highest technically ranked firm. The fee submitted has been reviewed, negotiated, and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. P3427 be issued to the firm of STV Incorporated of Trenton, New Jersey not to exceed the amount of \$2,475,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.38 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).

265-07-2012

In a document dated June 29, 2012, a Recommendation to Issue Supplement A to Order for Professional Services No. T3113 for the New Jersey Turnpike to Michael Baker Jr., Inc., for Interchange 6 – 9 Widening Program Design Engineer Section No. 3, Milepost 56.5 to 59.7, Ten Year Capital Program No. 39018001, in an amount of \$1,050,000.00, was approved.

This Order for Professional Services was issued at the November 2007 Commission Meeting in the amount of \$17,950,000.00 to provide professional engineering services associated with final design and preparation of contract documents, and other ancillary activities and services required for the final design of Section No. 3.

Supplement A will compensate the consultant for additional design services required for various out of scope tasks. In coordination with Mercer County, Baker developed additional alignment alternatives for several county and local roads crossing over the New Jersey Turnpike that were not anticipated in the original scope of work. Also, in an effort to prevent contractor conflicts due to contract timing, close proximity and shared access, Baker was directed to provide design services to combine Contract Nos. T869.120.302 and T869.120.303. Additional out of scope services include: structural design associated with additional retaining walls to minimize environmental impacts to satisfy NJDEP requirements and to minimize right-of-way impacts; the preparation of right of way documents for 13 additional property parcels; and extensive coordination with Colonial Pipeline Company, Sunoco Pipeline, L.C. and permitting agencies that could not have been anticipated at the time of the issuance of this Order for Professional Services in 2007.

Michael Baker Jr., Inc. submitted a proposal to provide the required services. The proposal has been reviewed and is considered fair and reasonable for the services to be provided.

It is, therefore, recommended that Supplement A to Order for Professional Services No. T3113 be issued to Michael Baker Jr., Inc., not to exceed the amount of \$1,050,000.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$17,950,000.00 to \$19,000,000.00. 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.

ooo0ooo

MISCELLANEOUS

266-07-2012

In a document dated June 27, 2012, a Recommendation to Execute Utility Order No. 1402-P for the Garden State Parkway to Verizon – NJ, Inc., Contract No. P300.198

Interchange 88 Improvements, Ten Year Capital Program Fund No. 39023029, in an amount of \$545,000.00, was approved.

Existing facilities will be directly impacted by the construction of the referenced contract. The Utility Order will reimburse Verizon-NJ, Inc. for the removal of existing poles and aerial facilities; installation/relocation of overhead/underground telephone lines and fiber optic aerial/underground cables; installation of anchors to new poles; cost of materials, engineering, inspection and associated activities. The work will be done at Route 70 (MP 89.4), Interchange 88 NB (MP 89.4), Interchange 88 SB (MP 89.4), Airport Road (MP 90) and Cedar Bridge Avenue (MP 90.2) and its vicinity in Lakewood Township, Ocean County.

The cost of this Utility Order was provided by Verizon-NJ, Inc. and is based on the final improvements and known conditions at this time. The cost proposal was reviewed by the Engineering Department, is considered reasonable and approval is recommended.

It is, therefore, recommended that the Executive Director be authorized to execute Utility Order No. 1402-P, not to exceed the amount of \$545,000.000. 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.

267-07-2012

In a document dated June 27, 2012, **a Recommendation to Execute Utility Order No. 1403-P for the Garden State Parkway to G4S Technology LLC, Contract Nos. P200.199, P200.200 and P200.201, Garden State Parkway Shoulder Restoration and Improvements, Milepost 83.5 to 88.5, Garden State Parkway Shoulder Restoration and Improvements, Milepost 90.5 to 93.5, Garden State Parkway Shoulder Restoration and Improvements, Milepost 93.5 to 99.5, Ten Year Capital Program Fund No. 39022023, in an amount of \$6,250,000.00, was approved.**

The construction of the shoulder restoration and improvements under the referenced contracts will require the relocation of NJTA fiber optic facilities along the GSP between Mileposts 83.5 and 99.5. The Utility Order will reimburse G4S Technology LLC for the cost of materials for conduit and splicing of new fiber optic cable at connection points, installation/relocation of conduit system, installation of fiber optic cable and associated activities. A separate Utility Order was issued for advance ordering of the fiber optic cable required for this work. Completion of some of this utility work will be required in advance of the Authority's construction contracts.

The cost of this Utility Order was provided by G4S Technology, LLC and is based on the final improvements and known conditions at this time. The cost proposal was reviewed by the Engineering Department, is considered reasonable and approval is recommended.

It is, therefore, recommended that the Executive Director be authorized to execute Utility

Order No. 1403-P, not to exceed the amount of \$6,250,000.00. The Authority is required by its enabling legislation, N.J.S.A. 27:23-6, to ascertain and pay the costs of relocation or removal of any public utility facilities that the Authority deems necessary to relocate or remove in furtherance of the Authority's highway projects.

268-07-2012

In a document dated June 27, 2012, **a Recommendation to Execute Utility Order No. 1404-P for the Garden State Parkway to Verizon – NJ, Inc., Contract No. P200.199 Garden State Parkway Shoulder Restoration and Improvements Milepost 83.5 to 88.5, Ten Year Capital Program Fund No. 39022023, in an amount of \$930,000.00**, was approved.

Existing facilities will be directly impacted by the construction of the referenced contract. The Utility Order will reimburse Verizon – NJ, Inc. for the removal of existing poles and aerial facilities; installation/relocation of overhead/underground telephone facilities and fiber optic aerial/underground cables; installation of new poles; cost of materials, engineering, inspection and associated activities. The work will be done at the Pleasant Plains Police Barracks, Route 6/166, Indian Head Road, Old Freehold Road and in the vicinity of Milepost 87.0.

The cost of this Utility Order was provided by Verizon-NJ, and is based on the final improvements and known conditions at this time. The cost proposal was reviewed by the Engineering Department, is considered reasonable and approval is recommended.

It is, therefore, recommended that the Executive Director be authorized to execute Utility Order No. 1404-P, not to exceed the amount of \$930,000.00. The Authority is required by its enabling legislation, N.J.S.A. 27:23-6, to ascertain and pay the costs of relocation or removal of any public utility facilities that the Authority deems necessary to relocate or remove in furtherance of the Authority's highway projects.

269-07-2012

In a document dated July 18, 2012, **a Recommendation to Authorize Additional Reimbursement For Removal of Environmental Contamination on Turnpike Property to Matrix Development Group, Inc. for Environmental Projects, Special Project Reserve Fund No. 04010019, in an amount of \$65,000.00**, was approved.

Environmental contamination has been discovered on a parcel of property that was acquired by the Authority in conjunction with the Route 92 project in South Brunswick. The contamination extends onto the adjacent parcel that is owned by the Matrix Development Group, Inc. (Matrix). Upon discovery of the contamination, Matrix undertook to remediate their property. The Authority determined that it would be cost effective for the Authority to have Matrix remediate both properties simultaneously, with Matrix taking the lead and the Authority reimbursing Matrix for the portion of the cleanup involving the Authority's parcel. In May 2007 the Executive Director

authorized reimbursement to Matrix in an amount up to \$25,000.00 under delegated authority to undertake investigations necessary to define the physical limits and composition of the contamination. The Executive Director authorized an additional \$10,000.00 for these efforts in April 2010, increasing the authorized reimbursement amount to \$35,000.00. The investigation and remediation of both the Matrix and Authority properties is proceeding under New Jersey Department of Environmental Protection ("NJDEP") oversight pursuant to separate Memoranda of Agreement between NJDEP and the Authority and NJDEP and Matrix, and NJDEP has approved the Remedial Action Workplan prepared on behalf of both the Authority and Matrix.

At the April 27, 2011 Commission Meeting authorization was provided to reimburse Matrix up to an additional \$125,000 for the remediation of the contamination. Pursuant to this authorization, the Authority entered into a binding agreement with Matrix whereby Matrix would manage and oversee the implementation of the remediation work, and costs for the work would be allocated between the Authority and Matrix on a 50/50 basis for General Expenses, such as preparation costs, report preparation and project management costs, and 60(Matrix)/40(Authority) share for Direct Cleanup Expenses. Matrix would be paid a management fee of 5% fee of the Authority's share of all costs, and the Authority's total costs would not exceed \$125,000 without the prior written approval of the Authority.

As a result of unanticipated remediation and wetland mitigation requirements imposed by NJDEP, the overall cost of the cleanup effort will be greater than anticipated. Matrix submitted a proposal reflecting a \$65,000.00 increase in the Authority's portion of the remediation and mitigation costs. The proposal has been reviewed and is considered fair and reasonable for the services to be provided.

It is, therefore, recommended that authority be delegated to the Executive Director to amend the current agreement with Matrix to increase the amount the Authority may reimburse to Matrix Development Group, Inc. by the not to exceed amount of \$65,000.00. The addition of this amount increases the total authorized fee from \$160,000.00 to \$225,000.00.

ooo0ooo

FINAL ACCEPTANCE

270-07-2012

In a document dated June 27, 2012, **a Recommendation for Final Acceptance, Contract T100.077 to Gardner M. Bishop, Inc. for Bridge Deck Repairs and Resurfacing Milepost 83 to 122 and the Newark Bay-Hudson County Extension, Maintenance Reserve Fund No. 03010001, in an amount due to the contractor of \$41,125.64,** was approved.

This contract involved replacing deteriorated concrete bridge deck slabs; repairing deck spalls; repairing and reconstructing deck joints; repairing headers; removing asphalt surfacing; placing new membrane; resurfacing approach roadways and bridge decks; repairing sidewalk,

parapet and curb surfaces; steel parapet repairs; median barrier reconstruction; replacement of bridge fencing; repairs to existing drainage facilities and electrical facilities; pavement striping; emergency and routine repairs under cost plus compensation; maintenance and protection of traffic measures; and other incidental work on various structures of the New Jersey Turnpike from Milepost 83 to 122 and the Newark Bay-Hudson County Extension in Union, Middlesex, Essex, Hudson and Bergen Counties, New Jersey. The contract was awarded December 2008 to the low bidder, Gardner M. Bishop, Inc., 399 Knollwood Road, White Plains, New York in the total amount of \$8,225,110.00.

During the course of the contract, there were seven Change Orders for a total increase of \$4,859,481.66, adjusting the final total amount of this contract to \$13,084,591.66.

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultants and the Chief Engineer.

All required contract documents including the Engineer's Final Certification, Maintenance Bond, Affidavit of Prevailing Wage and the Final Payment Certificate (18F) have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Law Department advises that there are no liens outstanding against the Contractor.

We concur and recommend that Contract T100.077 be accepted, and that final payment in the amount of \$41,125.64 be made to the Contractor.

271-07-2012

In a document dated June 27, 2012, **a Recommendation for Final Acceptance, Contract T200.151 to Joseph M. Sanzari, Inc., Resurfacing Milepost 74 to 122, Maintenance Reserve Fund No. 03010002, in an amount due to the contractor of \$262,525.96,** was approved.

This contract involved resurfacing of asphalt surface course pavement along Turnpike mainline roadways, ramps, toll plazas, shoulders and other incidental work from Milepost 74 to 122 in Middlesex, Union, Essex, Hudson and Bergen Counties, New Jersey. The contract was awarded March 2010 to the low bidder, Joseph M. Sanzari, Inc., 90 West Franklin Street, Hackensack, New Jersey in the total amount of \$5,195,060.00.

During the course of the contract, there were two Change Orders for a total decrease of \$646,161.80, adjusting the final total amount of this contract to \$4,548,898.20.

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultants and the Chief Engineer.

All required contract documents including the Engineer's Final Certification, Maintenance Bond, Affidavit of Prevailing Wage and the Final Payment Certificate (11F) have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Law Department advises that there are no liens outstanding against the Contractor.

We concur and recommend that Contract T200.151 be accepted, and that final payment in the amount of \$262,525.96 be made to the Contractor.

272-07-2012

In a document dated June 29, 2012, **a Recommendation for Final Acceptance, Contract P200.193 to J. Fletcher Creamer & Son, Inc., Guide Rail Improvements Milepost 100 to 126, Ten Year Capital Program Fund No. 39002016, in an amount due to the contractor of \$226,556.68,** was approved.

This contract involved various guide rail improvements on the Garden State Parkway northbound and southbound from Milepost 100 to 126 in Monmouth and Middlesex Counties, New Jersey. The contract was awarded May 2010 to the low bidder, J. Fletcher Creamer & Son, Inc., 101 East Broadway Ave., Hackensack, New Jersey in the total amount of \$5,287,474.00.

During the course of the contract, there was one Change Order for a total decrease of \$84,150.00, adjusting the final total amount of this contract to \$5,203,324.00.

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultants and the Chief Engineer.

All required contract documents including the Engineer's Final Certification, Maintenance Bond, Affidavit of Prevailing Wage and the Final Payment Certificate (14F) have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Law Department advises that there are no liens outstanding against the Contractor.

We concur and recommend that Contract P200.193 be accepted, and that final payment in the amount of \$226,556.68 be made to the Contractor.

273-07-2012

In a document dated July 17, 2012, **a Recommendation for Final Acceptance, Contract P300.043 to Midlantic Construction, LLC, Interchange 67 Ramp Improvements, 2008A Note Construction Fund No. 30000002, in an amount due to the contractor of \$467,974.98,** was approved.

This contract involved construction of Interchange 67 in Barnegat Township, Ocean County, New Jersey that connects the Garden State Parkway (GSP) with West Bay Avenue (CR-554). A new southbound exit and entrance ramp and a new northbound exit and entrance ramp with highway lighting was constructed at this location. The two existing bridges, which carry West Bay Avenue (CR-554) over the Garden State Parkway, were replaced as part of West Bay Avenue improvements from Mile 67.1 to Mile 68.2 in Barnegat, NJ. The contract was awarded July 2008 to the low bidder, Midlantic Construction, LLC, 371 N. Main St., Barnegat, New Jersey in the total amount of \$17,471,858.76.

During the course of the contract, there were five Change Orders for a total increase of

\$38,990.30, adjusting the final total amount of this contract to \$17,510,849.06.

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultants and the Chief Engineer.

All required contract documents including the Engineer's Final Certification, Maintenance Bond, Affidavit of Prevailing Wage and the Final Payment Certificate (33F) have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Law Department advises that there are no liens outstanding against the Contractor.

We concur and recommend that Contract P300.043 be accepted, and that final payment in the amount of \$467,974.98 be made to the Contractor.

ooo0ooo

ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

274-07-2012

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

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

On motion by Treasurer DuPont and seconded by Vice Chairman Gravino, the Authority unanimously approved items numbered 260-07-2012 through 273-07-2012; 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 274-07-2012 and received same for file.

ooo0ooo

MAINTENANCE

Assistant Director of Maintenance Joseph Lentini requested approval of item number 275-07-2012. Moved is the items as follows:

275-07-2012

In a document dated July 17, 2012, **a Recommendation for Authorization to Expend Total Amount of Contract No. A200.259 -- \$1,000,000 -- in 2012 to J. Fletcher Creamer & Son, Inc. for Immediate Repair of Drainage Structures Turnpike MP. 0 to 122 & Parkway MP. 0 to 172, Supplemental Capital Fund No. 08000012, with a revised contract amount of \$1,000,000 for year 2012,** was approved.

At the March 27, 2012 Commission Meeting, Contract No. A200.259 was awarded to J. Fletcher Creamer & Son, Inc., in an amount not to exceed one million dollars (\$1,000,000). This contract allows the Authority to direct J. Fletcher Creamer & Son, Inc., to perform emergency

029285

repair work to drainage structures caused by flooding and erosion on an on-call, as-needed, expedited basis. The terms of the contract are for two (2) years with a limit of \$500,000 per year. The source of funds for each on-call work order is approved through the Work Order Request Form process.

Since the award of Contract No. A200.259, the Maintenance Department has expended almost \$500,000 in this first year of the contract. The Maintenance Department has determined that approximately \$500,000 worth of drainage repairs need to be made this year on the Pennsylvania Extension and on the Garden State Parkway between mile posts 113 and 122. It is recommended that the authorized annual contract limit of \$500,000 be increased to the total contract value of \$1,000,000.

It is, therefore, recommended that the contract limit for year one for Contract No. A200.259 be increased to \$1,000,000 on the same terms and conditions of the original contract. Bids for this work were procured, and the authorization to award this contract to the lowest responsible bidder, were in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). In light of this authorization exhausting the \$1,000,000 contract amount, work in future years will be subject to a competitive procurement.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved item number 275-07-2012; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

ooo0ooo

PURCHASING

Director of Purchasing Andrea Ward requested approval of item numbers 276-07-2012 through 295-07-2012. Moved as a group those items are as follows:

ooo0ooo

PUBLIC BIDS SOLICITATIONS

276-07-2012

In a document dated July 18, 2012, **a Recommendation for Sand, Stone, Rip Rap and Screened Top Soil to Jersey Shore Lawn Sprinkler Construction Co., Inc., RM-93113, Budget Code: Various, in an amount of \$ 222,212.00**, was approved.

Authorization is requested to award a contract to provide Sand, Stone, Rip Rap and Screened Top Soil ("Materials") for landscaping and other roadway maintenance. Bidders were required to quote unit and total prices for 15 line items of the assorted Materials for delivery to following five Areas:

- 1) 3,400 tons of Materials to Turnpike North, MP. 67.4 to 126;
- 2) 1,200 tons of Materials to Turnpike South, MP 0.00 to 67.4;
- 3) 2,125 tons of Materials Parkway North, MP 141.5 to 171.2;
- 4) 1,800 tons of Materials Parkway Central, MP 105.0 to 141 and
- 5) 1,650 tons of Materials Parkway South, MP 0.00 to 105.0.

The bid was fully advertised and the four (4) vendors listed in the Authority's database for the referenced commodities were notified of the procurement. On June 19, 2012, bids were received as follows:

<u>Vendor</u>	<u>Total Prices</u>				
	<u>Area 1</u>	<u>Area 2</u>	<u>Area 3</u>	<u>Area 4</u>	<u>Area 5</u>
Jersey Shore Lawn Sprinkler Construction Co., Inc., Whiting, NJ	\$69,375.00	\$26,150.00	\$49,562.00	\$39,950.00	\$37,175.00
Andy Matt Inc., Mine Hill, NJ	\$123,775.00	No Bid	\$78,650.00	\$64,537.00	No Bid
Department Estimate: \$200,000.00					

Non-Compliance

Two other bids were received from Gibraltar Rock Inc. of Belle Mead, NJ and Tilcon New York Inc. of Wharton, NJ. However both bids were incomplete. Gibraltar Rock Inc. failed to quote five of 20 Line Items for each Area and Tilcon bid on Areas 1, 3 and 4 but failed to quote five of the 20 Line Items. Page 5 of the specifications state that " [b]idders must supply a price for every item listed per area. Bids not having a price in all listed items per area may be rejected." Therefore, the bids submitted by Gibraltar Rock Inc. and Tilcon New York Inc. were rejected.

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Jersey Shore Lawn Sprinkler Construction Co., Inc. for all five Areas in an amount not to exceed \$222,212.00, subject to funding availability at the time of ordering.

277-07-2012

In a document dated July 12, 2012, a Recommendation for Arrow and Message Boards to Traffic Safety Service LLC, R-93042, Budget Code: 00 040 540 650080 04008033, in an amount of \$45,327.50, was approved.

Authorization is requested to award a contract for: 1) 13 Arrow Boards with accessories

and 2) Two Message Boards with accessories. These boards will be installed on Maintenance trailers as safety devices to alert drivers near work zones on both Roadways. Bidders were required to bid unit and total prices for the equipment. These are replacement units and the older models will be sold at surplus if feasible. The bid was fully advertised and the eight vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On June 19, 2012, bids were received as follows:

<u>Vendor</u>	<u>Unit Price Arrow Board</u>	<u>Unit Price Message Board</u>	<u>Total Price</u>
Traffic Safety Service LLC South Plainfield, NJ	\$2,134.48	\$ 8,789.63	\$45,327.50
Transpo Industries, Inc. New Rochelle, NY	\$3,990.00	\$14,000.00	\$79,870.00

Departmental Estimate: \$50,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Traffic Safety Service LLC in a total amount not to exceed \$45,327.50.

278-07-2012

In a document dated July 12, 2012, a Recommendation for Line Stripers with Accessories to Sealmaster Industries, Inc., R-93213, Budget Code: 00 040 540 650080 04008033, in an amount of \$53,718.00, was approved.

Authorization is requested to award a contract for four Airless Dual-Gun Line Stripers, with Sit-Down Rider Attachments. The equipment is used for line striping in service areas and parking lots on both Roadways where larger machines do not fit. Bidders were required to bid unit and total prices for the equipment. These are replacement units and the older models will be sold at surplus if feasible. The bid was fully advertised and the six (6) vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On June 20, 2012, a sole bid was received as follows:

<u>Vendor</u>	<u>Unit Price</u>	<u>Total Price</u>
Sealmaster Ind. Allentown PA	\$13,429.50	\$53,718.00

Department Estimate: \$56,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2,

promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same. Accordingly, authorization is requested to award a contract to Sealmaster Ind. of Allentown PA in a total amount not to exceed \$ 53,718.00.

279-07-2012

In a document dated July 18, 2012, **a Recommendation to Reject All Bids and Re-advertise Automotive Hydraulic Lift Repair and Service, R-91596, with an estimate of \$125,000.00,** was approved.

The Maintenance Department requisitioned a one-year contract for Automotive Hydraulic Lift Repair and Service for the Maintenance Department. The bid was publicly advertised and procured in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). The two vendors listed in the Authority's database for the referenced services were notified of the procurement. Bidders were required to quote: a) discounts off of 11 Manufacturers' List prices-based on \$55,000 worth of parts; b) hourly labor rates for standard and overtime service and c) a unit price (per lift) for the Annual Safety Inspection. The bid was fully advertised and the two vendors listed in the Authority's database for the referenced services were notified of the procurement. On June 20, 2012, two bids were received.

The Maintenance staff reviewed the two proposals and discovered that the line items in the bid quantities stated in the bid specifications were incorrect. The Purchasing and Law Departments staff also reviewed the procurement and concluded that it was prudent to reject both proposals and rebid the contract with complete specifications in order to protect the integrity of the bidding process.

Accordingly, authorization is requested to reject bid proposals received from SAR Automotive Equipment Specialist, Inc. and Hoffman Services, Inc. and rebid the contract with revised specifications.

280-07-2012

In a document dated July 18, 2012, **a Recommendation for Electronic Parts for Repairing and Cleaning of Toll Equipment (Rebid), to Route Electronics 22, Inc., RM-91116, Budget Code: Various, in an amount of \$37,987.70,** was approved.

Authorization is requested to award a contract for Electronic Parts for the Repair and Cleaning of Toll Equipment. Bidders were required to quote unit and total prices for 20 line items for major parts for comparative bidding purpose. In addition, bidders were required to quote a

discount off Manufacturer's List Price for additional miscellaneous parts. The bid was fully advertised and the one vendor listed in the Authority's database for the referenced commodities were notified of the procurement. On June 20, 2012, bids were received as follows: (Unit prices can be obtained from the Procurement and Materials Management Department.)

<u>Vendor</u>	<u>Total Price</u>	<u>Discount</u>
Route Electronics 22, Inc.	\$37,987.70	5%

Department Estimate: \$50,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Route Electronics 22, Inc. in an amount not to exceed \$37,987.70, subject to funding availability at the time of ordering.

281-07-2012

In a document dated July 16, 2012, a Recommendation for Skid Steer Loaders to Garden State Bobcat, Inc., R-93430, Budget Code: 00 080 540 156999 08007021, in an amount of \$194,265.08, was approved.

Authorization is requested to award a contract for two (2) Rubber-tracked Skid Steer Loaders with Brush/Wood Shredding Attachments and Accessories. This roadway maintenance equipment is used to control the overgrowth of vegetation, small trees, and brush, in areas where larger machines will not fit. Bidders were required to bid unit and total prices for the equipment. These are replacement units and the older models will be sold at surplus if feasible. The bid was fully advertised and the five vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On July 5, 2012, bids were received as follows:

<u>Bidder</u>	<u>Unit Price</u>	<u>Total Price</u>
Jesco Inc., South Plainfield, NJ	\$87,567.00	\$175,134.00*
Cherry Valley Tractor Sales, Marlton, NJ	\$87,812.23	\$175,625.46*
Trico Equipment Services LLC, Vineland, NJ	\$90,614.00	\$181,228.00*
Harter Equipment Inc., Millstone Twp., NJ	\$90,622.00	\$181,244.00*
Garden State Bobcat, Inc., Freehold, NJ	\$97,132.54	\$194,265.08

Department Estimate: \$ 225,000.00

*Non-Compliance

The Maintenance Department staff reviewed the bids and determined that the bids submitted by the following four bidders: Jesco Inc., Cherry Valley Tractor Sales, LLC., Trico Equipment Services LLC and Harter Equipment, Inc. contain material technical discrepancies warranting bid rejections. Here is a sample of the significant bid discrepancies from the published specifications:

Jesco Inc. proposed: 1) Alternator 70-amp versus the 90-amp specified minimum; 2) 186 cubic inch displacement versus the specified minimum 230 cubic inch displacement; 3) Tier 3 emission engine standard versus the specified Tier 4 emission engine standard which complies with the Federal Emission Standard requirement; and 4) Dump height of bucket of 102" versus the specified 104".

Cherry Valley proposed: 1) 195 cubic inch displacement versus the specified minimum 230 cubic inch displacement; Dump height of 102" versus specified 104"; 3) Travel speed of 8.3 mph versus the specified minimum of 10 mph; 4) Hydraulic hoses routed outside of lift arm versus specified hose to be routed inside of lift arm for protection against rubbing and chaffing; and 5) Proposed refusal to pay liquidated damages in event of late delivery versus the specified "no exceptions" to liquidated damages if delivery exceeds 120 days.

Trico Equipment Services LLC proposed: 1) 195 cubic inch displacement versus specified minimum 230 cubic inch displacement; 2) Travel speed of 8.3 mph versus the specified minimum of 10 mph; 3) Reach height of 31" versus the specified 33 ½"; and 4) ¾" thick polycarbonate glass plus safety glass on rear and side windows versus the specified 1½" thick Lexan material on front and rear window for protection from falling debris.

Harter Equipment, Inc. proposed: 1) 75 amp; Alternator versus the specified minimum 90 amp; 2) Travel speed of 7.3 mph versus the specified minimum 10 mph; and 3) Battery with 900 CCA versus the specified minimum of 950 CCA.

Garden State Bobcat, Inc. complied with all the stated minimum/maximum requirements and took only three exceptions to the specifications with respect to the proposed window wiper, grab handle and foot pedal controls. The exceptions were deemed very minor as they do not constitute operational or safety discrepancies. Therefore, it is recommended that the bids submitted by Jesco Inc., Cherry Valley, Trico Equipment and Harter Equipment be rejected and the contract be awarded to Garden State Bobcat, Inc. This bidder's price quote is 13% below the Departmental Estimate.

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive

Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Garden State Bobcat, Inc. for two (2) Skid Steer Loaders with Brush/Wood Shredding Attachment and Accessories, in a total amount not to exceed \$194,265.08.

282-07-2012

In a document dated July 12, 2012, **a Recommendation for Stand-By Diesel Powered Generators (Rebid) to Cooper Friedman Electric Supply Co., Inc., R-92794 and R-92848, Budget Code: 00 040 540 650080 04008033, in an amount of \$206,000.00,** was approved.

Authorization is requested to award a contract for Stand-By Diesel Powered Generators for Maintenance facilities along the Garden State Parkway. These generators will replace existing generators which are inoperable, or older models which are not repairable. The older models will be sold at surplus if feasible. Bidders were required to quote unit and total prices for one or both of the following generators: 1) one 125-kw generator and 2) seven 60-kw generators. The bid was fully advertised and the eight vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On June 22, 2012, bids were received as follows:

<u>Vendor</u>	<u>Prices</u>		<u>Total Bid Price</u>
	<u>125 KW (1)</u>	<u>60 KW (7)</u>	
Cooper Friedman Electric Supply Co. Ocean, NJ	\$38,000.00	\$168,000.00	\$206,000.00
Cummins Power Systems LLC Newark, NJ	\$50,006.00	\$220,472.00	\$270,478.00
Warshauer Electric Supply Co. Tinton Falls, NJ	\$47,278.00	\$225,596.00	\$272,874.00
Rudox Engine & Equipment Co. Carlstadt, NJ	\$48,900.00	\$294,700.00	\$343,600.00
Department Estimate:\$265,500 (1-125 KW \$ 45,000.00; 7-60KW \$220,500.00)			

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Cooper Friedman Electric Supply Co. of Ocean, NJ, for the eight generators in a total amount not to exceed \$ 206,000.00.

283-07-2012

In a document dated July 18, 2012, **a Recommendation for the Removal of Trash, Wood, Concrete and Asphalt to Freehold Cartage Inc. and Grinnell Recycling Inc., RM-93007, Budget Code: Various, in an amount of \$451,220.00 (2 years),** was approved.

Authorization is requested to award two contracts for the Removal of Trash, Wood, Concrete and Asphalt from both Roadways. Bidders were required to quote unit and total prices for: a) transportation, pickup and delivery per container and b) recycling, disposal and reuse of debris per ton. The bid was divided into the following five geographical Areas and bidders could bid on one or multiple Areas:

- 1) Garden State Parkway ("GSP") North – 100 pickups, 630 tons of materials;
- 2) GSP Central – 100 pickups, 630 tons of materials;
- 3) GSP South – 100 pickups, 630 tons of materials;
- 4) New Jersey Turnpike ("TPK") North – 100 pickups, 750 tons of materials; and
- 5) TPK South – 100 pickups, 630 tons of materials.

The bid was fully advertised and the five vendors listed in the Authority's database for the referenced commodities were notified of the procurement. On July 5, 2012, bids were received as follows: (Unit bid prices can be obtained from the Procurement and Materials Management Department.)

<u>Vendor</u>	<u>Area 1</u>	<u>Area 2</u>	<u>Area 3</u>	<u>Area 4</u>	<u>Area 5</u>
Freehold Cartage Inc. Freehold, NJ	\$48,445.00	\$39,845.00	\$46,445.00	\$46,975.00	\$47,995.00**
Grinnell Recycling Inc. Sparta, NJ	\$44,350.00	NO BID	NO BID	NO BID	NO BID
Waste Management of NJ, Inc. Ewing, NJ	\$61,019.00	\$61,903.75	\$53,046.25	\$66,122.50	\$57,235.00
Giordano Company Newark, NJ	\$49,360.00	NO BID	NO BID	\$49,360.00	NO BID
Total Center Maintenance Burlington, NJ	NO BID	NO BID	NO BID	NO BID	\$51,050.00
Future Sanitation Inc. Farmingdale, NJ	\$48,929.00	\$50,989.00	\$49,300.00	\$53,629.00	\$50,300.00

Department Estimate: \$490,000.00 (2-years)

** (Bid comparison based on annual prices)

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award two, 2-year contracts for the removal of trash, wood, concrete and asphalt to: 1) Freehold Cartage Inc. for Areas 2, 3, 4, and 5 (GSP Central and South and TPK North and South) in an amount not to exceed \$362,520.00 and to 2) Grinnell Recycling Inc. for Area 1 (GSP North) in an amount not to exceed \$88,700.0, both subject to funding availability at the time of ordering. The combined total cost for both contracts

will be in an amount not to exceed \$451,220.00.

284-07-2012

In a document dated July 18, 2012, **a Recommendation for Environmental “Green” Cleaning Products to Bio Shine, Inc., RM-93206 and RM-94396, Budget Code: Various, in an amount of \$61,073.20,** was approved.

Authorization is requested to award a contract for supplies of Environmental Janitorial Products for cleaning the Authority’s facilities, especially toll booths and Maintenance buildings. Bidders were required to quote unit and total prices on the following three “Green” products: 1) 1900 one-gallon containers of “Envirox” general purpose cleaner 2) 324 bottles of “Mineral Shock”; 3) 120 one-gallon containers of a concentrated degreasing solution and 4) 50 Wall Mounted Dispensers. These products will replace the cleaning products currently in inventory with safer, more effective “green” products. The bid was fully advertised and the three vendors listed in the Authority’s database for the referenced commodities were notified of the procurement. On June 20, 2012, bids were received as follows: (Unit prices can be obtained from the Procurement and Materials Management Department.)

<u>Vendor</u>	<u>Total Price</u>
Bio-Shine, Inc. Spotswood, NJ	\$ 61,073.20
All Clean Janitorial Supply Co. Lawrenceville, NJ	\$ 77,152.20

Department Estimate: \$61,073.20

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority’s enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same. Accordingly, authorization is requested to award a contract to Bio-Shine, Inc. of Spotswood, NJ in an amount not to exceed \$61,073.20, subject to funding availability at the time of ordering.

285-07-2012

In a document dated July 24, 2012, **a Recommendation for 4-Wheel Drive Front-End Loaders, with a 3-Year Open End Option, to Jesco, Inc., R-93410, Budget Code: 00 080 540 156999 08007021, in an amount of \$1,219,939.00 (\$174,277.00 each),** was approved.

At the March 27, 2012 Board of Commissioners Meeting (Agenda Item #102-03-2012) the Authority awarded a contract to Jesco Inc. for the purchase of four 4-Wheel Drive High Lift Articulated Loaders at a cost of \$174,277.00 each. The contract included a 3-year option to purchase additional loaders which conform to the original specifications for three additional model

years.

Authorization is requested to purchase seven additional Articulated Loaders to replace loaders which are beyond their useful lives. Pursuant to the contract, the vendor will hold his original contract price through 2012. These are replacements for older model equipment that have outlived their useful life. The replaced loaders will be sold at public surplus sale if available buyers are found.

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This contract is in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

Accordingly, authorization is requested to award a contract to Jesco Inc. in a total amount not to exceed \$1,219,939.00.

ooo0ooo

STATE CONTRACTS AND MULTI-STATE CONTRACTS

286-07-2012

In a document dated July 18, 2012, **a Recommendation for State Police Vehicle Accessories to Municipal Equipment Enterprises LLC, R-93985, Budget Code: 00 040 720 650020 04010002, State Contract No. 81332 expiring 4/30/15, in an amount of \$59,159.89,** was approved.

Authorization is requested to award a contract to Municipal Equipment Enterprises LLC for the following four items for installation into 2012 New Jersey State Police (Troop D) vehicles: 1) 50 Prisoner Partitions; 2) 50 Rear Compartment Windows; 3) 58 Push Bumper Top Bar LED Lights; and 4) 3 Full-sized K-9 Replacement Rubber Mats. These items are essential for police surveillance operations on the Authority's Roadways.

This contract will be procured under State Contract No. 81332 which expires 4/30/2015 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). This contract expires 4/30/2015.

Accordingly, authorization is requested to award a contract to Municipal Equipment Enterprises LLC for the State Police Vehicle Accessories in a total amount not to exceed \$59,159.89.

287-07-2012

In a document dated July 12, 2012, **a Recommendation for Digital In-Vehicle Video Recording Systems to Link Communications LTD, R-93982, Budget Code: 00 040 720 650020 04010002, State Contract No. 68312 expiring 12/31/12, in an amount of**

\$181,902.00, was approved.

Authorization is requested to award a contract to Link Communications LTD for 12 digital In-vehicle video recording ("DIVR") systems for installation in the New Jersey State Police (Troop D) 2012 vehicle fleet. The contract includes the DIVR equipment, on-site configuration, certification per unit and one-year system maintenance/ extended warranty.

This contract will be procured under State Contract No. 68312 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). State Contract No. 68312 expires 12/31/2012.

Accordingly, authorization is requested to award a contract to Link Communications LTD for the DIVR systems in a total amount not to exceed \$181,902.00.

288-07-2012

In a document dated July 18, 2012, a Recommendation for HVAC and Plumbing Supplies to Madison Plumbing Supply. RM-93660, Budget Code: Various, State Contract No. 74876 expiring 8/31/12, in an amount not to exceed \$90,000.00, was approved.

Authorization is requested to award a contract to Madison Plumbing Supply for the supply of parts to repair, replace, and maintain the Authority's plumbing and HVAC systems on both roadways. The vendor will supply items that include but are not limited to valves, plumbing fixtures, pipe and fittings.

This contract will be procured in accordance with N.J.S.A. 27:23:6-1 and N.J.A.C. 19:9-2.5(a), which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. The State Contract is valid through August 31, 2013.

Accordingly, authorization is requested to award a contract to Madison Plumbing Supply in an amount not to exceed \$90,000.00 subject to funding availability at the time of ordering. Authorization is also requested to grant delegated authority to the Executive Director to extend the term(s) of the Contract and approve additional purchases of HVAC and Plumbing Supplies in a total amount not to exceed \$90,000.00 per 12-month period, consistent with any extension(s) to the applicable State Contract. Such authorization(s) will also be subject to funding availability at the time of order.

289-07-2012

In a document dated July 20, 2012, a Recommendation for Activu System Servers and Associated Equipment to ePlus Technology Inc., R-94069, Budget Code: 00 080 833 156555 08007042, State Contract No. 70262 expiring 8/31/14, in an amount of \$59,962.30, was approved.

Authorization is requested to award a contract to ePlus Technology Inc. for four Activu System Servers and associated equipment. The Activu System allows the data applications at the Statewide Traffic Management Center to be displayed on the large screens. The existing servers have reached the end of their life cycle and are unable to handle the growing demand of applications that run on the software. All items are available for purchase from ePlus Technology Inc. under Hewlett Packard's State Contract No. A70262 (WSCA/NASPO).

The contract will be procured in accordance with N.J.S.A. 27:23:6-1 and N.J.A.C. 19:9-2.5(a), which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. The State Contract is valid through August 31, 2014.

Accordingly, authorization is requested to award a contract to ePlus Technology Inc. for the four Activu System Servers and associated equipment in an amount not to exceed \$59,962.30.

290-07-2012

In a document dated July 20, 2012, **a Recommendation for Cisco Switches to ePlus Technology Inc., R-93902, Budget Code 00 080 833 156555 08007042, State Contract No. 73979, in an amount of \$67,628.36,** was approved.

Authorization is requested to award a contract to ePlus Technology, Inc. to install and configure two Cisco switches which run the Authority's Windows 2008 servers. The current switches have insufficient capacity and performance to support the increased number of the Authority's servers and expanded software storage and connectivity. The requested Cisco hardware will address this insufficiency. The contract will include but not limited to the hardware, necessary software licenses, software support and installation. All items are available for purchase from ePlus Technology, Inc. which is the distributor under Cisco System Inc.'s State Contract No. A73979.

The contract will be procured in accordance with N.J.S.A. 27:23:6-1 and N.J.A.C. 19:9-2.5(a), which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

According to the State Treasury Department, Division of Purchase and Property, the State Contract has been extended for at least another month through August 31, 2012. Thus, authorization is requested to award a contract to ePlus Technology, Inc. for Cisco switches and related hardware and software in an amount not to exceed \$67,628.36, provided that the applicable State Contract has been extended and remains in effect upon the expiration of the Governor's veto period for the minutes of the Authority's July 31, 2012 meeting.

291-07-2012

In a document dated July 20, 2012, **a Recommendation for "Websense" Subscription Renewal and Support to Dell Marketing LP, R-94148, Budget Code: 00 010 833 121020, State Contract No. 77003 expiring 6/30/15, in an amount of \$36,429.52**, was approved.

Authorization is requested to award a contract to Dell Marketing LP for the subscription renewal to the Authority's "Websense" access. Websense is an internet access management system which allows the Technology and Administrative Services Department staff to monitor, report and manage internal internet use. The access also provides real-time security scanning for malware and web based viruses and will block access to these threats proactively by preventing access to sites hosting the malicious content. The contract includes premium support for Authority users.

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

Accordingly, authorization is requested to award a contract to Dell Marketing LP for Websense subscription renewal in an amount not to exceed \$36,429.52.

292-07-2012

In a document dated July 18, 2012, **a Recommendation for Copier Rental at Various Authority Locations to Ricoh USA (Ikon Office Solutions), RM-93947 and RM-94166, Budget Code: Various, State Contract No. 64039, expiring 8/31/2012, in an amount of \$74,965.96 (Three, Four or Five year terms)**, was approved.

Authorization is requested to award a contract to Ricoh USA (Ikon Office Solutions) for the rental of six (6) multi-function copiers for various Authority offices, Print Shop and State Police (Troop D) headquarters. These replacement copiers can be procured through New Jersey State Contract No. 64039 awarded to Ricoh USA (Ikon Office Solutions) as the Statewide, primary vendor for these categories of copiers.

The contract will constitute the following copiers:

- 1) One speed band-9 copier with a 5-year term; cost in an amount not exceed \$41,580.00
- 2) Two speed band-1 copiers, with a 3-year term; cost in an amount not to exceed \$5,832.28;
- 3) Three speed band-3 copiers, with a 4-year term; cost in an amount not to exceed \$27,553.68;

This contract will be procured in accordance with N.J.S.A. 27:23:6-1 and N.J.A.C. 19:9-2.5(a), which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. The State Contract is valid through August 31, 2012 and allows for rental terms of three, four and five years from the date of

delivery.

Accordingly, authorization is requested to award a contract to Ricoh USA (Ikon Office Solutions) for the rental of six copiers in a total amount not to exceed \$74,965.96, all subject to funding availability at the time of ordering.

293-07-2012

In a document dated July 18, 2012, **a Recommendation for Automotive & Truck Parts to Uni-Select, USA, RM-94130 (PA-1222 Modification), Budget Code: Various, with an Anticipated Expenditure: \$650,000.00 (two-year contract)**, was approved.

In 2007, the Authority participated in a joint procurement among the members of the New Jersey Interagency Coordinating Committee ("NJICC") for the supply of aftermarket automotive and truck parts. The Authority issued a three-year contract to Uni-Select USA. This contract is widely used by the Authority's Maintenance, Inventory, and New Jersey State Police (Troop D) Divisions. In July, 2010, consistent with terms of the underlying contract, the Authority opted to extend the contract with Uni-Select USA for two years. This year, given very competitive pricing, the NJICC again decided to extend the contract with Uni-Select USA for the second/final, 2-year option period effective July 1, 2012 through June 30, 2014. Funds are near depletion and the respective departments have requested that the contract be extended and the authorized amount increased by \$650,000.00 to purchase automotive items through the two-year term which expires in 2014. Average annual expenditures have been approximately \$300,000.00 per year. Under the contract, the extension terms allow for a price increase subject to market discount pricing (Jobbers Price List).

This contract was procured in accordance with N.J.A.C. 19:9-2.5(a), promulgated pursuant to N.J.S.A. 27:23-1 et seq., the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006). Accordingly, approval is requested to extend Contract No. 1222 with Uni-Select until June 30, 2014 and increase the authorized amount by \$650,000.00 subject to funding availability at the time of order.

ooo0ooo

SOLE SOURCE

294-07-2012

In a document dated July 12, 2012, **a Recommendation for the Annual Support and Maintenance for Computerized Maintenance Management (CMM) System to Hansen Information Technologies, Inc., RM-93888, Budget Code: 00 010 833 121020, in an amount of \$72,241.34**, was approved.

Authorization is requested to award a contract to Hansen Information Technologies ("Hansen"), Chicago, IL, for the annual support and maintenance of the Computerized

Maintenance Management (“CMM”) System.

At the October 25, 2005 Commission Meeting (Agenda Item 231G-05), the Board of Commissioners awarded a contract to Hansen (formerly Spear Technologies, Inc.) to install a CMM System. This system is used to manage work force, monitor maintenance assets, and to identify overall performance statistics for the Maintenance and other operational Departments. The CMM System was modified in 2009. Annual software support and maintenance is required to provide enhancements, corrections and upgrades to the CMM System. The Technology and Administrative Services Department requisitioned the annual software support and maintenance to the CMM System for the term, August 1, 2012 through July 31, 2013.

The CMM System software licenses and the associated technical support services are registered, trademarked and copyrighted by Hansen. This is the only vendor which has access to the source codes needed to debug, upgrade and support the CMM System software. No other vendor is capable of providing the modifications required herein. In addition, this is an exceptional circumstance because the Authority relies solely on the CMM System to provide certain maintenance management functions.

Accordingly, authorization is requested to enter into a contract with Hansen Information Technologies for services outlined herein, in an amount not to exceed \$72,241.34. This award will be made under the sole source procurement authorization of N.J.A.C. 19:9-2.2(d)1 as promulgated under N.J.A.C. 27:23-6.1 and Executive Order No. 37 (Corzine 2006). A resolution, as required by N.J.A.C. 19:9-2.2(d)1, is attached hereto. Hansen is in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

RESOLUTION FOR SOLE SOURCE PROCUREMENT
SOFTWARE ANNUAL SUPPORT AND MAINTENANCE
COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM

WHEREAS, the Technology and Administrative Services (“TAS”) Department requisitioned software annual support and maintenance services to the Authority’s Computerized Maintenance Management System (CMM System); and

WHEREAS, at the October 25, 2005 Commission Meeting (Agenda Item 231G-05) the Authority awarded a contract to Hansen Information Technologies, Inc. (formerly Spear Technologies, Inc.) to install the CMM System, which software manages work force, monitors maintenance assets and identifies overall performance statistics for the Maintenance and other operational departments; and

WHEREAS, the TAS Department requests Hansen to provide the annual support and maintenance services to resolve software issues and to provide the Authority with

enhancements, corrections and upgrades as they become available for the term, August 1, 2012 through July 31, 2013; and

WHEREAS, the CMM System software licenses and the associated technical support services are registered, trademarked and copyrighted by Hansen and consequently it is the only vendor which has access to the source codes needed to debug, upgrade and support the CMM System; and

WHEREAS, software services to the CMM System can only be procured from Hansen Information Technologies, Inc. and only through direct negotiations; and

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

NOW, THEREFORE, BE IT RESOLVED THAT the Authority's Commissioners hereby authorize and approve award of a contract for annual support and maintenance services to the Computerized Maintenance Management System in an amount not to exceed \$72,241.34, as a sole source exception to procurement by public advertisement permitted by N.J.A.C. 19:9-2.2(d)1 promulgated under the Authority's enabling legislation, N.J.S.A. 27:23-6.1.

ooo0ooo

PROFESSIONAL SERVICES

295-07-2012

In a document dated July 24, 2012, **a Recommendation for Consultant Services for a Best Practices Review of PeopleSoft Human Capital Management Module to CherryRoad Technologies, Inc., RM-92902, Budget Code: Various, in an amount not to exceed \$200,000.00**, was approved.

The New Jersey Turnpike Authority (the "Authority") issued a request for proposal ("RFP") for a firm to provide consulting services to perform a Best Practices Review of the Authority's PeopleSoft Human Capital Management ("HCM") Module. The Consultant will perform a current state review of the current procedures in place for employee data, payroll and health benefits. After such review, the consultant will provide recommendations to capture industry best practices to yield greater efficiency and effectiveness of the PeopleSoft System.

The RFP was advertised on June 5, 2012 in The Times and posted on the State's and Authority's website. It was also advertised in the Star Ledger and The Times on June 18, 2012 and distributed to 10 firms. On July 2, 2012, the Authority received proposals from the following

two (2) firms:

1. **CherryRoad Technologies, Inc., Morris Plains, NJ**
2. MathTech, Inc., Hamilton NJ

The 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 the Executive Order No.37(Corzine 2006). An Evaluation committee (the "Committee"), which was approved by the Executive Director, consisted of personnel from the Authority's Finance, TAS and Procurement and Materials Management Departments. There was also a non-voting member from the Procurement and Materials Management Department on the Committee.

The Committee reviewed the proposals based upon the criteria set forth in the RFP. The Committee invited both firms to make oral presentations on July 12, 2012 and requested a Best and Final Offer (BAFO) from each firm due Monday July, 16, 2012. The Committee then prepared a report which details the evaluation process and sets forth its findings and recommendations. The Report recommends, after a thorough review of the proposals, presentations and BAFO, that CherryRoad be awarded the contract for consulting services to perform a best practices review of the PeopleSoft HCM Module. The Committee was favorably impressed with CherryRoad's response to the proposal and approach to the scope of services. They demonstrated a clear understanding of the Authority's needs and have detailed knowledge on the PeopleSoft HCM system. In addition, CherryRoad's experience with similar public entities as well as past experience with the Authority makes them the superior candidate.

CherryRoad proposed a fixed fee of \$155,000.00 for the review services. In addition, the RFP requested hourly rates for on-call services, in addition to these services, subject to availability of funding at the time. The on-call services are to be in a maximum amount not to exceed \$500,000.00. CherryRoad bid a fixed hourly rate of \$175.00 for on-site services and \$ 150.00 for off-site services, for any necessary on-call services.

The second proposer, MathTech, Inc. proposed a partnership with another consulting firm, CedarCrestone for this assignment. This was the first engagement of this type that MathTech is partnering with this sub consultant. While both firms have successful reputations in their individual areas of expertise, this partnership method has not been utilized and proven to be successful. In addition, this firm's fixed fee was approximately 20% higher than CherryRoad.

Accordingly, authorization is requested to award a contract for consultant services to CherryRoad Technologies, Inc., Morris Plains, NJ in an amount not to exceed \$655,000.00, subject to funding availability at the time of services. CherryRoad is in compliance with Public Law 2005, Chapter 51, and Executive Order No. 117(Corzine 2008).

On motion by Vice Chairman Gravino and seconded by Commissioner Diaz, the Authority unanimously approved item number 276-07-2012 through 295-07-2012; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

ooo0ooo

GENERAL BUSINESS

ooo0ooo

FINANCE

Chief Financial Officer Donna Manuelli requested approval of item numbers 296-07-2012 and 296-07-2012. Moved is the item as follows:

296-07-2012

Chief Financial Officer Donna Manuelli presented the **Financial Summary** for the six (6) month ended June, 2012.

On motion by Treasurer DuPont and seconded by Commissioner Becht the Authority unanimously approved item number 296-07-2012; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

297-07-2012

In a memorandum dated July 26, 2012, **Authorization to adopt the First Supplement to the Series 2012 Turnpike Revenue Bond Resolution**, was approved.

The New Jersey Turnpike Authority's Series 2012 Turnpike Revenue Bond Resolution, adopted March 27, 2012 (the "Series 2012 Resolution"), authorized the Authority to: (i) issue one or more Series of Bonds in an aggregate principal amount not exceeding \$1,250,000,000 for the purpose of refunding all or portions of certain series of Outstanding Bonds, including the Series 1991 D Bonds, Series 2003 A Bonds, Series 2004 C-1 Bonds, Series 2005 C Bonds and/or Series 2009 E Bonds; (ii) take certain actions relating thereto; (iii) take certain actions relating to the conversion and remarketing of the Series 1991 D Bonds; (iv) take certain actions relating to Credit Facilities and/or Alternate Standby Agreements with respect to the Series 1991 D Bonds, Series 2009 C Bonds and/or Series 2009 D Bonds; and (v) take certain actions relating to the Series 1991 D Swap Agreement.

On June 18, 2012, pursuant to the Series 2012 Resolution, the Authority issued \$141,255,000 aggregate principal amount of Turnpike Revenue Bonds, Series 2012 A (the "Series 2012 A Bonds") to refund its outstanding Turnpike Revenue Bonds, Series 2004 C-1, maturing on January 1, 2031 and January 1, 2035.

The Authority is now in the process of evaluating alternative transaction structures with

its financial advisor and bond counsel for the purpose of refunding additional Outstanding Bonds to achieve debt service savings. The Authority's goal is to take advantage of low current interest rates and alternative bank products that will reduce bank credit risk on variable rate debt. Certain elements of the proposed transactions were not authorized by the Series 2012 Resolution. Accordingly, to provide the needed flexibility to implement one or more of the proposed structures, the Authority will need to supplement and amend the Series 2012 Resolution.

The First Supplement to the Series 2012 Resolution (First Supplement) authorizes a \$350 million increase in the not to exceed principal amount of the Series 2012 Bonds from \$1,250,000,000 to \$1,600,000,000 (inclusive of the \$141,255,000 Series 2012A Bonds issued on June 18, 2012). The definition of refunded bonds is being amended to include the Series 1991C Bonds, Series 2003B Bonds, Series 2009C Bonds, and Series 2009D Bonds. The First Supplement also provides that the Series 2009C and Series 2009D swap agreements may be amended, supplemented, terminated and/or re-identified to other bonds, and that in general the final maturity date of a Series of refunding bonds cannot be later than the final maturity date of the Series of Bonds being refunded by such Series of refunding bonds, provided, however, that an Authorized Officer of the Authority may determine, in consultation with Bond Counsel, that the final maturity date of a specific Series of refunding bonds may be later than the final maturity date of the Series of Bonds being refunded by such specific Series of refunding bonds. The Series 2012 Resolution is also being amended to allow refunding bonds to be issued as taxable bonds and provide for a refunding of those taxable bonds on a tax-exempt basis in 2013 at the earliest date allowed by current tax laws.

The First Supplement also authorizes the issuance of up to \$458,000,000 of Series 2013 Bonds for the purpose of refunding in calendar year 2013 on a tax-exempt basis a portion of the Series 2012 Bonds that are issued as taxable bonds in 2012.

At this time, the Authority is considering the issuance of approximately \$751 million of fixed rate tax-exempt bonds. There is a possibility that additional fixed rate tax-exempt bonds could be issued depending on market conditions. The refunding proposal being considered provides debt service savings, no increase in debt service in any future year, and does not extend beyond the final maturity of the bonds being refunded. The underwriters for these fixed rate bonds were previously selected under a competitive procurement and authorized at the March 27, 2012 commission meeting. The underwriter's fee on this transaction will be \$2.49/thousand bonds issued.

As for the variable rate debt, the Authority solicited proposals to provide either replacement letters of credit or a direct floating rate note purchase from financial institutions for its \$371 million Series 1991D bonds, \$43,500,000 Series 2009C and \$43,500,000 Series 2009D Bonds. The Series 1991D bonds have a liquidity facility with Societe Generale and the bonds are trading at a premium interest rate due to credit concerns with Societe Generale. The Series

2009C and 2009D bonds have a letter of credit with Bank of Nova Scotia which expires in February 2013. Bank of Nova Scotia, however, will not renew this letter of credit because it is exiting the letter of credit business. Therefore, this liquidity facility needs to be replaced. At this time, the Authority is considering refunding the Series 1991D, Series 2009C and Series 2009D bonds with a direct purchase of Floating Rate Notes, which will not only provide savings to the Authority but will also eliminate future bank credit risk as bank letters of credit are not required. There will be no underwriting fees on these transactions because they are a direct bank placement and not a public debt offering. The new floating rate notes are expected to be issued as taxable floating rate notes and refunded in 2013 with tax-exempt floating rate notes at the earliest date allowed by tax law. The taxable floating rate notes will be refunded through the Series 2013 Bonds authorized under this resolution. The direct purchasers of the 2012 taxable floating rates notes are expected to provide a commitment to purchase the tax-exempt floating rate notes in 2013 which will refund their own 2012 taxable floating rate notes. Again there will be no underwriting fees on these transactions because they are a direct bank placement.

The proposed First Supplement allows the Authority to achieve significant debt service savings on its fixed rate debt based upon current low interest rates and reduce bank credit risk on a portion of its variable rate debt. As such, it is respectfully recommended that the Board of Commissioners adopt the First Supplement in substantially the form attached hereto, and authorize the Executive Director to execute any and all documents necessary to finalize this document, and others as may be necessary to complete these transactions.

Your approval of this recommendation is respectfully requested.

On motion by Treasurer DuPont and seconded by Commissioner Pocino the Authority unanimously approved item number 297-07-2012; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

ooo0ooo

OPERATIONS

ooo0ooo

Director of Operations Sean Hill requested approval of item number 298-07-2012.

Moved the item as follows:

298-07-2012

Director of Operations Sean Hill requested acceptance of the **Resume of All Fatal Accidents** for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2012 through 07/18/2012; both with 2011-2012 Yearly Comparisons through June, 2012.

On motion by Commissioner Diaz and seconded by Commissioner Pocino, the Authority unanimously accepted the reports contained in item number 298-07-2012 and received same for file.

ooo0ooo

STATE POLICE

Major Leonard Albine requested for approval is item number 299-07-2012. Moved is the item as follows:

299-07-2012

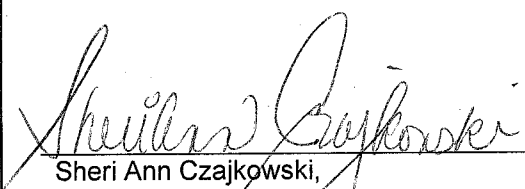
Executive Director Hakim requested acceptance of the New Jersey State Police Troop D Activity Reports, For June, 2012, with 2011 – 2012 Yearly Comparisons.

On motion by Vice Chairman Gravino and seconded by Commissioner Diaz, the Authority unanimously accepted the reports contained in item number 299-07-2012 and received same for file.

ooo0ooo

The motion to adjourn was made by Chairman Simpson, Commissioner Diaz and seconded by Commissioner Pocino and, after the voice vote, the motion was duly adopted. The Authority adjourned at 10:28 a.m., to meet on Tuesday, August 14, 2012, at 9:30 A.M.

ATTEST:



Sheri Ann Czajkowski,
Assistant Secretary to the Authority



Veronique Hakim, Executive Director

Corporate Seal

Date: July 31, 2012
