

**PROCEEDINGS OF NEW JERSEY TURNPIKE AUTHORITY
COMMISSION MEETING
TUESDAY, JANUARY 25, 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, Commissioner/Treasurer Michael DuPont; Commissioner Harold Hodes; Commissioner Raymond Pocino; Commissioner Ulises Diaz and Commissioner Ronald Gravino. Commissioner Troy Singleton joined the meeting during Executive Session, which commenced at 10:05 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; Assistant Director of Operations Henry "Chip" Eibel; 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: Deputy DOT Commissioner Joseph Mrozek; Governors' Authorities Unit Representative Maura Tully; additional individuals consisting of other NJTA employees; interested organizations; the general public; and from the media: the Bergen Record; Star Ledger; and NJN.

ANNOUNCEMENT

Chairman Simpson introduced the new commissioner, Ronald Gravino, and thanked Commissioner David Evans for his six (6) years of service.

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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 special meeting of December 2, 2010 and the regular meeting of December 15, 2010; he did not exercise his power to veto any items in those minutes.

Upon motion made by Commissioner DuPont, seconded by Commissioner Diaz, the minutes of both the December 2nd and 15th meetings were 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:

Commissioner Pocino: 005-01-2011 through 016-01-2011

Commissioner Hodes: 026-01-2011

Commissioner Singleton: 005-01-2011, 006-01-2011, 008-01-2011, 009-01-2011

Chairman Simpson introduced Commissioner Gravino who was previously was a Commissioner at the New Jersey Highway Authority, where he worked closely on Arts Center issues. Commissioner Gravino stated that he was thrilled to be a Commissioner at the Authority.

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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.

PAUL POLOGRUTO, CWA LOCAL 1032

Mr. Pologruto represents the Communication Workers of America Local 1032; he described them as the white collar employees of the DOT and other state agencies. Mr. Pologruto spoke against the privatization of toll collectors. He had read that the new pay rate for toll collectors would be \$12.00 per hour, which equates to about \$25,000 per year. He said no one in NJ can live off of \$25,000 per year. Mr. Pologruto further stated that in order to save money cutting wages is the most uncreative obvious thing to do. It will result in the layoff of hundreds of employees from good jobs. He proposed that the Authority negotiate with the union to find a way to save money without eliminating middle class jobs. Privatization is ill advised and he asked that the Authority look for other ways to save money.

WILLIE GONZALES, LOCAL 194

Mr. Gonzales stated that he felt honored and privileged to speak on behalf of his mother, a Turnpike Toll Collector. Mr. Gonzales indicated that he wrote a letter to Governor Christie about the importance of his mother keeping her job. He stated that his mother's job as a toll collector has given his family stability and has been a good source of income for a single mother. Through her position she has been able to provide for her children and give them a better place to live and attend a better high school.

KAREN LEWIS, IFPTE

Ms. Lewis came on behalf of President Junemann of the IFPTE. Ms. Lewis asked the Authority to negotiate with the unions and stop the toll collector privatization efforts now.

FRANCELINE EHRET, LOCAL 194

Ms. Ehret stated that she was at the meeting today with a heavy heart. Ehret represents the workers of the Authority and they have come to the commission meetings for several months to try to come to terms with the Authority to be given the opportunity to negotiate a settlement rather than put their toll collector jobs out to bid. She said that her union has made huge concessions on a lot of issues that were important to the Authority. Ehret stated that the union felt the RFP pulled the rug out from underneath them. Ehret admitted that her union was given no guarantees that even if they negotiated an agreement with the Authority that their jobs would be saved. Ehret appealed to the Authority for the opportunity to go back to the table. She stated that Local 194 made a serious offer to the Authority with a proposed settlement of savings of \$12-14 million and that Local 194 would like the Authority to consider the offer and consider the employees who work very hard. Ehret commended the maintenance workers who during the snow season have cleared

not only our roads but helped out the DOT and cleared I95, Routes 18, 33, 35, and 66. Turnpike employees care about the public safety and the union asks that the Authority consider the workers and withdraw the RFP for toll collector services.

MURRAY BODIN, CONCERNED GRANDPARENTS

Mr. Bodin spoke about agenda item 013-01-2011, the rehabilitation of the concrete median barrier at Milepost 141 to 150. Mr. Bodin asked that when a barrier is rehabilitated that the Authority put up a plastic barrier that would prevent drivers from seeing the problems on the other side of the roadway. He said the Authority should put up a four (4) foot section of plastic between the northbound and southbound lanes to eliminate rubbernecking back-ups.

Mr. Bodin further asked that the Authority promptly begin using dotted line striping on its roadways to improve driver safety. Although the Authority is not required by federal law to use dotted lines immediately, it should do so for safety purposes.

TOM TIGHE, MIDDLESEX LABOR COUNSEL

Mr. Tighe spoke against the privatization of toll collectors and asked the Authority to respect the collective bargaining agreement process. Over the years the unions and the Authority have collectively bargained and this is why the Authority is what it is today. The union is asking only for another chance to sit down and bargain, give them that chance. Please do not take these Authority jobs and make them Wal-Mart jobs.

JERSEY CITY MAYOR JERRAMIAH HEALY

Mayor Healy spoke in opposition to the Authority's proposed changes to Interchanges 14A and 14B on the Turnpike Hudson County Extension. Mayor Healy indicated that directing truck traffic from 14A to 14B and then sending the trucks back to the Bayonne port is a bad solution.

Healy disagreed with the plan to divert trucks 2.5 miles away from their destination, send them to 14B and then through Jersey City streets just to go back the 2.5 miles to their ultimate destination of Bayonne. Healy asked the Board to consider expansions at 14A if that is what has to be done. Healy stated the Authority could cut another exit just north of the NE extension and run a bridge over the North Bay into Jersey City and the trucks will go directly into Bayonne. The Authority's present plan to address this issue will be in the neighborhood of \$400 million, a bridge would cost \$1 billion dollars. A perfect solution will cost double what the Authority is willing to spend and it is a better solution. The present recommendation will put more traffic into Jersey City Streets. The problems at 14C and Montgomery Street are worse than 14A. The proposed solution does not address the entire traffic pattern that goes across the NE Extension. It is going to make a situation at 14B and Montgomery Street much worse. It will continue to back-up traffic on the Casciano Bridge as well. This is not a solution, it is short sighted and there are better means to take into account the residents of Jersey City.

Mayor Healy commended Authority Engineer Steve Buente who went to Jersey City and made a presentation to Jersey City residents. Our citizens were not consulted prior to his arrival and that is why the crowd was antagonistic and upset. Jersey City residents are requesting recorded hearings so that all sides are heard.

Chairman Simpson stated that no final decision had been made regarding the 14A/14B project. ED Hakim noted that the Authority just recently had public information sessions and that a formal public hearing regarding the project had yet to be held. Chairman Simpson requested that the Board and the stakeholders be kept involved with this item.

RAE ROEDER

Ms. Roeder is the President of CWA Local 1033 and represents 7,000 workers in the State of NJ. She indicated that Local 1033 has a lot of experience with privatization. Their employees

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have personally felt the results of privatization and have even turned evidence into the federal government against the Department of Taxation. The Director of Taxation was arrested and higher officers were disciplined for taking money from private contractors, the trial will commence on March 1st. She asked that the Authority reconsider what they are doing and look toward collective bargaining for the solution because privatization has proven to be unsuccessful.

LAUREL BRENNAN, AFL-CIO

Ms. Brennan implored the Authority not to privatize toll collection. Ms. Brennan stated that there is a lot of talk about shared sacrifice and the union stated that it is willing to sacrifice so do not turn the lives of these workers upside down. Please negotiate a solution rather than privatize.

JAMIE GONZALEZ, POLITICAL COORDINATOR OF TEAMSTERS LOCAL 97

Mr. Gonzalez stated that reason sometimes does not prevail. Although he understands these are the marching orders of the new Governor, the State of NJ used to have a lot of money in the treasury and could give the citizens of NJ what they deserve. Unions opposed NAFTA because it was not in the best interest of the people of the USA. Mr. Gonzalez said that today the State is looking to privatize everything that the government owns and eventually the State will run out of things to privatize and there will be no jobs for the citizens. Mr. Gonzalez indicated that he hoped compassion would prevail and counter the marching orders, 'cut at any human cost'.

HETTY ROSENSTEIN, CWA

Ms. Rosenstein asked the Board to withdraw the RFP for the privatization of toll collectors. The union has made a very fair offer because they care about this State and they understand the difficulties that the State is in. Ms. Rosenstein asked not to make public workers the escape goats to this economy because it is wrong. These middle class families want to negotiate. CWA supports them, supports the labor movement and the community and all fair thinking people who support them.

RAY STEEVER, PRESIDENT OF NJ STATE INDUSTRIAL UNION COUNCIL

Mr. Steever indicated his opposition to privatizing the toll roads. He felt that the State is in this situation because of Wall Street. Mr. Steever quoted a line from the movie Wall Street, "greed, for a lack of a better word, is good." He went on to state that in our business greed is another word for privatization and we think the word is not good. There are union brothers and sisters who make a living working at the Turnpike. The Turnpike made over \$150 million last year yet at this point the State is trying to privatize the toll roads at the expense of working men and women of this State. Mr. Steever stated that there does not seem to be fair negotiations at the table. In a State where the unemployment rate is high, when you privatize the toll road greed will become the word and tolls will be raised, that is unfair and unjust to the citizens of this State. The employees of the Authority have been able to do their jobs well. The Corzine Administration raised the idea of privatization and it did not happen. The Christie Administration is about privatization in corporate America and they want to make sure that privatization happens from a Republican standpoint. Mr. Steever asked that the Board not take the jobs from people based on greed and send them to unemployment. Everyone is willing to make sacrifices and it has all come down to Main Street and Main Street can't survive if Wall Street keeps getting bailed out from the government. Everything is being trickled down to the employees. These jobs are needed so take a step back and look at the common sense of this whole thing. Please do not sacrifice men and women for the almighty dollar, pull back the RFP, renegotiate with the union so that there is no hardship.

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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 DuPont, seconded by Commissioner Gravino, 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 10:50 a.m.; Chairman Simpson resumed the public portion of the meeting.

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EXECUTIVE DIRECTOR'S REPORT

In reference to the Toll Attendant Services RFP that was recently advertised, ED Hakim mentioned that while proposals are currently due on March 7th, no formal action is being taken at this meeting regarding the RFP.

Regarding the December 26-27 blizzard that brought unanticipated amount of snow at record rates, ED Hakim commended the efforts of the Turnpike Authority staff. 2010 had numerous significant snow events and consistent with Turnpike Authority history, the maintenance and operations personnel responded to each and every event with their usual thorough response. Managing weather events is a collaborative effort, but particular acknowledgement is made to the efforts of the Maintenance and Operations departments, John Cifelli, Director of Maintenance and Sean Hill and Chip Eibel, Operations, as well as the many snow volunteers from other departments who worked around the clock to clear the roadways in what were nearly unprecedented weather conditions. In addition, we were ably assisted by the State Police, Troop D, in helping with our response to this event.

All Personnel went above and beyond their routine responsibilities during a snow event and worked tirelessly to clear and maintain the Turnpike and Parkway. In addition, the Turnpike worked in conjunction with DOT in clearing Monmouth County. ED Hakim personally acknowledged the hard work of staff and thanked them for their dedication and tremendous efforts.

Chairman Simpson acknowledged the Turnpike Authority for all of their hard work. The Chairman particularly thanked John O'Hern and John Cifelli for their outstanding work and the work of the members of their team. The Chairman thanked the employees of the Authority for coming to the aid of the DOT in Monmouth County. The command center in Woodbridge has become our situation room, a unity of purpose. Although everyone has different responsibilities, this was a statewide event, and a group of great people worked together to get the job done and we will continue to work together in the future.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item 001-01-2011. Moved is the item as follows:

001-01-2011

Human Resources Director Garrity submitted the **Personnel Agenda**, dated January 25, 2011, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

On motion by Commissioner Singleton, seconded by Commissioner Pocino, 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 002-01-2011 through 004-01-2011. Moved as a group those items are as follows:

002-01-2011

In a memorandum dated January 10, 2011, it was recommended that the New Jersey Turnpike Authority ("Authority") maintains **Excess Workers Compensation insurance (statutory) and Employers Liability insurance** (\$2,000,000 each accident and each employee for disease) with a self-insured retention ("SIR") of \$750,000. The policy will expire on February 1, 2011. In 2009, a Request for Proposal was issued and a professional services procurement process was conducted in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.1(b) and Executive Order No. 37. Risk Strategies Company of New York, NY was selected as broker for this insurance program for a three-year period commencing February 1, 2010. The Authority entered into an Agreement with Risk Strategies Company dated April 15, 2010 and effective February 1, 2010 for Insurance Brokerage Services for Excess Workers Compensation Insurance and Employers Liability Insurance for the three-year period as aforesaid. The February 1, 2011 – February 1, 2012 policy period will be the second year of the contract.

Risk Strategies Company was requested to solicit a minimum of three competitive quotations for the renewal. Risk Strategies approached a total of seven insurers, including the incumbent Arch Insurance Company ("Arch"), for renewal quotations for coverage with terms and conditions as expiring. Arch and New York Marine & General Insurance Company submitted premium quotations. ACE American Insurance Company and Liberty Mutual Insurance Company provided premium indications rather than formal quotations. Crum & Forster (United States Fire Insurance Company), Travelers Indemnity Company and Safety National Casualty Corp. declined to quote.

Arch Insurance Company quoted a deposit premium of \$524,831 based upon a rate of \$0.2845 per \$100 of payroll, subject to audit, with minimum premium of \$419,865 for coverage as expiring, including TRIA. New York Marine & General Insurance Company quoted a deposit premium of \$525,290 based upon a rate of \$0.2847 per \$100 of payroll, subject to audit, with minimum premium of \$472,761 for coverage as expiring, including TRIA. ACE submitted a premium indication of \$700,000 (based upon a rate of \$0.3795 per \$100 of payroll, subject to audit); Liberty Mutual submitted a premium indication of \$595,000 (based upon a rate of \$0.3225 per \$100 of payroll, subject to audit).

It is therefore recommended that renewal of the Excess Workers Compensation and Employers Liability insurance be placed with Arch Insurance Company for a deposit premium of \$524,831 subject to audit for the February 1, 2011 – 2012 policy period, with minimum premium of \$419,865. The proposed rate per \$100 of payroll (\$0.2845) represents a reduction of approximately 7.4% from the rate per \$100 of payroll for the expiring coverage (\$0.3073).

It is therefore requested that the Executive Director be authorized to award the renewal of the insurance policy with Arch Insurance Company as outlined herein, with coverage to be bound subject to the Governor's veto period. It is further requested that the Executive Director be authorized to take all such actions and to execute all such documents to effectuate the authority set forth above.

003-01-2011

In a memorandum dated January 14, 2011, it was recommended that **Ratification of Action be taken for the Acquisition of 5 Property Interests Required for the Interchange 6-9 Widening Program**. 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 nearing completion and construction is proceeding ahead of schedule.

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.

1. New Acquisitions and Reimbursement For Damages. The Authority has determined that the four (4) 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 same. 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 acquisition based on this appraised value and in compliance with the laws governing its powers of eminent domain. Negotiations continued and a settlement of all terms was agreed upon. The following is a description of the properties for which the parties have finalized negotiated terms of sale or other terms of settlement:

1. Turnpike Design Section 2, Turnpike ROW Section 3E
Parcel C286, Block 104 Lot 5 (**Partial Taking**)
3301 Route 206, Mansfield Township, Burlington County
Owners: Daniel Panfili and Iole Panfili
Amount: \$1,500.00

The property currently consists of 4.240 acres of land improved with a 672 square foot horse stable (the "Property"). The NJTA must acquire the following interest in the Property which will hereafter be referred to as the "Property Interest": (1) a temporary construction easement consisting of the right to access land and area with vehicles and equipment for the purpose of re-grading the existing driveway and to grade, topsoil and seed, impacting 0.102 acres of the Property to be designated as Parcel C286.

2. Turnpike Design Section 2, Turnpike ROW Section 3E
Parcel 273B, Block 203 Lot 3.01 (**Full Taking**)
227 Bordentown-Crosswicks Road, Chesterfield Township, Burlington County
Owner: Harry Cummings
Amount: \$ 375,000.00 (**\$25,000.00 additional monies; \$349,000.00 previously approved and \$1,000.00 previously approved for condemnation**)

The property currently consists of 3.84 acres of land improved with a 1,555 square foot, single-family residence (the "Property"). The NJTA originally acquired a portion of the Property (Parcel Nos. 273 and D273) for \$1,000.00 via condemnation in February 2010. Since that time, the NJTA has determined it necessary to acquire the Property in its entirety. An incorrect settlement

amount of \$350,000.00 was approved in October 2010. The amount above, \$375,000.00, reflects the negotiated price for the purchase of the following interest in the Property which will hereafter be referred to as "Property Interest": (1) a fee simple interest in the entire 3.84 acres of the Property to be designated as Parcel 273B.

3. Turnpike Design Section 8, Turnpike ROW Section 4L
Parcel Nos. 1218 and UE1218 (billboard), Block 2, Lot 3.031 (**Partial Taking**)
8 Corporate Drive, Cranbury Township, Middlesex County
Owner: Kerzner Associates No. 8, LLC
Amount: \$ 1,186,000.00 (**additional \$151,000.00; \$1,035,000.00 previously approved for condemnation**)

The property currently consists of 6.305 acres of land improved with a 53,790 square-foot, multi-tenanted industrial flex building and billboard (the "Property"). 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 1.747 acres of the Property to be designated as Parcel 1218; and (2) a utility easement consisting of the right to install and maintain a water main, impacting 0.250 acres of the Property to be designated as Parcel UE1218.

4. Turnpike Design Section 1, Turnpike ROW Section 3D
Parcel Nos. AE181, 2AE181, UE181, E181, C181 and 2C181
Block 800.04, Lot 1 (**Partial Taking**)
Mill Lane, Mansfield Township, Burlington County
Owner: Burlington County Board of Chosen Freeholders
Amount: \$ 3,000.00 (**1,750.00 additional monies, \$1,250.00 previously approved for condemnation**)

The property currently consists of 2.18 acres of vacant, unimproved land (the "Property"). The NJTA must acquire the following interest in the property which will hereafter be referred to as the "Property": (1) An aerial easement to carry the New Jersey Turnpike across the property and also including the right to attach fiber optic cables to the proposed bridge structure within the limits of said aerial easement impacting approximately 0.066 acres to be designated as Parcel AE181; (2) an aerial easement to carry the New Jersey Turnpike across the property impacting approximately 0.066 acres to be designated as Parcel 2AE181; (3) an easement consisting of the right to install and maintain the Transcontinental Gas Pipeline impacting approximately 0.016 acres to be designated as Parcel UE181; (4) a slope easement impacting approximately 0.043 acres to be designated as Parcel E181; (5) a temporary construction easement impacting approximately 0.031 acres to be designated as Parcel C181; and (6) a temporary construction easement impacting approximately 0.026 acres to be designated as Parcel 2C181.

II. New Eminent Domain Proceedings. The Authority has determined that the property listed herein is necessary for the Widening Program. To that end, the Authority had an appraisal prepared by an independent appraiser and reviewed by Value Research Group, LLC, the Authority's Real Estate Manager/Consultant, which set a value for same. With respect to the below parcels, the Authority had contacted the property owners for the purchase of same based on the appraised value and in compliance with the laws governing its powers of eminent domain. As the Authority's fair negotiations did not yield a settlement with the Property Owners, Eminent Domain proceedings are being filed as the last resort. The following is a description of said property:

1. Turnpike Design Section 7, Turnpike ROW Section 4K
Parcel Series 1154, Block 2, Lot 3.031 (**Partial Taking**)
30 Brickyard Road, Cranbury Township, Middlesex County
Owner: S.A.I. Middlesex Farms, LLC
Amount: \$ 340,000.00

The property currently consists of 73.90 acres of vacant land (the "Property"). 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 1.946 acres of the Property to be designated as Parcel 1154; (2) a utility easement consisting of the right to install and maintain a pipeline for Colonial Pipeline, impacting 2.122 acres of the Property to be designated as Parcel UE1154A; (3) a utility easement consisting of the right to install and maintain a pipeline for Colonial Pipeline, impacting 0.114 acres of the Property to be designated as Parcel UE1154B; (4) a utility easement consisting of the right to construct, reconstruct, operate, inspect, renew, replace, improve, maintain, redesign, alter, relocate, extend and remove overhead and ground facilities and as may be deemed necessary or convenient by the grantee or its assigns for electric, CATV and communication purposes for the use and benefit of the land and/or adjacent lands beyond the property, impacting 0.002 acres of the Property to be designated as Parcel UE1154C; (5) a drainage easement consisting of the right to construct and maintain a drainage ditch, impacting 0.142 acres of the Property to be designated as Parcel D1154; (6) a temporary construction easement consisting of the right to access land and area with vehicles and equipment for use during the construction of subsurface pipelines and appurtenances, impacting 1.488 acres of the Property to be designated as Parcel C1154A; and (7) a temporary construction easement consisting of the right to access land and area with vehicles and equipment for use during the construction of subsurface pipelines and appurtenances, impacting 0.256 acres of the Property to be designated as Parcel C1154B.

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

All actions taken by the Executive Director have been necessary for the purchase of the Property Interests 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 required that the Authority Commissioners ratify any and all actions taken by the Executive Director as outlined herein for the acquisition of Property Interests set forth above.

004-01-2011

In a memorandum dated January 14, 2011 it was recommended that **Ratification of Payments to Certain Municipalities in Satisfaction of Authority's Obligations** be moved. The New Jersey Turnpike Authority's (the "Authority") 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") have resulted in certain unavoidable impacts to natural resources, including forested areas. The New Jersey No Net Loss Reforestation Act (the "Reforestation Act"), applicable to departments, agencies or offices of State government, including Authorities created by the State of New Jersey, requires State entities to follow certain procedures relative to deforestation activities. The Reforestation Act is administered by the New Jersey Department of Environmental Protection (the "NJDEP") and requires that reforestation takes place adjacent to the deforested area on public lands. However, if it is determined that planting in the impacted area or at alternative locations is not feasible the NJDEP can request that the State entities provide a monetary payment (the "Payment").

In June of 2010, the Authority's Board of Commissioners approved Agenda Item No. 144-10 authorizing a payment to the NJDEP in the amount of \$15,000,000 in satisfaction of Reforestation Act obligations resulting from the (1) Widening Program, (2) the Authority's Garden

State Parkway 30 to 80 Widening Program and (3) the Interchange 67 Improvement Project. Subsequent to this authorization, three of the six communities impacted by the Widening Program, Townships of Robbinsville, Hamilton and East Windsor, brought an action against the Authority and the NJDEP in connection with the allocation of those funds. In September of 2010, the Authority's Board of Commissioners approved Agenda Item No. 242-10 which authorized the Executive Director to negotiate a settlement of this action which would require the Authority to pay a sum certain directly to these three impacted communities. The Executive Director was further authorized to offer similar terms of this settlement to the remaining three impacted communities that were not part of the initial lawsuit. The cost of these settlements was not to exceed \$5,000,000.

The following is the schedule of payments:

Township of Mansfield:	\$ 799,053.00
Township of Cranbury:	\$ 766,703.00
Township of East Windsor:	\$1,316,442.00
Township of Hamilton:	\$ 439,892.00
Township of Robbinsville:	\$1,243,666.00
Township of Chesterfield:	<u>\$ 304,093.00</u>
Total	\$4,869,849.00

These payments fulfill the Authority's entire outstanding reforestation obligations associated with the Widening Program required under the Reforestation Act, including the payment of certain administrative fees required by statute to be paid to the NJDEP.

In addition to the above payments, the Authority acquired certain properties in the Township of Chesterfield ("Chesterfield"). These properties were necessary to the Widening Program and were encumbered by farmland preservation restrictions under Chesterfield's "Transfer of Development Rights" ("TDR") legislation. The settlement with Chesterfield includes the additional sum of \$168,750.00 which represents consideration to the Township for the extinguishment of the 2.25 TDR Credits arising from the Authority's acquisition of this property thereby making the total settlement amount \$472,843.00.

Based on the foregoing, it is respectfully requested that the Authority's Commissioners ratify the payments made to the impacted communities as detailed above, in a total amount of and ratify those actions taken by the Executive Director and the Director of Law, upon the advice and consent of General Counsel, in furtherance of this settlement.

On motion by Commissioner Pocino, seconded by Commissioner DuPont, the Authority unanimously approved items 002-01-2011 through 004-01-2011; 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 005-01-2011 through 009-01-2011, Award of Contracts. Chairman Simpson asked Raczynski for information on the new bridge. Raczynski indicated that the Authority plans on building a new 3-lane Bass River Bridge southbound travel. The Authority will rehabilitate the existing bridge and convert it from four (4) total lanes of traffic – 2 lanes going north and 2 going south -- to three (3) lanes for only northbound travel. Moved as a group those items are as follows:

AWARD OF CONTRACTS

005-01-2011

In a document dated January 11, 2011 it was **Recommended to Award Contract No. P100.124**. This contract will provide for the replacement of the existing Watchung Avenue Bridges over the northbound and southbound Parkway at Milepost 152.4.

Twelve bid proposals were received on January 10, 2011 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$10,688,775.05, may be compared to the second low bid proposal in the amount of \$11,055,433.67. Union Paving and Construction Co., Inc. has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P100.124 be awarded to the low bidder, Union Paving and Construction Co., Inc. of Mountainside, New Jersey, in the amount of \$10,688,775.05. 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

006-01-2011

In a document dated January 4, 2011 it was **Recommended to Award Contract No. P100.130**. This contract will provide for the construction of a new parallel bridge carrying the Parkway over the Bass River to the east of the existing bridge, construction of new approach roadways, new fender system to protect new and existing bridge piers, and rehabilitation of the existing bridge. The new bridge and rehabilitated existing structure will accommodate three lanes of traffic with standard shoulders in each direction.

Ten bid proposals were received on December 22, 2010 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$55,814,955.25, may be compared to the second low bid proposal in the amount of \$56,412,825.15. Northeast Remsco Construction, Inc. has satisfactorily performed work of similar bridge construction for other regional transportation agencies and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P100.130 be awarded to the low bidder, Northeast Remsco Construction, Inc. of Farmingdale, New Jersey, in the amount of \$55,814,955.25. 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

007-01-2011

In a document dated January 4, 2011 it was **Recommended to Award Contract No. T100.154**. This is the second of two bridge deck repair contracts for the 2011 construction season, with bridge deck repairs concentrated in the southern sector of the Turnpike between Interchanges 1 and 9 and the Pearl Harbor Memorial Turnpike Extension. The work will also include substructure and steel repairs Turnpike wide. The work generally involves selective replacement of complete deck panels, concrete spall repairs, joint repairs, and replacement of existing asphalt wearing surface,

substructure concrete spall repairs, reconstruction of bearing areas, bearing replacements, substructure waterproofing and related incidental items.

Five bid proposals were received on December 17, 2010 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$8,774,245.00, may be compared to the second low bid proposal in the amount of \$8,867,700.00. Gardner M. Bishop, Inc., has previously performed similar bridge repair work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T100.154 be awarded to the low bidder, Gardner M. Bishop, Inc. of White Plains, New York, in the amount of \$8,774,245.00; allocated as follows: Fund No. 03010001 -\$6,674,000.00 in 2011 and \$100,245.00 in 2012; Fund 31401010 - \$2,000,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

The General Consultant, HNTB Corporation, concurs with this recommendation

008-01-2011

In a document dated December 22, 2010, it was **Recommended to Award Contract No. P100.186**. This is the second of two Parkway bridge repair contracts to be awarded for the 2011 construction season, concentrated in the northern sector of the Parkway between Milepost 126 to 172. The work generally involves selective replacement of complete deck panels, parapet replacement, concrete spall repairs, joint repairs, replacement of existing asphalt wearing surface and miscellaneous substructure repairs.

Six bid proposals were received on December 21, 2010 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$6,954,008.50, may be compared to the second low bid proposal in the amount of \$6,979,399.00. Railroad Construction Company, Inc., has previously performed similar bridge repair work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P100.186 be awarded to the low bidder, Railroad Construction Company, Inc. of Paterson, New Jersey, in the amount of \$6,954,008.50, allocated as follows: \$6,754,008.50 in 2011 and \$200,000.00 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.

009-01-2011

In a document dated January 6, 2011 it was **Recommended to Award Contract T500.217**. The work to be performed under the referenced contract involves construction of a reinforced concrete retaining wall and structural slab which will support a prefabricated shelter for the ETC equipment at Interchange 7. This work will include earthwork, concrete work, and electrical work to allow relocation of the ETC equipment from the existing shelter in the parking lot. When the shelter is completed and operational, the existing shelter will be demolished, and the parking lot will be restored.

Eight bid proposals were received on January 5, 2011 for the above publicly advertised

contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$203,697.00, may be compared to the second low bid proposal in the amount of \$212,000.00. Rocon Contracting, Inc. has not previously performed work for the Authority but is prequalified by the NJDPMC up to a value of \$1,100,000.00 and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T500.217 be awarded to the low bidder, Rocon Contracting, Inc. of Brielle, New Jersey, in the amount of \$203,697.00. 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.

On motion by Commissioner DuPont, seconded by Commissioner Hodes, the Authority unanimously approved items 005-01-2011 through 009-01-2011; 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 010-01-2011 through 016-01-2011. Moved as a group those items are as follows:

ACCEPTANCE OF CONTRACTS

010-01-2011

In a document dated January 3, 2011 it was **Recommended that Final Acceptance of Contract T869.120.002** be moved. This contract provided for reforestation of approximately 15.8 acres, which involved tree planting and maintenance on municipal land located in the Township of Bordentown. The contract was advertised and there were five bidders. The contract was awarded on February 17, 2010 to the low bidder, Central Jersey Landscaping, Inc., 523A Chesterfield-Arneytown Road, Chesterfield, NJ in the total amount of \$797,230.66.

During the course of the contract, there was one Change Order for a total increase of \$31,472.05, adjusting the final total amount of this contract to \$828,702.71.

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 (#5F) 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 T869.120.002 be accepted, and that final payment in the amount of \$39,453.96 be made to the Contractor.

PROFESSIONAL SERVICES (OPSSs)

011-01-2011

In a document dated December 29, 2010 it was **Recommended to Issue Order for Professional Services No. T3347**. The Authority requires the professional services of an environmental engineering consultant to perform operation and maintenance (O&M) activities on the existing groundwater remediation system and perform compliance monitoring at the James F.

Cooper Service Area 4N in accordance with current New Jersey Department of Environmental Protection (NJDEP) regulations. Recent NJDEP approval has allowed for the temporary shutdown of said remediation system; however, O&M activities are required such that the system remains in working order should the need arise to reactivate the remediation system. Compliance monitoring in accordance with NJDEP regulations shall include groundwater sampling and reporting. The scope also includes remedial investigations and remedial design as may be needed to further enhance and ensure the most effective remediation of the site. 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. Nine firms submitted EOIs by the closing date of November 30, 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) H2M Associates, Inc.; 2) Dresdner Robin Environmental Management, Inc.; and 3) Birdsell Engineering, Inc. The fee submitted by H2M Associates, 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. T3347 be issued to the firm of H2M Associates, Inc. of Parsippany, New Jersey, not to exceed the amount of \$290,000.00, allocated as follows: \$65,000.00 in 2011, \$100,000.00 in 2012, \$100,000.00 in 2013, and \$25,000.00 in 2014. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.75, based on a 10% allowance for profit and an overhead rate of 150.0% 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, N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

012-01-2011

In a document dated January 5, 2011 it was **Recommended to Issue Order for Professional Services No. T3361**. The Authority requires the professional services of an environmental engineering consultant to operate, maintain and perform compliance monitoring of the groundwater remediation systems located at the Clara Barton Service Area 1S and John Fenwick Service Area 1N in accordance with current New Jersey Department of Environmental Protection regulations. 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 April 13, 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. Eight firms submitted EOIs by the closing date of November 24, 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) Handex Consulting & Remediation-NE, LLC; 2) Hatch Mott MacDonald; and 3) Dresdner Robin. The fee submitted by Handex Consulting & Remediation-NE, LLC 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. T3361 be issued to the firm of Handex Consulting & Remediation-NE, LLC of Monroe, New Jersey, not to exceed the amount of \$673,100.00, allocated as follows: \$180,000.00 in 2011, \$245,000.00 in 2012, \$200,000.00 in 2013, and \$48,100.00 in 2014. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.45, based on a 1.45% allowance for profit and an overhead rate of 141.5% 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).

013-01-2011

In a document dated January 4, 2011 it was **Recommended to Issue Order for Professional Services No. P3366**. This Order for Professional Services is for design services consisting of preparation of detailed inspection and final design contract documents for the rehabilitation of concrete median barrier along the Garden State Parkway mainline from Milepost 141 to 150, in Union and Essex Counties. The work shall include the design and preparation of contract documents along with a detailed visual inspection for the development of a concrete median barrier replacement report and engineering design services for the final design of this project. Services shall include field inspection, recommendations, the preparation of final contract construction plans and specifications and engineer's estimate of construction cost.

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 38 engineering firms were prequalified and eligible under Profile Codes A250 – Fully Controlled Access Highways and A257 – Roadside Safety Features. Twelve firms submitted EOIs by the closing date of November 22, 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) WSP-Sells; 2) Arora and Associates, P.C.; and 3) Taylor, Wiseman & Taylor. The fee submitted by WSP-Sells 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. T3361 be issued to the firm of WSP-Sells of Hamilton, New Jersey, not to exceed the amount of \$1,055,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.78, based on a 10% allowance for profit and an overhead rate of 152.61% 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, N.J.A.C. 19:9-2.8, and Executive Order No. 37 (Corzine 2006).

014-01-2011

In a document dated January 5, 2011 it was **Recommended to Issue Order for Professional Services No. P3370**. This Order for Professional Services provides for supervision of the referenced contract. This contract will provide for the replacement of the existing Watchung Avenue Bridges over the northbound and southbound Parkway at Milepost 152.4.

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. Solicitations for Expressions of Interest (EOIs) were sent to 46 engineering firms prequalified and eligible under Profile Codes B155 - Bridge Construction and B157 - Bridge Deck Repair/Replacement Inspection. Fourteen firms submitted EOIs by the closing date of November 23, 2010.

Subsequent to the scoring of EOIs, Fee Proposals were requested from the top three firms. The firms in the order of ranking are: 1) Dewberry-Goodkind, Inc.; 2) Jacobs Engineering Group; and 3) Greenman-Pedersen, Inc. The fee submitted by Dewberry-Goodkind, 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. P3370 be issued to the firm of Dewberry-Goodkind, Inc. of Bloomfield, New Jersey, not to exceed the amount of \$1,607,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.10 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).

015-01-2011

In a document dated January 5, 2011 it was **Recommended to Issue Order for Professional Services No. T3392**. This Order for Professional Services provides for supervision of the referenced contract. This is the second of two bridge deck repair contracts for the 2011 construction season, with bridge deck repairs concentrated in the southern sector of the Turnpike between Interchanges 1 and 9 and the Pearl Harbor Memorial Turnpike Extension. The work will also include substructure and steel repairs Turnpike wide. The work generally involves selective replacement of complete deck panels, concrete spall repairs, joint repairs, and replacement of existing asphalt wearing surface, substructure concrete spall repairs, reconstruction of bearing areas, bearing replacements, substructure waterproofing and related incidental items.

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. Solicitations for Expressions of Interest (EOIs) were sent to 49 engineering firms prequalified and eligible under Profile Codes B156 - Bridge Repair Inspection and B157 - Bridge Deck Repair/Replacement Inspection. Eight firms submitted EOIs by the closing date of December 9, 2010.

Subsequent to the scoring of EOIs, Fee Proposals were requested from the top three firms. The firms in the order of ranking are: 1) Jacobs Engineering Group, Inc; 2) Greenman-Pedersen, Inc.; and 3) Dewberry-Goodkind, Inc. The fee submitted by Jacobs Engineering Group, Inc. has been reviewed and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. T3392 be issued to the firm of Jacobs Engineering Group, Inc. of Morristown, New Jersey, not to exceed the amount of \$940,000.00, allocated as follows: \$840,000.00 in 2011 and \$100,000.00 in 2012. This amount

includes reimbursement of direct salaries times a maximum multiplier of 2.50 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).

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

016-01-2011

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 items 010-01-2011 through 015-01-2011; 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 016-01-2011 and received same for file.

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PURCHASING

Director of Purchasing Andrea Ward requested approval of item numbers 017-01-2011 through 031-01-2011. Moved as a group those items are as follows:

PUBLIC BID SOLICITATIONS

017-01-2011

In a document dated January 25, 2011, it was **Recommended to Reject All Bids and Re-Advertise Contract Aluminum Light Poles and Associated Accessories**. The Maintenance Department requisitioned a one-year contract for aluminum poles and accessories used for roadway lighting. The contract was publicly advertised and procured 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). Bidders were required to provide unit prices based on specific quantities for 12 line items, which include but not limited to, various sized light poles, bases, arms and transformers. Bids were opened on January 4, 2011. Two bid proposals were received from Flagpoles Inc., East Setauket, NY and Jewel Electric Supply Co., Inc., Jersey City, NJ. The Maintenance Department staff reviewed the two proposals and discovered that the line item quantities stated in the bid specifications were incorrect. The line item quantities were for a three-year period instead of one year. Thus, the lowest total bid amount of \$305,530.00 was excessive compared to the departmental estimate of \$80,000.00. The Purchasing and Law Departments staff also reviewed the procurement and concluded that given the skewed outcome and the desire to protect the integrity of the bidding process, it was prudent to reject both proposals and rebid the contract with the corrected quantities.

Accordingly, authorization is requested to reject bid proposals received from Flagpoles, Inc. and Jewel Electric Supply Co., Inc. and rebid the contract with revised specifications.

018-01-2011

In a document dated January 7, 2011 it was **Recommended to award Traffic Paint to The Sherwin Williams Company**. Authorization is requested to award a one-year contract for the purchase of traffic paint to be used by the Maintenance Department for line striping on the Authority's roadways. Requests for bid were distributed to seven vendors. Bidders were required to quote unit price/per gallon for six line items of traffic paints, including, yellow, white, handicap-blue and black (blackout) paints. In addition, bidders were required to quote the prices based on paints stored in either 55-gallon or 5-gallon steel or plastic drums. The award is based on the lowest total price quoted for the six items. On December 16, 2010, three bid proposals were received. Bid results are as follows:

	<u>Total Price</u>
The Sherwin Williams Company, Manchester, GA	\$1,020.40
Ennis Paint, Ennis, TX	\$1,168.285
Garden State Highway Products, Vineland, NJ	\$1,362.75

Maintenance and Purchasing staff reviewed the proposals and found that prices per gallon increased approximately 12.2% from the prior contract for the same items. The Authority spent \$184,658.65 for traffic paint in 2010. The Maintenance Department's anticipated annual expenditure of \$208,000.00 makes allowance for the unit price increases in 2011 in the event that the same amount of paints are required.

Bids were procured, and authorization is being sought to award the contract 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 Sherwin Williams for a total anticipated expenditure not to exceed \$208,000.00.

019-01-2011

In a document dated January 7, 2011 it was **Recommended to award Maintenance of Ventilating and Air Conditioning Equipment Services on the New Jersey Turnpike to Air Systems Maintenance, Inc.** Authorization is requested to enter into a two-year contract for maintenance and repair of ventilation and air conditioning equipment at facilities in two regions on the New Jersey Turnpike. Region 1 (South/Central) consists of 260 units and Region 2 (North) consists of 205 units. This award is based on the lowest total price bid for each Area. Bidders were also required to quote the per ton cost to maintain additional tonnage if needed. This is not factored into the basis of award. Requests for bids were advertised and distributed to 17 vendors. On December 21, 2010, seven bid proposals were received. Bid results are as follows:

	<u>Region 1 South/Central Area</u>	<u>Region 2 Northern Area</u>	<u>Total Price</u>
Air Systems Maintenance, Inc., Kenilworth, NJ	<u>\$125,400.00</u>	<u>\$ 99,156.00</u>	<u>\$224,556.00</u>
Limbach Company LLC, Pittsburgh, PA	\$132,888.00	\$105,084.00	\$237,972.00
George S Hall Inc., Parsippany, NJ	\$175,931.50	\$139,113.82	\$315,045.32
Carrier Corporation, Syracuse, NY	\$187,812.00	\$130,248.00	\$318,060.00
Peterson Service Company, Medford, NJ	\$206,004.00	\$228,996.00	\$435,000.00
Tozour Energy Systems, Inc., King of Prussia, PA	\$306,367.00	\$235,975.00	\$542,342.00
Automated Building Controls, Inc., Neptune, NJ	\$474,000.00	\$378,000.00	\$852,000.00

Departmental Estimate: \$245,000.00

Bids were procured, and authorization is being sought to award the contract 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 Air Systems Maintenance, Inc. for a total anticipated annual expenditure not to exceed \$224,556.00 which represents a 4% savings spent in 2010. Authorization is also requested to increase the authorized amount not to exceed \$6800.00 in the event that the Authority needs to maintain additional equipment.

020-01-2011

In a document dated January 10, 2011 it was **Recommended to award Body Work and Repair of Authority Vehicles to B&L Tire Service, Inc. d/b/a B&L Towing**. The Maintenance Department requisitioned a one-year contract for body work and repair of Authority vehicles over 18,000 GVWR for Garden State Parkway Milepost 117.1 to MP 140.3. Requests for bids were advertised and distributed to seven vendors. Bidders were required to quote an hourly rate for services and repairs to be performed (including all costs, mileage, travel time, and tools) and a discount off Manufacturer's List Price on parts to be applied to any component. In addition, the bidder's facility was required to be within 10 miles of the specified Parkway mileposts. On December 7, 2010, bids were received as follows:

	<u>Hourly Rate</u>	<u>Discount %</u>
B & L Tire Service Inc., d/b/a B & L Towing	<u>\$ 44.60</u>	<u>16%</u>
Elizabeth Truck Center	\$ 58.00	10%
Arcuri Truck and Trailer Repair Inc.	\$ 89.50	5%

Bids were procured, and authorization is being sought to award the contract 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). These awards are also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardees 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 B & L Tire Service Inc., in an amount not to exceed \$41,500.00.

021-01-2011

In a document dated January 25, 2011 it was **Recommended to award Uniform Rental and Cleaning Services to Clean Rental Services, Inc.** Authorization is requested to award a two-year contract for uniform rental and cleaning services to be used by the Maintenance Department. Requests for bids were distributed to five vendors. Bidders were required to quote on 20 line items for uniform rental and cleaning services, including but not limited to, shirts, pants, coveralls, safety vests, and parkas. On October 28, 2010, four bids were received. Bid results are as follows:

	<u>Total Price (Per Year)</u>
Clean Rental Services, Inc., Philadelphia, PA	\$115,114.48
G & K Services Company, Belleville, NJ	\$123,707.13

Non Compliance:

Bid proposals were also received from American Wear, Inc., East Orange, NJ and Aramark Uniform Services of Aramark Uniform & Career Apparel, LLC, Burbank, CA. The Purchasing and

Law Departments reviewed the two proposals and determined that they are non-compliant with the bid requirements, and thus should be rejected. Specifically, both American Wear, Inc. and Aramark swore in their Affidavits of Apparel Production that their apparels were manufactured in foreign countries, contrary to Paragraph 2 of Executive Order No. 20 (McGreevey 2002). EO 20 requires that a New Jersey public entity when soliciting apparel contracts to require that "all apparel production be performed in the United States." The bid proposal submitted by the third low bidder, Clean Rental Services, Inc. is fully compliant with the bid specifications.

Bids were procured, and authorization is being sought to award a contract to Clean Rental Services, 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 Clean Rental Services, Inc. for uniform rental with cleaning services, in an amount not to exceed a total amount of \$230,230.00.

022-01-2011

In a document dated January 25, 2011 it was **Recommended to award a modification of Machine Shop Services for Toll Equipment to MTJ Industries, Inc.** In March, 2010, the Authority awarded a contract to MTJ Industries, Inc. for machine shop services for toll equipment in an amount not to exceed \$130,000 for the period April 30, 2010 through April 29, 2011. The 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 No. 37 (Corzine 2006). The Tolls Department has requested an increase of \$15,000.00 to purchase custom-made vault lids before the end of the first year of the contract. Funds have been depleted. The vault lids are required for proper stacking of vaults on pallets which are then transported to the bank.

Accordingly, authorization is requested to increase Contract 1323 with MTJ Industries, Inc. by \$15,000.00 for the period through April 29, 2011. This would bring the total authorized amount of Contract 1323 to \$145,000.00 subject to funding availability at the time of ordering.

STATE CONTRACTS

023-01-2011

In a document dated January 25, 2011 it was **Recommended to award the Maintenance Coverage for Authority PBX Telephone, Voice Mail and Call Accounting Systems to NEC Corporation of America.** The Technology and Administrative Services Department (TAS) requisitioned a one-year service contract for the maintenance and support of the Authority's Private Branch Exchange (PBX) Telephone, Voice Mail and Call Accounting Systems. The annual support contract provides onsite personnel to perform daily administrative tasks, including troubleshooting, patch installation, and system updates which will enhance phone functionality at all Authority locations. The maintenance coverage also provides 24/7 support and includes a 4-hour response time for after hour emergencies and 24 hours response for non-emergencies.

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.

Accordingly, authorization is requested to award the referenced maintenance and support contract to NEC Corporation of America in the amount of \$213,434.75 for the period through December 31, 2011.

024-01-2011

In a document dated January 25, 2011 it was **Recommended to award the Annual Maintenance for IBM Software Products to En Pointe Technologies Sales, Inc.** The Technology and Administrative Services (TAS) Department requisitioned a one-year maintenance and support contract for all of the Authority's IBM non-operating systems software products. The software coverage includes, troubleshooting, as well as software patches, and periodic updates to all IBM software packages. IBM software products are used throughout the Authority to support TAS and Electronic Toll Collection transactional programs. 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.

Accordingly, authorization is requested to award the referenced maintenance and support contract to En Pointe Technologies Sales, Inc. in the amount of \$76,180.47 for the period through December 31, 2011.

025-01-2011

In a document dated January 25, 2011 it was **Recommended to award the Annual Renewal of IBM Hardware and Operating System Support to IBM.** The Technology and Administrative Services (TAS) Department requisitioned a one-year maintenance and support contract for all of the Authority's IBM hardware and corresponding operating systems. The systems covered by the referenced maintenance support are necessary for operation of the Authority's computing infrastructure. Operating system support includes periodic operating and security updates, patches and issue resolution for the systems that run IBM equipment.

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. Accordingly, authorization is requested to award the referenced maintenance and support contract to IBM Corporation in the amount of \$130,706.49 for the period through December 31, 2011.

026-01-2011

In a document dated January 25, 2011 it was **Recommended to award Fiber Optic Network Hardware Upgrade to E-Plus Technologies.** The Technology and Administrative Services (TAS) Department has requisitioned the upgrade and replacement of the hardware associated with the Authority's Fiber Optic Network ("Fiber Network"). This Fiber Network, managed by TAS, spans the entire length of both Authority roadways, crossing the Atlantic City Expressway in the south, and RT. 80 in the north. This Network is present at every Authority facility, including Administration buildings, Maintenance yards, Service areas, State Police facilities, Toll plazas, and microwave towers. In addition, the Fiber Network carries data, through the fiber optic cables and associated hardware, to every Authority facility and is vital to roadway operations and communication between the Authority and partners such as New Jersey State Police and the Department of Transportation. Using newer hardware technology, the Authority will be able reduce the amount of network routers, at each location by 50%, reducing maintenance costs as well as electrical usage. Furthermore, with the new operating system in these routers the Authority will be able to fully consolidate and integrate different communication medias such as fiber optic, copper, and radio frequency into one. The existing network and hardware has been in use since 2003 and the equipment which carries this traffic has surpassed its life expectancy plus, the manufacture no longer supports the existing platform.

The upgrade and replacement equipment can be procured through NJ State Contract No. 73979 with the Western States Contracting Alliance ("WSCA"). This State Contract is valid until

May 31, 2012. This WSCA contract provides access to several technology providers, and therefore requires agencies to seek multiple quotes to ensure the most competitive pricing. Quotes were solicited from the following four authorized Cisco dealers:

<u>Vendor</u>	<u>Total Amount</u>
EPlus Technology, Inc., Hamilton, NJ - Authorized Cisco Dealer	\$ 3,564,339.02
Aspire Technology Partners, Hazlet, NJ - Authorized Cisco Dealer	\$ 5,154,991.48
TransNet Corporation, Somerville, NJ - Authorized Cisco Dealer	\$ 5,394,544.90
Cisco Systems, Inc., San Jose, CA - Manufacturer	\$ 5,394,544.90

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. Accordingly, authorization is requested to award the referenced Fiber Optic Network hardware contract to EPlus Technology, Inc., in the amount of \$3,564,339.02.

027-01-2011

In a document dated January 25, 2011 it was **Recommended to award HVAC and Plumbing Supplies to Madison Plumbing Supply**. The Maintenance Department has requisitioned a contract for Heating, Ventilation, Air Conditioning (HVAC) and Plumbing repair parts. Under this contract, Madison Plumbing Supply will supply the Buildings Division with parts to repair, replace and maintain the Authority's plumbing and HVAC systems. The Authority will utilize NJ State Contract No. 74876, which expires August 31, 2012.

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 which hold contracts with the State of New Jersey. Accordingly, authorization is requested to award a contract to Madison Plumbing Supply, in an amount not to exceed \$100,000.00.

028-01-2011

In a document dated January 25, 2011 it was **Recommended to award Valk Snow Plow Parts to Greelco, Inc.** The Maintenance Department has requisitioned a contract for "Valk" snow plow parts, to replenish inventory. Under this contract, Greelco, Inc will provide 101 line items of essential snow plow parts for maintenance and repair of Authority owned plows. The Authority will utilize NJ State Contract No. 75722, which expires January 19, 2012.

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 which hold contracts with the State of New Jersey. Accordingly, authorization is requested to award a contract to Greelco, Inc, in an amount not to exceed \$550,000.00.

029-01-2011

In a document dated January 25, 2011 it was **Recommended to award Gledhill Snow Plow Parts to Seely Equipment Company**. The Maintenance Department has requisitioned a contract for "Gledhill" snow plow parts, to replenish inventory. Under this contract, Seely Equipment and Supply Company will provide 23 line items of essential snow plow parts for maintenance and repair of Authority owned plows. The Authority will utilize NJ State Contract No. 75722, which expires January 19, 2012.

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 which hold contracts with the State of New Jersey. Accordingly, authorization is requested to award a contract to Seely Equipment and Supply Company, in an amount not to exceed \$65,000.00.

SOLE SOURCE

030-01-2011

In a document dated January 25, 2011 it was **Recommended to award OEM Repair Parts for John Deere Heavy Duty Equipment to Jesco, Inc.** Authorization is requested to award a sole source contract to Jesco, Inc. for OEM repair parts for John Deere heavy duty equipment. The heavy duty equipment is used for excavating and salt loading which must be readily available during inclement weather. Jesco, Inc. is the sole distributor in the State of New Jersey for OEM repair parts. Thus, no other vendor is capable of providing the parts. In addition, this is an exceptional circumstance as the parts are necessary for the Authority's snow plow operations and would present a threat to the safety of the motoring public should they not be available.

Accordingly, authorization is requested to award a sole source contract to Jesco, Inc. for OEM repair parts for John Deere heavy equipment for the period January 1, 2011 through December 31, 2011 in an amount not to exceed \$80,000.00. 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 is attached hereto. 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 ORIGINAL EQUIPMENT MANUFACTURER ("OEM") REPLACEMENT PARTS

WHEREAS, the Maintenance Department requisitioned the Authority to enter into an Agreement for the purchase of heavy duty OEM Replacement Parts for John Deere equipment;

WHEREAS, the OEM Replacement Parts are required to repair heavy duty equipment used for excavating and salt loading during inclement weather;

WHEREAS, OEM Replacement Parts must be readily available to repair heavy duty equipment used in snow plow operations to protect the motoring public;

WHEREAS, the term of the contract is for the period February 1, 2011 through January 31, 2012 in an amount not to exceed \$80,000.00;

WHEREAS, Jesco Inc., is the authorized sole distributor in the Northeast Region of the United States for OEM John Deere replacement parts;

WHEREAS, the Authority's regulations pursuant to N.J.A.C. 19:9-2.2(d)1 promulgated under N.J.S.A. 27:23-6.1 permits sole source procurement when only one source of the required goods exists.

NOW THEREFORE, BE IT RESOLVED that the Authority's Commissioners hereby authorize and approve award of a contract for the supply of OEM Replacement Parts for John Deere heavy duty equipment in an amount not to exceed \$80,000.00, as a sole source exception to procurement by public advertisement permitted by N.J.A.C. 19:9-2.2(d)1 promulgated under the Authority's enabling legislation, N.J.S.A. 27:23-6.1.

EMERGENCY

031-01-2011

In a document dated January 25, 2011 it was **Recommended to Ratify Emergency Snow Removal Contracts on State-Controlled Roadways for Various Snow Removal Contractors.** The State of New Jersey experienced excessive amounts of snow and icy conditions during the

last week of December 2010 ("December 26, 2010 Snow Event"). Thus, the New Jersey Department of Transportation ("NJDOT") requested the Authority support urgent snow removal efforts on various State-controlled roadways in a cooperative State-wide emergency plan. These efforts directly benefitted not only the State-controlled roadways but also the New Jersey Turnpike and the Garden State Parkway due to the convergence and interdependence of these thoroughfares. In order to provide the necessary assistance to protect and safeguard the State's motoring public, the Authority entered into emergency agreements with various contractors for manpower and equipment to provide the necessary snow removal services for the December 26, 2010 Snow Event.

Accordingly, it is requested that the Authority ratify the emergency agreements and expenditures with the various contractors that were necessary to complete efforts related to the December 26, 2010 Snow Event. In light of weather forecasts predicting additional significant snow falls, the Authority is seeking authorization to provide snow removal services on State-controlled roadways throughout the remainder of the 2010-2011 winter-season if such services are deemed necessary and requested by the NJDOT. Furthermore, authorization is requested to delegate to the Executive Director the ability to execute said emergency agreements and any and all documents necessary to implement the snow removal efforts described herein, upon review and recommendation of the Law Department. Such authorizations for snow removal services on State-controlled roadways will be in an amount not to exceed \$2.5 million for the period through April 30, 2011. These costs will be funded from the Authority's General Reserve Fund, subject to reimbursement by the NJDOT.

In the interest of the safety of the motoring public-at-large on State roadways as well as the Authority's roadways, the authorizations requested herein are made pursuant to the emergency exception to the public bid laws in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2(d) and Executive Order No. 37 (Corzine 2006).

On motion by Commissioner Gravino seconded by Commissioner Singleton, the Authority unanimously approved items 017-01-2011 through 031-01-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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GENERAL BUSINESS

Executive Director Veronique Hakim requested approval of item number 032-01-2011. Director of ETC Dennis Switaj indicated that this item provides for the installation for express E-ZPass at Barnegat Toll Plaza on the Garden State Parkway. It provides for the planning, design and installation required for express E-ZPass. Moved is the item as follows:

032-01-2011

In a document dated January 14, 2011 it was **Recommended that Authorization to Issue Supplement "T" to ACS State and Local Solutions, Inc. for the Addition of an Express E-ZPass Lane Toll System at the Barnegat Mainline Plaza on the Garden State Parkway be awarded.**

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"). Authorization is presently requested to issue Supplement "T" to the Agreement to provide for the installation of an Express E-ZPass Lane Toll system at the Barnegat Toll Plaza on the Garden State Parkway ("Parkway") at an estimated cost of \$1.1 million.

At its April 2009 meeting, the Authority's Board of Commissioners authorized an Improvement Project at the Barnegat Toll Plaza on the Parkway. The project includes the construction and installation of two (2) southbound Express E-ZPass lanes at the Barnegat Toll Plaza. This item provides for the planning, design, and installation of all equipment and software

required for fully functional Express E-ZPass at the Barnegat Toll Plaza at a cost not to exceed \$1.1 million.

The Express E-ZPass lane toll system will provide non-stop Electronic Toll Collection at the Barnegat Toll Plaza similar to the system that has been installed and implemented at other Express E-ZPass tolling facilities on the Parkway and New Jersey Turnpike. Express E-ZPass operates without the need of in-lane barriers. Consequently, traffic can proceed through the tolling point at highway speeds. The two-lane open-road implementation at the Barnegat Toll Plaza will support the two travel lanes and two non-toll collections shoulders. It should be noted that in addition to the Express E-ZPass lanes, the Barnegat Toll Plaza will also have staffed and automatic coin machine lanes.

Authorization is hereby requested to issue Supplement "T" to ACS to install an Express E-ZPass Lane Toll System at the Barnegat Toll Plaza on the Parkway at cost not to exceed \$1.1 million. This Supplement should be charged to account 31428018.

On motion by Commissioner Diaz, seconded by Commissioner Singleton, the Authority unanimously approved item 032-01-2011; 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 033-01-2011. The December 26th/27th blizzard resulted in the Authority losing about \$3 million in toll revenue and incurring about out \$7.5 million in snow removal costs. The cost of the storm put the Authority over its 2010 snow budget. The shortfall will be paid out of the general reserve fund. Moved is the item as follows:

033-01-2011

Chief Financial Officer Donna Manuelli presented the **Financial Summary** of the New Jersey Turnpike Authority for the eleven months ended November 30, 2010.

On motion by Commissioner DuPont seconded by Commissioner Gravino, the Authority unanimously approved item 033-01-2011; 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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Assistant Director of Operations Henry Eibel requested approval of item number 034-01-2011. Eibel reported that the fatal accidents on the Turnpike are at their lowest and the Parkway is at its fifth lowest. The accident rate on both roadway has increased from the previous year, particularly in construction zones. An initiative under the leadership of Executive Director Hakim and Major Hines, we will be focusing on methods directly related to reducing the number of accidents such as; educating the public, engineering modifications to construction zones and increased State Police enforcement. Moved is the item as follows:

034-01-2011

Resume of All Fatal Accidents – Garden State Parkway and New Jersey Turnpike. Submitted by Assistant Director of Operations Henry Eibel, they contain a descriptive summary for Garden State Parkway and New Jersey Turnpike: Period 1/1/10 through 12/31/10; both with 2009 – 2010 Yearly Comparisons through December, 2010.

On motion by Commissioner DuPont, seconded by Commissioner Singleton, 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 035-01-2011. Moved is the item as follows:

035-01-2011

New Jersey State Police Troop D - Reports of Activities, submitted for the twelve months through December , 2010, including 2009 – 2010 Yearly Comparisons, were presented by Major Hines, New Jersey State Police Troop D Commander.

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

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HUMAN RESOURCES

Director of Human Resources Mary Elizabeth Garrity requested approval of item number 036-01-2011. Moved is the item as follows:

036-01-2011

In a memorandum dated January 19, 2011 it was **Recommended to Award a Professional Services Contract for Self-Funded Workers' Compensation Program – Third Party Claims Administration and Medical Bill Re-Pricing/Provider Access Network**. The Authority maintains a self-funded Workers' Compensation Program. To operate a self-funded program, the Authority requires third party claims administration (TPA) and medical bill re-pricing/provider access network (MR) services. Inservco Insurance Services, Inc., of Harrisburg, PA., and Qualcare Inc., of Piscataway, NJ ("Inservco") had previously partnered to provide TPA and MR services to the Authority. In preparation of the expiration of the current agreement, the Authority issued a request for proposal ("RFP") to procure these services for the new term. Prior to the award of the new agreement, an audit/peer review of medical bill re-pricing practices (the "Audit") was initiated. As a result, the Authority's Board of Commissioners extended the expiring agreement with Inservco pending completion of the Audit. The Audit, which was recently concluded, found that the practices utilized by Inservco were satisfactory and within expected industry standards and contractual guidelines. Consequently, we may now proceed to present the item for consideration.

The successful TPA/MR provider will work with the Human Resources Department to ensure expedient and accurate reporting, investigating, and processing of all workers' compensation claims. The successful TPA/MR provider will also provide:

- 1) access to a statewide network of quality medical professionals who will provide authorized treatment and care;
- 2) re-pricing and adjudication of medical bills; and
- 3) access to specialized services, such as fraud investigation and risk/loss control.

The above services are designed to maximize the efficiency and minimize the cost of the Authority's self-funded Workers' Compensation Program. The term of the contract will be for three (3) years with the Authority having the discretion of extending the contract for two additional one (1) year terms.

On January 19, 2010, the RFP was advertised in the Star Ledger and Home News Tribune and posted it on the websites of the Authority and the State of New Jersey. The RFP was also distributed to twelve (12) firms. On February 16, 2010, the Authority received proposals from the following ten (10) firms:

- 1) Cannon Cochran Management Services, Inc. Neptune, NJ
- 2) CompServices, Inc., Philadelphia, PA
- 3) Consolidated Services Group, Hamilton, NJ
- 4) CorVel Corporation, Cherry Hill, NJ
- 5) First Managed Care Option, Parsippany, NJ
- 6) Gallagher Bassett Services, Trevose, PA
- 7) Inservco Insurance Services, Inc., Harrisburg, PA
- 8) North American Risk Services, Midland, FL
- 9) PMA Management Corp., Mt. Laurel, NJ
- 10) York, Parsippany, NJ.

In order to secure the highest quality service and best pricing structure, the RFP permitted three response options for proposers: 1) one firm providing all the TPA and MR services; 2) a joint venture arrangement whereby two firms partner to provide the TPA and MR services; and 3) one firm could provide either of the two services. Seven firms chose the first option and proposed exclusively to provide both the TPA and MR services. One firm, Inservco Insurance Services, Inc. ("Inservco"), proposed to partner with either First Managed Care Option ("First MCO") or Consolidated Services Group ("CSG") to provide both services. Two firms, First MCO and Consolidated Services Group, submitted proposals for only the MR services.

The process for this professional services contract was conducted in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2(b) and Executive Order No. 37 (Corzine 2006). An evaluation committee (the "Committee"), which had been recommended by the Director of the Human Resources Department and approved by the Executive Director, consisted of personnel from the Authority's Human Resources and Finance Departments. The Committee reviewed and ranked the proposals based on the criteria set forth in the RFP. The four highest ranked firms -- Inservco/First MCO, CorVel Corporation ("CorVel"), Cannon Cochran Management Services ("CCMSI"), and PMC Management Corp. -- were invited to make oral presentations. Following the presentations, the Committee again ranked the firms. Inservco/First MCO, received the highest score followed by CorVel, CCMSI, and PMA Management Corp.

According to the Committee's Evaluation Report, Inservco demonstrated the ability to meet the Authority's needs in the key areas of claims administration, qualified staff support, and risk management information technology. The Committee was impressed with the partnership between Inservco and First MCO, which can provide an integrated approach to the medical bill review, re-pricing/adjudication and reporting process, all of which are essential to meeting the Authority's needs. In addition, Inservco/First MCO quoted the lowest service fees with respect to the medical re-pricing criteria and its provider network can meet the Authority's expansive geographical needs. Inservco/First MCO also proposed the greatest statewide average discount -- 65% -- off of billed medical workers' compensation charges.

The projected three-year fixed program cost quoted by Inservco/First MCO (the combined Administrative Fees and Medical Cost Containment Fee) is \$777,375. This combined fee is approximately 7% lower than CorVel's, the second ranked firm, and 6% higher than CCMSI's, the third ranked firm. Although CCMSI's quoted direct program costs are about \$50,000 less than those of Inservco/First MCO, when Inservco/First MCO's medical bill re-pricing discount is considered, Inservco/First MCO's program is less expensive to the Authority. It also should be noted that Inservco/First MCO's program cost represents an actual savings to the Authority of \$309,165 compared with the fixed cost of the expiring three-year contract.

Accordingly, it is recommended that the professional services contract for the Self-Funded Workers' Compensation Program – Third Party Claims Administration and Medical Bill Re-Pricing/Provider Access Network be awarded to Inservco Insurance Services, Inc., partnering with

First Managed Care Option. The cost for the initial three years will be in an amount not to exceed \$777,375, and if the Authority opts to extend the contract for the fourth and fifth years, the cost will be in an annual amount not to exceed \$265,375, all subject to availability of funding at the time of services. 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 (Corzine 2008) and having no objection to same.

On motion by Commissioner DuPont seconded by Commissioner Singleton, the Authority unanimously approved item 036-01-2011; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

OTHER BUSINESS

ITEM WITHDRAWN

INTERNAL AUDIT PRESENTATION, DIRECTOR JIM CARONE

RESOLUTION FOR MAJOR MATTHEW WALKER

RESOLUTION
of the
NEW JERSEY TURNPIKE AUTHORITY
Major Matthew J. Walker #4008
January 25, 2011

WHEREAS, Major Matthew J. Walker, Badge Number 4088, graduated on June 21, 1984, as a member of the 101st Class of the New Jersey State Police; and

WHEREAS, Major Walker served the New Jersey State Police honorably and with great distinction for more than 26 years; and

WHEREAS, during the course of his career Major Walker's service to the citizens of New Jersey included assignments to various road stations in Troops A & C, the Criminal Investigations Office, the Internal Affairs Investigation Bureau, the Office of the Deputy Superintendent of Operations, and the Field Operations Section; and

WHEREAS, in recognition of his considerable skills as a leader of men and women Major Walker was named Troop Commander of Troop D in August 2005; and

WHEREAS, after leaving briefly to serve as Troop Commander of Troop B for 11 months, Major Walker returned as Troop Commander of Troop D in August 2007 and remained in that capacity until his retirement, serving the patrons of the New Jersey Turnpike with the highest levels of professionalism and dedication; and

WHEREAS, the time has come for Major Matthew J. Walker to reflect on an honorable career spent in service to his fellow citizens as he joins the ranks of the retired;

NOW, THEREFORE, BE IT RESOLVED, that the Commissioners of the New Jersey Turnpike Authority do hereby recognize and acknowledge the contributions of Major Matthew J. Walker, express their thanks and appreciation for his dedicated service to the New Jersey Turnpike Authority, and extend best wishes to him on the occasion of his retirement.

BE IT FURTHER RESOLVED that this Resolution shall be spread upon the minutes of the New Jersey Turnpike Authority and a copy shall be presented to Major Walker.

ENGINEERING PRESENTATION BY RICHARD RACZYNSKI REGARDING THE INTERCHANGE 14A/14B IMPROVEMENTS PROJECT

Currently, Interchange 14A is geographically constrained - on the east side is the Hudson-Bergen Light Rail and a tank farm, and on the south and west sides is the city of Bayonne. The Authority cannot expand the existing Interchange.

The preliminary engineering process is complete and traffic studies have been performed out to the year 2035. We have met with the stakeholders and held public information centers with the towns of Bayonne and Jersey City. 25-30 concepts have been looked at and we have identified the most viable ones to relieve congestion, increase traffic safety, reduce travel times, and accommodate future growth.

The current 14A interchange is operationally restricted due to high volumes of truck traffic entering Port Jersey and the adjacent warehousing. There is also a traffic signal at 53rd Street that backs up traffic in both directions. Due to short distances between ramps and the toll plaza traffic, weaving is a problem and causes congestion. The ramp to the westbound Hudson County Extension is short and on an upgrade, and trucks leaving 14A are slow to accelerate and back up traffic. The traffic numbers in 2035 are approximately double of what they are today. We have looked at three viable concepts.

Concept 2C is for improvements only at 14A but adds two toll plazas on the ramps which is not operationally acceptable. Traffic numbers in 2035 for this concept do not work.

Concept 9 relocates the existing toll plaza to the east of the tank farm but takes approximately 10 warehouse properties out of service, including Tropicana which is sacred to Jersey City. Traffic in 2035 fails in this option. The physical constraints limit the ability to relocate the toll plaza anywhere else in the vicinity.

Concept 8F utilizes 14B to relieve the traffic at 14A. This concept would extend NJDOT Route 185 from its existing point of termination to 14B. We would exit all traffic bound for the Bayonne Port at 14B where it would use Route 185 and not have to access any local Jersey City streets. The golf course would not be affected and based on 2035 traffic projections this concept would relieve congestion at 14A. We would also remove the traffic light at 53rd Street in Bayonne to allow unrestricted access on to Avenue E and Route 440. The interchange at 14B is presently underutilized and it can accommodate the traffic in 2035. Our preliminary schedule is for final design to start in July 2011, construction to start in July 2013, and completion of the project in 2016.

Commission Singleton asked about the public information center held in Jersey City and wanted to know if they received the same presentation that was offered today. Chief Engineer Raczynski indicated that it was the same presentation. People from Jersey City came to the presentation with the mindset that trucks would be utilizing their local streets. Our intention is to sign the Hudson County Extension so that all Port Bayonne traffic exits at 14B.

ED Hakim indicated that the Authority is inviting Jersey City Mayor Jerry Healy to be briefed in more detail on the project. He will also be shown a traffic simulation for the three acceptable alternatives. Commissioner Simpson wanted to know how many people were at the public information center. He was told approximately 100. Commissioner Simpson indicated that we should find a suitable location close to Jersey City to accommodate the next meeting. He was advised that a public hearing will be held in Jersey City prior to selecting the preferred alternative.

Commissioner Singleton indicated that Board members should be invited to these meetings. Commissioner Simpson noted that, at a minimum, Board members should be asked to attend public hearings. ED Hakim will look into this.

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FINAL COMMENTS

Commissioner Singleton indicated that Turnpike employees have a passion for their jobs. He is not yet convinced that privatization is a benefit to the Turnpike Authority and he has yet to see any merit to the privatizing toll collections. The ED and DED had begun negotiating with the union to find a solution that will save the Authority money and save the toll collector jobs. I sincerely hope that this continues. I recognize the need for the RFP had to go out. But at this juncture I cannot see myself support the award of a toll collector privatization contract.

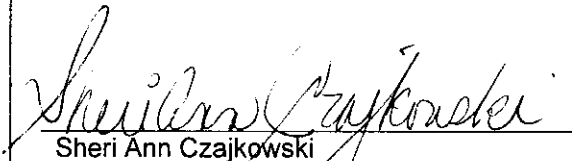
Commissioner Singleton then thanked Chairman Simpson for his leadership and thanked him for allowing him to articulate my concerns.

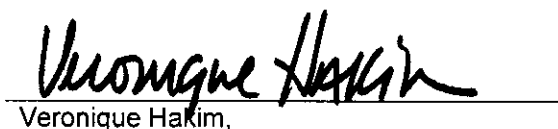
Commissioner DuPont stated that is very important that the Turnpike Authority negotiate in good faith. If I am accurate with what I have been presented with today, Local 194 has presented a savings to the Turnpike Authority between \$9 and \$10 million, and the Parkway Unions have presented a savings of \$4 to \$5 million. The Parkway Union is willing to take a \$5,000 pay cut immediately, and over the life of the contract will be taking a \$2,500 pay cut per year, reducing their salary to \$49,000. That is almost a 40% reduction. Commissioner DuPont concurred with Commissioner Singleton's current opposition to the privatizing of toll collection and stated that the Authority should negotiate with the unions in a good faith manner to reach a reasonable solution. Commissioner Pocino added that the Authority should bargain in good faith. He hopes negotiations will move forward and the matter will be resolved to everybody's satisfaction.

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The motion to adjourn was made by Chairman Simpson, Commissioner Singleton and seconded by Commissioner DuPont and, after the voice vote, the motion was duly adopted. The Authority adjourned at 11:22 A.M., to meet on Wednesday, February 23, 2011, at 9:30 A.M.

ATTEST:


Sheri Ann Czajkowski
Assistant Secretary


Veronique Hakim,
Executive Director

Corporate Seal

Date: February 3, 2011