

**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

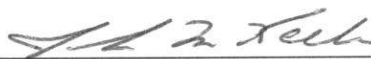
I, John M. Keller, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such, Executive Director certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the August 21, 2018 Meeting of the Authority.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority this 21st day of August, 2018.

ATTEST:



Kim Schurman
Secretary to the Authority



John M. Keller
Executive Director

Corporate Seal

Date: August 21, 2018

Received in the Governor's Office August 21, 2018
(hand delivered)

Received by:


Print Name

Signature

Veto Period Ends:

September 5, 2018
(Write in the date the veto period ends)

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NEW YORK, N.Y., APRIL 10, 1914

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DEAR MR. TILDEN:

I have just received your letter of the 9th inst.

and am glad to hear that you are

interested in the book.

I am sure it will be of interest to you.

I am, very respectfully,

Yours very truly,

W. H. B. DAVIS

Director

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PROCEEDINGS OF MEETING OF NEW JERSEY TURNPIKE AUTHORITY

BOARD OF COMMISSIONERS

Tuesday, August 21, 2018

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Chair Diane Gutierrez-Scaccetti called the meeting of the Authority's Board of Commissioners (the Board) into session in the Executive Boardroom of the Authority's Headquarters Building at 1 Turnpike Plaza in Woodbridge, New Jersey, at 9:05 A.M.

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PLEDGE OF ALLEGIANCE

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PRESENT

Present were Chair Diane Gutierrez-Scaccetti, Vice Chairman Ronald Gravino, Treasurer Michael DuPont, Commissioner Raymond Pocino, Commissioner Ulises Diaz and Commissioner John Minella and Commissioner Raphael Salerno (Absent). The meeting commenced at 9:05 A.M.

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ALSO PRESENT

Executive Director John Keller, Deputy Executive Director James Carone, Chief Financial Officer Donna Manuelli; Chief Engineer Robert Fischer, Chief Information Officer Jose Dios; Acting General Counsel Ann Christine Monica; Director of Human Resources Mary-Elizabeth Garrity; Acting Director of Internal Audit Donna Wilser, Director of Maintenance Kenneth McGoldrick; Acting Director of Operations Kevin Dunn; Director of Procurement and Materials Management Andrea Ward; Director of Tolls John Pagliarulo; Director of Community and Government Relations Shawn Taylor; New Jersey State Police Major Ernie Giampietro, State Police Troop D; and Secretary to the Authority Kim Schurman.

Also present were: Outside Counsel Judy Verrone, Esq., of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Governors' Authorities Unit Representative Brian Wilton, additional individuals consisting of other NJTA employees; interested organizations; and the general public. No media was present.

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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 at least 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.

Secretary to the Authority Schurman takes Roll Call and the Following Were Present:

1. Chair Gutierrez-Scaccetti

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

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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:

- Personnel

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

Executive Session was adjourned at 9:37 a.m. Vice Chairman Gravino resumed the public portion of the meeting at 9:40 a.m.

Secretary to the Authority Schurman takes Roll Call and the Following Were Present:

1. Chair Gutierrez-Scaccetti
2. Vice Chairman Gravino
3. Treasurer DuPont
4. Commissioner Pocino
5. Commissioner Diaz
6. Commissioner Minella
7. Commissioner Salerno (Absent)

The Secretary to the Authority reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Philip D. Murphy received the proceedings of the regular meeting of July 24, 2018; he did not exercise his power to veto any items in those minutes.

Upon motion made by Treasurer DuPont seconded by Commissioner Diaz the minutes of the meeting was unanimously approved.

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

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RECUSALS

The Secretary to the Authority reported recusals or abstentions submitted for the record:

- Commissioner Pocino is recused on items 176 through 187

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PUBLIC COMMENT

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None

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EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Keller advised the Board he was proud to announce that our former Director of Operations Henry (Chip) Eibel will be inducted into The New Jersey ITS Hall of Fame on September 17, 2018. Keller further advised that the Authority employees and Union's have donated and assembled 160 back-packs and other school supplies to be distributed to children at various locations throughout New Jersey. Executive Director Keller is very proud of all the staff for their donations and effort in organizing this drive.

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CHAIR COMMENTS

Chair Gutierrez-Scaccetti further stated that the Authority has always been a charitable Authority and would like to thank Executive Director Keller for continuing these efforts.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 170-08-2018. Moved is the item as follows:

170-08-2018

Human Resources Director Mary Elizabeth Garrity submitted the Personnel Agenda, dated August 21, 2018, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

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

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

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CHAIR COMMENTS

Chair Gutierrez-Scaccetti publicly thanked Acting General Counsel Monica for her efforts in the past few months and noted Ann has been a strong foundation for the Law Department and

always willing to step up to do what needs to be done to make certain that the Turnpike Authority remains on the correct legal footing. Treasurer DuPont also thanked Acting General Counsel Monica and would like to publicly say that she allowed the legal department to stand with grace and with high confidence.

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LAW

Acting General Counsel Ann C. Monica requested approval of item numbers 171-08-2018 through 175-08-2018. Moved are the items as follows:

171-08-2018

In a memorandum dated August 3, 2018, **Authorization for the Authority to Renew its Cyber Liability Insurance Program for One (1) Additional Year, September 15, 2018 - September 15, 2019, RM142845, Budget Code: 010-00-893-121010, Amount: not to exceed \$676,140.00**, was approved.

Since 2014, the Authority has maintained cyber liability insurance to protect it from a myriad of cyber risks, which coverage expires September 15, 2018, in a total limit of \$60 million. This insurance provides the Authority protection from theft of its electronic data and other cyber-related risks, including the following: (1) Media Wrongful Act (includes libel, slander and invasion of privacy); (2) Privacy and Cyber Security (claims resulting from a breach of protected confidential information); (3) Privacy Regulatory Defense, Awards and Fines (costs, such as attorneys' fees, associated with a breach of personal information and resulting governmental proceedings for an alleged violation of privacy regulations); (4) Data Recovery Expenses (costs to replace programs and data following a cyber security breach); (5) Data Breach Response and Crisis Management Costs (costs to investigate breaches, notify appropriate individuals and mitigate loss); (6) Extortion Threat (coverage for costs to investigate and terminate a threat to commit an intentional attack against the Authority's computer system), and (7) Business Interruption and Dependent Business Interruption coverage (coverage for revenue interruption resulting from a breach in the Authority's cyber system or a vendor's cyber system after a 12-hour waiting period).

Willis of New Jersey, Inc. ("Willis"), the insurance broker of record for this line, was tasked with seeking a renewal of the cyber program. Willis approached the following lead underwriters: (1) the incumbent, XL Catlin; (2) AIG, whose indication was not competitive; and (3) Zurich, whose indication was not competitive.

After consideration of all the options provided, and based on the recommendations of Willis and the Authority's risk management consultant, Hanover Stone Partners, LLC ("Hanover Stone"), it is recommended to renew current coverage for one (1) year with the following carriers, for a total of \$60 million of coverage:

<u>Underwriter</u>	<u>Coverage</u>
XL Specialty Insurance Company	Primary \$10 million (subject to a \$250,000 deductible)
Zurich American Insurance Company	\$10 million excess of \$10 million
AIG	\$10 million excess of \$20 million
Axis Insurance Company	\$10 million excess of \$30 million
Ironshore Specialty Insurance Company	\$10 million excess of \$40 million
Nationwide Insurance Company	\$10 million excess of \$50 million

The premium for coverage is \$647,023, and with New Jersey mandatory taxes and fees of \$29,117, would make a total renewal amount of \$676,140.

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

172-08-2018

In a memorandum dated August 3, 2018, Authorization for the Authority to enter into an Agreement with the State of New Jersey, Department of Transportation to Facilitate the Transfers of Property between the Authority and DOT for various Projects and uses, was approved.

The Authority and the New Jersey Department of Transportation (NJDOT) (together the "Parties") continually engage in transportation projects that necessitate the acquisition and transfer of property from one of the Parties to the other. The Parties share a common interest in operating their respective transportation systems in a timely and cost-effective manner. In order to complete such projects, the Parties periodically must acquire certain property owned by each other for the purpose of facilitating construction. The Parties have agreed, subject to Commissioner approval, to the terms of an Agreement in an attempt to facilitate transfers of property for their various projects as they arise. This proposed agreement is an attempt to avoid significant delays and expenses in transferring property from one Party to the other and is for a ten (10) year period, with two (2) options to renew for five (5) years each.

Pursuant to the terms of the Agreement, the Parties agree that the acquisition or sale of the required property as well as the granting of rights of entry and permits, shall be made at no cost, provided that the property is used for road and bridge purposes only, will be deed restricted as such, and provided that the property interest proposed to be transferred has an appraised value of less than Five Hundred Thousand Dollars (\$500,000). In the event that a property interest proposed for transfer has value more than this amount, then the regular property transfer procedures shall apply.

Based on the foregoing, it is requested that the Authority Commissioners authorize the Executive Director to execute an Agreement incorporating the above terms. It is further

recommended that the Executive Director be authorized to take any other actions necessary to effectuate the intent of this authorization upon review and approval of such actions by the Law Department and Authority Counsel.

173-08-2018

In a memorandum dated August 1, 2018, **Authorization to Declare Property Surplus as to the Authority's Needs and to Sell to Neighboring Property Owner Maximilian Zasowski, New Jersey Turnpike Parcel 303X, Section 3F, 5715 S. Broad Street, Block 2726, Lot 4, Township of Hamilton, County of Mercer, Amount: \$15,000.00 (Revenue to the Authority)**, was approved.

New Jersey Turnpike Authority Property Section 3F, Parcel 303X, also known as Block 2726, Lot 4, consists of 0.511± acres (22,216 square feet) and is located on South Broad Street in the Township of Hamilton, County of Mercer (the "Property"). In accordance with the Authority's regulations for the sale of surplus property (N.J.A.C. 19:9-2.6) the Law Department has undertaken a review of the Property and made an initial determination that the Property is no longer necessary for the operations of the Authority and may be surplus to its needs. The Law Department circulated information regarding the Property to the Chief Engineer, the Director of Maintenance, the Director of Operations, the Chief Information Officer, and the Authority's Engineering Consultant, HNTB Corporation, for review. Each has reviewed the information regarding the Property and all have certified that the Authority no longer requires the Property and does not see any future use of the Property by the Authority.

An adjoining property owner, Maximilian Zasowski, has offered to purchase the Property for the sum of \$15,000.00. The Law Department and the Authority's Real Estate Consultant have reviewed this offer and determined that it provides fair market value for the Property. Further, since the Property is not only "landlocked, undersized or severely impaired" but also valued at less than \$50,000, it is exempt from the public bidding requirement of the Authority's regulations.

Accordingly, it is recommended that authorization be given to declare Parcel No. 303X surplus to the Authority's needs. It is further recommended that the Executive Director be authorized to take any steps necessary to sell the Property to Maximilian Zasowski for the fair market value of \$15,000.00, in accordance with N.J.S.A. 19:9-2.6. It is further recommended that the Authority's Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

174-08-2018

In a memorandum dated August 1, 2018, **Authorization to Declare New Jersey**

Turnpike Property Parcel 604LX, as Surplus to the Authority's Needs, and to Transfer this Parcel to Sachin Patel, New Jersey Turnpike Section 5, Parcel 604LX, Morris Avenue, Block 813, Lot 16, Township of Edison, County of Middlesex, Amount: \$18,000.00 (Revenue to the Authority), was approved.

New Jersey Turnpike Authority Surplus Property Parcel 604LX also known as Block 813, Lot 16 on Morris Avenue in Edison, New Jersey, is a vacant residential lot of +/- .27 acres (11,260 square feet), encumbered by a gas utility easement at the rear of the property (the "Property"). The Board of Commissioners declared the Property surplus to the Authority's needs in September 1996 and it was again certified as surplus by the Authority's Departments in December 2013. In accordance with the Authority's Surplus Property Policy, the Property was offered for sale through a public bid process in December 2014 with an advertised minimum bid price of \$80,000.00. Two (2) bids were received, but neither bidder could meet Township of Edison's building requirements and the Property was ultimately not sold to either party. Pursuant to the Authority's Surplus Property Policy, which has since been codified at N.J.A.C. 19:9-2.6, the Property was thereafter listed with the Authority's real estate broker, who has presented one offer, with no contingencies, from Sachin Patel of Edison, NJ, at the reduced amount of \$18,000.00.

The Law Department and the Authority's Real Estate Consultant have reviewed this offer and, given the demonstrated nature of the property to be undersized for development, recommend that it provides fair market value for the Property and that the offer be accepted.

Accordingly, it is recommended that authorization be given to declare parcel 604XL surplus to the Authority's needs. It is further recommended that the Executive Director be authorized to take any steps necessary to sell the Property to Sachin Patel for the fair market value of \$18,000.00, in accordance with N.J.A.C. 19:9-2.6. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization. This authorization is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by Sachin Patel pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

175-08-2018

In a memorandum dated August 2, 2018, **Authorization to Re-Certify New Jersey Turnpike Property Parcels 755X-2 and 756X-2, Section 4, as Surplus to the Authority's Needs and Authorize the Executive Director to Transfer the Property to Cottage Hill Construction Corp., Property Located on Sullivan Way/Corona Road, Block 585, Lots 17 and 18, Township of East Brunswick, County of Middlesex, Amount: \$106,000.00**

(Revenue to the Authority), was approved.

New Jersey Turnpike Authority Property Section 4, Parcels 755X-2 and 756X-2, also known as Block 585, Lots 17 and 18, consists of 0.453± acres (19,602 square feet) in the Township of East Brunswick, County of Middlesex (the "Property"). In 1996, the Board of Commissioners declared the Property surplus to the Authority's needs and, in accordance with the Authority's Surplus Property Policy (the "Policy"), the Property, along with the north half of vacated Sullivan Way, was offered for sale through a public bid process in February 2015. No bids were received, and the Property was listed with the Authority's real estate broker in May 2015.

The Authority negotiated with various interested parties, in accordance with the Policy, now codified at N.J.A.C. 19:9-2.6. One (1) offer, in the amount of \$106,000, was received from Cottage Hill Construction Corp. The Law Department and the Authority's Real Estate Consultant have reviewed this offer and recommend that it be accepted.

Accordingly, it is recommended that the Executive Director be authorized to take any steps necessary to sell the Property and the vacated portion of Sullivan Way to Cottage Hill Construction Corp. in accordance with the terms set forth herein and the Authority's regulations for the sale of surplus property N.J.A.C. 19:9-2.6. It is also recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization. These authorizations are contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by Cottage Hill Construction Corp. pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Board unanimously approved item numbers 171-08-2018 through 175-08-2018 and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GUTIERREZ- SCACCEITI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

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ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 176-08-2018 through 182-08-2018. Moved are the items as follows:

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PUBLIC BID SOLICITATIONS-AWARD OF CONTRACTS

176-08-2018

In a document dated July 30, 2018, **Recommendation to Award Contract No. P200.490, Garden State Parkway, Mount Construction Co., Inc., Culvert Cleaning Milepost 111.5, RM-142375, Budget Code: 030C00001E, Funding Allocation: \$800,000.00 FY 2018, \$547,631.00 FY 2019, Amount: \$1,347,631.00**, was approved.

This contract includes the cleaning of twin 132-inch corrugated metal pipe culverts crossing the Southbound and Northbound Local and Express Lanes of the Garden State Parkway at Milepost 111.5. The culvert cleaning will include the temporary diversion of Nut Swamp Brook and construction of access roadways at the inlet and outlet of the twin culverts. Other proposed contract work includes the cleaning of silt, sediment and/or other debris from storm water drainage pipes and drainage structures connecting to the twin culverts. All work is expected to be completed by May 1, 2019.

Ten bid proposals were received on July 26, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$1,347,631.00, may be compared to the second and third low bid proposals in the amount of \$1,432,625.00 and \$1,467,990.00, respectively. The bids were significantly lower than the Engineer's Estimate in the amount of \$1,984,110.00 likely due to the availability of equipment and material to complete this work, the Contractor's cleaning method and the proximity of the Contractor to current work areas on the roadway. The low bidder, Mount Construction Co., Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P200.490 be awarded to the low bidder, Mount Construction Co., Inc. of Berlin, New Jersey, in the amount of \$1,347,631.00 which is allocated as follows \$800,000.00 for FY 2018 and \$547,631.00 for FY 2019. 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.

177-08-2018

In a document dated July 24, 2018, **Recommendation to Award Contract No. T300.475, New Jersey Turnpike, J. Fletcher Creamer & Son, Inc., New Jersey Turnpike Interchange 14B Toll Plaza Canopy Replacement, RM-142377, Budget Code: 080C00024, Funding Allocation: \$1,200,000.00 FY 2018, \$ 783,333.00 FY 2019, Amount: \$1,983,333.00**,

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was approved.

This contract will provide for the replacement of the existing toll plaza canopy, which was damaged due to a vehicle collision. In addition to the structural members, lighting and toll equipment will be installed on the canopy as well as roadside safety devices such as barrier curb and guide rail to protect the new canopy.

Three bid proposals were received on July 17, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$1,983,333.00, may be compared to the Engineer's Estimate in the amount of \$1,837,973.00. The low bidder, J. Fletcher Creamer & Son, Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T300.475 be awarded to the low bidder, J. Fletcher Creamer & Son, Inc. of Folsom, New Jersey, in the amount of \$1,983,333.00 which is allocated as follows \$1,200,000.00 for FY 2018 and \$783,333.00 for FY 2019. 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.

178-08-2018

In a document dated July 30, 2018, **Recommendation to Award Contract No. P300.488, Garden State Parkway, Joseph M. Sanzari, Inc., Interchange 142 Union Ramp Toll Plaza Booth Replacement, RM-142379, Budget Code: 080C00005, Funding Allocation: \$1,150,000.00 FY 2018, \$2,284,798.00 FY 2019, Amount: \$3,434,798.00**, was approved.

This contract will provide for the rehabilitation of toll booths at the Interchange 142 Union Ramp Toll Plaza (Milepost 143.0) in Union Township, New Jersey. The contract includes constructing new canopy support columns and the renovation of surplus toll booths to replace existing booths at the toll plaza. Work also includes electronic toll collection and security equipment upgrades, reconstruction of concrete slabs and concrete toll islands, overhead toll plaza canopy sign assemblies and other incidental mechanical, electrical and drainage work. All work is expected to be completed by July 1, 2019.

Three bid proposals were received on July 24, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$3,434,798.00, may be compared to the Engineer's Estimate in the amount of \$2,953,227.50. The bid was higher than the Engineer's Estimate due to limited work and staging areas as well as

work restrictions in order to maintain toll plaza operations. The low bidder, Joseph M. Sanzari, Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P300.488 be awarded to the low bidder, Joseph M. Sanzari, Inc. of Hackensack, New Jersey, in the amount of \$3,434,798.00 which is allocated as follows \$1,150,000.00 for FY 2018 and \$2,284,798.00 for FY 2019. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

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

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ORDER FOR PROFESSIONAL SERVICES (OPS)

179-08-2018

In a document dated July 26, 2018, **Recommendation to Issue Order for Professional Services No. P3698, Garden State Parkway, KS Engineers, P.C., Supervision of Construction Services for Contract No.: P300.488, Interchange 142 Union Ramp Toll Plaza Booth, Replacement, RM-142449, Budget Code: 080C00005, Funding Allocation: \$150,000.00 FY 2018, \$240,000.00 FY 2019, Amount: \$390,000.00**, was approved.

This Order for Professional Services provides supervision of construction services for Contract No. P300.488, Interchange 142 Union Ramp Toll Plaza Booth Replacement. These services include construction inspection, material testing, record keeping, preparation of payment estimates and other service required to ensure compliance with the contract documents.

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 thirty-one (31) engineering firms were prequalified and eligible under Profile Codes: B-153, Roadway Construction Inspection and B-159, Building Construction & Renovations Inspection. Five firms submitted EOIs by the closing date of July 6, 2018.

Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from the top three technically ranked firms. The firms in the order of ranking are: 1) KS Engineers, P.C.; 2) Gannett Fleming, Inc. and 3) Churchill Consulting Engineers. The fee submitted by KS Engineers, P.C. in the amount of \$435,000.00 has been negotiated to \$390,000.00, which is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. P3698 be issued

to the firm of KS Engineers, P.C. of Newark, New Jersey, in an amount not to exceed \$390,000.00 allocated as follows: \$150,000.00 for FY 2018 and \$240,000.00 for FY 2019. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.35 to cover the cost of fringe benefits, overhead and profit, plus authorized direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

180-08-2018

In a document dated August 15, 2018, **Recommendation to Issue Supplement A to Order for Professional Services No. A3559, New Jersey Turnpike/ Garden State Parkway, Hill International, Inc., Construction Management and Inspection Services for Facilities Improvement Program Maintenance Districts, RM-140773, Budget Code: 39005013, Original Amount of OPS: \$33,660,000.00, Amount of Supplement A: \$4,200,000.00, Revised Amount of OPS: \$37,860,000.00,** was approved.

This Order for Professional Services was approved at the December 2014 Commission Meeting, in the amount of \$33,660,000.00, to provide construction management and inspection services for the Facilities Improvement Program for Maintenance Districts on both the New Jersey Turnpike and Garden State Parkway. The original scope of work provided for construction management and inspection services to oversee the construction of fifteen (15) new Multi-Use Buildings. This work also included the demolition or renovation of the existing buildings at these districts. The original scope of work also included the construction of the new Bloomfield New Jersey State Police Motor Vehicle garage and the construction oversight of four (4) maintenance sub-districts with new Salt Sheds. All work was scheduled to be completed by April 2018.

Supplement A is recommended at this time to compensate Hill International, Inc. for unanticipated additional construction management and inspection services that have been required over the past two years and will continue until the end of 2019. These additional services are comprised of increased efforts due to in-scope work delays, out-of-scope work and direct expenses for additional laboratory testing, specialized safety inspections and other miscellaneous costs.

Due to the complex nature of this Facilities Improvement Program (Program), work at nearly all the original site locations was not accomplished in accordance with the durations assumed in the original scope. Delays occurred at each of the effected sites for various reasons,

including; delays in the relocation and/or removal of Utility Company owned facilities that were impacted by the proposed site improvements; changes issued to the contract documents as directed by the Authority and/or the Engineer of Record; poor performance and non-performance of contractors in progressing the contract work; delays in procuring treated timber framing for the Salt Sheds due to their massive size; and other miscellaneous items. Due to the extremely large volume of construction permits generated from the Program, the approval and release of the permits took longer than originally scheduled.

Construction contracts for five (5) Maintenance Districts required the Authority to procure truck wash facility equipment. This was scheduled to occur in the Fall of 2016, but did not occur until the Spring of 2017. The delay in receiving shop drawings from the vendor and delivery of the equipment, adversely impacted the contractor's critical path schedule at three (3) of the Maintenance Districts.

The Authority also directed Hill International, Inc. to manage and inspect the unanticipated swing yard that was constructed to temporarily relocate Parkway Maintenance District 7 (Clifton) staff during the construction of the new Maintenance Utility Building. Unanticipated environmental remediation work was undertaken at this site (PMD7), including the removal of unexpected soil contamination and unknown underground storage tanks. Contaminated soil was also removed at the former Sunoco Station in the vicinity of the Bloomfield New Jersey State Police Motor Vehicle garage, which was not anticipated in the original scope.

At the direction of the Authority, Hill International, Inc. was also directed to provide construction management and inspection services for two (2) new site lighting contracts at the PNC Bank Arts Center. These contracts provided for the replacement of outdoor lighting in portions of the parking lot areas. Hill was selected to provide these services as the Authority would benefit from labor efficiencies because of their existing staff resources being present at the nearby Parkway Maintenance District 5 (Telegraph Hill).

Based on the known changes to date and the anticipated and/or revised contract completion dates of the remaining ongoing construction contracts, it is estimated that the construction management and inspection services provided by Hill International, Inc. will be required through the end of 2019.

It is, therefore, recommended that Supplement A to Order for Professional Services No. A3559 be issued to Hill International, Inc. not to exceed the amount of \$4,200,000.00 with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$33,660,000.00 to \$37,860,000.00. The original contract was procured pursuant N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8.

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FINAL ACCEPTANCES

181-08-2018

In a document dated July 31, 2018, **All work performed on each of the construction contracts listed below have been completed in accordance with the contract documents and to the satisfaction of the Engineering Department. Accordingly, it is recommended that these contracts be deemed complete and approved for Final Acceptance. The table below lists each contract and includes pertinent Change Order and financial information including the final payment amount due the Contractor upon Final Acceptance,** was approved.

Contract No.	Contractor	Award Total Amount	No. of Change Orders	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
P200.201	Northeast Remsco Construction, Inc.	\$100,971,697.05	8F	\$5,617,407.98	\$106,589,105.03	\$1,065,891.05
P100.132	Midlantic Construction, LLC	\$16,820,346.82	10F	\$2,622,654.02	\$19,443,000.84	\$193,121.58
Total						\$1,259,012.63

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

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ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

182-08-2018**Acknowledge Reports of Engineering Expenditures Under Delegated Authority**

- Construction Contract Progress Summary
- Change Order Summary

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Board unanimously approved item nos. 176-08-2018 through 181-08-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 182-08-2018 and received same for file.

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ROLL CALL

GUTIERREZ- GRAVINO DuPONT POCINO DIAZ MINELLA SALERMO

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SCACCETTI
YES YES YES RECUSED YES YES ABSENT

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MAINTENANCE

Director of Maintenance, Kenneth McGoldrick requested approval of item number 183-08-2018 through 187-08-2018. Moved are the items as follows:

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PUBLIC BID-AWARD OF CONTRACTS

183-08-2018

In a document dated August 21, 2018, Recommendation to Award Contract No. A200.500, New Jersey Turnpike & Garden State Parkway, Daidone Electric, Inc., Immediate and Scheduled Electrical Repairs on the New Jersey Turnpike from MP 0 to MP 122 and the Garden State Parkway from MP 0 to MP 172 in Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hudson, Mercer, Middlesex, Monmouth, Ocean, Passaic, Salem and Union Counties, RM-143045, Budget Code: 030C00003M, Amount: \$4,000,000.00, was approved.

The work under performed under this contract consists of immediate repairs and scheduled improvements to electrical facilities with the Authority right of way on the Turnpike between Mile 0 to Mile 122, and along the Garden State Parkway between Mile 0 to Mile 172. The immediate repairs will be as directed by the Engineer, by work orders for a period of two (2) years with two (2) one (1) year options to renew at a cost not to exceed \$4,000,000.00.

Two (2) bid proposals were received on July 12, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal of 10.83% may be compared to the second lowest bidder of 10.83% and the Engineer's Estimate of 8.83%. These percentages represent a weighted average mark-up on the Contractor's time and materials cost of performing the work. Daidone Electric Inc., has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A200.500 be awarded to the lowest bidder, Daidone Electric, Inc., Newark, New Jersey, in an amount not to exceed \$4,000,000.00. 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 – McGreevey 2004) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

Authorization is further requested for the Executive Director to approve each of the two

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(2), one (1) year extensions upon satisfactory performance by the vendor.

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

184-08-2018

In a document dated August 21, 2018, Recommendation to Award Contract No. T500.461, New Jersey Turnpike, HBC Company, Inc., Generator replacement at Interchanges 14B and 15E in Hudson and Essex Counties, RM-140179, Budget Code: 080C0003, Amount: \$1,952,598.25, was approved.

This contract involves the installation of a new outdoor emergency generator and electrical load center at Interchanges 14B and 15E and related items on the New Jersey Turnpike in Hudson and Essex Counties, New Jersey. This contract has a completion deadline of April 15, 2019.

Three (3) bid proposals were received on July 19, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$1,952,598.25 may be compared to the second lowest bid proposal in the amount of \$2,564,840.45, which was within 15.8% of the low bid. The lowest bid received was significantly lower than the Engineer's Estimate in the amount of \$2,320,159.52. HBC Company has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T500.461 be awarded to the low bidder, HBC Company, Lodi, New Jersey, in the amount of \$1,952,598.25. 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 – McGreevey 2004) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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

185-08-2018

In a document dated August 21, 2018, Recommendation to Award Contract No. T500.462, New Jersey Turnpike, HBC Company, Inc., Generator replacement at Interchange 13A in Union County, RM-140177, Budget Code: 080C0003, Amount: \$545,490.00, was approved.

This contract involves the removal of the existing diesel-powered emergency generator and associated electrical and mechanical systems and the installation of a new natural gas-powered emergency generator and associated electrical system upgrades at Interchange 13A

(MP 101.8) in Elizabeth, New Jersey. This contract has a completion deadline of April 15, 2019.

Four (4) bid proposals were received on July 19, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$545,490.00 may be compared to the second lowest bid proposal in the amount of \$649,900.00, which was within approximately 16% of the low bid. The two lowest bids received were lower than the Engineer's Estimate in the amount of \$661,200.26. HBC Company has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T500.462 be awarded to the low bidder, HBC Company, Lodi, New Jersey, in the amount of \$545,490.00. 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 – McGreevey 2004) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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

186-08-2018

In a document dated August 21, 2018, Recommendation to Award Contract No. A500.484, New Jersey Turnpike & Garden State Parkway, ACP Contracting, Immediate & Scheduled Repair of Mechanical Systems on the New Jersey Turnpike from MP 0 to MP 122 and the Garden State Parkway from MP 0 to MP 172 in Atlantic, Bergen, Monmouth, Ocean, Passaic, Salem and Union Counties, RM-142255. Budget Code: 080C07117, Amount: \$4,000,000.00, was approved.

The work performed under this contract consists of immediate & scheduled repair of Mechanical Systems at all Authority owned facilities, and all other related work on the Turnpike from MP 0 to MP 122 and the Parkway from MP 0 to MP 172. The immediate repairs will be as directed by the Engineer by work orders for a period of two (2) years with two (2), one (1) year options to renew at a cost not to exceed \$4,000,000.00.

Two (2) bid proposals were received on July 12, 2017 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal of 6.70% may be compared to the Engineer's Estimate proposal of 13.00%. These percentages represent a weighted average mark-up on the Contractor's time and materials cost of performing the work. ACP Contracting Inc. has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A500.484 be awarded to the lowest bidder, ACP Contracting Inc. of Fairfield, New Jersey, in an amount not to exceed \$4,000,000.00.

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This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

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

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ACKNOWLEDGE REPORTS OF
MAINTENANCE EXPENDITURES UNDER DELEGATED AUTHORITY

187-08-2018

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

- Construction Contract Progress Report
- Change Order Report

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Board unanimously approved item numbers 183-08-2018 through 186-08-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 187-08-2018 and received same for file.

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	RECUSED	YES	YES	ABSENT

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PROCUREMENT ("PMM")

Director of Procurement and Materials Management Andrea Ward, requested approval of item numbers 188-08-2018 through 194-08-2018. Moved are the items as follows:

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PUBLIC BIDS

188-08-2018

In a document dated August 6, 2018, **Asphaltic Concrete and Tack Oil, Trap Rock**

Industries, LLC, RM-138680. Budget Code: Various. Amount: \$129,350.00 (for 9 Areas), was approved.

Under this contract, Trap Rock Industries, LLC will provide asphaltic concrete and tack oil for roadway maintenance on both Roadways. To ensure delivery of heated concrete material to the Maintenance Districts, the bid was divided by mileposts into 14 areas ("Areas"), eight on the New Jersey Turnpike and 6 on the Garden State Parkway. The vendor's facilities must be located within 25 miles of the applicable Maintenance Districts. Bidders were permitted to bid on one or multiple areas, and were required to quote per ton prices for estimated quantities of hot asphalt and per gallon prices for estimated quantities of tack oil. Awards are based on the total bid amount per area. The bid was fully advertised and the 14 vendors listed in the Authority's database for the referenced commodity were notified of the procurement. On July 20, 2018, bids were received from one Bidder as follows: (No bids were received for Areas C, D, L, M and N and these four (4) Areas will be rebid.) Unit prices are available from the Procurement Department.

New Jersey Turnpike:

	AREA A MP 67.2- 90.0	AREA B MP 90.- 105.0	AREA C MP 105.0- 122.0	AREA D MP 0.0-8. HUDSON BAY	AREA E MP 0.0- 27.5	AREA F MP 27.5- 50.0	AREA G MP 50.0- 67.2	AREA H MP 0.0- 6.5 PEARL HARBOR
Vendor								
Trap Rock Industries, Inc. Kingston, NJ	\$21,525.00	\$21,525.00	NO BID	NO BID	\$7,025.00	\$4,900.00	\$4,900.00	\$4,900.00

Garden State Parkway:

	AREA I MP 94-120	AREA J MP 120- 134	AREA K MP 134- 143	AREA L MP 143- 153	AREA M MP 153- 158	AREA N MP 158- 172		
Vendor								
Trap Rock Industries, Inc. Kingston, NJ	\$21,525.00	\$21,525.00	\$21,525.00	NO BID	NO BID	NO BID		

Departmental Estimate: \$165,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-1 et seq., the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). These awards are 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 one-year contracts to supply asphaltic concrete and tack oil to Trap Rock Industries, Inc. for Areas A, B, E, F, G, H, I, J, and K for a total amount not to exceed \$129,350.00 all subject to availability of funding at the time of ordering. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

189-08-2018

In a document dated August 3, 2018, **Roadway Sweeping Services, Garden State Parkway, C&L Sweeper Services, Corp., RM-141876 (Maintenance), Budget Code: Various, Amount: \$379,350.00 (2-Year Contract)**, was approved.

Under these contracts, C&L Sweeper Services, Corp. will provide roadway sweeping services on the mainline, ramps, interchanges, toll plazas and parking lots of the Garden State Parkway for a period of two years. The bid was divided into two (2) regions: Parkway Northern Region (MP 106.4 to 172.3) and the Parkway Southern Region (MP 0.0 to 106.4). Bidders could bid on one or both Regions. Bidders were required to supply an hourly rate for Routine Services (1400 hours for each Region) and Emergency Services (100 hours for each Region). The bid was fully advertised and the ten (10) vendors listed in the Authority's database for this service were notified of the procurement. On July 24, 2018 bids were received as follows (Unit prices are available from the Procurement Department):

<u>Vendor</u>	<u>Northern Region</u>	<u>Southern Region</u>
C & L Sweeper Service Corp., Jackson, NJ	<u>\$178,350.00</u>	<u>\$201,000.00</u>
LoRe Sweeping Co. Inc., Passaic, NJ	\$197,000.00	\$380,000.00
Reilly Sweeping Inc., Fairless Hills, PA	\$210,000.00	\$297,000.00
Shauger Property Services, Inc., East Orange, NJ	\$256,500.00	NO BID

Departmental Estimate: \$450,000.00

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

Accordingly, authorization is requested to award a contract to C & L Sweeper Service Corp., for a total amount not to exceed \$379,350.00, subject to funding availability at the time of order. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

190-08-2018

In a document dated August 21, 2018, **Liquid De-icing Materials, Innovative Municipal, Products, Inc., D/B/A Innovative Surface Solutions, RM-141961 (Maintenance), Budget Code: Various, Amount: \$242,190.00**, was approved.

Under this contract, Innovative Municipal Products (US), Inc. D/B/A Innovative Surface Solutions will supply approximately 189,000 gallons of liquid chemical/magnesium chloride deicing materials for use on both Roadways. This product is used by the Maintenance Department to keep the Authority's roadways and bridges clear of ice and snow when the

temperature falls below freezing. The Maintenance Department has also found this process to be very successful on areas of the roadway which have "Quiet Pavement". Bidders were required to quote unit prices per gallon for two different products and the Authority requirements were divided into 6 delivery zones to insure adequate supply for all Authority locations. Bidders were permitted to bid on one or multiple zones. The bid was fully advertised and the seven (7) vendors listed in the Authority's database for this commodity were notified of the procurement. On July 26, 2018 one (1) compliant bid was received as follows (Unit prices are available from the Procurement Department):

<u>Vendor</u>	<u>Turnpike Zone 1</u>	<u>Turnpike Zone 2</u>	<u>Turnpike Zone 3</u>	<u>Parkway Zone 4</u>	<u>Parkway Zone 5</u>	<u>Parkway Zone 6</u>	<u>Total Bid Price</u>
Innovative Surface Solutions Glenmont, NY	\$27,135.00	\$22,680.00	\$21,060.00	\$34,830.00	\$97,200.00	\$39,285.00	\$242,190.00

Departmental Estimate: \$300,000.00

Non-Compliance:

An additional bid was received from Envirotech Services, Inc., of New Cumberland, PA. This bidder, however, failed to bid on one of the two required products for this bid, representing 14 of the 30 line items in the Request for Bid (RFB). Section II, Paragraph C (Basis of Award), Line 1 of the RFB clearly states "Bidders must supply a price for every item listed. Bids not having a price for all listed items may be rejected." In addition, Line 3 of the same Paragraph C clearly states (in bold letters) that "**Bidders must supply a price for every item listed in a zone. Bids not having a price in all listed items in a zone may be rejected. The contract(s) will be awarded to the Vendor(s) who bids the lowest total combined cost per Zone for both Type 1 and Type 2 products**". Thus, it is recommended that the bid submitted by Envirotech Services, Inc. be rejected.

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

Accordingly, authorization is requested to award a contract to Innovative Municipal Products, Inc. D/B/A Innovative Surface Solutions for liquid de-icing materials for a total amount not to exceed \$242,190.00, subject to funding availability at the time of order. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

191-08-2018

In a document dated August 7, 2018, **2018-2021 Snow Removal and Salting Services**

(Re-bid), Longford Landscapes & Excavation, Inc., Silvi Concrete of Englishtown, RM-141055 (Maintenance), Budget Code: Various, Amount: \$810,000.00 (3-Year Contracts),

was approved.

Authorization is requested to award contracts for snow removal and salting services for three (3) designated locations on the New Jersey Turnpike. These contracts will be for three (3) years with the option to extend for two (2) additional one-year terms. Bidders were required to bid "Regular" and "Standby" hourly rates for the specified equipment at each location with the maximum allowable hourly bid rate for loaders capped at \$350.00 and the maximum allowable hourly bid rate for Standby not to exceed 50% of the hourly rate bid for Regular operating time. The bid also established fixed rates for supervisory and/or back-up vehicles at \$125.00 per hour (for both Regular and Stand-By hours). The bid was fully advertised and the 34 vendors listed in the Authority's database for the referenced services were notified of the procurement. Bids were received on June 25, 2018.

The Maintenance and Procurement Departments thoroughly reviewed all bids and make the following recommendations:

1. Staff recommends that the three (3) contracts (STS-7B-18, STS-12B-18, and STS-13B-18) be awarded to the lowest responsible bidders (**highlighted in bold in the attached bid results**).

2. Non-Compliance

An additional bid was submitted by M&M Trucking Gudullu, LLC, Burlington, NJ ("M&M") for contracts STS-7B-18, STS-12B-18, and STS-13B-18. M&M's bid, however, was found to have several deficiencies during the equipment site inspection conducted by the Maintenance Department. For examples, 1) the dump-body trucks listed in the bid and provided for inspection were not able to carry the Authority provided salt spreaders as required in the Pre-Award Vehicle/Equipment Inspection Checklist ("Inspection Checklist") in the RFB (Sec.2; page 42, B-h4). Contracts STS-7B-18, STS-12B-18, and STS-13B-18 specifically require the use of Authority issued V-body salt spreaders, therefore, this deficiency is significant; 2) M&M's vehicles had no mounted plow lighting as required in the RFB (Sec.2; page 29, Part 13, A-3); and 3) One of M&M's vehicles had an expired annual diesel certification as required in Inspection Checklist I the RFB (Sec.2; page 42, B-4a). The vendor failed to adequately resolve these deficiencies within the given cure period. Thus, it is recommended that the bid submitted by M&M Trucking Gudullu, LLC be rejected.

3. The Authority conducted a re-bid for four (4) Areas which had received no bids from the prior solicitation, namely LTP-02-18, LTP-03-18, LTP-04-18 and LTP-05-18. The re-bid was fully advertised and the 34 vendors listed in the Authority's data base for the referenced services were notified of the procurement. The re-bids were due July 25, 2018. For the second time, however, no bids were received for all four Areas. Pursuant to the Authority's enabling

statute N.J.S.A. 27:23-6.1(a), since no bids were received on two occasions, staff can and will negotiate contracts with available responsible contractors for the four outstanding contracts. Given the need to establish these essential service contracts in a timely basis, authorization is requested to grant delegated authority to the Executive Director to award the four contracts to the lowest responsible contractors upon receipt and review of the bids. The awards will be ratified by the Board of Commissioners at a later date.

4.

At the July 24th Board of Commissioners Meeting, Agenda No. 163-07-2018, an award of contract was made to Silvi Concrete of Englishtown for Contract # LHC-ODI-18. The Item (under Bid Results) inadvertently stated that the equipment was "Plow Trucks w/Authority supplied Plows & Spreaders" instead of "Loaders as Specified". This Item seeks to correct the equipment information.

Bids were procured, and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-1 *et seq.*, the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is 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 contracts to Longford Landscapes & Excavation, Inc. and Silvi Concrete of Englishtown for snow removal and salting services as outlined herein, for a total amount not to exceed \$810,000.00 for the three (3) snow seasons, subject to funding availability at the time of service. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendors. The prices for the succeeding years of the contract will be adjusted yearly based on a Consumer Price Index ("CPI") factor consisting of the average of 1) the New York/ Northern New Jersey CPI and 2) the Philadelphia/Southern New Jersey CPI. The maximum annual increase permitted, however, shall be five percent.

Authorization is also requested to permit direct negotiations with available snow removal vendors for Contract Nos. LTP-02-18, LTP-03-18, LTP-04-18 and LTP-05-18, in accordance with N.J.S.A. 27:23-6.1(a), and to delegate authority to the Executive Director to award the negotiated contracts listed in No. 3 above.

TURNPIKE LOCATIONS

Contract STS-7B-18 RAMPS- INTERCHANGE 7A/8A TMD5 Estimated Contract Value - \$ 54,000.00

		Longford Landscapes and Excavation Hamilton, NJ	
	Bid Hours	Hourly Rate	Total
Regular Time			
1. Plow Trucks w/Authority supplied plows & spreaders (2)	8	\$465.00	\$ 7,440.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00
Standby Time			
1. Plow Trucks w/Authority supplied plows & spreaders (2)	2	\$230.50	\$ 920.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00
TOTALS			\$ 8,860.00

Contract STS-12B-18 MM 67.6 to INT. 8 to MM 83.3 INT. 9
– TMD5 Estimated Contract Value - \$ 108,000.00

		Silvi Concrete of Englishtown Fairless Hills, PA	
	Bid Hours	Hourly Rate	Total
Regular Time			
1. Plow Trucks w/Authority supplied plows & spreaders (4)	8	\$645.00	\$20,640.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00
Standby Time			
1. Plow Trucks w/Authority supplied plows & spreaders (4)	2	\$322.50	\$ 2,580.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00
TOTALS			\$23,720.00

Contract STS-13B-18 MM 83.3 INT. 9 to MM 91.0 INT. 11
– TMD6A Estimated Contract Value - \$ 108,000.00

		Silvi Concrete of Englishtown Fairless Hills, PA	
	Bid Hours	Hourly Rate	Total
Regular Time			
1. Plow Trucks w/Authority supplied plows & spreaders (4)	8	\$645.00	\$20,640.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00
Standby Time			
1. Plow Trucks w/Authority supplied plows & spreaders (4)	2	\$322.50	\$ 2,580.00
2. Supervisory Vehicle (1)	2	\$125.00	\$ 250.00
TOTALS			\$23,720.00

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STATE/GOVERNMENT CONTRACTS

192-08-2018

In a document dated August 3, 2018, State Contract Modifications, At prior Board of Commissioners meetings, the Authority approved purchases (up to a maximum authorized dollar amount) from the vendors listed herein under the New Jersey State contracts referenced below. The terms of the referenced State contracts have since been extended and additional funds are needed to purchase these necessary goods and/or services through the extended terms of the State contracts: was approved.

Description /Original Agenda Item	Vendor Name	Req. Number	NJTA Contract No.	NJ State Contract No. Expiration	Current Authorized Amount	New Authorized Amount	Req. Increase Amount
Whelen Warning Lights and Accessories 247-06-2012	EastCoast Emergency Lighting, Inc.	RM-142426 (State Police/ Maint)	1696	81336 Expires 10/26/18	\$1,430,000.00	\$1,520,000.00	\$90,000.00
Lawn and Grounds Equipment Parts and Repairs 196-07-2017	Cherry Valley Tractor Sales, Inc.	RM-142587 (Maint)	2461	43022 Expires 2/16/20	\$295,000.00	\$545,000.00	\$250,000.00
Total							\$340,000.00

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

Accordingly, given that the period of time during which the Authority may make additional purchases under the referenced State contracts was extended through the new expiration dates of those contracts, approval is hereby requested to increase the Authority's current authorized amounts to the new authorized amounts stated above, subject to funding availability at the time of order or service.

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PROFESSIONAL SERVICES

193-08-2018

In a document dated August 7, 2018, **Professional Liability Insurance Broker Services, Aon Risk Services Northeast, Inc., RM-139058 (Law Department), Budget Code: Various, Amount: \$175,000.00 (3-year Contract)**, was approved.

The New Jersey Turnpike Authority ("Authority") issued a request for proposal ("RFP") to engage a firm to provide professional liability insurance broker services. Specifically, the firm will provide insurance broker services for the Authority's Architect & Engineers Professional Liability and Owners Protective Professional Liability programs. The Scope of Services, include but are not limited to, managing the risks inherent with the Authority's construction and maintenance operations; claims management and related administrative services.

The RFP was advertised on May 29, 2018 in the Star Ledger and the Asbury Park Press and posted on the Authority's and State of New Jersey websites. In addition, the sixteen (16) firms listed in the Authority's database for the referenced services were notified of the procurement. On June 22, 2018, proposals were received from the following four (4) firms:

- Aon Risk Services Northeast, Inc. New York, NY ("AON")
- Marsh & McLennan Companies, Morristown, NJ
- William H. Connolly & Co., LLC, Montclair, NJ
- Willis Towers Watson – Short Hills, NJ ("Willis")

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An Evaluation Committee (the "Committee"), established by the Executive Director, consisted of personnel from the Law, Engineering and Finance Departments. In addition, the Director of the Procurement and Materials Management Department and the Authority's Risk Management Consultant served as non-voting members of the Committee. The Committee reviewed the written proposals based on the criteria set forth in the RFP and scored each firm individually. Based on the Committee's review of the proposals, the Committee invited representatives from the two top-ranked firms, Aon and Willis to make oral presentations and provide best and final offers ("BAFOs"). Based upon the written and oral presentations, the Committee prepared a report that detailed the evaluation process and set forth its findings and recommendation.

The Committee found that both Aon and Willis demonstrated high levels of experience and were responsive to the RFP Scope of Services. Each firm provided professional and comprehensive oral presentations and both met or exceeded the requirements for the project team and for servicing public sector clients. The Committee, however, concluded that the proposal submitted by Aon demonstrated the most benefit to the Authority, and thus received the highest score. Aon submitted a proposal that was explicitly tailored to each section of the RFP's Scope of Services, indicating the firm's thoughtful preparation. In addition, Aon's proposed project team is experienced in servicing and brokering a full complement of professional liability type programs. The Committee was impressed with the project team's familiarity with public/private partnership risk advisory and brokering services along with their understanding of the needs and constraints of public entities, such as the Authority. Moreover, the proposed "market facing" member of the Aon's project team has many years of experience brokering and servicing professional liability programs akin to the Authority's. Aon submitted a final fee proposal of \$58,334 annually and proposed fees of \$61,250 for the fourth year and \$64,312 for the fifth year if the Authority opts to extend the contract. The Committee found that Aon scored the highest on the qualitative criteria and proposed the lowest fees, making Aon the recommended broker for the underlying brokerage services.

This professional services procurement was conducted in accordance with *N.J.S.A. 27:23-6.1*, *N.J.A.C. 19:9-2.1(b)*, Executive Order No. 37 (Corzine 2006), and Executive Order No. 26 (Whitman 1994). This award is 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 contract to Aon Risk Services Northeast, Inc. to provide professional liability insurance brokerage services for the 3-year term in an amount not to exceed \$175,000. Authorization is further requested for the Executive Director to approve each of the two (2) optional one-year extensions upon satisfactory performance by the

firm in the amounts not to exceed \$61,250 for the first extension year and \$64,312 for the second extension year, all subject to funding availability at the time of service. It is also requested that the Executive Director be authorized to take such actions and to execute any-and-all documents that may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

194-08-2018

In a document dated August 6, 2018, Payment Processing Services, Fairfax Imaging, Inc., RM-137425 (Finance), Budget Code: Various, Amount: \$285,000.00 (3-year Contract), was approved.

The New Jersey Turnpike Authority ("Authority") issued a request for proposal ("RFP") to engage a firm to provide payment processing services. Specifically, the firm will provide payment processing services to those Authority's patrons who have driven through cash toll lanes without funds (a practice referred to as payment without funds "PWOFF"). Specifically, the Services, include but are not limited to: establishing and maintaining a secure lockbox to collect and process PWOFF payments via cash, check or money orders; data file transfers that includes all PWOFF transactions; providing a bank account for PWOFF deposits and applicable reporting.

The RFP was advertised on May 29, 2018 in the Star Ledger and the Asbury Park Press and posted on the Authority's and State of New Jersey websites. In addition, the sixteen (16) firms listed in the Authority's database for the referenced services were notified of the procurement. On June 20, 2018, proposals were received from the following eight (8) firms:

1. Bank of America Merrill Lynch – New York, NY ("BAML")
2. Capital One Bank – Fairfield, NJ ("Capital One")
3. Fairfax Imaging, Inc. – Tampa, FL ("Fairfax")
4. Investors Bank – Jackson, NJ
5. JP Morgan – Princeton, NJ
6. TDEC – Bethesda, MD
7. US Bank National Association – New York, NY
8. Wells Fargo Bank N.A. – Princeton, NJ

An Evaluation Committee (the "Committee"), established by the Executive Director, consisted of personnel from the Finance and Internal Audit departments. In addition, the Director of the Procurement and Materials Management Department and the Chief Financial Officer served as non-voting members of the Committee. The Committee reviewed the written proposals based on the criteria set forth in the RFP and scored each firm individually. Based on the Committee's review of the proposals, the Committee invited representatives from the four top-scoring firms, namely BAML, Capital One, Fairfax and JP Morgan, to make oral presentations and provide best and final offers ("BAFOs"). Capital One declined to participate in the oral presentation and therefore, the Committee discontinued evaluating Capital One's proposal. Based upon the written and oral presentations, the Committee prepared a report that detailed the

evaluation process and set forth its findings and recommendation.

The Committee found that the three finalists were qualified and responsive to the RFP Scope of Services. Each firm demonstrated clear understanding of the Authority's needs and each offered a solution to processing PWOFF transactions. The Committee, however, found that Fairfax' Proposal offered the most efficient approach to the Authority providing dedicated services for processing PWOFF. Fairfax has 24 years of PWOFF experience and currently services several other public entities such as the Divisions of Revenue for 36 States including New Jersey, the Oklahoma Tax Commission ("Oklahoma") and Colorado Motor Vehicle. Oklahoma submitted an excellent written reference of Fairfax' service with the Tax Commission over an 11-year period processing approximately 3.2 million transactions annually. Fairfax also proposed utilizing its own processing software, "Quick Modules", that is web-based and customizable. Furthermore, Fairfax' fee proposal is the most competitive for the three-year term, as well as the optional two, one-year extension terms. The RFP requested the firms to propose unit prices based on estimated volume of PWOFF transactions. Based on Fairfax' proposed unit prices, Authority staff concluded that the firm's annual fee would be approximately \$77,000. This estimated fee that is significantly lower than the next-ranked competitor's annual fee proposal at \$130,000. Fairfax also proposes \$106,000 for each of the two, one-year extension terms.

This professional services procurement was conducted in accordance with *N.J.S.A.* 27:23-6.1, *N.J.A.C.* 19:9-2.1(b), Executive Order No. 37 (Corzine 2006), and Executive Order No. 26 (Whitman 1994). This award is 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 contract to Fairfax Imaging, Inc. to provide payment processing services for the 3-year term in an amount not to exceed \$285,000.00. (This amount includes approximately \$10,000 for processing a back-log of PWOFF transactions as well as funds if the estimated number of transactions are exceeded over the three-year term.) Authorization is also requested to approve an annual amount not to exceed \$106,000 for each of the extension years if the Authority opts to extend, all subject to funding availability at the time of service. It is also requested that the Executive Director be authorized to take such actions and to execute any-and-all documents that may be deemed necessary and appropriate to further the intent and purpose of the authorizations stated herein.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item numbers 188-08-2018 through 194-08-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

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GENERAL BUSINESS

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OPERATIONS

Acting Director of Operations Kevin Dunn requested approval of item number 195-08-2018. Moved is the item as follows:

195-08-2018

Acting Director of Operations Kevin Dunn requested acceptance of the **Resume of All Fatal Accidents for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2018 through 7/31/2018; both with 2017-2018 Yearly Comparisons through July 2018.**

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item numbers 195-08-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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CHAIR COMMENTS

Chair Gutierrez-Scaccetti thanked Acting Director of Operations Kevin Dunn for his efforts with the Route 495 16/18E Toll Complex project. Chair Gutierrez-Scaccetti advised that Kevin Dunn made a major change that realigned the express bus lanes at Interchange 16E, by making the change employees of New Jersey Transit and the bus drivers are very grateful.

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

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STATE POLICE

196-08-2018

Major Ernie Giampietro requested acceptance of the **New Jersey State Police Troop D Activity Reports**, for July 2018, with 2017 – 2018 Yearly Comparisons.

On motion by Treasurer Dupont and seconded by Vice Chairman Gravino, the Authority unanimously accepted the reports contained in item number 196-08-2018 and received same for file.

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

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FINANCE

Chief Financial Officer Donna Manuelli requested approval of item number 197-08-2018.

Moved is the item as follows:

197-08-2018

Chief Financial Officer Donna Manuelli presented the Financial Summary for the Seven (7) months ended July 31, 2018, was approved.

On motion by Treasurer DuPont and seconded by Commissioner Diaz the Board unanimously approved item number 197-08-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GUTIERREZ- SCACCETTI	GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO
YES	YES	YES	YES	YES	YES	ABSENT

198-08-2018

Chief Financial Officer Donna Manuelli requested approval of item number 198-08-2018.

Moved is the item as follows:

In a memorandum dated August 3, 2018, Recommendation to Adopt Resolution Extending and Modifying the E-ZPass Green Pass Discount, was approved.

At its October 10, 2008 meeting, under Agenda Item No. 192-08, the Authority's Board of Commissioners authorized the implementation of a revised toll proposal which included the addition of several new "off-peak" discounts for E-ZPass customers. One of the new discounts was an additional 10% "Green Pass" off-peak E-ZPass discount. The specifics of this discount as authorized are:

- Discount is available only through the NJ E-ZPass Program.
- Discount applies off-peak only.
- Discount is 10% off the off-peak rate.
- Customers must enroll in the plan and provide proof of eligibility (vehicles that obtain at least 45 miles per gallon and meet the California Super Ultra Low Emission Vehicles (SULEV) standard).

- Private account only (no business or commercial).
- Tag specific program. Applies only to specified tag within the account. (A green color tag will be issued to the patron).
- Discount is available on both the Turnpike and Parkway.
- All trips are eligible for the discount provided they are off-peak.
- Aggregate value of discount is capped at \$250,000 per year for all eligible participants.

The Green Discount Plan was originally set to expire on November 30, 2013. However, the board reauthorized the plan for an additional five (5) years at its meeting on September 24, 2013 and expanded eligibility to include electric or hybrid vehicles that achieve a United States Environmental Protection Agency (USEPA) rating of 45 miles per gallon or more. The current plan expires on November 30, 2018. Staff believes that this program is beneficial for the residents of New Jersey and for the environment. As such, staff recommends that the expanded program be continued for another five (5) years. The new expiration date for the Green Pass Discount would be November 30, 2023.

The Authority has received the required pre-approval letters from the Governor and the State Treasurer. In addition, the Authority's Traffic Engineering Consultant has reviewed the program and determined that it does not have a material impact on the Authority's traffic and revenue forecasts, and is therefore in compliance with toll adjustment limitations contained in the Authority's Turnpike Revenue Bond Resolution. Therefore, the Board is hereby requested to adopt the attached resolution extending the "Green Pass" discount program as detailed above.

032215

**RESOLUTION EXTENDING THE EXPIRATION DATE OF GREEN PASS DISCOUNT
TO NOVEMBER 30, 2023**

Adopted August 21, 2018

WHEREAS, the New Jersey Turnpike Authority (the "**Authority**") is a public body corporate and politic of the State of New Jersey, organized pursuant to the New Jersey Turnpike Authority Act of 1948, constituting Chapter 454 of the Laws of 1948 of the State of New Jersey, as amended and supplemented (the "**Act**"), and is authorized pursuant to the Act to design, construct, operate and maintain transportation and highway projects, including but not limited to, the New Jersey Turnpike (the "**Turnpike**") and the Garden State Parkway (the "**Parkway**"), all as more particularly set forth in the Act;

WHEREAS, on October 10, 2008, the Authority's Board of Commissioners adopted a resolution which authorized the implementation of certain toll discount programs, including an additional 10% "Green Pass" off-peak discount for E-ZPass customers (the "**Green Pass Discount**") driving on the Turnpike and the Parkway;

WHEREAS, as originally implemented, the Green Pass Discount was scheduled to expire on November 30, 2013;

WHEREAS, on September 24, 2013, the Authority's Board of Commissioners adopted a resolution which extended the expiration date for the Green Pass Discount to November 30, 2018 and modified the Green Pass Discount to include electric or hybrid vehicles which are certified to the Super Ultra Low Emission Vehicles Standard (SULEV) and achieving a United States Environmental Protection Agency (USEPA) highway fuel economy rating of 45 miles per gallon or more;

WHEREAS, given that the Green Pass Discount is beneficial for the environment and the residents of New Jersey, the Authority now desires to further extend the expiration date for the Green Pass Discount to November 30, 2023;

WHEREAS, the Authority has previously adopted and in effect a resolution entitled "Turnpike Revenue Bond Resolution", initially adopted by the Authority on August 20, 1991, as amended and restated on September 26, 1991, as further amended and restated on November 22, 1991 and as further amended and supplemented from time to time in accordance with its terms (the "**Bond Resolution**");

WHEREAS, pursuant to Section 713(d) of the Bond Resolution, the Authority has covenanted with the holders of its outstanding bonds not to effect any reduction in any toll fixed for the use of the Turnpike and the Parkway except after 30 days' notice to the trustee under the Bond Resolution (the "**Trustee**") and then only if, accompanying said notice, there shall be filed with the Trustee, a certification of the Authority to the effect that the cumulative reductions in the tolls in the immediately preceding 12 months, including the proposed extension of the expiration date for the Green Pass Discount to November 30, 2023 and all other reductions as if they had

been in effect for such period, would not reduce Net Revenues (as defined in the Bond Resolution) for such period by more than one percent (1.0%), with schedules of traffic and toll collections demonstrating such conclusions, and that, taking into account such reductions, the Authority would have met the Net Revenue Requirement (as defined in the Bond Resolution) for such period;

WHEREAS, based in part upon the letter of CDM Smith, dated July 12, 2018, a copy of which is attached hereto as Exhibit A, the Authority has determined that it can make the required certification to the Trustee regarding the extension of the expiration date for the Green Pass Discount to November 30, 2023; and

WHEREAS, in accordance with Section 3(F) of the Act, the Authority has received the written approval of both the Governor and the Treasurer of the State of New Jersey of the adoption by the Authority of this Resolution extending the expiration date for the Green Pass Discount to November 30, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE NEW JERSEY TURNPIKE AUTHORITY, as follows:

Section 1. The expiration date for the Green Pass Discount is hereby extended to November 30, 2023.

Section 2. Except as otherwise amended or modified by the provisions of this Resolution, all of the other terms and provisions of the Green Pass Discount currently in effect shall remain in full force and effect.

Section 3. This Resolution shall take effect at the earliest time specified in Section 3(F) of the Act.

Section 4. Subsequent to the effectiveness of this Resolution as provided in Section 3 hereof, the Executive Director shall, as required by Section 713(d) of the Bond Resolution, send notice to the Trustee, together with the required accompanying certification of the Authority, informing the Trustee of the extension of the expiration date for the Green Pass Discount to November 30, 2023 effectuated by this Resolution. The extension of the Green Pass Discount effectuated by this Resolution shall take effect 30 days after the receipt by the Trustee of such notice and certification.

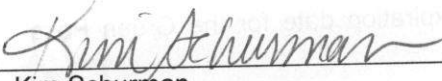
Exhibit A – Letter of CDM Smith Dated July 12, 2018 – Attached

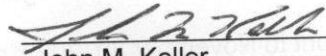
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The motion to adjourn was made by Treasurer DuPont and seconded by Commissioner Diaz, and, after the voice vote, the motion was duly adopted. The Board of Commissioners adjourned the meeting at 9:53 a.m., and advised that it will meet again on Tuesday, September 25, 2018, at 9:00 a.m., at the Authority's headquarters building located at 1 Turnpike Plaza in Woodbridge, New Jersey.

ATTEST:


Kim Schurman
Secretary to the Authority


John M. Keller
Executive Director

Date: August 21, 2018



77 Hartland Street, Suite 201
East Hartford, CT 06108
tel: 860.529.7615
fax: 860.290.7845

July 12, 2018

Mr. Louis Polise
Financial Analytics Manager – Finance Dept.
New Jersey Turnpike Authority
P.O. Box 5042
Woodbridge, NJ 07095

Subject: Toll Revenue Impacts of Changes to the New Jersey Turnpike Authority Green Pass Discount Program

Dear Mr. Polise:

It is our understanding that modifications are being proposed to the current New Jersey Turnpike Authority (NJTA) Green Pass Discount program. The current program originally implemented in late 2008, was reauthorized in 2013, extending the program until November 30, 2018. NJTA is considering this program to be further extended until November 30, 2023. Under this program, motorists are provided a 10 percent toll rate discount provided they have certified that their vehicle is pre-approved for the discount, they have New Jersey issued E-ZPass, and they are traveling in the off-peak period. Vehicles that obtain at least 45 miles per gallon and meet the California Super Ultra Low Emission Vehicle (SULEV) standard are eligible for the discount. These include electric and hydrogen-fuel vehicles that are categorized as Zero Emission Vehicles (ZEV). Approved vehicles as of August 2017 for the Green Pass Discount program are listed in Table 1.

Exhibit A provides the historical and estimated revenue losses from the discounts provided to motorists since the first full year of the current program's operation in 2009. As shown in Exhibit A, total losses due to the program reached \$57,708 in 2017 and are estimated to be approximately \$70,000 in 2018. The forecast assumes toll revenue losses from the current program would amount to an estimated \$190,000 by 2023.



SECRET
10/1/54

TO: [illegible]
FROM: [illegible]
SUBJECT: [illegible]

[illegible]

[illegible]

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Mr. Louis Polise
July 12, 2018

Page 2

Table 1
Vehicles certified California SULEV (or higher) and achieving EPA Highway 45mpg or higher*

Model	Fuel Type	Highway miles per gallon (mpg)
AUDI A3 e-tron	Gasoline/Electricity	36/86
BMW i3 REx	Gasoline/Electricity	33/103
CHEVROLET Volt	Gasoline/Electricity	42/99
CHRYSLER Pacifica Hybrid	Gasoline/Electricity	33/78
FORD C-MAX Energi Plug-In Hybrid	Gasoline/Electricity	38/87
FORD Fusion Energi Plug-in Hybrid	Gasoline/Electricity	41/91
HONDA Accord <u>Hybrid</u>	Gasoline	47
HYUNDAI Ioniq	Gasoline	54
HYUNDAI Ioniq Blue	Gasoline	59
HYUNDAI Sonata plug-in hybrid	Gasoline/Electricity	40/98
KIA Niro	Gasoline	46
KIA Niro FE	Gasoline	49
KIA Optima plug-in hybrid	Gasoline/Electricity	43/104
MERCEDES-BENZ C350e	Gasoline/Electricity	32/61
MERCEDES-BENZ S550e	Gasoline/Electricity	30/63
TOYOTA Prius	Gasoline	50
TOYOTA Prius	Gasoline	50
TOYOTA Prius Eco	Gasoline	53
TOYOTA Prius Prime	Gasoline/Electricity	53/121
VOLVO XC 90	Gasoline/Electricity	27/55
BMW i3 BEV	Electricity	106
BMW i3 BEV (60Ah)	Electricity	111
CHEVROLET Bolt	Electricity	110
FIAT 500e	Electricity	103
FORD Focus Electric	Electricity	96
HONDA Clarity	Electricity	103
HONDA Clarity	Hydrogen	67
HYUNDAI Ioniq Electric	Electricity	122
HYUNDAI Tuscon Fuel Cell	Hydrogen	51
KIA Soul Electric	Electricity	92
MERCEDES-BENZ B250e	Electricity	82
MITSUBISHI i-MiEV	Electricity	102
NISSAN Leaf	Electricity	101
SMART ForTwo Elec. Drive (coupe)	Electricity	94
TOYOTA Mirai	Hydrogen	67

*(Limited to releasable data submitted to EPA earlier than 08/25/2017)

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Mr. Louis Polise
July 12, 2018

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Exhibit A
Historical and Estimated Green Pass Discounts
New Jersey Turnpike System

Year	Based on Current Green Pass System (1)		
	Turnpike	Parkway	Total
2009 (2)	\$1,242	\$795	\$2,036
2010 (2)	2,825	1,799	4,624
2011 (2)	5,217	2,825	8,042
2012 (2)	13,883	7,925	21,807
2013 (2)	21,534	9,104	30,638
2014 (2)	27,600	12,271	39,871
2015 (2)	34,429	15,380	49,810
2016 (2)	36,292	16,879	53,170
2017 (2)	39,345	18,363	57,708
2018	50,000	20,000	70,000
2019	60,000	30,000	90,000
2020	70,000	30,000	100,000
2021	90,000	40,000	130,000
2022	110,000	50,000	160,000
2023 (3)	130,000	60,000	190,000

(1) These are the actual and expected losses due to the current Green Pass program as it is currently operated.

(2) Reflects actual Green Pass revenue losses due to toll discounts through Calendar Year 2017.

(3) The Green Pass Discount program would expire in 2023.

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Mr. Louis Polise
July 12, 2018

Page 4

Systemwide toll revenue in 2017 was approximately \$1.6 billion and is estimated to grow slightly in 2018. By 2023, the systemwide toll revenue is estimated to increase to approximately \$1.7 billion. The revenue losses with the extension of the program is estimated to be about 0.01 percent of toll revenue in each year. Therefore, the Green Pass Discount program is not anticipated to have a material impact on NJTA toll revenue over the forecast period.

Very truly yours,

A handwritten signature in cursive script that reads "Scott A. Allaire".

Scott A. Allaire
Vice President
CDM Smith Inc.

A handwritten signature in cursive script that reads "Yogesh Patel".

Yogesh Patel
Project Manager
CDM Smith Inc.

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