

**PROCEEDINGS OF NEW JERSEY TURNPIKE AUTHORITY
COMMISSION MEETING
WEDNESDAY, FEBRUARY 23, 2011**

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.

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PRESENT

Present were Chairman Simpson, Vice Chairman Ronald Gravino, Treasurer Michael DuPont, Commissioner Harold Hodes, Commissioner Raymond Pocino, and Commissioner Ulises Diaz. Commissioner Troy Singleton was absent. The meeting commenced at 9:32 a.m.

ALSO PRESENT

Executive Director Veronique Hakim; Deputy Executive Director John O'Hern; Chief Engineer Richard Raczynski; Acting Director of Law Linda Cavanaugh; Electronic Toll Collection Director Dennis Switaj; Chief Financial Officer Donna Manuelli; Human Resources Director Mary-Elizabeth Garrity; Internal Audit Director James Carone; Director of Maintenance John Cifelli; Director of Operations Sean Hill; Purchasing Director Andrea Ward; Acting Director of Technology and Administrative Services Stephen Ehrmann; Tolls Director Robert Quirk; Chief of Staff Megan Mulcahy; NJ State Police Troop D Commander Major Hines, and Assistant Secretary to the Authority Sheri Ann Czajkowski.

Also present were: Governors' Authorities Unit Representative David M. Reiner; additional individuals consisting of other NJTA employees; interested organizations; the general public; and from the media: the Star Ledger; Asbury Park Press and News 12.

ANNOUNCEMENT

Chairman Simpson congratulated Ronald Gravino on being named the Vice Chairman of the Turnpike Authority.

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NOTICE OF MEETING

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

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ACTION ON MINUTES

The Executive Director reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Chris Christie received the proceedings of the regular meeting of January 25, 2011; he did not exercise his power to veto any items in those minutes.

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

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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:

Chairman Simpson: 043-02-2011

Commissioner Pocino: 048-02-2011 through 059-02-2011

Commissioner Singleton: 048-02-2011

Commissioner Hodes: 044-02-2011

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PUBLIC COMMENT

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

FRANK FORST, LOCAL 194

Mr. Forst opened his comments by stating that Franceline Ehret, President of Local 194, received a letter dated February 18, 2011 from Brian Kronick, NJTA's labor counsel. In the letter, Mr. Kronick indicates that Franceline Ehret directed her members not to report to duty on February 23, 2011. Mr. Forst stated that Mrs. Ehret's letter does not direct her members not to report to duty on February 23, 2011. Mrs. Ehret states in her letter that employees have to put a face on privatization of toll collectors by showing the Authority that toll collectors are people and not just members of a union. Mrs. Ehret's letter further states that anyone off-duty has no excuse but to be at the Commission Meeting and if someone is scheduled for duty they should take a personal day or vacation day. Mr. Forst said the letter was a far cry from directing the members not to report for duty on February 23, 2011. In addition, Mr. Kronick's letter states that the union is contacting companies that are interested in submitting proposals relative to the RFP for the privatization of toll collectors for the toll roads. Mr. Forst stated that Local 194 has the right to contact these companies because the union plans on organizing the toll collectors as it has been telling the proposing companies.

FRANCELINE EHRET, LOCAL 194

Ms. Ehret stated that members are here yet again for the same reasons as previous months, to save their jobs and that Local 194 cares about its members. Ms. Ehret said the families of Local 194 toll collectors' members depend on these jobs to survive. She stated that on December 8, 2010, ED Hakim sent Mrs. Ehret an e-mail stating that the Authority was seeking \$12-14 million in cost reductions and that the union made a substantial offer to the Authority resulting in a \$16 million decrease which included an across-the-board 3.5% pay cut for all Local 194 members, new pay scales for new toll collectors, the elimination of 100 toll collector positions through attrition and the elimination of overtime for toll collectors by allowing the Authority to bring in part-time toll collectors to work when needed. Ms. Ehret stated the union has shown that it recognizes these tough times and it has made real sacrifices to save its jobs; however, she said the union does not understand the silence of the Authority and the union hopes that the Authority is not holding out for the annual pay reduction proposed during negotiations that would lower each toll collector's salary by \$15,000. Ms. Ehret commented that these employees could lose their homes, may not be able to afford to take care of their children, and may not be able to pay their bills. Further, she stated that the employees are aware that the health benefit and pension reform is coming as well and that the Governor wants employees to pay a 7% to 30% contribution of the premium costs toward healthcare costs. Ms. Ehret said that the Authority will realize even more savings when health care and pension reform is instituted and these workers have spent so much of their lives working for the Authority and are willing to share the pain. Ms. Ehret asked that the Commissioners have more respect for the employees than to hurt them so much. She said that the Turnpike is doing well financially and that the Turnpike has saved money through construction contracts that have come in under estimates, recorded a surplus this year and last year, and a 50% toll increase that will be occur in 2012. Ehret said that these numbers do not sound like a company that needs to privatize its employees. Ms. Ehret said the union hopes that the Authority will accept the union's proposal, or at the very least, agree to go back to the bargaining table so that the members can provide for their families.

JIM WALSH, NJ COALITION FOR PRIVATIZATION

Mr. Walsh is the spokesperson for the NJ Coalition for Privatization. Mr. Walsh said that public assets should be managed for the public good and not for private gain and that there is no reason to believe that privatizing the jobs of toll workers at the NJTA is in the best interest of NJ residents. Mr. Walsh stated that this will result in longer lines at toll booths and poverty wages for now middle income families. Mr. Walsh further commented that the Turnpike made a surplus last year, and rest assured that the the private company's who are lining up for these contracts will make sure that they will get a chunk of the money for themselves. Despite the projected savings that the Authority will have with the toll hikes and the \$16 million in concessions that the union has offered, the Authority seems to be moving forward with privatization. This appears to be a run around of collective bargaining rights rather than an attempt to save money. Mr. Walsh asked that the Authority come to the table and negotiate with the unions.

GREG JUNEMANN, PRESIDENT OF IFPTE

Mr. Junemann is the President of IFPTE, which represents more than 100,000 workers, 10,000 of which work in NJ, 2,500 members work for the Parkway and Turnpike. The IFPTE understands that the Authority needs to run a cost effective and efficient operation. Mr. Junemann requested that the Authority sit down with the unions and rather than exchange demands look at potential solutions, examine things. Local 194 proposed \$16 million in potential savings and there are probably more savings that can be found. Mr. Junemann asked that the Authority go back to the bargaining table with all of the unions that represent the Authority's employees and make something better for all of the people in NJ.

ANTHONY MISKOWSKI

Mr. Miskowski has spent 38 years working for the state and is in his 5th term as Secretary of CWA, Local 1033. Several months ago, he spoke before the Board of Commissioners on the 21 evils on privatization as duly reflected in the Minutes, by and large you recorded the words but they fell on deaf ears. This move to privatize is an attack on the working poor and the middle class and it is sweeping like a dry wind across America. Our union members have endured many hardships but the line has to be drawn in the sand. To our members that we represent I deliver this message:

Mr. Miskowski recited the following: "Oh what do we do now all you state workers, brothers and sisters; we are going back out before the rain starts falling. We will march through the allies and dark streets of Trenton where the workers are many and their pockets all empty. Where privatization storms are flooding their waters. Where the homes in the valley meet the damp dingy State House. Where the Governor's motives are always well hidden. Where poverty is ugly, where souls are forgotten. Where green is the color where none is the number. And we will tell it, think it, speak it and breathe it. We will reflect from the mountain so all souls can see it. We will stand on the ocean until we are sinking, but we know our song well as we start singing: it's so hard, it's so hard, it's so hard rains are going to fall."

CAROL ANN GAY, EXECUTIVE VICE-PRESIDENT NJ INDUSTRIAL UNION COUNSEL

Ms. Gay is the Executive Vice President of the NJ Industrial Union Counsel and Chair Labor Counsel for NJ Labor Against War, and many other organizations. Ms. Gay attended so that she could add her voice to the voices who have expressed outrage over privatization of the NJTA. Ms. Gay indicated that privatization is not cost effective and it does not save money in the long run. Ms. Gay spoke about labor against the war because she fights against privatization in the military because it costs far more money to privatize the work, and the same goes for privatization anywhere. Ms. Gay said that she travels the Turnpike almost daily and feels that having toll collectors is also a safety factor and that New Jersey needs these workers for safety and because everyone does not have E-ZPass. Ms. Gay added that there have been many horror stories of roads in the Midwest being privatized, the tolls have gone sky high and it was not proven to be cost effective. These jobs are important to NJ and these employees.

SARAH-ANN HARNICK, COMMUTER

Ms. Harnick stated that she is a proud commuter of the Turnpike around 15E; she stated that the Turnpike is a beautifully maintained road. Ms. Harnick said she is dismayed at the intentional diminution of what her family calls a good job in New Jersey. Throughout the years Turnpike workers did not earn much money but were treated with respect, their families were taken care of and they were guaranteed a pension. Ms. Harnick cannot understand why the Authority would go out for bid for privatization when every single toll road generates revenue. She said that tolls on the Garden State Parkway have never been removed because of the revenue they generate. Ms. Harnick stated that she believed this was an intentional act, there is a game that is being played, and it is not fair to anyone. All of the people here today qualify for NJ family care, a double-tax rebate, so where is the state benefiting by throwing people out of work so that we can hire people who make \$25,000 per year. Ms. Harnick is opposed to privatization, mystified and suspicious as to why this topic has even come up.

ASSEMBLYMAN CHARLES MAINOR

Assemblyman Mainor stated that he was disturbed by what is happening with the toll collection privatization RFP. He said if there is a problem then we need to fix it. However, he asked that the Authority take the opportunity to look at the lives that are going to be affected by privatization. Many families will be hurt by these decisions and the Assemblyman stated that he stands with the workers. Assemblyman Mainor asked that the Authority reconsider the decision of changing the toll collection process and if there is anything that he can do to help with this process he will be there. Assemblyman Mainor stands here today with the toll collectors and it is a shame to make these changes.

RAE ROEDER, CWA LOCAL 1033

Ms. Roeder stated that CWA Local 1033 has experienced the brunt of privatization schemes in New Jersey, all of which were based on ideology, and on greed. She indicated that it is about money, who has it and who does not; it is about a private company making a profit off of the backs of public workers. Ms. Roeder indicated that some of the bidders have worked in the state and at the Authority just so they can find out how the process works. Privatizing is not cost effective and it is about making a profit. Although this is the Authority's solution to fix the problem, she asked that everyone look inside themselves and think about what you are going to do when you put these people on the unemployment line. Local 1033 will continue to come to Board Meetings because it is not about what the Authority plans to do; it is about the same greedy people, whether you call them Democrats or Republicans.

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EXECUTIVE SESSION

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

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

The motion was made by Commissioner Gravino, 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 10:41 a.m.; Chairman Simpson resumed the public portion of the meeting.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item 037-02-2011. Moved is the item as follows:

037-02-2011

Human Resources Director Garrity submitted the **Personnel Agenda**, dated February 23, 2011, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

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

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LAW

Assistant Director of Law Linda Lordi Cavanaugh requested approval of items 038-02-2011 through 047-02-2011. Moved as a group those items are as follows:

038-02-2011

In a memorandum dated February 11, 2011, a **Recommendation to Authorize 2011 Assessments to Ambulance Squads and Fire Departments** providing Services on the New Jersey Turnpike and Garden State Parkway for the Period January 1, 2011 through December 31, 2011 was approved.

The New Jersey Turnpike Authority (the "Authority") utilizes the services of approximately 98 first aid squads and 95 fire departments that are on-call and provide emergency services to the Authority's patrons on the New Jersey Turnpike and the Garden State Parkway. These organizations are further supported by other organizations in a mutual aid capacity. It has been the policy of the Authority to financially assist these first aid squads and fire departments on an semi-annual basis because, as the owner and operator of these two roadways, the Authority itself does not have qualified emergency personnel and apparatus to provide these critical, life-saving services to its patrons.

Ambulance squads are provided a fee for stand-by and per call response. Fire Departments are provided a fee for stand-by and for the number of apparatus responding per call. Organizations providing mutual aid are not provided a fee for stand-by, but are provided a fee per call or number of apparatus per call.

At the December 2008 Commission Meeting authorization was granted to allow for a standard schedule of fees to be applied to both roadways for the activities described above. Based upon this schedule and the actual services provided for the year 2010, an amount has been estimated for anticipated services to be provided in the year 2011.

Accordingly, it is recommended that the Authority be authorized to work with the Ambulance Squads and Fire Departments providing services on the New Jersey Turnpike and Garden State Parkway under the terms set forth above in an amount not to exceed \$580,000.00 for the year 2011.

039-02-2011

In a memorandum dated February 11, 2011, **Authorization to Declare Property Surplus to the Authority's Needs Former Route 92 Property- Section 1, Parcel No. 92-112X, Area: 1.7 + Acres, Township of South Brunswick, Middlesex County**, was approved.

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On April 27, 1994, the State of New Jersey conveyed to the Authority the above property as part of the Route 92 Construction Project. Sometime thereafter, it was determined due to permitting and other issues that the project was no longer feasible. As such, the Authority is in the process of inventorying the properties that were acquired during the planning and design stages of the project and determining what properties can be used for other Authority purposes (such as mitigation), as well as preparing to dispose of those properties that have been determined not needed by the Authority for current or future projects. As a result of this process, the Authority's Engineering, Operations, Maintenance, and Law Departments and outside Engineering Consultant have reviewed this property and have all certified that the Authority no longer requires the property and does not see any future use of the property by the Authority.

Accordingly, it is recommended that authorization be given to declare Parcel 92-112X as surplus to the Authority's needs. It is further recommended that the Executive Director be authorized to take any other steps necessary to prepare for the sale of this parcel pursuant to the Authority's Surplus Property Policy upon review and approval of such action by the Law Department and General Counsel.

040-02-2011

In a memorandum dated February 11, 2011, **Authorization to Declare Property Surplus to the Authority's Needs Turnpike Section 7B, Parcel No. 634, Block 137, Lot 5, Area: 1.51 + Acres, Borough of Carlstadt, Bergen County**, was approved.

On November 9, 2007, authorization was obtained from the Authority's Commissioners to acquire the above property (the "Property") for wetlands mitigation necessary as a result of the Interchange 16W and Route 3 Ramp Improvements in East Rutherford, Bergen County, New Jersey and the NWC Ramp Improvements at Interchange 18W in Carlstadt, Bergen County, New Jersey (hereinafter the "Project"). Sometime thereafter, the Authority purchased said Property from the New Jersey Meadowlands Commission ("NJMC"). Despite the fact that the Authority was able to obtain approvals from all relevant environmental regulatory agencies to use the site in order to meet its mitigation requirements, it was ultimately found that the Property was unacceptable for the intended mitigation because of the impending failure of the tide gates located in proximity to the Property, which will subject the Property to tidal influence upon their failure. As a result, the Authority is moving forward with the United States Army Corp of Engineers' ("USACE") recommendation that it meet its mitigation requirements by purchasing credits from approved wetland mitigation banks. Because this property is no longer needed for the Project and the Authority's Engineering, Operations, Maintenance, and Law Departments and outside Engineering Consultant have reviewed this Property and have all certified that the Authority has no present or future use of the Property, it seeks to dispose of this property pursuant to its Surplus Property Policy.

Accordingly, it is recommended that authorization be given to declare Parcel 634 as surplus to the Authority's needs. It is further recommended that the Executive Director be authorized to take any other steps necessary to prepare for the sale of this parcel pursuant to the Authority's Surplus Property Policy upon review and approval of such action by the Law Department and General Counsel.

041-02-2011

In a memorandum dated February 14, 2011, **Authorization to Purchase Property ("Forked River Mountain Mitigation Site") from Evergreen Environmental for Future Use by the Authority for Threatened and Endangered Species Mitigation, Interchange 63 to 80 Widening Program – Garden State Parkway, Block 3400, Lot 12, Lacey Township, Ocean County, Acres: +/- 55 acres, Amount: \$ 1.00, 2009 Capital Construction Program No. 39028018**, was approved.

On February 23, 2010, by Agenda Item 53-10, the Authority awarded Evergreen Environmental ("Evergreen") a contract under OPS 3286 (the "Contract"), which provided threatened and endangered species mitigation for the Parkway Widening Program (the "Mitigation"). Under the Contract, Evergreen was responsible for identifying, investigating and acquiring property suitable for threatened and endangered species mitigation; and then deed restricting the properties in accordance with the provisions imposed by the Pinelands as part of the Memorandum of Agreement ("MOA") issued in accordance with the New Jersey Pinelands Area and by the NJDEP as part of their permit issued in accordance with the Coastal Area Facility Review Act (CAFRA) Zone, respectively. The acreage required to be mitigated under the Pinelands MOA/CAFRA Permit and the Contract was a minimum of 215.7 acres and the cost for all of the above services was not to exceed \$2,400,000. The above property was one of the properties identified by the Authority and Evergreen found to be suitable for mitigation purposes by the Pinelands in accordance with the Contract. Ultimately, all of the property acquired was to be deed restricted and conveyed to a not-for-profit conservancy so that the property would remain undeveloped and preserved in perpetuity. Evergreen's supplied mitigation exceeded the parties' expectations and provided for more acreage suitable for mitigation purposes than required under the MOA. As a result, the Authority has sought and obtained Pinelands approval to use the above identified property as mitigation for future Authority projects in the Pinelands jurisdiction. In order to retain the capability to do so, the Authority will have to take title to the property and retain ownership until such time that it can be later used as mitigated property under a future Pinelands permit requirement. The balance of the property that has been mitigated and has been identified as suitable mitigation pursuant to the Pineland's MOA and CAFRA Permit will be deed restricted, and conveyed directly to a not-for-profit conservancy by Evergreen.

Based on the foregoing, it is requested that the Authority's Commissioners authorize the Executive Director with the assistance of the Director of Law, in consultation with the Engineering Department and General Counsel, to take all steps necessary to purchase the above property for a nominal value of \$1 so that the Authority can retain the ability to use the property to satisfy any future mitigation requirements with respect to any projects in the Pinelands.

042-02-2011

In a memorandum dated February 10, 2011, **Ratification of Action taken for the Acquisition of Property Interests Required for the New Jersey Turnpike Authority Interchange 6-9 Widening Program, Acquisition of Six (6) Properties and Reimbursement for Damages, 2009 Capital Construction Program, Amount: \$ \$494,100.00**, 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 New Jersey Turnpike Authority authorized the Executive Director to take all steps necessary to prepare for the acquisition of easements or other property rights needed to begin Phase 1 construction of the Widening Program with final action being brought to the Commissioners for ratification.

Since the last Commissioner's meeting, the Authority has taken final action with respect to the following properties.

I. New Acquisitions, Reimbursement for Damages and Relocation Benefits: The Authority has determined that the five (5) properties listed below are necessary for the Widening Program. To that end, 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 or the settlement of any claims related to said acquisitions based on this appraised value and in compliance with the laws governing its powers of eminent domain. Negotiations continued and settlement of all terms was agreed upon. The following is a description of each property for which the parties have finalized negotiated terms of sale or other terms of settlement:

1. Turnpike Design Section 1, Turnpike ROW Section 3D
Parcel Series 210, Block 30, Lot 8.01 **(Partial Taking)**
757 Mansfield Road West, Mansfield Township, Burlington County
Owners: William J. Jones and Corinne E. Jones
Amount: \$140,000.00 **(Additional amount of \$47,800.00, \$92,200.00 previously approved for condemnation)**

The Property currently consists of 17.651 acres of land improved with a two-story Colonial dwelling and a large rear garage. The NJTA must acquire the following interest in the Property which will hereafter be referred to as the "Property Interest": (1) a fee simple interest in 2.128 acres of the Property to be designated as Parcel 210A; (2) a fee simple interest in 0.037 acres of the Property to be designated as Parcel 210B; (3) a slope (7) a drainage easement consisting of the right to construct and maintain drainage appurtenances, impacting 0.003 acres of the Property to be designated as Parcel D210; (8) a drainage easement consisting of the right to construct and maintain drainage appurtenances and also the right to maintain the flow of surface drainage from the cross drain and discharge said water on lands of the owner on the northwesterly side of Mansfield Road West, impacting 0.016 acres of the Property to be designated as Parcel 2D210; (9) a temporary construction easement consisting of the right to perform construction related activity for use during the construction of the proposed pipeline, impacting 1.244 acres of the Property to be designated as Parcel C210; (10) a temporary construction easement consisting of the right to perform construction related activity for use during the construction of the proposed pipeline, impacting 0.914 acres of the Property to be designated as Parcel 2C210; and (11) a temporary construction easement consisting of the right to perform construction related activity for use during the construction of a proposed driveway, impacting 0.029 acres of the Property to be designated as Parcel 3C210.

2. Turnpike Design Section 6, ROW Section 4J
Parcel No. 1100, Block 15.01, Lot 3 **(Partial Taking)**
419 Monmouth Street, Township of East Windsor, County of Mercer
Owner: Monmouth at Woodside Realty, LLC
Amount: \$270,000.00 **(Additional amount of \$225,000.00, \$45,000.00 previously approved for condemnation)**

The Property currently consists of 14.636 acres of vacant land. The NJTA must acquire the following interest in the Property which will hereafter be referred to as the "Property Interest": (1) a utility easement consisting of the right to install and maintain the Colonial Pipeline, impacting 1.709 acres of the Property to be designated as Parcel RUE1100; (2) a utility easement consisting of the right to construct, place, maintain and repair above ground JCP&L and NJ Bell, or their successors, service line utility facilities and appurtenances, impacting 0.069 acres of the Property to be designated as Parcel 2UE1100; (3) a slope easement consisting of the right to form and maintain slopes for grading, drainage and support of New Jersey Turnpike SNO Roadway, impacting 0.023 acres of the Property to be designated as Parcel E1100; (4) an aerial easement to carry above ground service line utility facilities and appurtenances, impacting 0.035 acres of the Property to be designated as Parcel AE1100; and (5) a temporary construction easement consisting of the right to store construction equipment, materials and stockpile excavated material for use during the construction of the Colonial Pipeline, impacting 1.835 acres of the Property to be designated as Parcel RC1100.

The Authority's initial appraisal does not reflect an amount for damages resulting from the loss of land necessary for parking and drainage for the Owner's prospective hotel development. The loss of parking spaces due to the Authority's taking resulted in the elimination of up to 27 rooms from the planned development at a significant financial loss.

3. Turnpike Design Section 3, Turnpike ROW Section 3F
Parcel 307E, Block 2729, Lot 2 (**Revised Full Taking**)
Crosswicks-Hamilton Square Road, Hamilton Township, Mercer County
Owner: 3D Company, LLC
Amount: \$12,000.00 (**Additional \$9,300.00, \$2,700.00 previously approved for condemnation**)

The Property currently consists of 0.982 acres of vacant land. The NJTA must acquire the following interest in the Property which will hereafter be referred to as the "Property Interest": (1) a fee simple interest in 0.982 acres of the Property to be designated as Parcel 307E.

4. Turnpike Design Section 8, Turnpike ROW Section 4L
Parcel Series 1214, Block 5, Lot 7.01 (**Revised Partial Taking**)
1 Squibb Drive, Cranbury Township, Middlesex County
Owner: Matrix Cranbury Associates, LLC
Amount: \$195,500.00 (**Purchase Price is \$178,900.00, Negotiated Amount includes \$11,000.00 for landscaping replacement and \$5,600.00 for relocation of the illuminated sign the Widening Program is impacting**)

The subject property consists of 23.099 acres of land improved with a 223,936 square foot research and development industrial facility (the "Property"). The NJTA must acquire the following interests in the property which will hereafter be referred to as the "Property Interest": (1) a fee simple interest in 0.567 acres of the Property to be designated as Parcel 1214; (2) a utility easement consisting of the right to install and maintain a 12" MTUD water main, impacting 0.038 acres of the Property to be designated as Parcel RUE1214; and (3) a utility easement consisting of the right to install and maintain a 10" NJAW water main, impacting 0.016 acres of the Property to be designated as Parcel 2UE1214; and (4) a temporary construction easement consisting of the right to access land and area with vehicles and equipment for use during the re-grading of the driveway to meet new roadway grades, impacting 0.650 acres of the Property to be designated as Parcel C1214.

5. Turnpike Design Section 4, Turnpike ROW Section 4G
Parcel Series 957, Block 30.03, Lots 10.01 & 10.02 (**Partial Taking**)
370 Edgebrook Road, East Windsor, Mercer County
Owner: Richard Havens
Amount Land: \$39,500.00 (**Additional amount of \$8,500.00, \$31,000.00 previously approved**)
Amount Damages: **\$7,000.00 (Payment for Tree Loss and Tree Replacement)**

The subject property consists of a total of approximately 3.64 acres (the "Property"), with Lot 14 being improved with a single family residence. The NJTA must acquire the following interests in the Property hereafter referred to as the "Property Interests": (1) a fee simple interest in 0.50 acres of the Property to be designated as Parcel 957; (2) a slope easement impacting 0.348 acres of the Property to be designated as Parcel E957; (3) a drainage easement impacting 0.046 acres of the Property to be designated as Parcel D957; and (4) a temporary construction easement impacting 0.247 acres to be designated as Parcel C957. An additional amount of \$7,000.00 was agreed to by the parties in settlement of damage done to trees on the Property during the course of construction.

II. New Eminent Domain Proceedings. The Authority has determined that the one (1) property listed herein is necessary for the Widening Program. To that end, the Authority had an appraisal prepared by independent Appraisers and reviewed by Value Research Group, LLC, the

Authority's Real Estate Manager/Consultant, which set a value for each. With respect to the below parcel, the Authority had contacted the respective property owners and entered into good faith negotiations with said owners and their respective counsel for the purchase of same based on the appraised value and in compliance with the laws governing its powers of eminent domain. Eminent Domain proceedings are being filed as the last resort. The following is a description of said property:

- 1) Turnpike Design Section 3, Turnpike ROW Section 3F
Parcel 307C, RE307C & RC307C, Block 2716.03, Lot 17
(Partial Taking-Revised)
5465-5561 South Broad Street, Hamilton Township, Mercer County
Owner: 3D Company, LLC
Amount: \$133,000.00 **(\$132,000.00 previously approved for condemnation, Additional Amount of \$1,000.00)**

The Property consists of 17.243 acres of preserved farmland improved with two residences. The Property's development rights were sold to the County of Mercer on May 5, 1998 for \$926,242.40 (including additional land) in a Deed of Easement recorded in Deed Book 2441, Page Number 754 ("Farmland Preservation Deed of Easement"). Simultaneously on May 5, 1988, the Property was entered into a Municipally Approved Farmland Preservation Program with Hamilton Township and the Mercer County Agricultural Development Board prohibiting the development of the property for non-agricultural purposes for a period of 8 years with an option to renew for an additional 8 years, in Deed Book 2441, Page Number 770 ("Municipally Approved Farmland Preservation Program Agreement"). No option to renew participation in the Municipally Approved Program could be located, however, this property does appear on the State Agricultural Development Committee's list of preserved farmland. The NJTA must acquire the following interest in the Property which will hereafter be referred to as the "Property Interest": (1) a fee simple interest in 4.315 acres of the Property (all of which is located within the farmland preservation easement) to be designated as Parcel 307C; (2) a protective easement consisting of the right to construct, maintain and protect a permanent proposed guide rail located at the driveway, impacting 0.013 acres of the Property (all of which is located within the farmland preservation easement) to be designated as Parcel PE307C; and (3) a temporary construction easement consisting of the right to access land and area with vehicles and equipment for use during the construction of a driveway, the construction of a proposed retaining wall and the grading around proposed retaining wall, new walkway construction, existing driveway removal and grading of owners land, impacting 0.401 acres of the Property (all of which is located within the farmland preservation easement) to be designated as Parcel 2RC307C.

Because a portion of the Property consists of preserved farmland, the Mercer County Agricultural Development Board ("MCADB") is entitled to a portion of the compensation for the Property Interest. As such, the property owner is entitled to Thirty Seven Thousand Eight Hundred Fifty Two Dollars (\$37,852.00) for the Property Interest, and the MCADB is entitled to Ninety Five Thousand One Hundred Forty Eight Dollars (\$95,148.00) of the total Offer Amount.

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 and approved by the Law Department and General Counsel.

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.

043-02-2011

In a memorandum dated February 18, 2011, a **Recommendation to Award Professional Services Contracts for General And Special Legal Counsel**, was approved.

On December 13, 2010, the Authority advertised a Request for Qualifications (the "RFQ") in compliance with N.J.S.A. 27:23-6.1, and Executive Order No. 37 (Corzine 2006) and the regulations and policies of the Authority with regard to the procurement of professional services. The RFQ sought Statements of Qualifications ("Responses") from law firms licensed to practice law in the State of New Jersey. The current contract for legal services expired December 31, 2010 but has been extended to February 28, 2011. The RFQ was advertised in the Star Ledger, the Times, Home News and Tribune, New Jersey Law Journal and posted on the web sites of the Authority and the State of New Jersey. Furthermore, Responses were sought through a fair and open process in accordance with N.J.S.A. 19:44A-20.1 et seq.

The Request for Proposal (the "RFP") was mailed to forty-five (45) law firms. The RFQ requested Responses be submitted for General Counsel and/or Special Counsel in seven (7) separate areas of responsibility. By addendum dated December 29, 2010, provided to all 45 potential proposers, Special Counsel – Litigation was identified as a separate area of responsibility. The specific submittals are identified on Exhibit "A" and incorporated herein. The Authority received Responses from the following thirty-four (34) firms with most Responses requesting to be considered for multiple areas of responsibility:

Berman Sauter Record & Jardim PC – Morristown, NJ	James P. Nolan & Associates – Hackensack, NJ
Bernard M. Reilly – Red Bank, NJ	Kamensky Cohen & Associates – Trenton, NJ
Buttafuoco, Arce & Price LLC – South Plainfield, NJ	King, Kitrick & Jackson, LLC – Brick, NJ
Capehart & Scatchard, P.A. – Trenton, NJ	Lite DePalma Greenberg, LLC – Newark, NJ
Chance & McCann, LLC – Woodstown, NJ	Mattleman, Weinroth & Miller, P.C. – Cherry Hill, NJ
Chierici Chierici & Smith – Moorestown, NJ	McElroy, Deutsch, Mulvaney & Carpenter, LLP – Morristown, NJ
DeCotiis, FitzPatrick & Cole, LLP – Teaneck, NJ	McManimon & Scotland, LLC – Newark, NJ
Dvorak & Associates, LLC – New Brunswick, NJ	Morgan Melhuish Abrutyn, LLC – Livingston, NJ
Eric M. Bernstein & Associates, LLC – Warren, NJ	Pashman Stein – Hackensack, NJ
Genova, Burns & Gianatomasi – Newark, NJ	R.C. Shea & Associates – Toms River, NJ
Gibbons – Newark, NJ	Schachter Portnoy, LLC - Princeton, NJ
Gilmore & Monahan, PA – Toms River, NJ	Schwartz Simon Edelstein & Celso LLC – Morristown, NJ
GluckWalrath LLP – Trenton, NJ	Sedita, Campisano & Campisano, LLC – Wayne, NJ
Gonzalez Saggio & Harlan LLP – Wayne, NJ	Waters, McPherson, McNeil, P.C. – Secaucus, NJ
Hoagland Longo, Moran, Dunst – New Brunswick, NJ	Wilentz, Goldman & Spitzer P.A. – Woodbridge, NJ
Jacobs Rosenberg, LLC – Newark, NJ	Wolff & Samson PC – West Orange, NJ
James Jude Plaia – Verona, NJ	Ziff and Ziff – Westfield, NJ

An Evaluation Committee (the "Committee") was recommended by Authority staff and approved by the Executive Director. The Committee consisted of members from the Law, Engineering, Human Resources and Internal Audit Departments. The Committee reviewed the Responses based on the criteria set forth in the RFQ. After initial scoring and review, the Evaluation Committee agreed to a limited number of oral presentations specifically to assist in the assignment of General Counsel and Special Counsel -Litigation where certain of the preliminary scores were very close. The Committee invited four (4) of the highest ranking firms to make oral presentations. The Evaluation Committee then compiled a report which details the evaluation process and sets forth their findings and recommendations

Exhibit "B" is the list of those firms the Evaluation Committee recommends, after a thorough review of all Responses and oral presentations, for award as General and/or Special Counsel for an initial term of two (2) years, with two (2), one-year options to renew, at the sole discretion of the Authority.

Accordingly, authorization is requested for the Executive Director to enter into agreements with the law firms identified in Exhibit "B" for the legal areas of expertise indicated therein. However, the appointments are contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected appointees pursuant to Public Law 2055, Chapter 51 (formerly Executive Order # 134) and having no objection to same. Authorization is further requested to allow the Executive Director to enter into amendments to

existing agreements with current Counsel in the event it is deemed appropriate and cost-effective to allow representation to continue with respect to pending matters or projects. It is also requested that the Executive Director be authorized to take such actions and execute such documents as may be deemed necessary and appropriate to further the intent and purpose of the within authorizations.

044-02-2011

In a memorandum dated February 20, 2011, a **Recommendation for Executive Director to Enter into a First Amendment To Agreement for Outdoor Advertising Services with Clear Channel Outdoor, Inc. and CBS Outdoor**, was approved.

In 1996, the Authority enacted a Billboard Policy in an effort to explore and implement non-toll revenue generating programs. The Authority's intent was to derive revenue by promoting, in its right-of-way, outdoor advertising that is reasonable and appropriate for a public transportation agency. In addition, the advertising could not be disruptive to the environment or impede the safe flow of traffic. Subsequently, in 2000, the Authority entered into contracts with two billboard advertising firms, Clear Channel Outdoor, Inc., and CBS Outdoor, respectively, to construct and maintain billboards on the New Jersey Turnpike for the term of ten (10) years commencing on the date that all permits first became available. The CBS Outdoor contract expired on December 31, 2010 and the Clear Channel Outdoor, Inc., contract expires in June 2011.

In order to continue and maximize revenue generation from outdoor advertisement, the Authority solicited, and the Commissioners awarded, a contract for billboard management services to Allvision LLC. Specifically, Allvision will manage the existing eight billboards and explore potential revenue from fifty-two (52) additional permits issued to the Authority by the New Jersey Department of Transportation. Allvision is also required to publicly bid construction contracts to maintain billboards.

Allvision is conducting its due diligence assessment of the existing billboards and permits to maximize the Authority's annual revenue. Until such time as the Authority finalizes its new contract with Allvision, Allvision completes its assessment and enters into advertising contracts for same, it will be necessary to maintain the contracts with the existing outdoor advertising operators, Clear Channel Outdoor, Inc. and CBS Outdoor. Approval is hereby requested to amend the existing agreements with these vendors to enable them to continue management of the billboards on a day-to-day basis, or until thirty (30) days written notice is given by either party of intent to terminate said agreement.

It is therefore requested that the Executive Director be authorized to execute a First Amendment to Agreement for Outdoor Advertising Services with Clear Channel Outdoor, Inc. and CBS Outdoor in substantially the form set forth above. It is further requested that the Executive Director be authorized to take all such actions and to execute any additional documents necessary to effectuate the authority set forth above subject to review and approval by the Law Department.

045-02-2011

In a memorandum dated February 4, 2011, **Authorization to Settle Formal Workers' Compensation Matter - John Stewart (DECEASED) v. N.J. Turnpike Authority**, was approved.

John Stewart was a Turnpike Division Mason in the Maintenance Department hired in January 1985 and died on June 21, 2007. This recommended settlement will resolve three formal Claim Petitions. The first claim was occupational in nature (1985-2004), the second was for a work related event which aggravated the injury (November 4, 2004), and the third is a dependency claim filed by his spouse.

The petitioner is represented by Stephen Luminello, Esq. located in Secaucus, NJ. The Authority is defended by Special Counsel Gary Price of Buttafuoco, Arce & Price located in South Plainfield, NJ. The matter is venued in the district office of Jersey City before Judge Vicki Citrino.

After reviewing all proofs, medical records, and physician's evaluations and opinions, the

court felt that the petitioner's death was closely related to the surgery and his condition. That being said, the court stated that lifetime dependency benefits are the responsibility of the Turnpike Authority.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Assistant Director, HR, Safety & Benefits. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of \$296,000.00.

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

046-02-2011

In a memorandum dated February 4, 2011, **Authorization to Settle Formal Workers' Compensation Matter - Kathleen Cannon v. N.J. Turnpike Authority**, was approved.

Kathleen Cannon was a Turnpike Division Toll Collector hired in May 1981 at the time of injury. She retired effective August 1, 2003 under an Ordinary Disability retirement. This recommended settlement will resolve a formal Claim Petition for total disability stemming from a job related injury which occurred October 26, 1999.

The petitioner is represented by Drazin & Warshaw, PC. The Authority is defended by Special Counsel Nicole Downs of Hoagland, Longo, Moran & Dunst located in New Brunswick, NJ. The matter is venued in the district office of Monmouth before Judge John Patrick Roche.

Permanency evaluation on behalf of the petitioner was performed by Dr. Sidney Tobias who valued the body part injured at 85% permanent partial total and also by Dr. Eisenstein who valued related conditions at 37.5% and 35% permanent partial total, but stated that overall, the petitioner was 100% disabled. Permanency evaluation on behalf of the respondent was performed by Dr. Bachman who valued the injured body part at 12.5% of permanent partial total and by Dr. Elmore who valued the related conditions at 5% permanent partial total regardless of cause.

The Petitioner's attorney made a demand for total disability. After reviewing the treatment records and evaluations, the Judge of Compensation agreed that the petitioner is 100% disabled. This equates to an award of \$242,550.00. Due to the fact that the petitioner retired under an Ordinary Disability retirement, the Authority is entitled to an off-set, thereby reducing the Authority's award payout to \$110,142.00.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Assistant Director, HR, Safety & Benefits. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of \$110,142.00.

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

047-02-2011

In a document dated February 11, 2011, **Authorization to Approve Settlement in the Matter of Estate of Heather Bratton v. Ford Motor Company; et al**, Superior Court of NJ, Essex Co., Law Division, Docket No. ESX-L-8284-07, was approved.

This matter arises from a motor vehicle accident that occurred on July 22, 2006 at approximately 5:00 a.m., which involved a rear-end collision between three vehicles in the center lane of the New Jersey Turnpike, southbound, on or near the Exit 14 ramp. Decedent, Heather Bratton (a 19-year old fashion model), was a rear-seat, belted passenger in a New York taxi cab (the "host vehicle"), which had left New York City, on its way to Newark Airport. Because of maintenance/mechanical problems with the host vehicle and conduct of the host driver, the host vehicle stalled and came to a complete stop in the center lane of the Turnpike, with all power/lights off. Another taxi cab, traveling behind the host vehicle, saw the stopped host vehicle, and pulled over to render assistance. The second cab stopped directly in front of the host vehicle, also in the center lane. At this time, co-defendant Ramon Sanchez was operating his vehicle in the center lane

of the Turnpike, southbound. Co-defendant Sanchez rear-ended the stationary host vehicle at full speed (45-50 mph). As a result, the host vehicle was immediately engulfed in flames. Decedent was trapped in the host vehicle and burned alive.

At the time of the accident, it was "very dark," according to the police report. In addition to the host vehicle not having any lights on (i.e., not even hazards), several light posts (i.e., 3-5 consecutively) along the Turnpike, in the immediate vicinity of where the host vehicle came to rest, were not activated. Co-defendant New Jersey Turnpike Authority is responsible for maintaining the light posts along the Turnpike.

Plaintiff alleges that decedent endured conscious pain and suffering before her death, as well as substantial economic damages. The autopsy report and deposition testimony of two defendants appear to support Plaintiff's "survival claim" for conscious pain and suffering of the Decedent prior to her death.

Decedent's economic damages are likely to be substantial notwithstanding that decedent was not married and had no children at the time. Ms. Bratton was a rising young fashion model who had already appeared on magazine covers and her earning potential was significant. The wrongful death claim together with the "survival claim" are likely significant.

Plaintiff has settled a product liability (defective design) claim against Ford (the manufacturer of the host vehicle) for an undisclosed amount. Plaintiff has also settled with co-defendant Sanchez (for the policy limit of \$100,000.00), the vehicle that rear-ended the host vehicle. At this time, in addition to the Turnpike Authority, the remaining defendants are the driver and owners of the host vehicle, which also have a limited policy of \$100,000; said policy has been offered but not accepted by Plaintiff to date.

When considering the extent of Plaintiff's damages (survival claim and wrongful death claim), the Turnpike Authority's potential exposure, the future litigation costs (both in expert fees and legal fees) to conclude expert-related discovery and the Premises proceed with trial, and the jury verdict potential in this tragic case, a settlement amount of \$125,000 seems very reasonable. Furthermore, settlement with Plaintiff would extinguish all remaining cross-claims for contribution and indemnification against the Turnpike Authority, and further minimize/eliminate the Turnpike Authority's exposure in this case.

For the foregoing reasons, the Law Department recommends, with the concurrence of Outside Counsel, full and final settlement in the amount of \$125,000.00. This settlement will conclude all claims by Plaintiff against the Turnpike Authority in the matter of Estate of Heather Bratton v. Ford Motor Company, et al. Authorization is also recommended to allow the Executive Director to execute any and all documentation upon review and approval by the Law Department and Outside Counsel necessary to conclude this litigation.

On motion by Commissioner DuPont, seconded by Commissioner Diaz, the Authority unanimously approved items 038-02-2011 through 047-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Chief Engineer Raczynski requested approval of item numbers 048-02-2011 through 049-02-2011, Award of Contracts, moved as a group those items are as follows:

AWARD OF CONTRACTS

048-02-2011

In a document dated February 9, 2011, a Recommendation to Award Contract No. A100.183 for both the Garden State Parkway and New Jersey Turnpike to Joseph M. Sanzari, Inc. for Major Bridge Perimeter Fencing, was approved.

This contract will primarily provide for 80,000 LF of bridge security fencing under ten major

bridges on the Turnpike and Parkway as recommended as a first level of enhanced security for select major bridges. Included in this contract is under bridge security fencing on the Pennsylvania side of Turnpike Str. P0.00, which is jointly owned with the Pennsylvania Turnpike Commission (PTC). The PTC has agreed to have security fencing constructed under this contract, and to reimburse the Authority for fencing constructed on the Pennsylvania side of the bridge.

Six bid proposals were received on February 9, 2011 for the above publicly advertised contract, as shown on the bid summary sheet. The low bid proposal, in the amount of \$6,980,350.00, may be compared to the second low bid proposal in the amount of \$7,230,779.40. Joseph M. Sanzari, Inc. has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A100.183 be awarded to the low bidder, Joseph M. Sanzari, Inc. of Hackensack, New Jersey, in the amount of \$6,980,350.00, allocated as follows: Fund 39001011 - \$6,380,350.00 and Fund 08017026 - \$600,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

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

049-02-2011

In a document dated February 8, 2011, a **Recommendation to Award Contract No. P200.218** for the Garden State Parkway to Intercounty Paving Associates, LLC for Northern Pavement Restoration and Miscellaneous Improvements, Milepost 143 to 172.4, was approved.

This contract will provide for the restoration of asphalt concrete surface course pavement along northbound and southbound mainline roadways, ramps, service areas and toll plazas on the Garden State Parkway along with other incidental work between Milepost 143 and 172.4. All work is expected to be completed in 2011.

Seven bid proposals were received on February 3, 2011 for the above publicly advertised contract, as shown on the bid summary sheet. The low bid proposal, in the amount of \$10,212,323.23, may be compared to the second low bid proposal in the amount of \$10,398,950.00. Intercounty Paving Associates, LLC has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P200.218 be awarded to the low bidder, Intercounty Paving Associates, LLC of Hackettstown, New Jersey, in the amount of \$10,212,323.23, allocated as follows: \$8,000,000.00 in 2011 and \$2,212,323.23 in 2012. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

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

On motion by Commissioner DuPont, seconded by Commissioner Diaz, the Authority unanimously approved items 048-02-2011 through 049-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Chief Engineer Raczynski requested approval of item number 050-02-2011. Moved is the item as follows:

FINAL ACCEPTANCES OF CONTRACTS

050-02-2011

In a document dated February 7, 2011, a **Recommendation for Final Acceptance** for Contract P200.104 to Arawak Paving Co., Inc., Southern Pavement Restoration and Miscellaneous Improvements, Milepost 0 to 75, was approved.

This contract involved pavement restoration and miscellaneous improvements between Milepost 0 and 75 along the northbound and southbound roadways of the Garden State Parkway in Cape May, Atlantic, Burlington and Ocean Counties. The contract was advertised and there were four bidders. The contract was awarded on March 31, 2009 to the low bidder, Arawak Paving Co. Inc., 7503 Weymouth Road, Hammonton, NJ 08037 in the total amount of \$5,548,000.00

During the course of the contract, there was one Change Order for a total decrease of \$1,079,481.41, adjusting the final total amount of this contract to \$4,468,518.59.

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 (#6F) 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 P200.104 be accepted, and that final payment in the amount of \$340,253.21 be made to the Contractor.

On motion by Commissioner DuPont, seconded by Commissioner Diaz, the Authority unanimously approved item 050-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Chief Engineer Raczynski requested approval of item number 051-02-2011 through 057-02-2011. Chairman Simpson asked Chief Engineer Raczynski to comment on agenda item 057-02-2011, which calls of a significant supplement to a design contract. Raczynski stated that the supplement was warranted because this design contract deals with the most difficult section of the Turnpike widening – the area of the merge between Interchanges 8 and 9. Because of the Molly Pitcher Service Area, the NJTA cannot move the road outward, and therefore will have to shift the the center line of the roadway. At the outset of the design contract, the NJTA was unaware how complicated this shift would be. Indeed, in addition to other design modifications, the merge will have to be moved northward to work with the service area and the shift of the center line. The NJDEP also made changes in the water quality management; therefore, the Authority had to add four (4) retention basins. Moved are the items as follows:

PROFESSIONAL SERVICES (OPSs)

051-02-2011

In a document dated February 8, 2011, a **Recommendation to Issue Order for Professional Services No. A3330**, Garden State Parkway and New Jersey Turnpike, Gannett Fleming, Inc., Design Services, Replacement of Authority State Police Facilities, was approved.

This Order for Professional Services will provide professional services necessary for

preparation of contract documents for replacement of four NJSP Barracks at the following locations: Moorestown TPK MP 37.1 NB, Newark TPK MP 104.7 SB, Bass River GSP MP 52.8 and Bloomfield GSP MP 153.3NB. Work will include design of the buildings in accordance with appropriate building codes and the Commission on Accreditation for Law Enforcement Agencies (CALEA). The consultant will be responsible for obtaining DCA plan approval for each of the buildings. In addition, the buildings are to be designed to achieve LEED Silver certification.

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. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 19 engineering firms were prequalified and eligible under Profile Codes: A060 – Architecture: New Buildings; and three of the following: A062 – Building Mechanical Systems; A063 - Building Electrical Systems; A064 – Building Structural Systems; A130 – Communication Systems: Tel/Radio/Microwave/Fiberoptic; and A210 – Building Fire Suppression Systems. Twelve firms submitted EOIs by the closing date of November 30, 2010.

Subsequent to the scoring of EOIs by the Review Committee, the top three firms were requested to submit Technical and sealed Fee Proposals. The firms in the order of ranking are: 1) Gannett Fleming, Inc.; 2) The RBA Group, Inc.; and 3) Dewberry-Goodkind, Inc. The Review Committee reviewed and evaluated each firm's Technical Proposal. Final scoring resulted in Gannett Fleming, Inc. being the highest technically ranked firm. The fee submitted by Gannett Fleming, Inc. 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. A3330 be issued to the firm of Gannett Fleming, Inc. of S. Plainfield, New Jersey not to exceed the amount of \$2,990,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.8, based on a 10% allowance for profit and an overhead rate of 154.5% 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. and N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

052-02-2011

In a document dated February 1, 2011, a **Recommendation to Issue Order for Professional Services No. T3348**, New Jersey Turnpike, Hatch Mott MacDonald Environmental Engineering Consultant Operation, Maintenance and Compliance Monitoring, Remedial Investigation and Remedial Design at William Halsey Service Area 11N and Vince Lombardi Service Area 13, was approved.

The Authority requires the professional services of an environmental engineering Consultant to operate, maintain and perform compliance monitoring of the remediation systems located at the William Halsey Service Area 11N and Vince Lombardi Service Area 13 in accordance with current New Jersey Department of Environmental Protection regulations. Compliance monitoring shall include groundwater sampling and reporting. The scope also includes remedial investigations and remedial actions as may be needed to further enhance and ensure the most effective remediation of the sites. The solicitation is for a three year term commencing on or about May 1, 2011.

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 28 engineering firms were prequalified and eligible under Profile Codes C195 – Soil and Groundwater Remediation Investigations; C196 – Soil and Groundwater Remediation Design; and C197 – Remediation Systems: Operation and Maintenance. Ten firms submitted EOIs by the closing date of December 17, 2010.

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) Hatch Mott MacDonald; 2) Matrix New World Engineering, Inc.; and 3) Dresdner Robin Environmental Management, Inc. The fee submitted by Hatch Mott MacDonald 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. T3348 be issued to the firm of Hatch Mott MacDonald of Millburn, New Jersey, not to exceed the amount of \$376,720.00, allocated as follows: \$85,000.00 in 2011; \$126,000.00 in 2012; \$126,000.00 in 2013; and \$39,720.00 in 2014. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.75, based on an 8% 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, and N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

053-02-2011

In a document dated February 9, 2011, a **Recommendation to Issue Order for Professional Services No. T3349**, New Jersey Turnpike, WSP-Sells Engineering Services for the 2011 New Jersey Turnpike Bridge Inspection Program-Part B, was approved.

This OPS provides for the inspection of the Authority's bridge structures in accordance with the requirements of the 2011 New Jersey Turnpike Bridge Inspection Program, Turnpike – Part B. This segment of the program includes inspection of 328 bridges located in Turnpike Maintenance Districts 4, 5, and 8, FHWA Structure Inventory and Appraisal Form Updates; New Jersey Turnpike Authority Bridge Prioritization System inspection/data collection; LRFR load ratings using the AASHTO Virtis program; on-call special inspection and related design assignments; and submittal of inspection and risk carrier reports.

This assignment is classified as a "Complex Project" based on the scope of work not being clearly defined and likely to change during the course of the project, and the cost exceeding \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 30 engineering firms were prequalified and eligible under Profile Code D280C – Bridges: NBIS Program, Complex. Eight firms submitted EOIs by the closing date of December 13, 2010.

The scoring of the EOIs by the Review Committee resulted in the following order of ranking: 1) WSP-Sells; 2) Hardesty & Hanover, LLP; and 3) Stantec Consulting Services. These three firms were requested to submit Technical and sealed Fee Proposals. The Committee reviewed and evaluated each firm's Technical Proposal and final scoring resulted in WSP-Sells 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. T3349 be issued to the firm of WSP-Sells of Hamilton, New Jersey, not to exceed the amount of \$2,150,000.00, allocated as follows: \$1,900,000.00 in 2011 and \$250,000.00 in 2012. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.8, based on a 10% allowance for profit and an overhead rate of 154.5% 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, and N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

054-02-2011

In a document dated February 4, 2011, a **Recommendation to Issue Order for Professional Services No. T3350**, New Jersey Turnpike, LS Engineering Associates, Engineering Services for the 2011 New Jersey Turnpike Bridge Inspection Program – Part C, was approved.

This OPS provides for the inspection of the Authority's bridge and sign structures in accordance with the requirements of the 2011 New Jersey Turnpike Main Bridge Inspection Program – Part C. This segment of the program includes inspection of 14 bridges located on the Turnpike's four mile I-95 Extension approaching the George Washington Bridge, FHWA Structure Inventory and Appraisal Form updates; New Jersey Turnpike Authority Bridge Prioritization system inspection/data collection; LRFR load ratings for eight bridges using the AASHTO Virtis program; inspection of 76 sign structures along the entire length of the Turnpike; on-call special assignments; and submittal of inspection reports.

This assignment is classified as a "Simple Project" based on the scope of work being clearly defined and not likely to change during the course of the project, and the cost not exceeding \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and eight engineering firms were prequalified and eligible under Profile Code D280R – Bridges: NBIS Program, Routine and registered as an SBE by the Division of Minority and Business Development/Department of Treasury. Four firms submitted EOIs by the closing date of January 7, 2011.

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) LS Engineering Associates Corporation; 2) S&R Engineers, P.C.; and 3) Naik Consulting Group, P.C. The fee submitted by LS Engineering Associates Corporation has been reviewed and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. T3350 be issued to the firm of LS Engineering Associates Corporation of Montville, New Jersey, not to exceed the amount of \$343,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.63, based on a 10% allowance for profit and an overhead rate of 139.4% or, the firm's overhead rate as determined by Federal Audit Regulation (FAR) procedure, whichever is less, plus authorized, direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 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, and N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

055-02-2011

In a document dated February 4, 2011, a **Recommendation to Issue Order for Professional Services No. P3375**, Garden State Parkway, Boswell Engineering Supervision of Construction Services for Contract No. P300.213, Roadway Improvements at Interchange 157 and 161, Grading, Paving and Lighting and Contract No. P200.218, Northern Pavement Restoration and Miscellaneous Improvements, Milepost 143 to 172.4, was approved.

This OPS provides for the construction supervision of the referenced contracts. Contract No. P200.218 provides for the restoration of asphalt concrete surface course pavement along northbound and southbound mainline roadways, ramps, service areas and toll plazas on the Garden State Parkway along with other incidental work between Milepost 143 and 172.4. Contract No. P300.213 provides for the grading, paving, drainage and highway lighting improvements at Interchanges 157 and 161. Work includes the widening of southbound Exit 157 with miscellaneous improvements.

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 53 engineering firms were prequalified and eligible under Profile Codes B153 – Roadway Construction Inspection and B154 – Roadway Resurfacing Inspection. Six firms submitted EOIs by the closing date of January 17, 2011.

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) Boswell Engineering; 2) KS Engineers, P.C.; and 3) Hill International, Inc. The fee submitted by Boswell Engineering 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. P3375 be issued to the firm of Boswell Engineering of S. Hackensack, New Jersey, not to exceed the amount of \$1,148,000.00, allocated as follows: Fund 39003035 - \$530,000.00; Fund 03020005 - \$563,000.00 in 2011 and \$55,000.00 in 2012. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.30 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, N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

056-02-2011

In a document dated February 1, 2011, a **Recommendation to Issue Supplement B to Order for Professional Services No. T3115**, New Jersey Turnpike, T.Y. Lin International/Medina, Interchange 6 – 9 Widening Program, Design Engineer, Section No. 5, Milepost 62.0 to 66.8, Mercer County, was approved.

This Order for Professional Services was issued at the March 2007 Commission Meeting in the amount of \$11,350,000.00 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. 5 of the New Jersey Turnpike Interchange 6-9 Widening Program. Supplement A, in the amount of \$1,700,000.00, provided for additional design services due to unanticipated coordination with Colonial Pipeline Company facilities, additional environmental efforts, and the extended design duration of approximately one year.

Supplement B will compensate T.Y. Lin International | Medina ("TYLI") for additional design services required for extensive right-of-way and post design service efforts that could not have been anticipated at the time Supplement A was issued. TYLI was directed by the Authority to revise property parcel maps, attend site visits and determine site specific impacts at eight private properties and ten Green Acre parcels. With respect to post design efforts, field conditions and contractor coordination have resulted in additional design service efforts. The unforeseen field conditions, such as difficulty jacking drainage pipes, have required additional coordination and design revisions.

T.Y. Lin International/Medina submitted a proposal in the amount of \$550,000.00 to provide the required services. The proposal has been reviewed, negotiated, and is considered fair and reasonable for the services to be provided.

It is, therefore, recommended that Supplement B to Order for Professional Services No. T3115 be issued to T.Y. Lin International/Medina, not to exceed the amount of \$550,000.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$13,050,000.00 to \$13,600,000.00. 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.

057-02-2011

In a document dated February 4, 2011, a **Recommendation to Issue Supplement A to Order for Professional Services No. T3118**, New Jersey Turnpike, Edwards & Kelcey, Inc., Interchange 6 – 9 Widening Program, Design Engineer, Section No. 8, Milepost 70.6 to 82.6, Middlesex County, was approved.

This Order for Professional Services was issued at the November 2007 Commission Meeting in the amount of \$14,150,000.00 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. 8 of the New Jersey Turnpike Interchange 6-9 Widening Program.

This Supplement will compensate Edwards & Kelcey, Inc. (E&K) for additional design services for various out of scope tasks. These tasks include revisions to the alignment presented in the Preliminary Design, inclusion of a temporary merge-diverge north of Interchange 8A, new traffic signal design, side slope analysis, longitudinal utility and Freshwater Wetlands Individual Permit coordination, additional sign support structure and retaining wall design, and extensive design north of Interchange 8A, such as watershed analyses and SWM basin design, not included in the original scope of work. Based on team discussions during design, it was decided to add a third contract to expedite the overall construction schedule and to improve staging in Section 8. Therefore, this Supplement will also compensate E&K for design services required for one additional construction contract.

E&K submitted a proposal in the amount of \$4,710,000.00 to provide the required services. The proposal has been reviewed, negotiated, and is considered fair and reasonable for the services to be provided.

It is, therefore, recommended that Supplement A to Order for Professional Services No. T3118 be issued to Edwards & Kelcey, Inc., not to exceed the amount of \$4,710,000.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$14,150,000.00 to \$18,860,000.00. The original contract was procured pursuant to N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8.

On motion by Commissioner Gravino, seconded by Commissioner Diaz, the Authority unanimously approved items 051-02-2011 through 057-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ENGINEERING

Chief Engineer Raczynski requested approval of item number 058-02-2011 through 059-02-2011. Chairman Simpson indicated that the each project in the Capital Program is being scrutinized by budget, schedule, and percentage complete. Chairman Simpson noted that the NJTA is providing the Board with monthly reports, which have been helpful and will continue to be refined. This Board of Commissioners is very cognizant about all the capital dollars. Moved are the items as follows:

UTILITY ORDERS

058-02-2011

In a document dated February 10, 2011, a **Recommendation to Execute Utility Order No. 1340-P**, Garden State Parkway, Adesta, LLC, Widening and Rehabilitation of the Bass River Bridge, Milepost 51.9, Rehabilitation of the Mullica River Bridge, Milepost 49.0, was approved.

A Utility Order is required for the relocation of existing Adesta fiber optic lines directly impacted by the proposed approach roadwork of the GSP Bass River Bridge and Mullica River Bridge along the westerly embankment of the existing southbound roadway. The utility work at GSP Milepost 48.5 to 49.7 adjacent to the existing Mullica River bridge involves the relocation of approximately 3,200 linear feet of six 1.25" HDPE conduits, due to the bridge rehabilitation and roadway approach work being constructed under Parkway Widening Contract No. P200.134. The utility work at GSP Milepost 51.4 adjacent to the existing Bass River bridge involves the relocation of approximately 1,000 linear feet of six 1.25" HDPE conduits. The Authority will reimburse Adesta for the relocation of the existing facilities, including the cost of materials, construction, inspection and associated activities.

The cost of this Utility Order was provided by Adesta 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. 1340-P, not to exceed the amount of \$726,000.00; allocated as follows: Fund 30328031 - \$565,000.00 and Fund 39021004 - \$161,000.00

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

059-02-2011

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 Commissioner DuPont, seconded by Commissioner Diaz, the Authority unanimously approved item 058-02-2011; 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 059-02-2011 and received same for file.

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MAINTENANCE

Director of Maintenance John Cifelli requested approval of item number 060-02-2011. Moved is the item as follows:

060-02-2011

In a document dated February 15, 2011, a **Recommendation to Issue Order for Professional Services No. A3359**, Consultant: Roof Maintenance Systems, On-Call Specialized Roof Consultant Services, All Authority Facilities, was approved.

This Order for Professional Services provides for the continuation of a previously established Roof Preventative Maintenance Program. The scope of the OPS requires the Consultant to perform the following services for all Authority facilities: inspection of roofs, leak detection, writing repair orders, conducting annual preventative maintenance inspections, recommending roof replacements, preparation of technical specifications and scope of work for re-

roofing projects, oversight of Roof Contractor activity and assisting the Authority in compiling a detailed roof inventory of each roof section and establishing 5-year and 10-year Plans of Action.

The 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 29 firms were prequalified and eligible under Profile Code A061 – Architecture: Renovations. Five firms submitted EOIs by the closing date of December 29, 2010.

Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from the top three technically ranked firms. The firms in the order of ranking are: 1) Roof Maintenance Systems; 2) LS Engineering Associates Corporation; and 3) Ammann & Whitney Consulting Engineers, PC. The Fee Proposal submitted by Roof Maintenance Systems 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. A3359 be issued to the firm of Roof Maintenance Systems of Farmingdale, New Jersey, not to exceed the amount of \$206,667 per year. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.67 for Design Services and 2.25 for Construction Services 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 the 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, and N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

On motion by Commissioner Hodes, seconded by Commissioner Diaz, the Authority unanimously approved item 060-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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PURCHASING

Director of Purchasing Andrea Ward requested approval of item numbers 061-02-2011 through 075-02-2011. Moved as a group those items are as follows:

PUBLIC BID SOLICITATIONS

061-02-2011

In a document dated February 8, 2011, a **Recommendation for Street Sweeping Services for Garden State Parkway and New Jersey Turnpike**, RM 934, Thesing Power Sweeping Inc., was approved.

Authorization is requested to award a one-year contract for Street Sweeping Services along the Garden State Parkway, New Jersey Turnpike and the Pearl Harbor Memorial Extension. Requests for bid were distributed to nine vendors. Bidders were required to supply an hourly rate for routine services and an hourly rate for emergency services. On February 8, 2011, five bid proposals were received as follows:

	Parkway	Turnpike	<u>Total Price</u>
Thesing Power Sweeping, Inc., Sewell, NJ	\$ 29,604.50	\$ 24,721.80	\$ 54,326.30
TCM Sweeping, Inc., Burlington, NJ	\$ 38,410.00	\$ 30,520.00	\$ 68,930.00
Reilly Sweeping, Inc., Middlesex, NJ	\$ 42,290.00	\$ 26,930.00	\$ 69,220.00
RWV Land and Livestock, Inc., Jackson, NJ	\$ 43,250.00	\$ 35,850.00	\$ 79,100.00
DeAngelo Brothers, Inc., Hazelton, PA *	\$ 89,550.00	\$ 76,000.00	\$ 165,550.00

Anticipated Annual Expenditure: \$75,000.00 (Based on historical data)

*** NON-COMPLIANT**

DeAngelo Brothers, Inc., proposal failed to include a Public Works Certificate which is a

mandatory requirement in the specifications as stated in No. 18 of the "Bidder Guidelines/Checklist". Therefore, it is recommended that DeAngelo Brothers, Inc. bid proposal be rejected.

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

Accordingly, authorization is requested to award a one-year contract to Thesing Power Sweeping, Inc. in a total annual anticipated expenditure not to exceed \$75,000.00, subject to funding availability at the time of ordering.

062-02-2011

In a document dated February 7, 2011, a Recommendation for Underground Utility and Locating Marking Services, RM-939, Accumark, Inc., was approved.

Authorization is requested to award a two-year contract for Underground Utility Location and Marking Services along the New Jersey Turnpike. These services are required as a safety measure to prevent hitting underground water or gas lines while digging during pre-construction. Requests for bid were distributed to ten pre-qualified vendors. Bidders were required to quote on six line items, including but not limited to, marking of surfaces and emergency location on-call services. On February 7, 2011, five bid proposals were received as follows:

	<u>Total Price</u> (Per Year)
Accumark, Inc., Ashland, VA	\$212,880.00
Utiliquist, LLC, Atlanta, GA	\$260,570.00
Adesta, LLC, Omaha, NE	\$328,690.00
Atlantic Subsurface Imaging, LLC, Mount Holly, NJ	\$444,100.00

Department Estimate: \$560,000.00 (\$280,000.00 annually)

*NON-COMPLIANT

Another bid proposal was submitted by Geotrack, Inc., Kenilworth, NJ. This bidder, however, failed to submit a proposal bond which is a mandatory requirement of the specifications at the time of bid submission. No. 7 of the Bidder Guidelines/Checklist states that the proposal bond and/or letter of surety "must accompany the bid or the bid will be rejected." Thus, it is recommended that the bid proposal submitted by Geotrack, Inc., Kenilworth, NJ be rejected.

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

Accordingly, authorization is requested to award a two-year contract to Accumark, Inc. for a total anticipated expenditure not to exceed \$425,760.00 (\$212,880.00 annually), subject to funding availability at the time of ordering.

063-02-2011

In a document dated February 7, 2011, a Recommendation for Transit Mix for the Garden State Parkway was Negotiated, RM-913, Silvi Concrete, Inc. and Salomone Redi-Mix, was approved.

Authorization is requested to award two contracts for the purchase of transit mix for the following four areas on the Garden State Parkway: Silvi Concrete, Inc. (for Monmouth County) and Salomone Redi-Mix, LLC (for Bergen, Passaic, Essex Counties). Transit mix is used for repairs to curbing, sidewalks and platforms that hold heavy equipment. Bidders were requested to quote on 17 line items of transit mix. Receipt of bid proposals were due on December 7, 2010 and January

11, 2011, however no bids were received. According to N.J.S.A. 27:23-6.1(a) "Any purchase may be made, negotiated or awarded by the Authority without public bid or advertisement when the Authority has advertised for bids on two occasions and has received no bids". Thus, Purchasing Department staff negotiated the two contracts with Silvi Concrete and Salomone Redi-Mix. Given the scarcity of vendors for this commodity, the Maintenance Department reviewed the procurement and concluded that the unit prices are satisfactory.

Accordingly, authorization is requested to award two contracts to Silvi Concrete, Inc. \$40,000.00 and Salomone Redi-Mix, LLC \$60,000.00 for the purchase of transit mix, in an amount not to exceed 100,000, subject to funding availability at the time of order.

064-02-2011

In a document dated February 9, 2011, a **Recommendation for US Environmental, Inc. Liquid Waste Material**, Contract No. 1119-1, was approved.

In March, 2009, the Authority awarded a contract to US Environmental, Inc. to collect, transport and dispose of liquid hazardous and non-hazardous waste material at facilities on both Authority roadways. The contract is currently in its first extension which is due to expire April 21, 2011. During 2010, there was an increase in the use of Multi-Phase Extraction ("MPE") events because they were determined to be extremely effective in the ongoing remediation activities. This activity resulted in an increase in the liquid waste disposal costs above and beyond that which was anticipated. Based on current expenditures and anticipated future expenditures through April 2011, the Engineering Department is requesting that the authorized contract amount be increased by \$29,500.00. Because of the effectiveness of the MPE events, several groundwater treatment systems were able to be shut down, resulting in significant net cost savings to the Authority.

This contract was publicly bid in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order 37 (Corzine 2006). The contract is due to expire April 21, 2011 and has an option to extend for an additional one year period under the same terms and conditions.

Accordingly, authorization is requested to increase Contract No. 1119-1 with US Environmental, Inc. by \$29,500.00. This would bring the total authorized amount of Contract No. 1119-1 to \$177,880.00, subject to funding availability at the time of ordering.

065-02-2011

In a document dated February 23, 2011, a **Recommendation to Reject All Bids and Re-Advertise Contract for Magnetic Toll Tickets**, RM 916, was approved.

Department Estimate: \$585,000.00 (two years)

The Technology and Administrative Services Department ("TAS") requisitioned a two-year contract for the purchase of 45,000,000 magnetic toll tickets annually. Toll tickets are used by non-EZ Pass patrons who utilize the New Jersey Turnpike and pay a toll based on the entry and exit locations. Requests for bids were distributed to four vendors. A sole bid proposal was received on October 26, 2010 from Southland Printing Company, Inc., Shreveport, LA in the amount of \$619,200.00 (for two years). TAS has prepared an analysis of the history of quotations from competing vendors which demonstrates that the price per thousand quoted by Southland Printing Company, Inc. (\$6.88 per thousand) has not been paid by the Authority since 2005. Rather, the price per thousand in the last five years has consistently decreased each year from a high of \$6.90 per thousand in 2005 to a current price of \$5.99. Accordingly, we anticipate re-advertisement will bear out similar low prices per thousand. Law and Purchasing Departments staff reviewed the procurement and concluded that in light of the historical data, it is in the best interest of the Authority to reject the sole bid proposal and immediately rebid the contract. This recommendation would foster competition and likely produce quotations similar to the last five years. Further, Southland Printing Company, Inc.'s sole bid amount of \$619,200 is 6% higher than the departmental estimate.

Accordingly, authorization is requested to reject the sole bid proposal received from Southland Printing Company, Inc. and rebid the above referenced contract.

066-02-2011

In a document dated February 8, 2011, a **Recommendation for NJTA Snow Plow Umbrella Contract for Snow Plow Contracts for Garden State Parkway**, Contract No. 564-PKY2010-11, was approved.

In November 2010, the Authority established two accounts for the payment of snow removal contracts on the Authority's roadways, one for the Garden State Parkway and one for the NJ Turnpike. At the start of 2010-2011 snow season, the authorized amount for the Parkway was \$3,911,346.00. This amount was depleted due to payments for significant snow and ice events this winter season. In accordance with the terms of the contracts, the Parkway account was increased in February 2011 by 15 percent. This increase has also been depleted, and the Maintenance Department has requested an increase of \$4,000,000.00 to pay for snow and ice removal for the remainder of the 2010-2011 snow season.

This contract was publicly bid in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order 37 (Corzine 2006). The contract is due to expire April 30, 2011.

Accordingly, authorization is requested to increase the multi-vendor Contract No. 564-PKY2010-11 for Snow Removal on the Garden State Parkway by \$4,000,000.00. This would bring the total authorized amount of the Contract to \$8,498,047.00

067-02-2011

In a document dated February 9, 2011, a **Recommendation for International Salt Company, LLC for Treated Rock Salt**, Contract No. 1388, was approved.

In September 2010, the Authority awarded a contract to International Salt Company, LLC for approximately 81,000 tons of granular sodium chloride (Treated Rock Salt) for roadway de-icing maintenance during winter storm events. Due to excessive snow events this winter season, these funds have been depleted. The Maintenance Department has requested an increase of \$7,000,000.00 to pay for treated rock salt for roadway safety until the expiration of the contract.

This contract was publicly bid in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order 37 (Corzine 2006). The contract is due to expire October 31, 2011 and has an option to extend for an additional one year period under the same terms and conditions.

Accordingly, authorization is requested to increase Contract No. 1388 with International Salt Company by \$7,000,000.00. This would bring the total authorized amount of Contract No. 1388 to \$14,000,000.00, subject to funding availability at the time of ordering.

068-02-2011

In a document dated February 9, 2011, a **Recommendation for Dick Greenfield Dodge Inc. Dodge/Chrysler OEM Parts**, Contract No. 1120-1, was approved.

In April 2009, the Authority awarded a contract to Dick Greenfield Dodge, Inc., to supply Dodge/Chrysler OEM Parts. This contract is utilized by the Maintenance, Motor Pool and Inventory Departments to repair Authority and State Police vehicles. The authorized amount has been expended due to additional parts added to the contract, as permitted in the specifications. The Maintenance Department has requested an increase of \$8,000.00 to continue the supply of the referenced parts until the expiration of the contract.

This contract was publicly bid in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order 37 (Corzine 2006). The contract is due to expire April 22, 2011 and has an option to extend for an additional one year period under the same terms and conditions.

Accordingly, authorization is requested to increase Contract No. 1120-1 with Dick Greenfield Dodge Inc. by \$8,000.00. This would bring the total authorized amount of Contract No. 1120-1 to \$39,250.00, subject to funding availability at the time of ordering.

STATE CONTRACTS

069-02-2011

In a document dated February 9, 2011, a **Recommendation for Toll Collection Security System, IBM Corporation**, R-79984, was approved.

The Internal Audit Department requisitioned a computerized security monitoring system to be installed at Turnpike Interchanges 14A, 14B, and 14C. This contract represents the final stage of an on-going plaza security upgrade project. The internet protocol based security system will provide real-time voice and video communications between toll lanes, supervisors' offices, and the Statewide Traffic Management Center, in the event of an emergency and/or theft. In addition, this system will monitor and secure all exterior doors located at each facility's administration building via an access control system. Furthermore, the entire project will integrate seamlessly into an existing network infrastructure, providing a high level of security for all employees.

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. This State Contract is valid until August 31, 2014. Accordingly, authorization is requested to award the above referenced contract to the IBM Corporation in the amount of \$49,581.00.

070-02-2011

In a document dated February 9, 2011, a **Recommendation for Touch Screen Terminals Continental Resources, Inc.**, R-80365, was approved.

The Electronic Toll Collection Department requisitioned thirty one (31) touch screen terminals for use in the Garden State Parkway toll lanes. The Authority's Touch Screen Terminal Replacement Project began in 2008. The goal of the project is to maintain the integrity of the Authority's toll collection system by replacing the existing toll lane touch screen terminals with modern, more reliable terminals. The current toll lane touch screens were installed at the advent of E-ZPass and consequently are at the end of their useful lives. In addition, obtaining replacement parts for the current touch screens is difficult due to the age of the current screens. The replaced terminals, however, will be used as spares for existing touch screen terminals on New Jersey Turnpike toll lanes. Installation of the touch screen terminals will be performed by in-house toll technicians.

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. This State Contract is valid until August 31, 2014. Accordingly, authorization is requested to award the referenced contract to Continental Resources in the amount of \$39,973.57.

071-02-2011

In a document dated February 9, 2011, a **Recommendation for Actuate Server Software Renewal, Dell Marketing, L.P. Round Rock, TX**, R-80255, was approved.

The Technology and Administrative Services Department has requisitioned the annual support and maintenance of "Actuate" software. The licensing, maintenance and support contract for four servers has been split into two coverage terms. At the October 26, 2010 Commission Meeting, the Board approved the first of two coverage terms, for the period of 10/31/2010-10/29/2011. This request is for the remaining two servers and additional production software products. This contract will run for the period of 4/01/2011-3/31/2012.

Actuate software is a tool used extensively by the Electronic Toll Collection Department to create on-demand and pre-generated reports for users. This software minimizes server and database resource loads resulting from large monthly or yearly report generation, allowing instantaneous access. This contract will allow unlimited contact with the vendor for critical

production/development support, as well as eliminating additional costs to upgrade to newer versions of Actuate as they become available

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. This State Contract is valid until June 30, 2015. Accordingly, authorization is requested to award the referenced contract to Dell Marketing, LP in the amount of \$67,931.12.

072-02-2011

In a document dated February 9, 2011, a **Recommendation for Quality Auto Glass, Inc. RM-914, Automotive Glass and Windshield Repair**, Contract No. 1403 and **Norman's Auto Glass, Inc., Contract No. 1401**, was approved.

At the December 15, 2010 Commission Meeting, the Authority awarded six contracts, for a total of \$95,000.00 to vendors that supply Automotive Glass and Windshield Repairs for the Maintenance Department. The New Jersey State Police has since requested to utilize two of the contracts (No. 1403 and No. 1401) for servicing Troop D vehicles.

These contracts were 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. Accordingly, approval is requested to increase the authorized amounts of Contract No. 1403 with Quality Auto Glass, Inc. by \$20,000.00 and Contract No. 1401 with Normans Auto Glass by \$20,000.00, to continue the referenced services through the expiration of the State Contract on October 31, 2013.

SOLE SOURCE

073-02-2011

In a document dated February 9, 2011, a Recommendation for **Backup and Recovery Software Maintenance**, EMC Corporation, R-80266, was approved.

Authorization is requested to award a sole source contract to EMC Corporation for client support and maintenance necessary for the Enhanced/Extended Software Support of the EMC NetWorker Backup Products ("EMC Software"). The EMC Software product is a backup and recovery management software which processes the Authority's electronic toll collection ("ETC") host development system. Non-interruptible service of the ETC system is necessary and crucial to the Authority's technical operations. The EMC Software use includes the ETC Host Servers, Databases and Applications Data at Woodbridge and Union locations. The EMC software is proprietary to EMC Corporation. EMC Corporation is the manufacturer of the software product and the only vendor who can support the software.

Accordingly, authorization is requested to award a sole source contract to EMC Corporation for the referenced client support and maintenance for the period January 1, 2011 through December 31, 2011 in an amount not to exceed \$40,003.95. This amount is higher than the previous contract due to the inclusion of additional software products this year. 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 37 (Corzine 2006). A resolution, as required by N.J.A.C. 19:9-2.2(d)1 appears below. The award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the awardee pursuant to Public Law 2005, Chapter 51 and Executive Order NO. 117 (Corzine 2008), and having no objection to the same.

RESOLUTION FOR SOLE SOURCE PROCUREMENT Enhanced Software Support for EMC NetWorker Backup Products

WHEREAS, the Technology and Administrative Services Department requisitioned a service agreement for the Enhanced Software Support for the EMC NetWorker Backup Products with EMC Corporation, Santa Clara, California; and

WHEREAS, under the Software Agreement, EMC Corporation will provide backup and recovery management software support to the Authority's ETC Host Development systems at Woodbridge and Union locations; and

WHEREAS, EMC NetWorker Backup Products Software Support is proprietary in nature, and therefore, of a unique and confidential nature that will not admit a generic or standard specifications for procurement through competitive solicitation by public advertisement; and

WHEREAS, EMC NetWorker Backup Products Software support and maintenance can only be performed by EMC Corporation at a cost not to exceed \$40,003.95 for the period January 1, 2011 through December 31, 2011; 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 entering into a Software Support Agreement with EMC Corporation for the period January 1, 2011 through December 31, 2011, in an amount not to exceed \$40,003.95, 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.

PROFESSIONAL SERVICES

074-02-2011

In a document dated February 23, 2011, a Recommendation for Recommendation to Enter into Professional Services Agreement For Self-Funded Group Health Benefits Program, RFP 102, was approved.

The New Jersey Turnpike Authority and the South Jersey Transportation Authority (respectively, "NJTA" and "SJTA" and collectively, "the Authorities") issued four requests for proposal ("RFP") for health-care carriers ("Firms") to administer the Authorities' four Self-Funded Group Medical Benefit Programs ("Medical Program"):

- 1) Medical including COBRA administration, direct billing services, and Stop Loss Insurance ("Medical Services");
- 2) Pharmacy Services;
- 3) Dental Services; and
- 4) Vision Services

Contracts for all four Medical Programs expire on March 31, 2011. Thus, NJTA and SJTA jointly issued four RFPs in November 2010. The successful Firms will work with the Human Resources Departments of each Authority to ensure expedient and accurate reporting, investigating and processing of all Medical Program claims. The successful Firms will also provide: 1) their own expansive provider networks; 2) medical, pharmacy and vision performance guarantees, the actual results of which can be audited; 3) account management services and administrative support; and 4) proficient, auditable billing and invoicing services. All of these services are designed to maximize efficiency and minimize the cost of the self-funded Medical Programs. The term of the contract will be for three (3) years with the Authorities having the discretion of extending the contract for two additional one (1) year terms.

Between November 21 and November 29, 2010, the RFP was advertised in the Star Ledger, The Times, The Atlantic City Press, The Courier Post and posted on the websites of the Authorities and the State of New Jersey. The RFP was also distributed to 20 firms. On January 4, 2011, the Authorities received proposals from the following 17 firms for the stated Medical Programs:

- | | |
|---|---------------------------|
| 1. Aetna, Inc., Fairfield, NJ | Medical, Dental, Pharmacy |
| 2. BeneCard PBF, Clifton, NJ | Pharmacy |
| 3. Cigna HealthCare, Jersey City, NJ | Medical, Dental, Pharmacy |
| 4. Davis Vision, Plainview, NY | Vision |
| 5. Delta Dental of NJ, Inc., Parsippany, NJ | Dental |
| 6. Express Scripts, Parsippany, NJ | Pharmacy |
| 7. Guardian Life Insurance Co. of America | Dental |

8.	Healthplex, Uniondale, NY	Dental
9.	Horizon Blue Cross Blue Shield of NJ, Newark, NJ	Medical, Dental, Pharmacy
10.	Medco Health Solutions, Inc., Franklin Lakes, NJ	Pharmacy
11.	Metlife, Clark, NJ	Dental
12.	National Vision Administrators, LLC, Clifton, NJ	Vision
13.	Prescriptions Solutions, Medford, NJ	Pharmacy
14.	Unicare, Chicago, IL	Vision, Dental
15.	United Concordia Dental, Plainview, NY	Dental
16.	United Healthcare, Iselin, NJ	Medical, Dental, Vision
17.	VSP, Rancho Cordova, CA	Vision

The procurement of this professional services contract was conducted in accordance with N.J.S.A. 27:23-6.1 and Executive Order No. 37 (Corzine 2006). An evaluation committee ("Committee") was recommended by the Human Resources ("HR") Director of NJTA and approved by the NJTA Executive Director. The Committee consisted of personnel from NJTA's HR, Finance and Internal Audit Departments. In addition, a representative from SJTA's HR Department participated as a voting member of the Committee. Staff members from NJTA's Purchasing and Law Departments and SJTA's Finance Department, as well as from AON Hewitt, the Authorities' Health Benefit Consultant served as non-voting members of the Committee. The Committee reviewed the proposals based on the criteria set forth in the RFP. There is a Committee Report which details the evaluation process.

Medical Services:

Four Firms submitted proposals with respect to the Medical Services RFP: 1) Aetna Inc.; 2) Incumbent Cigna Healthcare ("Cigna"); 3) Incumbent Horizon Blue Cross Blue Shield of NJ ("Horizon"); and 4) United Healthcare. After the initial review of the proposals, the Committee found that all four Firms were well qualified to perform the Medical Services for both Authorities, and requested all four to make oral presentations. At the oral presentations, the Committee requested the Firms to submit best and final offers ("BAFOs"). After oral presentations and receipt of BAFOs, the Committee invited the two finalists, Cigna and Horizon to engage in further discussions. For the following reasons, the Committee recommends that the Authorities award contracts for Medical Services to Horizon:

Horizon: According to the Committee's Evaluation Report, Horizon demonstrated the ability to meet the Authority's needs in the key areas of claims administration, qualified account team, and enhanced personalized web access portals for Authorities' enrollees. The Committee was impressed with Horizon's internal restructuring which would elevate the Authorities' business to the National Account level status, ensuring that the Authorities would immediately benefit from enhanced levels of account service and support. In addition, Horizon proposed enhanced reporting services and provision of customized web portals for the NJTA and SJTA where members can easily review their personal claims and health information, access expansive provider directories and learn about all of the value added benefits available to them as Horizon members. Horizon also proposed a very generous Performance Guarantee.

The projected three-year Medical Services cost for NJTA quoted by Horizon (inclusive of Administrative Fees, comprehensive disease management, program discounts and COBRA administration and Direct Billing for NJTA.) is \$4,915,900.00. The cost per member per month ("PMPM") is \$33.50, subject to fluctuations in enrollment. The PMPM is fixed for the three-year term. Furthermore, Horizon's proposed PMPM fee is \$6.95 less than the current administrative fee. Horizon's quotation equates to a direct savings for NJTA of approximately \$1,171,000, based on current enrollment.

Other Finalists: The Committee found that Cigna was equally competent as Horizon to perform the Medical Services for the Authorities, however Cigna's proposal was more costly thus the firm was ranked second in this category. United Healthcare and Aetna received lower scores than their competitors. United Healthcare proposed the highest overall cost to the Authority and Aetna received a lower score due to the firm's stated inability to meet the Authorities' contract terms.

Pharmacy Services:

Seven Firms submitted proposals with respect to the Pharmacy Services RFP: 1) Aetna; 2) BeneCard PBF; 3) Incumbent Cigna; 4) Express Scripts; 5) Horizon; 6) Medco Health Solutions Inc. ("Medco") and 7) Prescription Solutions. The Committee reviewed these proposals and requested that the top four ranked firms make oral presentations: 1) Cigna; 2) Express Scripts; 3) Horizon and 4) Medco. After oral presentations and receipt of BAFOs, the Committee invited the two top ranked firms, Cigna and Express Scripts to engage in further discussions. For the following reasons, the Committee recommends that the Authorities award contracts for Pharmacy Services to Express Scripts:

Express Scripts: Prior to the oral presentation, this firm had not received the highest technical score due to questions about the quality of Express Scripts' proposed account team which would service the Authorities, as well as the Committee's unfamiliarity with Firm. The Committee, however, could not ignore the fact that Express Scripts' cost proposal was significantly more advantageous to the Authorities than any other proposers for Pharmacy Services. Based on the oral presentation, BAFO and final negotiations, the Committee concluded that this firm was well qualified to perform the Pharmacy Services. Express Scripts is a Fortune 100 company with account management offices in New Jersey. The Committee received high marks about Express Scripts' performance from other public sector entities listed as references. In addition, the Committee met Express Scripts' dedicated account management team and was impressed with their representatives. Express Scripts' cost proposal is five percent lower than the next lowest proposal, and it includes a \$2.5 million return-on-investment ("ROI") guarantee payable at the end of the third year. The ROI guarantee is based upon an innovative marketing approach which focuses on current employee pharmacy usage.

The three-year Pharmacy Program Cost for NJTA is \$821,000.00 (inclusive of projected pre-script fees, retiree drug subsidy, support and clinical program fees).

Other Finalists: Medco Health Solutions, Inc. received high scores for technical proficiency, but this firm's cost proposal was five percent higher than Express Scripts'. Cigna has been the incumbent pharmacy provider for both Authorities for a number of years, and performed well. This firm has strong account management with a vast majority of pharmacies in their network. In addition, Cigna was the only medical provider with its own pharmacy network. Cigna, however, was ranked third in score based upon its projected cost proposal, which was approximately six percent higher than Express Scripts'.

Dental Services:

Ten Firms submitted proposals with respect to the Dental Services RFP: 1) Aetna; 2) Cigna; 3) Incumbent Delta Dental of NJ ("Delta Dental"); 4) Guardian Life Insurance; 5) Healthplex; 6) Horizon; 7) Metlife; 8) Unicare; 9) United Concordia Dental and 10) United Healthcare. The Committee reviewed these proposals and requested that the top three ranked firms make oral presentations: 1) Aetna; 2) Cigna and 3) Delta Dental. After oral presentations and receipt of BAFOs, the Committee invited two finalists (Cigna and Delta Dental) to engage in further discussions. For the following reasons, the Committee recommends that the Authorities award contracts for Dental Services to Delta Dental:

Delta Dental: This Firm has provided services for both Authorities for many years. Delta Dental demonstrated a strong account management team, an established record of accurate claims adjudication and high levels of customer services. These qualities virtually eliminated Authorities' staff involvement in member claim issues. In addition, the Authorities currently enjoy a 94 percent utilization rate in Delta Dental's network, thus reducing costs. In addition, this network utilization rate is higher than any other proposals in this category. Given the strong network and competitive cost proposal, Delta Dental received the highest score.

Delta Dental proposed administrative fees of \$2.93 per member, per month, fixed for the three-year term. The three-year Dental Program Cost for NJTA is \$309,300 (subject to fluctuations

in enrollment).

Other Finalists: The Committee was impressed with Cigna's proposal, which included strong account management team and highly competitive cost proposal. According to Aon Hewitt's projections, Cigna's cost proposal for the three-year term is approximately three percent lower than Delta Dental's. Review of the disruption analysis provided by Cigna, however, revealed that approximately 50 percent of dentists utilized by enrollees of both Authorities participate in their network. The Committee concluded that Cigna's proposal would result in higher costs to the Authorities and their members. Aetna also submitted a competitive cost proposal however this firm received lower scores on their technical proposal due to their stated inability to comply with the Authorities' contract terms.

Vision Services:

Five Firms submitted proposals with respect to the Vision Services RFP: 1) Davis Vision; 2) National Vision Administrators; 3) Unicare; 4) United Healthcare and 5) VSP. (Incumbent Horizon did not submit a proposal for Vision Services.) The Committee reviewed these proposals and requested that the top two ranked Firms make oral presentations: 1) Davis Vision and 2) United Healthcare. After oral presentations and receipt of BAFOs, the Committee invited Davis Vision for further discussions. For the following reasons, the Committee recommends that the Authorities award contracts for Vision Services to Davis Vision:

Davis Vision: The Committee was very impressed with this firm's proposed dedicated account management team, automated invoicing and a vast network of private practice and retail providers. Given that Davis Vision is new to the Authorities, the Committee checked the Firm's references and learned from other public sector entities that the Firm has provided them with high level of services for many years. Thus, Davis Vision received the highest technical score. In addition, the Firm submitted the most competitive cost proposal. Davis Vision offered performance and implementation guarantees. Furthermore, there are no administrative fees associated with Davis Vision's proposal.

Other Finalists: United Healthcare proposed an experienced account management team and demonstrated their ability to provide the required Vision Services. This firm's cost proposal, however is six percent higher than Davis Vision over the three-year term of the contract, thus reducing United Healthcare's overall score.

Stop Loss Coverage:

Aon Hewitt advised the Authorities that in order to maximize contract administration efficiencies and to minimize costs, it was prudent to place their Stop Loss coverage with the Medical Program Provider. Horizon provided the most competitive cost options for Stop Loss coverage. Horizon quoted the following three rate proposals for specific deductible limits:

1)	\$250,000.00	\$38.03 per member, per month
2)	\$300,000.00	\$28.62 per member, per month
3)	\$350,000.00	\$22.34 per member, per month

Based on NJTA's current risk tolerance, the Committee recommends for the first one-year term, the \$350,000.000 deductible limit, subject to fluctuations in enrollment. Stop Loss renewal rates for the remaining contract term shall be subject to prevailing market conditions, and negotiated between the Authorities and Horizon.

Conclusion:

Accordingly, it is recommended that the professional services contracts for the NJTA Self-Funded Health Benefits Programs be awarded as follows:

For **Medical Services to Horizon Blue Cross Blue Shield of NJ** – the cost for the initial three years will be in an amount not to exceed **\$4,915,900.00** (at \$33.50 per member, per month) subject to availability of funding at the time of services. In addition, Horizon agreed to cap

administrative fee rate increases to no more than five percent each year in the fourth and fifth years, if the Authorities opt to extend the contracts. The actual percent rate increases will be subject to negotiations between the parties.

For **Pharmacy Services to Express Scripts** – the cost for the initial three years will be in an amount not to exceed **\$821,000.00**, subject to availability of funding at the time of services. In addition, authorization is requested for NJTA staff to negotiate the cap on the administrative fee rate increases for the fourth and fifth years with Express Scripts, if the Authorities opt to extend the contracts. The actual percent rate increases will be subject to negotiations between the parties.

For **Dental Services to Delta Dental** – the cost for the initial three years will be in an amount not to exceed **\$309,300.00** subject to availability of funding at the time of services. In addition, Delta Dental agreed to cap administrative fee rate increases to no more than five percent each year in the fourth and fifth years, if the Authorities opt to extend the contracts. The actual percent rate increases will be subject to negotiations between the parties.

For **Vision Services to Davis Vision** – **No administrative fees.**

For **Stop Loss Coverage to Horizon Blue Cross Blue Shield of NJ** – for the initial one-year contract term will be an amount not to exceed **\$893,243.00** for \$350,000.00 specific deductible limit.

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

075-02-2011

In a document dated February 23, 2011, a **Recommendation to Enter into Professional Services Agreement For the Upgrade and Enhancement of the PeopleSoft Financial System and Optional Peoplesoft Financial System Services for South Jersey Transportation Authority**, RM RFP-104, Cherry Road Technologies, was approved.

The New Jersey Turnpike Authority ("NJTA") and the South Jersey Transportation Authority ("SJTA") collectively "the Authorities") issued a request for proposal ("RFP") for a consultant firm to upgrade NJTA's PeopleSoft Financial System ("PeopleSoft") to the latest version and to implement certain PeopleSoft services for SJTA, if SJTA so opts. The NJTA services include but are not limited to: 1) activation of the E-Settlements, Project Costing and Strategic Sourcing modules; 2) a best practice review of all major business processes and 3) possible new configurations to streamline the Inventory/General Ledger reconciliation process ("NJTA Services"). According to the requirements in the RFP for NJTA Services, the upgrade should be completed by October 31, 2011. If SJTA opts to utilize the successful consultant, SJTA services will include but are not limited to: implementing and migrating from SJTA's current integrated financial accounting system to a PeopleSoft platform that would leverage the NJTA's PeopleSoft system ("SJTA Services"). In addition, the Authorities have the sole discretion of extending the contract(s), under the same terms and conditions, for one additional one-year term.

The RFP was advertised on December 22, 2010 in the Star Ledger, the Times and posted on the State's and Authorities' websites. In addition, the RFP was distributed to 8 vendors. Three proposals were received from:

CherryRoad Technologies, Inc., Morris Plains, NJ ("CherryRoad");
 KaySoft Inc., Iselin, NJ and Kest Technologies, Inc., Piscataway, NJ ("KaySoft/Kest"); and
 * LECG Devon, PA

The procurement of this professional services contract was conducted in accordance with N.J.S.A. 27:23-6.1 and Executive Order No. 37 (Corzine 2006). An evaluation committee ("Committee") was recommended by the NJTA Director of Technology and Administrative Services

("TAS") Department and approved by the NJTA Executive Director. The Committee consisted of personnel from NJTA's TAS, Finance and Purchasing Departments. In addition, representatives from SJTA's TAS and Finance Departments were approved as voting members of the Committee. There were also staff members from NJTA's Purchasing and Law Departments serving as non-voting members of the Committee.

*An initial issue was raised by Committee Members regarding LECG's participation in this procurement. LECG had been retained as a Consultant to SJTA for technical support and the firm had assisted in writing a portion of SJTA's scope of services for the referenced contract. The Law and Purchasing Departments reviewed this issue and concluded that there was no conflict of interest with LECG's participation because the portion of the SJTA's scope of services which had been written by LECG was primarily system descriptive information which was widely available and which, moreover, was publicly stated in a recent RFP solicitation by SJTA for similar implementation services.

The Committee reviewed the proposals based on the criteria set forth in the RFP. There is a Committee Report which details the evaluation process. Even though there was a significant disparity among the initial scores, given the complexities of this technical procurement, the Committee invited all three firms to make oral presentations. After careful evaluation of all proposals and oral presentations, the Committee ranked the firms as follows:

<u>Rank/Firm</u>	<u>NJTA Cost Proposal</u>
1. CherryRoad	Peoplesoft Upgrade
2. LECG	\$1,991,068.00 for 11,320 hours
3. KaySoft Inc.	\$ 957,506.00 for 5,279 hours
/Kest Technologies, Inc.	\$4,234,047.00 for 34,554 hours

<u>Rank/Firm</u>	<u>SJTA Cost Proposal</u>
1. CherryRoad	Implementation Services & Hardware
2. LECG	\$2,488,504.00 (NJTA Configuration)
3. KaySoft Inc.	\$4,071,585.00 (New/Full Implementation)
/Kest Technologies, Inc.	Ranges from \$1,582,900.00 to \$2,374,350.00**
	\$6,388,341.00 (NJTA Configuration) **
	\$9,617,901.00(New/Full Implementation)**

** Vendors did not include hardware costs.

Note: Software licensing fees as well as maintenance and support services (for five years) were requested in the RFP; however SJTA will not be paying these fees to the vendors, thus such fees were excluded from this analysis.

The Committee ranked CherryRoad's proposal the highest. The Committee unanimously concluded that CherryRoad's proposals for both Authorities' Services were superior to the other two proposals. CherryRoad proposed scope of services demonstrated that the firm fully understood the Authorities' technical and training requirements. CherryRoad evidenced that the firm had recently performed PeopleSoft upgrade services for similar entities. In addition, the Committee members were very impressed with the approaches that CherryRoad proposed with respect to SJTA Services. CherryRoad representatives proposed a shared services approach described as "on-board hosting" which would adequately utilize NJTA's PeopleSoft platform to implement SJTA's Service, if SJTA chose the optional services. Furthermore, CherryRoad's proposed hours to implement NJTA Services and their stated ability to complete the said Services by the October 2011 timeline were also reviewed favorably by the Committee. CherryRoad's fixed cost proposal for NJTA Services compared favorably to the NJTA TAS Departmental Estimate of approximately \$2,700,000.00.

The Committee ranked LECG's proposal second because the Committee concluded that LECG even with its sub consultant, BTRG Consulting, Media PA fell short in responding to critical

technical requirements in the RFP. While LECG's cost proposals were significantly less than CherryRoad's, the Committee concluded that LECG's proposed hours to complete both Authorities' Services were questionable given the scope of services required for each entity. Moreover, if computed on an hourly basis, LECG's cost proposal for the proposed hours is higher at \$181.38 compared to CherryRoad's hourly cost proposal of \$175.89. In addition, LECG did not respond to the Committee's specific concerns about training and change order proposals. The Committee concluded that LECG's best and final offer did not address these issues, and thus LECG received relatively lower scores.

The Committee ranked the joint proposal submitted by KaySoft/Kest Technologies, Inc. third. KaySoft/Kest Technologies' cost proposal was significantly above the other two firms as well as the Authorities' estimates for the Services. Thus, KaySoft/Kest Technologies' proposal received the lowest scores.

CherryRoad's proposal is fully compliant and cost efficient. Therefore, authorization is requested to enter into an agreement with CherryRoad Technologies, Inc. for the upgrade and enhancement of NJTA's PeopleSoft Financial System in an amount not to exceed \$1,991,063.00. 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(s) pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 and having no objection to same. If SJTA opts to utilize CherryRoad Technologies for SJTA Services, that contract would have to be approved by SJTA's Board of Commissioners.

On motion by Commissioner DuPont seconded by Commissioner Gravino, the Authority unanimously approved items 061-02-2011 through 075-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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GENERAL BUSINESS

Director of ETC Dennis Switaj requested approval of item number 076-02-2011. Moved is the item as follows:

076-02-2011

In a document dated February 11, 2011, a Recommendation to **Recommendation to Amend Supplement R to Professional Services Agreement with ACS State and Local Solutions, Inc. to Purchase Transponders from Mark IV IVHS, Inc. on Behalf of the New Jersey E-ZPass Program**, was approved.

At the December 2002 Commission meeting, a Professional Services Contract Agreement with ACS State and Local Solutions, Inc. ("ACS") was approved by the Authority's Board of Commissions (the "Agreement"). At its July 22, 2008 meeting, the Authority's Board of Commissions approved Supplement R to the Agreement to allow for a more efficient process in the ordering, inventorying, and paying for transponders needed for the New Jersey E-ZPass Program.

Consistent with the terms of Supplement R, the Authority has determined that the New Jersey E-ZPass Program requires approximately 350,000 Mark IV transponders, of various types, to service accounts for the New Jersey E-ZPass toll collection operations through December 31, 2011. This action will allow for new enrollments into the New Jersey E-ZPass Program to continue without interruption through 2011. It will also allow the Authority to have sufficient replacement transponders on hand through 2011. The total cost of this purchase is estimated at \$8.0 million. Also consistent with the terms of Supplement R there will be no mark-up on this purchase by ACS.

Therefore, it is recommended that Supplement R to Professional Services Agreement with ACS State and Local Solutions, Inc. be amended to authorize the purchase of approximately 350,000 various transponder types through December 2011 at a total amount not to exceed \$8.0 million. These purchases should be charged to Account No. 10000-117920 and as transponders are drawn from inventory they will be charged to the operating fund.

On motion by Commissioner Pocino, seconded by Commissioner Gravino, the Authority unanimously approved item 076-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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OPERATIONS

Director of Operations Sean Hill requested approval of item number 077-02-2011. Chairman Simpson asked Director Hill to explain the NJTA's relationship with Transcom. Director Hill indicated that the Authority is a member agency and we are required to pay dues. Transcom membership is beneficial to the NJTA because Transcom is a coordination committee of various regional agencies designed to coordinate incidents within the New York metro region and construction areas. Moved is the item as follows:

077-02-2011

In a document dated February 14, 2011, a **Recommendation to Pay Annual Member Agency Membership Dues to Transcom**, was approved.

Transcom is an organization which provides a forum for the reconciliation of operating procedures, improved agency communications and the coordination of construction projects within the metropolitan area. The New Jersey Turnpike Authority partners with Transcom to help ensure the mobility and safety of the traveling public through the tri-state area through communication and the enhanced utilization of the member agencies existing traffic and transportation management systems.

As per the signed agreement between the New Jersey Turnpike and Transcom, the Authority is required to pay annual membership dues for operating costs. The annual payment to Transcom for 2011 is \$258,291.

On motion by Commissioner Pocino, seconded by Commissioner Gravino, the Authority unanimously approved item 077-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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FINANCE

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Chief Financial Officer Donna Manuelli requested approval of item number 078-02-2011 through 079-02-2011. Moved is the item as follows:

078-02-2011

In a memorandum dated February 8, 2011, **Authorization to Amend Limitations for Officers/Members of the New Jersey Turnpike Authority Authorized to Withdraw Funds From Established Depositories**, was approved.

At the June 24, 2003 commission meeting, a resolution was adopted authorizing an increase in the limitations for check signing requirements. The resolution provided for an increase in the limitation on checks requiring only an electronic (facsimile) signature from \$2,500 to \$7,500. Checks and transfers over \$7,500, but not exceeding \$100,000, required the signature of one authorized officer, and checks and transfers over \$100,000 required two signatures. The resolution also specified the officers authorized to sign checks and transfers.

In an effort to streamline our accounts payable payment process and take advantage of system security safeguards offered through the PeopleSoft Financials system, the Finance department is requesting approval to increase the electronic (facsimile) signature limitation from \$7,500 to \$49,999. We have reviewed the proposed increase in the electronic (facsimile) signature with the Authority's Internal Audit department and they did not identify any control weaknesses that would prohibit this limit from being increased at this time. These checks will continue to be audited

on a sample basis by Finance department personnel before issuance. Checks and transfers exceeding \$49,999 but not exceeding \$100,000 will continue to require the signature of one authorized officer, and checks and transfers over \$100,000 will continue to require two signatures.

The approval of this resolution also designates the Treasurer of the Board of Commissioners, the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the Chief of Staff and the Assistant Secretary as officers/members of the Authority authorized to sign checks and transfers on behalf of the New Jersey Turnpike Authority.

Therefore, it is recommended that the Commissioners adopt the resolution for all future withdrawal of funds for the Authority.

RESOLUTION AUTHORIZING WITHDRAWAL OF FUNDS FROM ESTABLISHED DEPOSITORIES

WHEREAS, authorized officers are designated to sign approvals for withdrawals from funds held by Fiduciaries and Depositories established under the provisions of the Turnpike Revenue Bond Resolution adopted by the Authority on August 20, 1991, as amended and supplemented (the "Resolution"); and

WHEREAS, any Fiduciary or Depository is authorized and directed to pay checks or electronic fund transfers drawn on accounts of the Authority when signed by the Treasurer of the Board of Commissioners or by the Executive Director or by the Deputy Executive Director or by the Chief Financial Officer or by the Chief of Staff or by the Assistant Secretary;

NOW, THEREFORE, BE IT RESOLVED, that any Fiduciary or Depository be hereby requested, authorized and directed to honor checks or electronic fund transfers drawn in the name of the Authority, in amounts not to exceed FORTY-NINE THOUSAND, NINE HUNDRED-NINETY NINE (\$49,999) DOLLARS, when bearing the facsimile signature of an authorized officer;

RESOLVED FURTHER, that any Fiduciary or Depository be hereby requested, authorized and directed to honor checks or electronic fund transfers drawn in the name of the Authority, in amounts exceeding FORTY-NINE THOUSAND, NINE HUNDRED-NINETY NINE (\$49,999) DOLLARS but not to exceed ONE HUNDRED THOUSAND (\$100,000) DOLLARS, when bearing a signature by the Treasurer of the Board of Commissioners or by the Executive Director or by the Deputy Executive Director or by the Chief Financial Officer or by the Chief of Staff or by the Assistant Secretary; and each of them are authorized to do so for and on behalf of the New Jersey Turnpike Authority; and

RESOLVED FURTHER, that any Fiduciary or Depository be hereby requested, authorized and directed to honor checks or electronic fund transfers drawn in the name of the Authority, in amounts exceeding ONE HUNDRED THOUSAND (\$100,000) DOLLARS, when bearing two signatures of those Members/Officers of the Authority which have been authorized to do so for and on behalf of the New Jersey Turnpike Authority.

079-02-2011

Chief Financial Officer Donna Manuelli presented the **Financial Summary** for the twelve months ended December 31, 2010 and the one month ended January 31, 2011, which was approved.

On motion by Commissioner Gravino seconded by Commissioner DuPont, the Authority unanimously approved item 078-02-2011 through 079-02-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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OPERATIONS

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Director of Operations Sean Hill requested approval of item number 080-02-2011. Moved is the item as follows:

080-02-2011

Director of Operations Sean Hill requested acceptance of the **Resume of All Fatal Accidents** for the Garden State Parkway and New Jersey Turnpike: Period 1/1/11 through 2/02/11; both with 2010 – 2011 Yearly Comparisons through January 31, 2011.

On motion by Commissioner Hodes, seconded by Commissioner Diaz, the Authority unanimously accepted the reports and received for file.

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STATE POLICE

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Major Hines requested approval of item number 081-02-2011. Moved is the item as follows:

081-02-2011

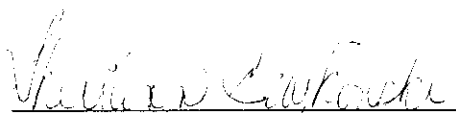
Major Hines requested acceptance of the **New Jersey State Police Troops D Activity Reports**, For December, 2010, with 2009 – 2010 Yearly Comparisons.

On motion by Commissioner Gravino, seconded by Commissioner Hodes, the Authority unanimously accepted the reports and received for file.

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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 11:04 A.M., to meet on Tuesday, March 29, 2011, at 9:30 A.M.

ATTEST:



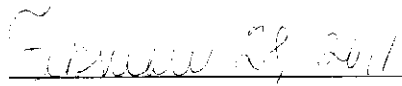
Sheri Ann Czajkowski
Assistant Secretary



Veronique Hakim,
Executive Director

Corporate Seal

Date:



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