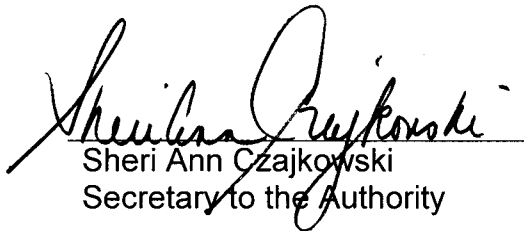


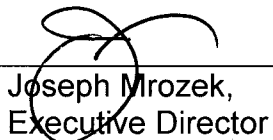
**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, Joseph Mrozek, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such **Executive Director** certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the July 28, 2015 Regular Meeting of the Authority.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority **this 28th day of July, 2015.**

ATTEST:


Sheri Ann Czajkowski
Secretary to the Authority


Joseph Mrozek,
Executive Director

Corporate Seal

Date: July 28, 2015

**Received in the Governor's Office on July 28, 2015
(hand delivered)**

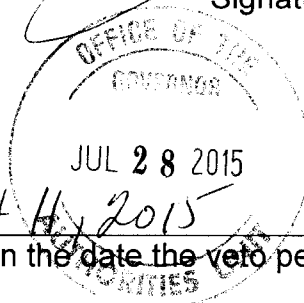
Received by:

LASHANA KIRK
Print Name


Signature

Veto Period Ends:

August 14, 2015
(Write in the date the veto period ends)



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

Tuesday, July 28, 2015

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Chairman Jamie Fox called the Authority into session in the Executive Boardroom of the Authority's Administration Offices, Woodbridge, New Jersey, at 9:00 A.M.

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PRESENT

Present were Chairman Jamie Fox, Vice Chairman Ronald Gravino, Treasurer Michael DuPont, Commissioner Ulises Diaz, Commissioner Daniel Becht, and Commissioner John Minella. Commissioner Raymond Pocino was absent.

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ALSO PRESENT

Executive Director Joseph Mrozek; Chief Operating Officer John O'Hern; Chief Engineer Robert Fischer; General Counsel Bruce Harris; Chief Financial Officer Donna Manuelli; Director of Human Resources Mary-Elizabeth Garrity; Director of Internal Audit James Carone; Acting Assistant Director of Maintenance William Perna; Deputy Director of Operations Kevin Dunn; Director of Procurement and Materials Management Andrea Ward; Chief Information Officer Barry Pelletteri; Director of Tolls Robert Quirk; Major Eric Heitmann, State Police Troop D; and Secretary to the Authority Sheri Ann Czajkowski.

Also present were: Governors' Authorities Unit Representatives Lisa LeBoeuf, Patrick O'Reilly, Esq., of the Authority's Outside Counsel Chiesa, Shahinian & Giantomasi, additional individuals consisting of other NJTA employees; interested organizations; the general public; and from the media: New Jersey Advance Media.

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NOTICE OF MEETING

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

Executive Director Mrozek takes Roll Call:

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

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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:

- Real Estate; and
- Contract Negotiations

The motion was made by Vice Chairman Gravino 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 9:38 a.m. Chairman Fox resumed the public portion of the meeting at 9:40 a.m.

Executive Director Mrozek takes Roll Call:

1. Chairman Fox
2. Vice Chairman Gravino
3. Treasurer DuPont
4. Commissioner Diaz
5. Commissioner Becht
6. Commissioner Minella

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ACTION ON MINUTES

The Executive Director reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Chris Christie received the proceedings of the regular meeting of June 30, 2015; he did not exercise his power to veto any items in those minutes.

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

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RECUSALS

The Executive Director reported recusals or abstentions submitted for the record:

- **Treasurer DuPont is recusing on item 280**

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PUBLIC COMMENT

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MURRAY BODIN, CONCERNED GRANDPARENTS

Mr. Bodin showed a t-shirt to the Board and he said that the words on it indicated change. Bodin again asked the Board to push for changing the Authority to be prepared for the future. Bodin also again discussed the importance of up arrows on static road signs and highway line striping. Bodin indicated that things will be better if people and agencies are willing to embrace change.

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ROBERT FILIPCZAK, RETIRED GOVERNMENT SCIENTIST, LINWOOD, NJ

Mr. Filipczak appeared before the Board to again address the detention basins which the Authority constructed at Exits 41 and 44 on the Parkway. He requested that the water be tested in these basins. Filipczak noted that he had written an editorial for the Press of Atlantic City criticizing DEP's requirement that the Authority construct the detention basins.

Mr. Filipczak stated that the Authority is wasting money constructing detention basins where they are not needed. And the Authority has to spend additional monies to install guardrail to prevent motorists from driving into the basins. Before the basins were installed, flat areas existed which did not require guardrail.

Mr. Filipczak said some of the Parkway remains beautiful. But too many beautiful, natural areas are being scarred with fences and basins.

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EXECUTIVE DIRECTOR'S COMMENTS

No comments made.

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COMMISSIONER'S COMMENTS

No comments made.

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 280-07-2015. Moved is the item as follows:

280-07-2015

Human Resources Director Garrity submitted the **Personnel Agenda**, dated July 28, 2015, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

On motion by Vice Chairman Gravino and seconded by Commissioner Becht 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

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	RECUSED	ABSENT	YES	YES	YES

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General Counsel Bruce Harris requested approval of item numbers 281-07-2015 through 289-07-2015. Moved as a group those items are as follows:

281-07-2015

In a memorandum dated July 17, 2015, **Authorization for the Sale of Surplus Property, Parcel DE3-18A, Hope Chapel Road, Township of Jackson, County of Ocean, Amount \$49,000.00**, was approved.

New Jersey Turnpike Authority Surplus Property Parcel DE3-18A (the "Property") consists of 1.475 acres of vacant land on Hope Chapel Road in Jackson. The Property is low lying and partially wet. The Board of Commissioners declared the Property surplus to the Authority's needs under Agenda Item No. 51-04 in February 2004 and it was recertified as surplus by the Authority's departments in April 2013.

In accordance with the Authority's Surplus Property Policy (the "Policy"), the Property was offered for sale through a public bid process in October 2014 with an advertised minimum bid price of \$50,000.00. No bids were received. In accordance with the Policy, the Property was thereafter listed with the Authority's real estate broker, who has presented two offers:

- 1) \$20,000.00 from 875-879 Springfield Management LLC of Lakewood, NJ
- 2) \$49,000.00 from XR Properties LLC of Lakewood, NJ

The Law Department and the Authority's Real Estate Consultant have reviewed these offers and recommend that the higher offer be accepted and the lower offer rejected.

Accordingly, it is recommended that the Executive Director be authorized to take any steps necessary to sell the Property to XR Properties LLC in accordance with the terms set forth herein and the Authority's Surplus Property Policy, and to reject the offer from 875-879 Springfield Management LLC. 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 the purchaser pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

282-07-2015

In a memorandum dated July 17, 2015, **Authorization to Extend the Professional Services Agreement with Xerox State & Local Solutions, Inc.**, was approved.

The New Jersey Turnpike Authority ("Authority") is the lead agency administering the New Jersey E-ZPass Customer Service Center ("CSC"), which handles back office operations for the electronic toll collection requirements of the Authority, South Jersey Transportation Authority,

Delaware River Port Authority, Delaware River and Bay Authority, Burlington County Bridge Commission, and the Delaware River Joint Toll Bridge Commission. Under a Professional Services Agreement ("Agreement") effective August 1, 2002, Xerox State and Local Solutions, Inc. ("Xerox") acts as the Authority's contractor for the operation and maintenance of the CSC. The current expiration date of the Agreement is July 31, 2016.

The Authority is in the midst of a public, competitive procurement process to obtain a new CSC contractor. Because of the complicated nature of this procurement, and the need to ensure that the Authority and the other agencies have sufficient time to review the proposals received, as well as to ensure that the vendor selected has sufficient time to implement the required, detailed specifications of the Authority and the other agencies for their electronic toll collection, Authority staff recommend that the current Agreement with Xerox be extended by six months, through January 31, 2017, under the same terms and conditions as currently exist.

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

283-07-2015

In a memorandum dated July 20, 2015, **a Request for Authorization to enter into Memorandum of Agreement No. 119-15 with the South Jersey Transportation Authority ("SJTA") for Design/Construction Coordination of Improvements to Atlantic City Expressway Bridge Nos. 20EB and 20WB for the Garden State Parkway, Amount: \$10,000,000.00**, was approved.

The New Jersey Turnpike Authority ("Authority") is currently undertaking an improvements project ("GSP Project") on the Garden State Parkway ("GSP"), which includes areas in the vicinity of Interchange 38 on the GSP where the Atlantic City Expressway ("ACE") is carried over the GSP by Bridge Nos. 20EB and 20WB. The South Jersey Transportation Authority ("SJTA"), which operates the ACE, has requested that the Authority include the full deck replacement of ACE Bridge No. 20EB and the widening and full deck replacement of ACE Bridge No. 20WB as part of the GSP Project, which is being constructed under Contract No. P300.253.

As the ACE is considered a "feeder road" of the GSP within the definition set forth in N.J.S.A. 27:23-4, in that the ACE is "necessary, desirable or convenient to create or facilitate access" to the GSP. Authority staff recommends that this request be granted and that a Memorandum of Agreement ("MOA") be entered into with the SJTA for the design, construction and coordination of the requested improvements to the ACE Bridge Nos. 20EB and 20WB (the "Deck Replacement Project").

Additionally, upon a determination by the Authority that (i) the ACE creates or facilitates access to the GSP and (ii) the completion of the Deck Replacement Project will increase or maintain Net Revenues (as defined in the Authority's Bond Resolution), the ACE will be considered a "Feeder Road" for purposes of the Authority's Bond Resolution and the Authority will be permitted to use bond proceeds to fund all or a portion of the costs of the Deck Replacement Project.

Under the proposed MOA, SJTA will be responsible for the design, permitting and utility work necessary for the Deck Replacement Project and all related costs. NJTA would, at its sole cost and expense, be responsible for all other construction aspects of the Deck Replacement Project, including construction, construction supervision and project management. The construction work would be performed through a change order to Contract No. P300.253, and total costs for the Deck Replacement Project are not anticipated to exceed \$10,000,000.00.

Accordingly, it is requested that Board of Commissioners delegate to the Executive Director the authority to execute Agreement No. 119-15 with the SJTA pursuant to the terms outlined above. It is further recommended that the Commissioners authorize the Executive Director to execute any such other documents and take any such other actions as are deemed necessary to effectuate the intent of this authorization.

284-07-2015

In a memorandum dated July 14, 2015, **Authorization to Increase the Amount to be Paid by the Authority for Expert Costs In Connection with the Division of Law, New Jersey Department of Law and Public Safety's Investigation of Certain Bond Underwriting Matters**, was approved.

Since 2009, the New Jersey Department of Law and Public Safety, Division of Law ("DOL") has been investigating certain underwriting matters in connection with the issuance of bonds by the State of New Jersey (the "State") and by certain State agencies and authorities, including the New Jersey Turnpike Authority ("Authority"). These underwriting matters involve possible claims the State and the Authority may have under the New Jersey False Claims Act and other laws.

Pursuant to Agenda Item 085-03-2014, the Commissioners authorized the Executive Director to execute a Memorandum of Understanding with DOL pursuant to which DOL would represent the Authority and the Department of the Treasury ("Treasury") in this investigation. The Agenda Item also authorized the Authority to share in the costs of experts retained by the DOL in this investigation up to an amount of \$150,000. Treasury authorized the payment of an equal amount. The underwriter being investigated has retained its own experts and challenged the analysis of DOL's experts, and DOL has requested that Treasury and the Authority authorize the payment of an additional \$40,000 to DOL's experts to conduct further analysis. Treasury has

agreed to this request and has authorized the payment of half of the increase, an additional \$20,000.

Accordingly, it is requested that the Authority's Commissioners authorize the Authority to pay the remaining half of the increase, up to an additional \$20,000.

285-07-2015

In a memorandum dated July 8, 2015, **Authorization to Execute an Amended and Restated E-ZPass ® Operations Interagency Agreement**, was approved.

The Authority is a founding member of the E-ZPass Group (the "Group"), which was established in 1998 to implement the operation of the E-ZPass electronic toll collection system among toll agencies. The Group now consists of 26 toll agencies in 15 states. The Group's operations are governed by a number of documents, including an operating agreement that has been amended 10 times, making it unwieldy. The Group has amended and restated the operating agreement to incorporate the 10 amendments, and the Group's governing body, the Executive Management Committee "EMC"), is expected to approve the amended and restated operating agreement (the "Operating Agreement") at its meeting in August. The amendment and restatement does not reflect any substantive changes in the structure or organization of the E-ZPass Group.

Accordingly, it is requested that the Authority's Commissioners authorize the Executive Director, who is the Authority's representative to the EMC, to execute the Operating Agreement upon its adoption by the EMC.

286-07-2015

In a memorandum dated July 8, 2015, **Authorization to Enter into a Memorandum of Understanding with the New Jersey Department of Transportation ("NJDOT") in Connection with the Raritan Baykeeper, Inc. v. NL Industries, Inc. et al.**, was approved.

The Authority and NJDOT are co-defendants (together with NL Industries, Inc.) in this matter, which was filed by the Raritan Baykeeper in 2009 and alleges the co-defendants are liable for the presence of contaminated sediments in the Raritan River in the vicinity of Sayreville, New Jersey. Specifically plaintiffs allege that the Authority is responsible for contamination caused by stormwater runoff from the Driscoll Bridge, and that NJDOT is responsible for contamination caused by stormwater runoff from the Route 9 and Route 35 bridges.

Since the technical issues associated with the source and affects of stormwater runoff are similar for the NJDOT and Authority, and the Authority's expert, Dr. Joseph Ferrara, Ph.D of Kleinfelder, is recognized in this field and has produced a comprehensive report, NJDOT has decided to use Dr. Ferraras's report in its defense, and agreed to share the costs of Dr. Ferrara's services.

Accordingly, the Law Department requests that the Authority's Commissioners authorize the Executive Director to execute a Memorandum of Understanding with NJDOT to effect this cost-sharing arrangement, and to execute any such other documents and take such other actions as are deemed necessary to effectuate the intent of this authorization.

287-07-2015

In a memorandum dated July 22, 2015, **Authorization for the Authority to extend its cyber insurance policy for one additional month upon the same terms and conditions as the current policy, (August 15, 2015 - September 15, 2015), Amount: \$39,000, Account No.: 010-00-893-121010**, was approved.

After having identified the need for cyber insurance to protect the Authority from theft or other unauthorized use of its electronic data, by Agenda Item 262-07-2014, the Commissioners authorized the placement of cyber insurance for a total limit of \$50 million, with five (5) layers of underwriters, each responsible for a \$10 million layer.

The policy includes coverage for a number of potential risks: (1) Network Security Liability (claims resulting from the compromise of computer security); (2) Privacy Liability (claims resulting from a breach of protected confidential information); (3) Regulatory Fines and Claims Expense (costs, such as attorneys fees, associated with a breach of personal information and resulting governmental proceedings for an alleged violation of privacy regulations); (4) Privacy Notification Costs (costs, such as attorneys fees, and for notification and forensic experts, incurred due to a breach of an individual's personally identifiable information); (5) Media Communications Liability (costs arising from claims resulting from media content disseminated by the Authority); (6) Data Restoration Costs (costs associated with damaged or lost electronic information due to a virus, malicious code or other failure of computer security); (7) Extortion Threat (coverage for costs to investigate and terminate a threat to commit an intentional attack against the Authority's computer system); and (8) Crisis Management (costs of credit monitoring services, identity monitoring and identity restoration resulting from the Authority's obligation to comply with privacy laws).

The Authority's casualty insurance broker, Willis of New Jersey ("Willis") was tasked with renewing the policies for one (1) additional year. One of the mid-level underwriters, Crum & Forster, determined that they did not wish to renew the policy for one additional year. Staff agreed with Willis' recommendation that it would be most prudent to extend the policy for one (1) additional month to allow Willis a sufficient amount of time to find an appropriate fit for the renewal of this layer of coverage.

Willis was able to secure a one (1) month extension with the current carriers, as set forth below, upon the same terms and conditions, as the current policy:

<u>Underwriter</u>	<u>Coverage</u>
XL Specialty Insurance Company	Primary \$10 million, subject to \$250,000 deductible
Zurich American Insurance Company	\$10 million excess of \$10 million
AIG	\$10 million excess of \$20 million
Crum & Forster	\$10 million excess of \$30 million
Ironshore Specialty Insurance Company	\$10 million excess of \$40 million

The total premium for the one month extension will not exceed \$39,000. After review and discussion with Law department staff, Hanover Stone Partners, LLC, the Authority's risk manager, and Willis both recommend, and the Law Department agrees, that the Authority extend the coverage as set forth above at the full \$50 million limit.

It is therefore recommended that the Commissioners authorize extension of cyber insurance with a \$50 million limit with 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 any and all further actions to effectuate the renewal/extension of the policies consistent with the intent of the recommendation.

288-07-2015

In a memorandum dated July 16, 2015, **Authorization for the Authority to settle its business interruption claim with its various property underwriters with respect to Superstorm Sandy for \$300,000**, was approved.

The Authority leases the service areas on the Turnpike to HMS Host Toll Roads ("HMS") pursuant to a lease dated September 21, 2000, as amended (the "Lease"). Pursuant to the terms of the Lease, HMS is required to provide the Authority with a percentage of revenue it receives from sales of food, beverages and other items at the various service areas as rent for the use of the Authority's premises. In order to protect this revenue stream, the Authority purchased business interruption insurance from its property carrier. On or about October 29, 2012, Superstorm Sandy caused severe damage to the Grover Cleveland service area including the service area building. Such damage prevented the building from being reopened, resulting in a loss of revenue to the Authority.

The Authority staff and its insurance consultant, Hanover Stone Partners, ("Hanover Stone") pursued the business interruption claim with its insurers. After significant negotiations, the parties were successful in achieving and securing a settlement under our business interruption coverage for a total amount of \$300,000. This amount, added to the approximate \$965,000 in property damage recovery proceeds from the various property insurance carriers, will bring the total amount recovered to date from insurance claims arising from Superstorm Sandy to \$1,265,000.

It is therefore recommended that the Commissioners authorize settlement in full of the business interruption portion of the property damage claim in the amount of \$300,000 as more fully 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 any and all further actions to effectuate the intent of the above recommendation.

289-07-2015

In a memorandum dated July 10, 2015, **Authorization to Settle Formal Workers' Compensation Matter - Margaret Johnson Mills v. N.J. Turnpike Authority, Account No. 10-870-405070, amount \$93,898.67**, was approved.

Petitioner Margaret Johnson Mills is a Parkway Division Toll Plaza Supervisor hired in July 1989. This recommended settlement will resolve three (3) formal Claim Petitions filed in 2011 and 2012 for a work related injuries which occurred on or about February 21, 2011, April 25, 2011 and March 11, 2012.

The petitioner is represented by Ronald Kaplan, Esq. located in Livingston, NJ. The Authority is defended by Special Counsel Andrew Bayer, Esq. of Gluck Walrath LLP, located in Trenton, NJ. The matter is venued in the district office of Freehold before the Honorable Judge Eugene Mulvaney.

Permanency evaluation on behalf of the petitioner was performed by Dr. David Weiss. Permanency evaluation on behalf of the respondent was performed by Dr. Kenneth Peacock.

After extensive consultation and discussions, the Judge of Compensation recommends a settlement award of 53% partial total disability with an Abdullah Credit of 40% for a prior, non-work related injury, or \$93,898.67.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Authority's Benefits Manager. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of **\$93,898.67**.

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

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Authority unanimously approved item numbers 281-07-2015 through 289-07-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

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ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 290-07-2015 through 296-07-2015. Moved is the items as follows:

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PUBLIC BID SOLICITATIONS – AWARD OF CONTRACTS

290-07-2015

In a document dated July 9, 2015, **a Recommendation to Award Contract No. P500.360 for the Garden State Parkway to Dobco Inc. for the Facilities Improvement Program at PMD 5 (Telegraph Hill) MP 116, PMD 6 (Clark) MP 136.7 SB, PMD 7 (Clifton) MP 156.1 NB, and PMD 8 (Paramus) MP 164.2 SB, Ten Year Capital Program Fund No. 39005013, Amount: \$51,999,999.81**, was approved.

This contract will provide for construction of new buildings at PMD 5 in Holmdel, Monmouth County, PMD 7 in Clifton, Passaic County, and PMD 8 in Paramus, Bergen County. Work at PMD 6 in Clark, Union County includes minor renovations as well as HVAC rehabilitation. Multi-use buildings will be constructed at PMD 5 (approximately 18,000 sf), PMD 7 (approximately 14,000 sf), and PMD 8 (approximately 13,300 sf). Also included is demolition of existing multi-use and other buildings at PMD5, PMD7, and PMD 8. Site work includes earthwork, utility work, grading, drainage / stormwater installations, and paving for parking areas for staff and Authority vehicles at PMD 5, PMD 7, and PMD 8.

Four bid proposals were received on June 5, 2015 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$51,999,999.81 may be compared to the Engineer's Estimate in the amount of \$51,363,635.00. The low bidder, Dobco Inc. has not previously performed work for the Authority but has completed projects for Kean University, The College of New Jersey and William Paterson University ranging from \$30 to \$80 million and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P500.360 be awarded to the low bidder, Dobco Inc. of Wayne, New Jersey, in the amount of \$51,999,999.81. 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.

291-07-2015

In a document dated July 13, 2015, a Recommendation to Award Contract No. T500.363 for the New Jersey Turnpike to Joseph A. Natoli Construction Corporation for the Construction of Replacement of Maintenance Building and Salt Storage Shed at Turnpike Maintenance District 4, Hightstown, Milepost 67.0 SB and a new Maintenance Building and Salt Storage Shed at Turnpike Maintenance District 9, Jersey City, Milepost NBHCE 5.9, Ten Year Capital Program Fund No. 39005013, Amount: \$41,087,000.00, was approved.

This contract will provide for construction of a replacement multi-use building and salt storage shed at District 4 Yard in East Windsor Township, Mercer County at Turnpike MP 67.0 SB, and a new multi-use building at District 9 Yard in the City of Jersey City, Hudson County at Turnpike MP NBHCE 5.9. The contract work at District 4 will consist of constructing a 20,000 square foot multi-use maintenance building with associated site and utility work. The salt storage shed will be approximately 13,000 square feet, with a capacity of 4,000 tons. The existing multi-use building will be partially demolished and renovated for trades relocation. The contract work at District 9 will consist of constructing a 12,000 square foot multi-use maintenance building and associated site and utility work.

Six bid proposals were received on July 9, 2015 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$37,650,964.40 came in from Niram, Inc. After the bid opening, Niram, Inc. reviewed its bid and immediately notified the Authority that an error had occurred. Niram, Inc. stated their estimator's computer crashed just prior to the bid opening resulting in an error of approximately \$2M in their bid. As a result, Niram, Inc. requested withdrawal of its bid.

The Law and Engineering Departments reviewed the circumstances of Niram, Inc.'s mistake and agreed Niram, Inc. may withdraw. The Chief Engineer and General Counsel, therefore, recommend that the Authority award Contract No. T500.363 to the next lowest bidder, Joseph A. Natoli Construction Corporation in the amount of \$41,087,000.00. This proposal may be compared to the Engineer's Estimate of \$40,678,345.00. Joseph A. Natoli Construction Corporation has performed work for the Authority and is considered competent to complete this contract. 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)

292-07-2015

In a document dated July 7, 2015, **a Recommendation to Issue Supplement A to Order for Professional Services No. T3293 for the New Jersey Turnpike to Dewberry Engineers Inc. for Design Services for Contract No. T100.184, Bridge Deck Reconstruction, Seismic Retrofit, PEOSHA Catwalk Improvements, Miscellaneous Structural Improvements, Lighting Improvements and Repainting Structural Steel, Str. No. N2.01, Newark Bay Bridge, Milepost N0.00 to N6.00, Ten Year Capital Program Fund No. 39011025, Original OPS Amount: \$8,250,000.00, Amount of Supplement: \$1,960,553.00, Revised OPS Amount: \$10,210,553.00**, was approved.

This Order for Professional Services was approved at the April 2012 Commission Meeting in the amount of \$8,250,000.00 to provide for design and development of contract documents for bridge deck reconstruction from Milepost N0.00 to N1.50 and repainting of the Newark Bay Bridge and main approach spans.

Supplement A will provide for additional design services which were not anticipated and outside the scope of the original OPS. The additional design services include: 1) Addressing Pulaski Skyway Project implications upon the Authority, including utilizing the right shoulder of the Hudson County Extension eastbound as a third lane; 2) Design and award proposed Contract No. T100.381 which will address Hudson County Extension westbound roadway right shoulder bridge deck reconstruction, stringer strengthening and tie plate improvements; 3) Compensate the Consultant due to the delay in design and award of Contract No. T100.184; and 4) Provide for the necessary design of ground mounted sign structures currently mounted to the median on Str. No. N2.01W.

It is, therefore, recommended that Supplement A to Order for Professional Services No. T3293 be issued to Dewberry Engineers Inc. not to exceed the amount of \$1,960,553.00 with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$8,250,000.00 to \$10,210,553.00. 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.

293-07-2015

In a document dated July 16, 2015, **a Recommendation to Issue Supplement C to Order for Professional Services No. T3252 for the New Jersey Turnpike to AECOM for Design and Environmental Permitting for Improvements at Interchange 10, Ten Year Capital Program Fund No. 39003035, Original OPS Amount: \$1,648,000.00, Amount of Supplement A: \$876,000.00, Amount of Supplement B: \$76,000.00, Amount of Supplement C: \$90,100.00, Revised OPS Amount: \$2,690,100.00**, was approved.

This Order for Professional Services was issued at the July 2009 Commission Meeting in the amount of \$1,648,000.00 to provide design and environmental permitting services for the construction of improvements considered necessary to accommodate existing and future traffic volumes at Interchange 10 in Edison Township, Middlesex County.

Supplement A was issued at the June 2011 Commission Meeting in the amount of \$876,000.00 for additional design services required for various out-of-scope tasks. A significant component of the unanticipated efforts involved the need for improvements along Route 287 to improve access to the interchange.

Supplement B was issued at the June 2012 Commission Meeting in the amount of \$76,000.00 for additional design services pertaining to the installation of a new hybrid changeable message sign and a drainage analysis resulting in the ability to eliminate the trough drains on the north toll plaza approach.

Supplement C will compensate AECOM for additional design services required for various out of scope tasks determined to be necessary during the construction of the project. The work includes design efforts pertaining to the replacement of existing bridge deck joints and a redesign of the existing roadway lighting system due to lighting conduits that were found to be unusable.

It is, therefore, recommended that Supplement C to Order for Professional Services No. T3252 be issued to AECOM not to exceed the amount of \$90,100.00, with compensation on the same basis as the original Order for Professional Services. The addition of this amount increases the total authorized fee from \$2,600,000.00 to \$2,690,100.00. The original contract was procured pursuant to N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8.

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NON-COMPETITIVE PROCUREMENTS

294-07-2015

In a document dated July 17, 2015, **Authorization for the Executive Director To Execute Termination for Convenience Agreement to Terminate Contract No. T500.272, Agreement #118-15 with Intercontinental Construction Contracting, Inc. ("ICCI") for Contract No. T500.272-Troop D Newark Station, Turnpike MP 104.7 SB, City of Newark, Essex County**, was approved.

On August 5, 2014, the New Jersey Turnpike Authority entered into Contract No. T500.272 with Intercontinental Construction Contracting, Inc. ("ICCI") for the construction of Troop D Newark Station at MP 104.07SB of the New Jersey Turnpike. The Authority awarded the contract to ICCI on May 28, 2014 and a Notice to Proceed was issued August 8, 2014. Due to ICCI's failure to perform the contract work in a timely and acceptable manner as required by the contract, the Chief Engineer issued a Notice of Delay, Neglect and Default to ICCI, dated May 1, 2015, pursuant to §106.04 of the Authority's Standard Specifications, Sixth Edition 2004, which

allowed ICCI the opportunity to eliminate the causes for default within ten days of the date of the Notice. ICCI was unable to do so.

Given the fact that ICCI had only performed site work valuing \$2.5M of the approximate \$20M total contract work and had not commenced structural construction of the building, the Engineering Department concluded, with the concurrence of the Law Department, that a termination for convenience, rather than for cause, was appropriate. Under the proposed Termination for Convenience Agreement, ICCI will forfeit payments under existing pay estimates and retainage and will pay all outstanding accounts payable to subcontractors and materialman under a release and letter of credit to the Authority. ICCI will also be debarred from bidding on any Authority contract for a period of five (5) years. Termination for convenience allows the Authority to bid the remaining contract work to promptly construct the Troop D Newark Station and thereby avoid the likely extensive delays caused by a contractor default and reliance on the Contract Bond.

Accordingly, the Engineering Department, with the approval of the Law Department, recommends that the Commissioners approve the Termination for Convenience Agreement terminating Contract No. T500.272 and authorize the Executive Director to execute such agreement and to do all things necessary, including the execution of any further document, to carry out the intent and purpose of the Termination for Convenience Agreement.

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FINAL ACCEPTANCES

295-07-2015

In a document dated July 9, 2015, **a Recommendation for Final Acceptance for Contract P100.267 to Ferreira Construction Co., Inc. for Bridge Repairs and Resurfacing Milepost 126 to 172, Maintenance Reserve Fund No. 03020001, Amount Due Contractor: \$72,939.62,** was approved.

All work performed on the construction contract listed below has been completed in accordance with the contract documents and to the satisfaction of the Engineering Department. Accordingly, it is recommended that this contract be deemed complete and approved for Final Acceptance. The table below includes pertinent Change Order and financial information including the final payment amount due the contractor upon Final Acceptance.

Contract No.	Contractor	Award Total Amount	# of Change Orders	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
P100.267	Ferreira Construction Co., Inc.	\$6,153,127.50	5	\$1,066,766.48	\$7,219,893.98	\$72,939.62
Total						\$72,939.62

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 Contractor has certified that there are no liens outstanding against the

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

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ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

296-07-2015

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

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

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Authority unanimously approved item nos. 290-07-2015 through 295-07-2015; 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 296-07-2015 and received same for file.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

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MAINTENANCE

Acting Deputy Director of Maintenance Parkway Kenneth McGoldrick requested approval of item number 297-07-2015. Moved as a group those items are as follows:

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ACKNOWLEDGE REPORTS OF
MAINTENANCE EXPENDITURES UNDER DELEGATED AUTHORITY

297-07-2015

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

- Construction Contract Progress Report

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously accepted the reports contained in item number 297-07-2015 and received same for file.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

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PROCUREMENT (“PMM”)

Director of Purchasing Andrea Ward requested approval of item numbers 298-07-2015 through 317-07-2015. Moved as a group those items are as follows:

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PUBLIC BIDS SOLICITATIONS

298-07-2015

In a document dated July 9, 2015, a Recommendation for Diesel Powered Generators to Cooper Power Systems, R-116237, R-116241, and R-116291, Budget Code: 010 00 500 480060, Amount: \$69,785.00, was approved.

Authorization is requested to award a contract for one (1) 80KW diesel powered generator, one (1) 40KW 3-phase and one (1) 40KW single-phase diesel powered generator. These generators will replace older existing equipment that have exhausted their useful lives. The bid was fully advertised and the six (6) vendors listed in the Authority’s database for this equipment were notified of the procurement. On June 23, 2015, bids were received as follows:

<u>Vendor</u>	<u>80KW</u>	<u>40KW Single</u>	<u>40 KW 3- Ph</u>	<u>Total Price</u>
Cooper Power Systems, Ocean, NJ	\$27,250.00	\$21,235.00	\$21,300.00	\$69,785.00
ENER-G Rudox, Inc., Carlstadt, NJ	\$33,770.64	\$27,482.49	\$27,908.73	\$89,161.86
FM Generator, Inc., Canton, MA	\$34,335.00	\$28,724.00	\$29,352.00	\$92,411.00
Foley, Inc., Piscataway, NJ	\$37,958.00	\$34,402.00	\$34,458.00	\$106,818.00

Departmental Estimate - \$88,000.00

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

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Accordingly, authorization is requested to award a contract to Cooper Power Systems for a total amount not to exceed \$69,785.00.

299-07-2015

In a document dated July 16, 2015, **a Recommendation for Rock Salt (Treated and Untreated) to Morton Salt, Inc. and Oceanport, LLC, RM-116372, Budget Code: 010 01 900 426010 / 010 02 900 426010, Amount: \$13,119,124.20**, was approved.

Authorization is requested to award multiple contracts for the supply of approximately 120,000 tons of treated rock salt and 20,000 tons of untreated rock salt. These products are used to deice the Authority's Roadways and bridges during the winter season.

Treated Rock Salt

Bidders were required to bid a price per ton for treated rock salt as either a primary supplier (80% of the estimated requirement) or a secondary supplier (20% of the estimated requirement) for delivery to any or all of specified locations ("Delivery Locations") on both Roadways. The bid was divided into 30 individual Delivery Locations. Bidders were not allowed to bid the same Delivery Location as both a primary and secondary supplier.

The bid was fully advertised and the 12 vendors listed in the Authority's database for this commodity were notified of the procurement. On July 10, 2015, bids were received from four (4) vendors. Unit prices are in the attached bid summary.

Three (3) vendors submitted bids for treated rock salt. Based upon the bid results (highlighted in bold in the attached bid summary), authorization is requested to award the following contracts:

1. **Morton Salt, Inc., Chicago, IL** as the primary supplier for 17 locations for an estimated 57,000 tons of treated rock salt for a total contract value not to exceed **\$5,108,999.20**.
2. **Oceanport, LLC, Claymont, DE** as the primary supplier for 13 locations, for an estimated 36,000 tons of treated rock salt for a contract value not to exceed \$3,143,320.00, and as the secondary supplier for 17 locations for an estimated 14,000 tons for a contract value not to exceed \$1,347,605.00, for a total amount not to exceed **\$4,490,925.00**.

Non-Compliance:

An additional bid was received from Cargill, Inc. Deicing Technology Business Unit ("Cargill") of North Olmstead, Ohio. This bidder, however, bid as both a primary and secondary supplier for the same Delivery Locations, contrary to the specifications. The Request for Bid ("RFB") Instructions as well as the "Basis of Award" clearly stated that "Bidders may bid on one or multiple locations as either a Primary vendor or Secondary vendor, "BUT NOT BOTH". Thus, it is recommended that the bid received from Cargill, Inc. be rejected.

No bids were received at four Delivery Locations for the secondary supply for treated salt. These four Delivery Locations need to be re-bid. In addition, Cargill had submitted bids for nine secondary supply Delivery Locations. Given the recommendation to reject all of Cargill's bids, authorization is requested to re-bid these nine Delivery Locations. Therefore, the Authority will rebid 13 Delivery Locations.

Untreated Rock Salt

Bidders were also requested to bid on 20,000 tons of untreated rock salt. Bidders were requested to submit pricing per ton with transportation costs to one of two Authority locations: 1) Parkway Maintenance District 5 (Holmdel) and 2) Turnpike Maintenance District 5A (Woodbridge). Bids were received as follows for the untreated rock salt:

<u>Vendor</u>	<u>Bid Price</u>
Morton Salt, Inc., Chicago, IL	\$75.96 per ton
Oceanport, LLC, Claymont, DE	\$79.15 per ton (Holmdel) \$78.20 per ton (Woodbridge)
Atlantic Salt, Inc., Lowell, MA	\$79.48 per ton
Cargill, Inc., North Olmstead, OH	\$88.56 per ton

Accordingly, authorization is requested to award a contract to **Morton Salt, Inc.** for the purchase and delivery of up to 20,000 tons of untreated rock salt for a total contract value not to exceed **\$1,519,200.00**.

Material Pick-up

Bidders were also requested to quote unit prices for pick-up of untreated or treated rock salt by the Authority or its authorized agents at the supplier's distribution facility. Quotes were received as follows:

<u>Vendor</u>	<u>Bid Price</u>
Atlantic Salt, Inc., Lowell, MA	\$79.48 per ton (Untreated)
Oceanport, LLC, Claymont, DE	\$64.00 per ton (Untreated) \$82.00 per ton (Treated)
Morton Salt, Inc., Chicago, IL	\$85.00 per ton (Treated)

This option did not factor in the basis of award for either treated or untreated rock salt, but simply allows the Authority to pick up rock salt on an as-needed basis from any of these three vendors.

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 contracts are also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and

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

Accordingly, authorization is requested to award contracts to: 1) Morton Salt, Inc. for 57,000 tons of treated rock salt in an amount not to exceed \$5,108,999.20 and 20,000 tons of untreated rock salt as needed in an amount not to exceed \$1,519,200.00 and 2) Oceanport, LLC for 50,000 tons of treated rock salt in an amount not to exceed \$4,490,925.00, for a combined total authorized amount not to exceed \$13,119,124.20, all subject to funding availability at the time of ordering. In addition, authorization is requested to purchase up to 25,000 tons of additional salt, as needed, from Atlantic Salt, Inc., Oceanport, LLC, or Morton Salt, Inc. at the prices quoted for material pick-up, for an amount not to exceed \$2,000,000.00. The overall pricing compares favorably to the Departmental Estimate of \$17,000,000.00. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

Rock Salt (Treated and Untreated)										
			Morton Salt, Inc.		Oceanport, LLC					
Line Item	Location	Estimated Salt Requirement (Tons)	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price
Primary Suppliers										
SOUTHERN										
1	Interchange 1 - Penns Grove	200	No Bid	No Bid	No Bid	No Bid	\$ 93.94	\$ 18,788.00	\$ 87.00	\$ 17,400.00
2	District 1 - Swantonboro	2,400	No Bid	No Bid	\$ 99.52	\$ 238,848.00	\$ 94.20	\$ 226,080.00	\$ 87.00	\$ 208,800.00
3	District 2 - Moorestown	7,600	No Bid	No Bid	\$ 96.23	\$ 731,348.00	\$ 90.01	\$ 684,076.00	\$ 87.00	\$ 661,200.00
4	District 3 - Crosswicks (Bordentown)	6,000	No Bid	No Bid	\$ 96.24	\$ 577,440.00	\$ 89.83	\$ 538,980.00	\$ 87.00	\$ 522,000.00
5	District 3 A - PA Ext. Florence Twp.	4,800	No Bid	No Bid	\$ 92.99	\$ 446,352.00	\$ 89.83	\$ 431,184.00	\$ 87.00	\$ 417,600.00
6	District 1 - Cape May Court House	3,200	No Bid	No Bid	No Bid	No Bid	\$ 99.85	\$ 319,520.00	\$ 95.00	\$ 304,000.00
7	Great Egg Tolls - Marmora	440	No Bid	No Bid	No Bid	No Bid	\$ 99.56	\$ 43,806.40	\$ 93.00	\$ 40,920.00
8	District 2 - Absecon	1,040	No Bid	No Bid	No Bid	No Bid	\$ 99.33	\$ 103,303.20	\$ 93.00	\$ 96,720.00
9	Basin River Sub Yard - New Gretna	2,800	No Bid	No Bid	\$ 104.62	\$ 292,936.00	\$ 95.69	\$ 267,932.00	\$ 92.00	\$ 257,600.00
10	District 3 - Ocean/Barnegat	880	No Bid	No Bid	No Bid	No Bid	\$ 94.77	\$ 83,397.60	\$ 91.00	\$ 80,080.00
CENTRAL										
11	District 4 - Hightstown	2,400	No Bid	No Bid	\$ 98.94	\$ 237,456.00	\$ 92.49	\$ 221,976.00	\$ 89.00	\$ 213,600.00
12	District 5 - Milltown	2,400	No Bid	No Bid	\$ 97.26	\$ 233,424.00	\$ 89.76	\$ 215,424.00	\$ 89.00	\$ 213,600.00
13	District 5A - Woodbridge	2,400	No Bid	No Bid	\$ 99.15	\$ 237,960.00	\$ 88.48	\$ 212,352.00	No Bid	No Bid
14	District 6 - Elizabeth	4,400	No Bid	No Bid	No Bid	No Bid	\$ 87.83	\$ 386,452.00	No Bid	No Bid
15	Pleasant Plains Sub Yard	1,200	No Bid	No Bid	No Bid	No Bid	\$ 92.89	\$ 111,468.00	\$ 91.50	\$ 109,800.00
16	District 4 - Herbertville/Buck	3,200	No Bid	No Bid	No Bid	No Bid	\$ 92.49	\$ 295,968.00	No Bid	No Bid

Line Item	Location	Estimated Salt Requirement (Tons)	Atlantic Salt, Inc.		Cargill, Inc.		Morton Salt, Inc.		Oceanport LLC	
			Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price
17	Aubrey Sub Yard – Tinton Falls	3200	No Bid	No Bid	No Bid	No Bid	\$ 92.42	\$ 296,744.00	No Bid	No Bid
18	District 5 – Holmdel	12800	No Bid	No Bid	No Bid	No Bid	\$ 99.38	\$ 1,186,864.00	No Bid	No Bid
19	Chester Ave Sub Yard – Sayreville	4800	No Bid	No Bid	\$ 95.70	\$ 459,360.00	\$ 89.84	\$ 431,232.00	No Bid	No Bid
20	District 6 – Clark	2400	No Bid	No Bid	No Bid	No Bid	\$ 88.47	\$ 212,328.00	No Bid	No Bid
21	Union Sub Yard NB – Glenwood Ave Hillside	640	No Bid	No Bid	No Bid	No Bid	\$ 87.83	\$ 66,211.20	No Bid	No Bid
22	Union Sub Yard SB – N. Union Ave	4800	No Bid	No Bid	No Bid	No Bid	\$ 92.96	\$ 446,208.00	No Bid	No Bid
NORTHERN										
23	District 8 – Secaucus	4000	No Bid	No Bid	No Bid	No Bid	\$ 87.96	\$ 351,800.00	No Bid	No Bid
24	District 8A – Ridgefield Park	2400	No Bid	No Bid	No Bid	No Bid	\$ 92.77	\$ 222,648.00	No Bid	No Bid
25	District 9 – Jersey City	2640	No Bid	No Bid	No Bid	No Bid	\$ 87.83	\$ 231,871.20	No Bid	No Bid
26	District 10 – East Rutherford	3360	No Bid	No Bid	No Bid	No Bid	\$ 88.47	\$ 297,289.20	No Bid	No Bid
27	Essex Sub Yard – Bloomfield	800	No Bid	No Bid	No Bid	No Bid	\$ 92.96	\$ 74,368.00	No Bid	No Bid
28	District 7 – Clifton	2400	No Bid	No Bid	No Bid	No Bid	\$ 89.44	\$ 214,656.00	No Bid	No Bid
29	District 8 – Paramus	2400	No Bid	No Bid	No Bid	No Bid	\$ 89.84	\$ 215,616.00	No Bid	No Bid
30	Montvale Service Area Sub Yard	80	No Bid	No Bid	No Bid	No Bid	\$ 92.77	\$ 7,421.60	No Bid	No Bid
Secondary Suppliers										
SOUTHERN										
SS-1	Interchange 1 – Penns Grove	50	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
SS-2	District 1 – Swedesboro	600	No Bid	No Bid	\$ 99.52	\$ 59,712.00	No Bid	No Bid	No Bid	No Bid
SS-3	District 2 – Moomstown Mt Laurel	1900	No Bid	No Bid	\$ 96.23	\$ 182,837.00	No Bid	No Bid	No Bid	No Bid

Line Item	Location	Estimated Salt Requirement (Tons)	Atlantic Salt, Inc.		Cargill, Inc.		Morton Salt, Inc.		Oceanport LLC	
			Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price
SS-4	District 3 – Crosswicks (Bordentown)	1500	No Bid	No Bid	\$ 96.24	\$ 144,360.00	No Bid	No Bid	No Bid	No Bid
SS-5	District 3 A – PA Ext. Florence Twp.	1200	No Bid	No Bid	\$ 92.99	\$ 111,588.00	No Bid	No Bid	No Bid	No Bid
SS-6	District 1 – Cape May Court House	800	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
SS-7	Great Egg Tolls – Marmora	110	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
SS-8	District 2 – Absecon (Whitehorse)	260	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
SS-9	Bass River Sub Yard – New Gretna	700	No Bid	No Bid	\$ 104.62	\$ 73,234.00	No Bid	No Bid	No Bid	No Bid
SS-10	District 3 – Ocean B. Brigat	220	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
CENTRAL										
SS-11	District 4 – Hightstown	600	No Bid	No Bid	\$ 98.94	\$ 59,364.00	No Bid	No Bid	No Bid	No Bid
SS-12	District 5 – Milltown	600	No Bid	No Bid	\$ 97.26	\$ 58,356.00	No Bid	No Bid	No Bid	No Bid
SS-13	District 5A – Woodbridge	600	No Bid	No Bid	\$ 99.15	\$ 59,490.00	No Bid	No Bid	\$ 92.26	\$ 55,350.00
SS-14	District 6 – Elizabeth	1100	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 93.75	\$ 103,125.00
SS-15	Pleasant Plains Sub Yard	300	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
SS-16	District 4 – Harbortville	800	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 92.75	\$ 74,200.00
SS-17	Aubrey Sub Yard – Tinton Falls	800	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 92.75	\$ 74,200.00
SS-18	District 5 – Telegraph Hill Holmdel	3200	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 93.75	\$ 300,000.00
SS-19	Chester Ave Sub Yard – Sayreville	1200	No Bid	No Bid	\$ 95.70	\$ 114,840.00	No Bid	No Bid	\$ 91.75	\$ 110,100.00
SS-20	District 6 – Clark	600	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 92.75	\$ 55,650.00
SS-21	Union Sub Yard NB – Glenwood Ave	160	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 93.75	\$ 15,000.00

Line Item	Location	Estimated Salt Requirement (Tons)	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price	Delivery Location Price Per Ton	Delivery Location Extended Price
SS-22	Union Sub Yard SB – N. Union Ave	1200	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 93.75	\$ 112,500.00
NORTHEND										
SS-23	District 8 - Secaucus	1000	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 99,000.00
SS-24	District 8A - Ridgefield Park	600	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 59,400.00
SS-25	District 9 - Jersey City	660	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 65,340.00
SS-26	District 10 - East Rutherford	840	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 83,160.00
SS-27	Essex Sub Yard - Bloomfield	200	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 19,800.00
SS-28	District 7 - Clifton	600	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 59,400.00
SS-29	District 8 - Paterson	600	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 59,400.00
SS-30	Montvale Service Area Sub Yard	20	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 99.00	\$ 1,980.00
Untreated Rock Salt										
Line Item	Description	Quantity	Unit Price Per Ton	Extended Price	Unit Price Per Ton	Extended Price	Unit Price Per Ton	Extended Price	Unit Price Per Ton	Extended Price
31	Untreated Rock Salt Price Per Ton	20,000	\$ 79.48	\$ 1,589,600.00	\$ 88.56	\$ 1,771,200.00	\$ 76.96	\$ 1,539,200.00	1.) \$79.15* 2.) \$78.20*	1.) \$1,583,000 2.) \$1,564,000
									* 1.) Parkway, PMDS Telegraph Hill, Hoboken * 2.) Turnpike D6A - Woodbridge	
Line Item	Description		Price		Price		Price		Price	
32	Pick Up Price Per Ton		\$79.48		No Bid		\$88.00		1.) UNTREATED- \$64.00 2.) TREATED- \$82.00	

300-07-2015

In a document dated July 17, 2015, a Recommendation for Janitorial Supplies (SBE SET-ASIDE) to All Clean Janitorial Supply Co., Inc., RM-116362, Budget Code: Various, Amount: \$48,409.10, was approved.

Authorization is requested to award a contract for various janitorial supplies to be held in the Authority's inventory for use on both Roadways. Vendors were required to bid on 50 line items including, but not limited to brooms, mops, buckets, and various cleaning products. Bidders were also required to quote a discount off manufacturer's list price for other miscellaneous janitorial items. The bid was fully advertised and the seven (7) SBE vendors listed in the Authority's database for these supplies were notified of the procurement. On June 24, 2015, bids were received as follows:

Vendor	Total Bid Price
All Clean Janitorial Supply Co., Inc. Lawrenceville, NJ	\$48,409.10
Spruce Industries Rahway, NJ	\$49,067.47
Circle Janitorial Supplies Inc., Paterson, NJ	\$54,013.87

Departmental Estimate \$75,000.00

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). In addition, the contract was designated as a Small Business Enterprise ("SBE") Set-Aside contract in accordance with *N.J.A.C. 52:32-17 et seq.* and *N.J.A.C. 17:14-1*. This award is also contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117

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

Accordingly, authorization is requested to award a contract to All Clean Janitorial Supply Co., Inc. for a total amount not to exceed \$48,409.10, subject to funding availability 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.

301-07-2015

In a document dated July 17, 2015, **a Recommendation for Magnesium Chloride Dispensing System to H.A. DeHart and Sons, Inc., R-116173, Budget Code: 390 00 500 156555 39005013M, Amount: \$698,602.00**, was approved.

Authorization is requested to award a contract to provide ten (10) Magnesium Chloride Dispensing Systems for use on both Roadways. The systems are multifunctional liquid dispensing systems that are designed to pre-wet solid deicing materials by the truckload or front end loader buckets. The systems are also capable of loading and unloading pre-wet tanks. All fabricated steel components of the units are hot-dipped galvanized for corrosion protection. The bid was fully advertised and the six (6) vendors listed in the Authority's data base for the referenced equipment were notified of the procurement. On June 24, 2015 one (1) bid was received as follows:

<u>Vendor</u>	<u>Total Bid Price</u>
H.A. DeHart and Sons, Inc., Thorofare, NJ	\$698,602.00

Departmental Estimate \$648,000.00

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

Accordingly, authorization is requested to award a contract to H.A. DeHart and Sons, Inc. for a total amount not to exceed \$698,602.00, subject to funding availability 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.

302-07-2015

In a document dated July 16, 2015, **Reject and Re-bid: Sand, Stone, Rip Rap, and Screened Top Soil, RM-116905, Budget Code: Various**, was approved.

The Maintenance Department requisitioned a one-year contract to provide an estimated

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10,175 tons of various grades of sand, stone, rip rap and screened top soil to five (5) areas on both Roadways. Bidders were required to quote unit and total prices for 15 line items for each area. The bid was fully advertised and the 29 vendors listed in the Authority's database for the referenced commodities were notified of the procurement. On July 1, 2015 six bids were received from: 1) Richard E. Pierson Materials Corp. ("Richard Pierson"), Bridgeport, NJ; 2) DeFino Contracting Co. ("DeFino"), Cliffwood Beach, NJ; 3) Stone Industries, Inc., Haledon, NJ; 4) Van Orden Sand and Gravel ("Van Orden"), Haledon, NJ; 5) Gibraltar Rock, Inc., Fairless Hills, PA; and 6) Sahara Sands, Fairless Hills, PA.

Upon review of the bids, Procurement and Materials Management staff found that four of the six bids (from Stone Industries, Inc., Van Orden, Gibraltar Rock, Inc. and Sahara Sands) were incomplete. These bidders failed to quote on all items within the areas bid. The specifications state "{b}idders must supply a price for every line item listed per area Bids not having a price for all line items per area may be rejected." Thus, it is recommended that the bids submitted by these four bidders be rejected as they are non-complaint. Maintenance Department staff reviewed the bids submitted by Richard Pierson and DeFino and found that the unit prices for both bids were excessive compared to the Departmental Estimate/prior contract. Richard Pierson bid \$833,125.00 for the combined five areas compared with the Departmental Estimate of \$110,000.00 for all five areas and DeFino bid \$109,750.00 for only two of the five areas. Thus, it is recommended that these two bids also be rejected.

Staff believes that they can achieve more competitive bids by deleting and/or otherwise revising a few of the line items in the specifications. Thus, it is recommended that the contract be re-bid with revised specifications.

Accordingly, authorization is requested to reject all bids submitted and the contract be rebid with revised specifications.

303-07-2015

In a document dated July 9, 2015, **a Recommendation for Traffic Control Signs to Garden State Highway Products, Inc., R-115870, Budget Code: 040 00 585 650010 04018050, Amount: \$76,531.80,** was approved.

Authorization is requested to award a contract for traffic control signs consisting of LED traffic signals and visors for New Jersey Turnpike interchanges that are due for upgrades. Bidders were required to bid unit and total prices for 60 LED "X/down arrow symbols" and 60 aluminum visors. The bid was fully advertised and the 29 vendors listed in the Authority's database for this equipment were notified of the procurement. One (1) bid was received July 1, 2015 as follows:

<u>Vendor</u>	<u>X/Down Arrows</u>	<u>Visors</u>	<u>Total Price</u>	<u>Bid</u>
Garden State Highway Products, Inc. Vineland, NJ	\$59,853.00	\$16,678.80	\$76,531.80	

Departmental Estimate \$76,500.00

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

Accordingly, authorization is requested to award a contract to Garden State Highway Products, Inc. of Vineland, NJ for a total amount not to exceed \$76,531.80.

304-07-2015

In a document dated July 22, 2015, **a Recommendation for 11 Foot Reversing Snow Plows to Valk Manufacturing Co., R-117318 and R-117319, Budget Code: 010 00 500 480060, Amount: \$208,850.00,** was approved.

Authorization is requested to award a contract for fifteen (15) 11-foot power reversing snow plows and twenty-two (22) 11-foot manual reversing snow plows. The equipment will replace older plows that have exhausted their useful life. The bid was fully advertised and the five (5) vendors listed in the Authority's database for this equipment were notified of the procurement. On July 16, 2015, bids were received as follows:

<u>Vendor</u>	<u>Total Bid Price</u>
Valk Manufacturing Co., New Kingston, PA	\$208,850.00
Henderson Products, Inc., Flanders, NJ	\$304,000.00
Tony Sanchez LTD, Ledgewood, NJ	\$332,658.00
Trius, Inc., Bohemia, NY	\$370,430.00

Departmental Estimate - \$214,000.00

The lowest bid, received from Valk Manufacturing Co., ("Valk"), contained four exceptions to the specifications. Of the exceptions, only one was of concern to Maintenance staff, namely the delivery lead time. The bid specifies "all equipment shall be delivered no later than 90 days of the receipt of a Purchase Order". However, Valk's bid proposed delivery of "up to 150 days after receipt of order". The next lowest bid, Henderson Products, Inc., ("Henderson") is 45% higher than Valk's bid, and also bid a proposed delivery date of "no later than 150 days after receipt of order", as well as three additional exceptions. The third and fourth bidders, Tony Sanchez LTD and Trius, Inc., both took three and five exceptions respectively and were significantly higher. The receipt of this equipment is crucial to the Authority's snow removal operations for the upcoming winter season. There is not adequate time to re-bid and a re-bid would likely not result in a faster delivery time. Therefore, the Maintenance Department has deemed the exception to

the delivery specification as acceptable and recommends awarding a contract to Valk.

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

Accordingly, authorization is requested to award a contract to Valk Manufacturing Co. for a total amount not to exceed \$208,850.00.

305-07-2015

(NOT USED)

306-07-2015

In a document dated July 14, 2015, **a Recommendation for Diesel-Powered V-Box Spreaders (3-Year Option) to Trius, Inc., RM-117316, Budget Code: 010 00 500 480060, Amount: \$87,072.00**, was approved.

At the July 29, 2014 Board of Commissioners Meeting (Agenda Item 272-07-2014), the Authority awarded a contract to Trius, Inc. for the purchase of diesel-powered, V-Box spreaders. The contract included a 3-year option to purchase additional spreaders which conform to the original specifications for three additional model years. The Maintenance Department is requesting four (4) additional spreaders needed to meet equipment requirements in the current snow removal bid contracts. The unit price remains the same as the original bid price.

This contract was originally bid and awarded 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 contract is in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

Accordingly, authorization is requested to exercise the contract option to purchase additional diesel-powered, V-Box spreaders from Trius, Inc., for a total amount not to exceed \$87,072.00.

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STATE CONTRACTS AND FEDERAL CONTRACTS

307-07-2015

In a document dated July 14, 2015, **a Recommendation for State Police In-Car Camera Systems to Mobile Vision, Inc., R-116648, Budget Code: 010 00 720 480010, State Contract No. 81311 expiring 04/30/16, Amount: \$423,354.40**, was approved.

Under this contract, Mobile Vision, Inc. will provide complete in-car camera systems for

70 New Jersey State Police ("NJSP") vehicles utilized by Troop D, which will replace existing systems. This system migration and configuration is a directive from NJSP Division. The NJSP Division supports the software and all video will be transferred to the NJSP Division via current servers installed at each station.

This procurement, under State Contract No. 81311 is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract to Mobile Vision, Inc. for in-camera systems in an amount not to exceed \$423,354.40.

308-07-2015

In a document dated July 14, 2015, **a Recommendation for Mobile Data Computers to Advanced Electronics Design, Inc., R-116646 / Budget Code: 010 00 720 480010, State Contract No. 81300 Expiring 04/30/2016, Amount: \$290,550.00**, was approved.

Under this contract, Advance Electronics Design, Inc. will provide 50 mobile data computers ("MDCs") for the State Police 2015 Vehicle Fleet. These in-car computer systems are used in all patrol vehicles. The vendor will supply MDC software and accessories that are compatible with the current New Jersey State Police MDC system. The MDCs are available from NJ State Contract No. 81300 expiring 4/30/2016.

This procurement, under State Contract No. 81300, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract to Advanced Electronics Design Inc. in a total amount not to exceed \$290,550.00.

309-07-2015

In a document dated July 13, 2015, **a Recommendation for Data Domain Support 2015 to SHI International Corp., R-117242 / Budget Code: 010 00 830 121020, State Contract No. 77560 expiring 08/31/15, Renewal Term: July 1, 2015 thru June 30, 2016, Amount: \$54,974.30**, was approved.

Under this contract, SHI International Corp. will provide maintenance and support for the Authority's EMC Data Domain Storage System. This system consolidates backup and archival data reducing storage requirements by 10 to 30 times on a server. It provides a cost-effective

storage solution for onsite retention and is highly efficient for network-based replication and disaster recovery. The term of this maintenance and support contract is 7/1/2015 to 6/30/2016.

This procurement, under State Contract No. 77560, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. Furthermore, the State Contract provides access to several software providers and, therefore, requires agencies to seek multiple quotes to ensure the most competitive pricing. Quotes were solicited from two State Contract authorized dealers for this service: Collab9, Inc., Gardena, CA (formerly En Pointe Technologies) and SHI International Corp., Somerset, NJ. One quote was received from SHI International Corp. in the amount of \$54,974.30.

Accordingly, authorization is requested to award the referenced contract to SHI International Corp. for a total amount not to exceed \$54,974.30.

310-07-2015

In a document dated July 9, 2015, **a Recommendation for CommVault Licenses and Annual Support Renewal 2015-2016 to SHI International Corp., R-117277, Budget Code: 010 00 830 121020, State Contract No. 77560 expiring 08/31/15, Renewal Term: December 5, 2015 thru December 4, 2016, Amount: \$77,693.57,** was approved.

Authorization is requested to award a contract to SHI International Corp. for the CommVault software licenses and support. This software is utilized by the ITS Department to back up all servers which host Authority data. In addition, the CommVault software indexes facilitate eDiscovery of Authority data. The annual maintenance renewal will run from December 5, 2015 to December 4, 2016.

This procurement, under State Contract No. 77560, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. Furthermore, the State Contract provides access to several software providers and, therefore, requires agencies to seek multiple quotes to ensure the most competitive pricing. Quotes were solicited from three State Contract authorized dealers, and one quote was received from SHI International Corp. in the amount of \$77,693.57.

Accordingly, authorization is requested to award the referenced State Contract to SHI International Corp. in an amount not to exceed \$77,693.57.

311-07-2015

In a document dated July 14, 2015, **a Recommendation for WiMax Replacement Hardware to ePlus Technology, Inc., R-117590. Budget Code: 080 00 830 156555 08007029, State Contract No. 87720 expiring 05/31/19, Amount: \$88,105.60,** was approved.

Under this contract, ePlus Technology, Inc. will provide the required switch expansion modules and fiber modules to connect all ITS Data Points (signs, cameras, and sensors) in the newly widened section (Int. 6-9) of the Turnpike directly to the Authority's network. Currently the ITS Data Points in this section of the Turnpike communicate back to the Statewide Traffic Management Center via WiMax or cellular modems. Since the original widening construction included a dedicated fiber run along this section of the Turnpike, the WiMax replacement hardware will allow the fiber run to be expanded to the actual signs and structures. The fiber connection and expansion devices are available from NJ State Contract No. 87720, expiring 05/31/19.

This procurement, under State Contract No. 87720, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract to ePlus Technology, Inc. for a total amount not to exceed \$88,105.60

312-07-2015

In a document dated July 14, 2015, **a Recommendation for Radio PC Workstations to SHI International Corp., R-117600, Budget Code: 080 00 830 156555 08007108, State Contract: No. 70262 expiring 09/30/15, Amount: \$42,622.00,** was approved.

Under this contract, SHI International Corp. will provide 25 personal computer ("PC") workstations to support radio communications at the Maintenance Districts. The current PCs cannot support the hardware and software required for the new web interface for communications. Thus, these new PC workstations will serve as the primary communications equipment for the Maintenance Districts. The PC workstations are available from NJ State Contract No. 70262 expiring 9/30/2015.

This procurement, under State Contract No. 70262, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award the referenced contract to SHI International Corp. for a total amount not to exceed \$42,622.00.

313-07-2015

In a document dated July 9, 2015, **a Recommendation for State Police Radio Communication Equipment to Motorola Solutions, Inc., R-117536 / Budget Code: 010 00 720 480010, State Contract No. 83909 expiring 04/30/2018, Amount: \$40,333.80**, was approved.

Under this contract, Motorola Solutions, Inc. will supply radio communications equipment to be installed into the 2015 New Jersey State Police (Troop D) vehicle fleet. These items include antennas, power cables, microphones and speakers, for 75 State Police vehicles. The State Police radio communications equipment is available from NJ State Contract No. 83909 expiring 04/30/2018.

This procurement, under State Contract No. 83909, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract to Motorola Solutions, Inc. for a total amount not to exceed \$40,333.80.

314-07-2015

In a document dated July 14, 2015, **a Recommendation for HVAC & Plumbing Supplies (Modification) to Bridgeton Plumbing and Heating Supply Co., RM-117313 / Contract No. 1218 / Budget Code: Various, State Contract No.74879 expiring 8/31/15, Current Authorized Amount: \$165,000.00, Requested Amount: \$5,000.00, New Authorized Amount \$170,000.00, and to Madison Plumbing Supply, RM-117302 / Contract No. 1715 / Budget Code: Various, State Contract No.74876 expiring 8/31/15, Current Authorized Amount: \$230,000.00, Requested Amount: \$20,000.00, New Authorized Amount \$250,000.00**, was approved.

In August, 2012, the Authority awarded Contract No. 1218 to Bridgeton Plumbing and Heating Supply Co. and Contract No. 1715 to Madison Plumbing Supply, Inc. for heating, ventilation, and air conditioning ("HVAC") as well as plumbing supplies. These HVAC and plumbing parts are necessary to repair and maintain the Authority's facilities. The State Contracts have been extended through August 31, 2015. The Maintenance Department has requested that Contract Nos. 1218 and 1715 be increased, as additional funds are required to purchase necessary HVAC and plumbing supplies through the extended term of the contracts.

The original procurements, under State Contract Nos. 74879 and 74876 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, approval is requested to extend Contract Nos. 1218 and 1715 through the expiration of the State Contracts. Furthermore, approval is requested to increase the authorized amount of Contract No. 1218 with Bridgeton Plumbing and Heating Supply Co by \$5,000.00, for a new total authorized amount of \$170,000.00, as well as Contract No. 1715 with Madison Plumbing Supply, Inc. by \$20,000.00, for a new total authorized amount of \$250,000.00, subject to funding availability at the time of order.

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PROFESSIONAL SERVICES

315-07-2015

In a document dated July 22, 2015, **a Recommendation for Investment Banking Services to CitiGroup Global Markets, Inc., Barclays Capital, Inc., and Goldman Sachs & Co. , RM-117140, Budget Code: 010 00 890 445020, Amount: \$1,953,300.00 (2 year term)**, was approved.

The New Jersey Turnpike Authority ("Authority") solicited proposals from firms to provide Investment Banking Services. Specifically, the Authority, by way of a Request for Proposals ("RFP"), sought to select three (3) underwriting syndicates (consisting of Senior Managers, Co-Senior Managers, and Co-Managers). One syndicate will be for the anticipated new-money transaction of up to \$750 million in 2015. The second syndicate will be for the potential variable rate refunding of Series 2012G Bonds, Series 2013G Bonds, Series 2013D-1 Bonds, Series 2013E-1 Bonds and Series 2014B-1 as well as the Series 2000B-G Bonds. The third syndicate will be for the potential fixed rate refunding of the Series 2004B Bonds.

The RFP was advertised in the Asbury Park Press, posted on the websites of the Authority and State of New Jersey, and distributed to fifty-four (54) firms. On July 2, 2015, the Authority received nine (9) proposals for Senior Manager Positions. The Authority also received proposals from seventeen (17) firms interested in serving as part of a Co-Manager Pool. The awards for the Co-Manager Pool will be made at a later date. The Executive Director approved the Evaluation Committee ("Committee") consisting of three (3) voting Members: the Chief Operating Officer, Chief Financial Officer, and Treasury Manager. In addition, one (1) representative from First Southwest Company, the Authority's Financial Advisor, served as non-voting member of the Committee.

The Committee reviewed and scored the proposals. Under the RFP, proposers could apply for only one (1) of the three (3) underwriting syndicates. Although it was anticipated that each syndicate will have a Senior Manager, at least one Co-Senior Manager, and at least one Co-Manager, only proposals for the position of Senior Manager for each underwriting syndicate

were accepted. In addition, as specified in the RFP, proposers which applied for the Senior Manager position but were not selected would be considered for Co-Senior Manager or Co-Manager for whichever syndicate they have requested. The Committee then prepared an Evaluation Report, which details the procurement process, and submitted the report to the Executive Director.

The Committee determined that the highest ranked firm from the new money proposers would be recommended as Senior Manager for the new money syndicate, the highest ranked firm from the variable rate refunding proposers would be recommended as Senior Manager for the variable rate refunding syndicate, and the highest ranked firm from the fixed rate refunding proposers would be recommended as Senior Manager for the fixed rate refunding syndicate. The Committee also determined that the next highest ranked firms would be selected for the roles of Co-Senior Manager and Co-Manager for each syndicate based on the syndicate for which they applied.

For the Series 2015 new money bond issue(s), it is recommended that the Authority award contracts to three (3) firms. For the potential variable rate refunding bond issue(s), it is recommended that the Authority award contracts to two (2) firms and for the potential fixed rate refunding bond issue(s), it is recommended the Authority award contracts to four (4) firms. The contracts for each bond series shall be for a period of two (2) years. Therefore, based upon the criteria established in the RFP, the Committee made the following recommendations for the Investment Banking Services for the Authority's proposed new money, variable rate and fixed rate refunding bond issuance:

FINAL GROUP SELECTIONS – 2015 New Money Issuer(s)

<u>Role</u>	<u>Firm</u>	<u>Score</u>
Senior Manager	Citigroup Global Markets Inc.	96.3
Co-Senior Manager	J.P. Morgan Securities	89.5
Co-Senior Manager	Bank of America Merrill Lynch	82.2

FINAL GROUP SELECTIONS – Variable Rate Refunding Issuer(s)

<u>Role</u>	<u>Firm</u>	<u>Score</u>
Senior Manager	Barclays Capital LLC	89.3
Co-Senior Manager	Morgan Stanley & Co., LLC	85.2

FINAL GROUP SELECTIONS – Fixed Rate Bond Refunding Issuer(s)

<u>Role</u>	<u>Firm</u>	<u>Score</u>
Senior Manager	Goldman Sachs	97.0
Co-Manager	RBC Capital Markets	82.5
Co-Manager	Wells Fargo Bank, N.A.	81.5
Co-Manager	PNC Capital Markets LLC	77.0

The award for the up to \$750 million 2015 new money issue(s) will be at Citigroup Global Markets Inc.'s (Citigroup) agreed upon takedown of \$0.95 per thousand, plus underwriting expenses of \$0.125 per thousand (total compensation to be shared by the syndicate, including expenses, of approximately \$806,300). The award for the variable rate refunding issue(s) will be at Barclays Capital LLC's (Barclays) proposed takedown of \$1.25 per thousand, plus underwriting expenses of \$0.11 per thousand (total compensation to be shared by the syndicate, including expenses, of approximately \$849,000, and the award for the fixed rate refunding issue will be at Goldman Sachs & Co.'s (Goldman) agreed upon takedown of \$1.50 per thousand, plus underwriting expenses of \$0.114 per thousand (total compensation to be shared by the syndicate, including expenses, of approximately \$298,000).

For the new money syndicate, Citigroup received the highest overall score, reflecting the firm's experience as Senior Manager for large transportation bond issues, strong project team, competitive fee proposal, and thorough marketing strategy. Above all, Citigroup scored the highest in approach to the project because the firm's proposed bond structure not only meets the Authority's goal of achieving overall level debt service upon completion of the capital program financings, but also resulted in the highest projected debt service coverage, and largest amount of proceeds available for construction spending compared to the other proposals received. The other two proposers, J.P. Morgan Securities and Bank of America Merrill Lynch also all have significant transportation experience and are well qualified to serve the Authority. What differentiated these firms from Citigroup and each other was their approach to the project. These firms recommended structures that the Committee and the Authority's financial advisor felt created risk for the Authority by requiring principal payments in earlier years when coverage ratios are the lowest. In addition, these firms recommended structures which indicated lower minimum debt service coverage, lower proceeds available for construction spending and higher than necessary deposits to the debt reserve fund. All firms selected have strong New Jersey presence with each employing thousands in the State. Additional firms will be selected to serve as co-managers on the transaction and will be chosen from the Authority's existing Co-Manager Pool.

For the variable rate refunding syndicate, Barclays received the highest overall score, representing the firm's vast experience, strong project team, and understanding of the Authority's needs. Barclays provided the Authority with several options to consider for the proposed variable rate bond refinancings. Although Barclays and Morgan Stanley had close technical scores, with Barclays scoring one point higher, the primary difference was Barclays's fee proposal, which was significantly lower than that of Morgan Stanley. Both firms have a New Jersey presence. Additional firms will be selected to serve as co-managers on the deal and will be chosen from the Authority's existing Co-Manager Pool or future Co-Manager Pools depending on the timing of the transactions.

Finally, for the fixed rate refunding syndicate, Goldman received the highest overall

score, representing the firm's strong experience not only in overall bond underwriting for deals over \$150 million, but also specifically with transportation deals, having completed almost twice as many deals in terms of dollar amount than the other firms in the group. Goldman demonstrated a strong understanding of the Authority's needs and recommended strategic timing of transactions. The most significant difference between Goldman and the other firms was its approach to the project. Goldman scored significantly higher than the other firms because was the only firm that recognized that only a portion of the Series 2004B bonds, on which the firms were proposing, can be advance refunded. The other firms all structured and presented savings calculations based upon a deal size that is not authorized under Internal Revenue Service regulations. No additional firms will be selected from the Co-Manager Pool, as the recommended syndicate is large enough based upon the dollar size of the fixed rate refunding.

Accordingly, authorization is respectfully requested to delegate to the Executive Director the authority to enter into bond purchase agreements with the firms in the three underwriting syndicates listed under the "Final Group Selections" listed above. Authorization is further recommended to allow the Executive Director to execute any other documents and take any other actions as are deemed necessary to effectuate the intent of this procurement. No funds will be encumbered for the new money issue or the fixed rate issue as payments to the underwriters of approximately \$1,104,300 will be made from the cost of issuance from bond proceeds. Fees payable to the underwriting syndicate for the refunding issue of approximately \$849,000 will be payable from the General Reserve Fund.

This professional services procurement was conducted in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:19-9-2.1(b), Executive Order 37 (Corzine 2006), and Executive Order No. 26 (Whitman 1994). These awards are 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.

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SOLE SOURCE

316-07-2015

In a document dated July 15, 2015, **a Recommendation for Sensys Installation on the NJTA Hudson County Extension to Traffic Systems Incorporated, R-117618, Budget Code: 040 00 710 650010 04018057, Amount: \$136,150.00,** was approved.

Authorization is requested to award a sole source contract to Traffic Systems Incorporated to provide the Sensys Networks APCC product. This contract includes sensors as well as all necessary programming, system configuration, software installation and system testing to collect volume, speed, and vehicle classification data on the Hudson Country Extension

between New Jersey Turnpike Interchange 14 and 14a. Data collection on the Hudson County Extension is an exceptional circumstance as it is essential to the Authority's understanding of traffic flow in this area of the Roadway. The data collection on the Hudson County Extension will provide the Operation's Staff with a better understanding of the traffic flow across the Newark Bay Bridge.

As the sole authorized distributor/installer for Sensys Networks-branded equipment and software in the East Coast region, no other vendor is capable of providing the equipment and services required under the contract. Thus, the Sensys Networks APCC product and associated services will be procured without public advertisement as a sole source exception to the public bidding laws and consistent with Executive Order No. 37 (Corzine 2006).

The award will be made under the sole source procurement authorization of *N.J.A.C. 19:9-2.2(d)1* as promulgated under *N.J.S.A. 27:23-6.1*. A resolution, as required by *N.J.A.C. 19:9-2.2(d)1*, is attached hereto.

Accordingly, authorization is requested to award a sole source contract to Traffic Systems Incorporated, for Sensys APCC equipment and services in an amount not to exceed \$136,150.00.

RESOLUTION FOR SOLE SOURCE PROCUREMENT

SENSYS INSTALLATION

WHEREAS, the Authority's Integrated Technology Services Department has requested the award of a sole source contract to Traffic Systems Incorporated to provide the Sensys Networks "APCC" product including sensors as well as all necessary programming, system configuration; software installation and system testing to collect volume, speed, and vehicle classification data;

WHEREAS, Traffic Systems Incorporated is the sole authorized representative distributor/installer for Sensys Networks-branded equipment and software in the East Coast region; and

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

NOW, THEREFORE, BE IT RESOLVED THAT the Authority's Commissioners hereby authorize and approve the award of a contract to Traffic Systems Incorporated to provide Sensys Networks "APCC" product and associated services to collect traffic data in an amount not to exceed \$136,150.00, as a sole source exception to procurement by public advertisement permitted by *N.J.A.C. 19:9-2.2(d)1* promulgated under the Authority's enabling legislation, *N.J.S.A. 27:23-6.1*.

317-07-2015

In a document dated July 16, 2015, a Recommendation for Lane Electronic Cabinets to S.W. Electronics & Manufacturing Corp., R-117741, Budget Code: 040 00 830 653010 04008135, Amount: \$47,300.00, was approved.

Authorization is requested to award a sole source contract to S.W. Electronics & Manufacturing Corp. ("Swemco") to provide five (5) Type 5 lane electronic cabinets ("LEC") to be kept as spares and used on both Roadways as needed. The LECs serve as the interface for all lane equipment to the lane controllers and are essential to the Authority's roadway operations. Spare LECs are required as back-up in the event a current production LEC is damaged or if a lane needs to be converted.

The LEC was originally designed by MFS Network Technologies, Inc. and Swemco and is the exclusive manufacturer of this device. Thus, no other vendor is capable of providing the equipment required under the contract. The LECs will therefore be procured without public advertisement as a sole source exception to the public bidding laws and consistent with Executive Order No. 37 (Corzine 2006).

The award will be made under the sole source procurement authorization of *N.J.A.C. 19:9-2.2(d)1* as promulgated under *N.J.S.A. 27:23-6.1*. A resolution, as required by *N.J.A.C. 19:9-2.2(d)1*, is attached hereto.

Accordingly, authorization is requested to award a sole source contract to S.W. Electronics & Manufacturing Corp., for five (5) Type 5 lane electronic cabinets in an amount not to exceed \$47,300.00.

RESOLUTION FOR SOLE SOURCE PROCUREMENT

LANE ELECTRONIC CABINETS

WHEREAS, the Authority's Integrated Technology Services Department has requested the award of a sole source contract to S.W. Electronics & Manufacturing Corp. to provide five (5) Type 5 lane electronic cabinets;

WHEREAS, as the exclusive manufacturer of this device, S.W. Electronics & Manufacturing Corp. is the sole hardware provider for all lane electronic cabinet equipment in use by the Authority; and

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

NOW, THEREFORE, BE IT RESOLVED THAT the Authority's Commissioners hereby authorize and approve the award of a contract to S.W. Electronics & Manufacturing Corp. to provide five (5) Type 5 lane electronic cabinets in an amount not to exceed \$47,300.00, as a sole source exception to procurement by public advertisement permitted by *N.J.A.C. 19:9-2.2(d)1*

promulgated under the Authority's enabling legislation, N.J.S.A. 27:23-6.1.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved of item numbers 298-07-2015 through 317-07-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

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GENERAL BUSINESS

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OPERATIONS

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Director of Operations Henry Eibel requested approval of item number 318-07-2015. Moved the item as follows:

318-07-2015

Director of Operations Henry Eibel requested acceptance of the Resume of All Fatal Accidents for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2015 through 07/14/2015; both with 2014-2015 Yearly Comparisons through June, 2015.

On motion by Treasurer DuPont and seconded by Vice Chairman Gravino, the Authority unanimously approved item number 318-07-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

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STATE POLICE

Major Eric Heitmann requested for approval of item number 319-07-2015. Moved is the item as follows:

319-07-2015

Major Eric Heitmann requested acceptance of the New Jersey State Police Troop D Activity Reports, For June 2015, with 2014 – 2015 Yearly Comparisons.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously accepted the reports contained in item number 319-07-2015 and received same for file.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

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FINANCE

Chief Financial Officer (“CFO”) Donna Manuelli requested approval of item numbers 320-07-2015 and 322-07-2015. Moved is the items as follows:

320-07-2015

Chief Financial Officer Donna Manuelli presented the Financial Summary for the six (6) months ended June 30, 2015.

On motion by Treasurer DuPont and seconded by Commissioner Becht, the Authority unanimously approved of item number 320-07-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

321-07-2015

In a memorandum dated July 17, 2015, Authorization to Designate Officers/Members of the New Jersey Turnpike Authority Sign Checks and Transfers for Authority Bank Accounts, was approved.

At its February 2011 meeting, the New Jersey Turnpike Authority's Board of Commissioners adopted a resolution establishing the check and transfer signing requirements for New Jersey Turnpike Authority (“Authority”) bank accounts based on a dollar threshold. The resolution also designated Authority officers/members who are authorized to sign checks and transfers.

Based upon organizational and title changes which occurred over the past several years, staff has determined that it is necessary to designate the following officers/members as authorized to sign checks and transfers on behalf of the Authority:

- Treasurer of the Board of Commissioners
- Executive Director
- Chief Operating Officer/Deputy Executive Director
- Chief Financial Officer
- Deputy Chief Financial Officer
- Secretary to the Authority

All other approved policies concerning checks and transfers will remain in effect. Therefore, it is recommended that the Board of Commissioners adopt the attached Resolution Authorizing Withdrawal of Funds from Established Depositories.

**RESOLUTION AUTHORIZING WITHDRAWAL OF FUNDS FROM ESTABLISHED
DEPOSITORIES**

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

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

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

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

them are authorized to do so for and on behalf of the New Jersey Turnpike Authority; and

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

322-07-2015

In a memorandum dated July 17, 2015, **Authorization to Approve Resolution Authorizing the Novation, Amendment, Modification and/or Termination of the Existing Qualified Swap Agreements between the New Jersey Turnpike Authority and Morgan Stanley Capital Services LLC Relating to Various Outstanding Series of Turnpike Revenue Bonds**, was approved.

The Authority currently has four (4) Interest Rate Swap Agreements (Swap) with Morgan Stanley Capital Services (MSCS) relating to the following outstanding series of Turnpike Revenue Bonds:

1. Series 2000B-G Bonds- notional amount -\$240 million
2. Series 2013E1 Bonds- notional amount - \$150 million
3. Series 2014B1-2 -Bonds - notional amount - \$75 million
4. Series 2015A Bonds - notional amount - \$87.5 million

MSCS approached the Authority and its financial advisor, First Southwest, about the possibility of novating, amending, modifying and/or terminating one or all of the above Swaps to another qualified counterparty. Generally, a novation is an assignment of the existing Swap agreement to another counterparty which assumes all of the obligations of the existing counterparty under the existing Swap documents. A termination of the existing Swap would include replacing it with a new swap with a new qualified counterparty.

MSCS has established a pool of money that is available to cover the cost of the novation, amendment, modification and/or termination, as well as legal and advisory fees such that the transaction can be accomplished at no cost to the Authority. In addition, MSCS's current credit ratings are Baa2/A-/A from Moody's, Standard & Poor's, and Fitch, respectively. By novating, amending, modifying or terminating the Swaps to one or more different counterparties, the Authority will be able to obtain a higher rated counterparty in the AA ratings category.

The Authority's financial advisor will conduct a solicitation with qualified replacement counterparties. There are potentially five qualified counterparties which could become the new counterparty under the existing Swaps. At this time, two of the firms have indicated that their costs to complete the transactions would be within the amounts MSCS has offered to cover. The Authority's financial advisor will continue to negotiate with MSCS and the qualified replacement

counterparties.

The proposed Swap transactions have the potential to be completed at no cost to the Authority and provide the Authority with a higher rated counterparty. The Authority refinances its variable rate debt portfolio frequently which requires consent of the Swap counterparty. Consequently, it is beneficial to have a counterparty that is committed to the municipal Swap market.

Based on these factors, approval of the attached Resolution is requested. The Resolution provides that the Executive Director be delegated authority to enter into a Swap novation, amendment, modification and/or termination for the existing Swaps with MSCS and to execute any and all required documents to carry out the intent of the Resolution. Approval of the resolution and any resulting transactions is predicated upon the transaction having essentially no cost to the Authority and resulting in a higher rated new counterparty upon the advice of the Authority's financial advisor and bond counsel.

**RESOLUTION AUTHORIZING THE NOVATION/TRANSFER, AMENDMENT, MODIFICATION
AND/OR TERMINATION OF THE EXISTING QUALIFIED SWAP AGREEMENTS BETWEEN
THE NEW JERSEY TURNPIKE AUTHORITY AND MORGAN STANLEY CAPITAL SERVICES
LLC RELATING TO VARIOUS OUTSTANDING SERIES OF TURNPIKE REVENUE BONDS**

Adopted July 28, 2015

WHEREAS, the New Jersey Turnpike Authority, a public body corporate and politic of the State of New Jersey (the "**Authority**"), has heretofore entered into four (4) different interest rate swap agreements (the "**Existing Swap Agreements**") with Morgan Stanley Capital Services LLC (as successor to Morgan Stanley Capital Services Inc.) ("**MSCS**") which are more fully described in this Resolution;

WHEREAS, the Existing Swap Agreements were entered into by the Authority to more effectively manage its interest rate costs with respect to all of a portion of its outstanding Turnpike Revenue Bonds, Series 2000 B-G, Series 2013 B, Series 2014 B-1 and B-2, and Series 2015A (collectively, the "**Outstanding Auction/Variable Rate Bonds**");

WHEREAS, each of the Existing Swap Agreements constitutes a "Qualified Swap" for purposes of the Turnpike Revenue Bond Resolution adopted by the Authority on August 20, 1991, as amended and restated on September 26, 1991, as further amended and restated as of November 22, 1991, and as amended and supplemented to the date hereof (the "**General Bond Resolution**");

WHEREAS, MSCS has informed the Authority of its desire to exit the municipal counterparty swap market and to novate/transfer the Existing Swap Agreements to other third party counterparties;

WHEREAS, based current market conditions and the terms and conditions proposed by MCSC under which it would agree to novate/transfer the Existing Swap Agreements, there could be certain economic benefits to the Authority if it agreed to novate/transfer some or all of the Existing Swap Agreements to other third party counterparties; and

WHEREAS, the Authority now desires to authorize certain officers of the Authority to (A) review and determine, from time to time, in accordance with the provisions of this Resolution whether it would be in the best interest of the Authority to novate/transfer one or more of the Existing Swap Agreements, in whole or in part, from MSCS to one or both of the Novation Counterparties (as hereinafter defined), and in connection such novation/transfer, whether it would further be in the best interest of the Authority to (i) amend, supplement or otherwise modify any Existing Swap Agreement to be novated/transferred, (ii) terminate any Existing Swap Agreement to be novated/transferred, in whole or in part, and to enter into a new swap agreement with the Novation Counterparty to which such Existing Swap Agreement was intended to be novated/transferred, and/or (iii) re-identify all or a portion of any Existing Swap Agreement to be novated/transferred as a "Qualified Hedge" for all or a portion of any Series of Bonds, including the Outstanding Auction/Variable Rate Bonds, for the purposes of the Internal Revenue Code of 1986, as amended, and (B) negotiate the terms of, and execute and deliver, all agreements, documents, instruments, certificates and papers, and to do such acts and things as may be necessary, advisable or desirable in connection with any of the transactions contemplated by this Resolution.

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

SECTION 1. In addition to the definitions set forth above and the definitions set forth in the General Bond Resolution, which apply to any capitalized term used in this Resolution unless otherwise defined herein, the following terms shall have the meanings set forth below for all purposes of this Resolution:

"Act" shall mean 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 from time to time.

"Authorized Officer of the Authority" shall mean the Executive Director of the Authority, the Deputy Executive Director of the Authority or any other member, officer or employee of the Authority authorized and designated by resolution to act on behalf of the Authority.

"Bonds" shall have the meaning given to such term in the General Bond Resolution.

"Certificate of Determination" shall mean, collectively, the Certificate or Certificates of Determination to be executed by an Authorized Officer of the Authority in accordance with Section 7 of this Resolution.

“Existing Swap Agreements” shall mean, collectively, (i) the ISDA Master Agreement, dated as of July 21, 2004, including the Schedule and the Credit Support Annex thereto, dated as of July 21, 2004, and the Confirmation thereunder dated July 21, 2004, as revised as of August 21, 2006, between Morgan Stanley Capital Services, Inc. and the Authority, which was entered into by the Authority to manage its interest rate risk with respect to \$240,000,000 of its outstanding Turnpike Revenue Bonds, Series 2000 B through G, (ii) the ISDA Master Agreement, dated as of May 9, 2003, including the Schedule and the Credit Support Annex thereto, dated as of May 9, 2003, and the Third Amended and Restated Confirmation thereunder dated August 4, 2014, between Morgan Stanley Capital Services LLC and the Authority, which was entered into by the Authority to manage its interest rate risk with respect to \$150,000,000 of its outstanding Turnpike Revenue Bonds, Series 2013 B, (iii) the ISDA Master Agreement, dated as of May 9, 2003, including the Schedule and the Credit Support Annex thereto, dated as of May 9, 2003, and the Third Amended and Restated Confirmation thereunder dated August 4, 2014, between Morgan Stanley Capital Services LLC and the Authority, which was entered into by the Authority to manage its interest rate risk with respect to \$75,000,000 of its outstanding Turnpike Revenue Bonds, Series 2014 B-1 and B-2, (iv) the ISDA Master Agreement, dated as of July 21, 2004, including the Schedule and the Credit Support Annex thereto, dated as of July 21, 2004, and two (2) Confirmations thereunder, each dated July 8, 2003, as amended and restated as of February 12, 2009, and as further amended and restated as of January 26, 2015, between Morgan Stanley Capital Services LLC (formerly Morgan Stanley Capital Services Inc.) and the Authority, which was entered into by the Authority to manage its interest rate risk with respect to \$87,500,000 of its outstanding Turnpike Revenue Bonds, Series 2015 A.

“New Swap Agreements” shall have the meaning given to such term in Section 4 of this Resolution.

“Novation Counterparties” shall mean (i) U.S. Bank National Association, or any affiliated entity thereof, and their respective successors and assigns, and (ii) Wells Fargo Bank, N.A., or any affiliated entity thereof, and their respective successors and assigns; provided, however, that, notwithstanding anything in this Resolution to the contrary, at the time of the consummation of any of the transactions between the Authority and a Novation Counterparty contemplated by this Resolution, the ratings of the long term unsecured and unenhanced senior debt of such Novation Counterparty shall be equal to or higher than at least two of the following ratings: (a) with respect to Moody’s Investors Service, Inc. : “Aa3”; (b) with respect to Standard & Poor’s Rating Services: “AA-”; and (c) with respect to Fitch Ratings: “AA-”.

SECTION 2. The Authorized Officers of the Authority are, and each such Authorized Officer of the Authority is, hereby authorized and directed, in consultation with the Authority’s financial advisor and Bond Counsel, to review and determine, from time to time, based on the market conditions existing at the time of such determination, the terms and conditions of the

proposed transaction, the provisions of each Existing Swap Agreement and such other factors as such Authorized Officer of the Authority may deem relevant, whether it would be in the best interest of the Authority to novate/transfer one or more of the Existing Swap Agreements, in whole or in part, from MSCS to one or both of the Novation Counterparties, and in connection such novation/transfer, whether it would further be in the best interest of the Authority to (i) amend, supplement or otherwise modify any Existing Swap Agreement to be novated/transferred, (ii) terminate any Existing Swap Agreement to be novated/transferred, in whole or in part, and to enter into a new swap agreement with the Novation Counterparty to which such Existing Swap Agreement was intended to be novated/transferred, and/or (iii) re-identify all or a portion of any Existing Swap Agreement to be novated/transferred as a "Qualified Hedge" for all or a portion of any Series of Bonds, including the Outstanding Auction/Variable Rate Bonds, for the purposes of the Internal Revenue Code of 1986, as amended. Any such determinations made by an Authorized Officer of the Authority in accordance with the preceding sentence shall be set forth in a Certificate or Certificates of Determination executed by an Authorized Officer of the Authority in accordance with Section 7 of this Resolution. If an Authorized Officer of the Authority shall have determined to novate/transfer one or more of the Existing Swap Agreements to a Novation Counterparty and, in connection therewith to amend, supplement or otherwise modify any Existing Swap Agreement, in whole or in part, or terminate any Existing Swap Agreement to be novated/transferred, in whole or in part, and to enter into a new swap agreement with the Novation Counterparty to which such Existing Swap Agreement was intended to be novated/transferred, or re-identify one or more of the Existing Swap Agreements, in whole or in part, any such actions with respect to the Existing Swap Agreements shall be undertaken pursuant to the provisions of this Resolution.

SECTION 3. If an Authorized Officer of the Authority determines that it would be in the best interest of the Authority to do so as provided in Section 2 of this Resolution, the Authorized Officers of the Authority are, and each such Authorized Officer of the Authority is, hereby authorized to amend, supplement or modify any Existing Swap Agreement to be novated/transferred to a Novation Counterparty. Such amendments, supplements or modifications to an Existing Swap Agreement may include, without limitation, (a) amendments, supplements or modifications which result in the Authority both paying and receiving a fixed rate pursuant to such Existing Swap Agreement, or (b) converting such Existing Swap Agreement to a basis swap, for the remainder of the stated term of such Existing Swap Agreement or for such shorter time period as such Authorized Officer of the Authority, in consultation with the Authority's financial advisor and Bond Counsel, may determine; provided, that (i) in no event shall the notional amount of such Existing Swap Agreement be increased or the stated termination date of such Existing Swap Agreement be extended as a result of any such amendments, supplements or modifications, (ii) to the extent that such amendments, supplements or modifications result in

the Authority continuing to have an obligation to pay a fixed rate under such Existing Swap Agreement, such fixed rate payable by the Authority shall not exceed seven percent (7.00%) per annum, and (iii) to the extent that such amendments, supplements or modifications, including any amendments, supplements or modifications converting such Existing Swap Agreement to a basis swap, result in the Authority having an obligation to pay a floating rate under such Existing Swap Agreement, the interest rate or index upon which such floating rate is based shall be the interest rate or index which such Authorized Officer of the Authority shall determine, in consultation with the Authority's financial advisor and Bond Counsel, to be the most advantageous to the Authority.

SECTION 4. If an Authorized Officer of the Authority determines that it would be in the best interest of the Authority to do so as provided in Section 2 of this Resolution, the Authorized Officers of the Authority are, and each such Authorized Officer of the Authority is, hereby authorized and directed, in consultation with the Authority's financial advisor and Bond Counsel, to determine, based on the market conditions existing at the time of such determination, the terms and conditions of the proposed transaction, the provisions of the applicable Existing Swap Agreement and such other factors as such Authorized Officer of the Authority may deem relevant, whether it would be in the best interest of the Authority to terminate any Existing Swap Agreement to be novated/transferred, in whole or in part, and to enter into one or more Qualified Swaps and/or Exchange Agreements with the Novation Counterparty to which such Existing Swap Agreement was intended to be novated/transferred in replacement or substitution for such Existing Swap Agreement (collectively, the "New Swap Agreements"). Any such determination made by an Authorized Officer of the Authority in accordance with the preceding sentence shall be set forth in a Certificate or Certificates of Determination executed by an Authorized Officer of the Authority in accordance with Section 7 of this Resolution. If an Authorized Officer of the Authority determines that it would be in the best interest of the Authority to do so as provided above in this Section 4, the Authorized Officers of the Authority are, and each such Authorized Officer of the Authority is, hereby authorized to enter into one or more New Swap Agreements containing a notional amount, scheduled termination date, payment and security terms, and such other terms and conditions as such Authorized Officer of the Authority shall determine, in consultation with the Authority's financial advisor and Bond Counsel, to be the most advantageous to the Authority; provided, that (i) the maximum aggregate notional amount of all of the New Swap Agreements shall not exceed the notional amount of such Existing Swap Agreement, (ii) the stated termination date of any New Swap Agreement shall not be later than the stated termination date of such Existing Swap Agreement being replaced, (iii) the maximum fixed rate payable by the Authority under any New Swap Agreement shall not exceed seven percent (7.00%) per annum, (iv) the notional amount of each New Swap Agreement shall not exceed, and shall amortize on the same schedule as, the notional amount of the Existing Swap Agreement being replaced amortizes, and (v) to the extent that the Authority has an obligation to

pay a floating rate under any New Swap Agreement, the interest rate or index upon which such floating rate is based shall be the interest rate or index which such Authorized Officer of the Authority shall determine, in consultation with the Authority's financial advisor and Bond Counsel, to be the most advantageous to the Authority. Notwithstanding anything in this Resolution to the contrary, upon compliance with the provisions of this Section 4, the Authorized Officers of the Authority are, and each such Authorized Officer of the Authority is, hereby authorized to enter into one or more New Swap Agreements which require the Authority to pay a higher fixed rate to the Novation Counterparty than would otherwise be payable based upon then current market conditions if such higher fixed rate is necessary to compensate the Novation Counterparty for having made a termination payment on behalf of the Authority which is due and owing by the Authority in connection with the optional termination by the Authority of any Existing Swap Agreement in whole or in part. The payment obligations of the Authority and of the Novation Counterparty under each New Swap Agreement, other than any payment obligations relating to an early termination of such New Swap Agreement, shall commence on the date or dates set forth in such New Swap Agreement, which date or dates may be subsequent to the date of the execution and delivery of such New Swap Agreement. Pursuant to and in accordance with Section 201 of the General Bond Resolution, the Authority hereby finds and determines that each New Swap Agreement will assist the Authority in more effectively managing its interest costs. Each New Swap Agreement shall constitute a Qualified Swap or an Exchange Agreement for all purposes of the General Bond Resolution as determined by an Authorized Officer of the Authority in a Certificate or Certificates of Determination executed by an Authorized Officer of the Authority in accordance with Section 7 of this Resolution. Any termination payment payable by the Authority under any New Swap Agreement may be paid from proceeds of a Series of Bonds issued pursuant to Section 203 of the General Bond Resolution.

SECTION 5. Notwithstanding anything in this Resolution to the contrary, if an Authorized Officer of the Authority, in consultation with the Authority's financial advisor and Bond Counsel, determines that the Authority can achieve the same outcome as may be intended as a result of any amendment to any Existing Swap Agreement authorized in this Resolution on terms more favorable to the Authority by entering into a New Swap Agreement to restructure the cash flow of any Existing Swap Agreement rather than amending such Existing Swap Agreement, the Authorized Officers of the Authority are, and each such Authorized Officer of the Authority is, hereby authorized and directed, to enter into such New Swap Agreement upon compliance with the terms and provisions of Section 4 of this Resolution; provided, however, that (i) the notional amount of such New Swap Agreement shall not exceed the notional amount of the Existing Swap Agreement to which it relates, and (ii) the stated termination date of any such New Swap Agreement shall not be later than the stated termination date of the Existing Swap Agreement to which it relates.

SECTION 6. The Authorized Officers of the Authority are each hereby authorized and directed, in consultation with the Authority's financial advisor and Bond Counsel, to negotiate the terms of and to execute and deliver such documents and instruments as may be necessary or appropriate in connection with any of the transactions relating to the Existing Swap Agreements and the New Swap Agreements authorized pursuant to this Resolution, including, without limitation, any one or more ISDA master agreements and confirmations or amended and restated confirmations thereunder or under existing ISDA master agreements, and such annexes, schedules, and other agreements and instruments as may be required in connection therewith. As additional proceedings of the Authority in connection with any of the transactions authorized by this Resolution, there is hereby delegated to the Authorized Officers of the Authority the power to take the following actions and make the following determinations by a Certificate or Certificates of Determination executed by any one such Authorized Officer of the Authority:

(a) To make the determination, after consultation with the Authority's financial advisor and Bond Counsel and in accordance with the provisions of this Resolution, whether to novate/transfer one or more of the Existing Swap Agreements, in whole or in part, from MSCS to one or both of the Novation Counterparties, and in connection therewith, whether to (i) amend, supplement or otherwise modify any Existing Swap Agreement to be novated/transferred, (ii) terminate any Existing Swap Agreement to be novated/transferred, in whole or in part, and to enter into a new swap agreement with the Novation Counterparty to which such Existing Swap Agreement was intended to be novated/transferred, (iii) pay any termination payment required in connection with any such termination of an Existing Swap Agreement from any funds or moneys of the Authority which are available to be used for such payment, and/or (iv) re-identify all or a portion of any Existing Swap Agreement to be novated/transferred as a "Qualified Hedge" for all or a portion of any Series of Bonds, including the Outstanding Auction/Variable Rate Bonds, for the purposes of the Internal Revenue Code of 1986, as amended;

(b) To pay, from any funds or moneys of the Authority which are available to be used for such purposes, any and all of the costs and expenses incurred by the Authority in connection with any of the transactions authorized by this Resolution, including, without limitation, any and all legal fees and expenses, accounting fees and expenses, fees and expenses of the Authority's financial advisor, Bond Counsel and the Novation Counterparties and their respective counsel, and any other fees and expenses incurred in connection with any of the transactions relating to the Existing Swap Agreements authorized by this Resolution; and,

(c) To make such other determinations, to execute such other agreements, documents, instruments, certificates and papers, and to do such acts and things as may be necessary, advisable or desirable in connection with any of the transactions contemplated by this Resolution.

SECTION 8. All matters determined by an Authorized Officer of the Authority under the authority of this Resolution shall constitute and be deemed matters incorporated into this Resolution and approved by the Authority, and, whenever an Authorized Officer of the Authority is authorized or directed to take any action pursuant to this Resolution with or upon the advice, consent or consultation with or by any other person, agency, officer or official, a certificate of such Authorized Officer of the Authority may be relied upon as being determinative that such advice, consultation or consent has in fact occurred and that such actions of the Authorized Officer of the Authority are valid and binding.

SECTION 9. Any Certificate or Certificates of Determination executed by an Authorized Officer of the Authority pursuant to Section 7 of this Resolution shall constitute a supplement to, and be deemed to supplement, this Resolution and all matters determined by an Authorized Officer of the Authority in such Certificate or Certificates of Determination shall be deemed matters incorporated into and a part of this Resolution.

SECTION 10. Any and all actions heretofore taken by the Authorized Officers of the Authority in connection with the transactions authorized and contemplated by this Resolution are hereby ratified.

SECTION 11. To the extent that there are any inconsistencies between the provisions of this Resolution and the provisions of any resolution previously adopted by the Authority, the provisions of this Resolution shall control and the provisions of any such previous resolution are hereby superseded and/or amended to conform to the provisions of this Resolution to the extent of any such inconsistency.

SECTION 12. This Resolution shall take effect at the earliest time specified in Section 3(F) of the Act.

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Authority unanimously approved of item numbers 321-07-2015 through 322-07-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

ooo0ooo

EXECUTIVE

Chief Operating Officer ("COO") John O'Hern requested approval of item numbers 323-07-2015. Moved is the items as follows:

323-07-2015

In a memorandum dated July 16, 2015, **a Recommendation Authorizing the Executive Director to enter into a Sixth Amendment to Agreement with McDonald's Corporation for a Change in Franchisee at the Vauxhall Service Area on the Garden State Parkway**, was approved.

The New Jersey Highway Authority entered into an Agreement dated October 22, 1987 with the McDonald's Corporation ("McDonald's") (the "Agreement") in which the Authority leased premises in the Brookdale South and Vauxhall Service Areas on the Garden State Parkway for the purpose of operating a McDonald's Restaurant at each site. The parties have agreed to five (5) amendments to the Agreement.

The Agreement provides that McDonald's may not assign, sell, transfer, or pledge the Agreement or any rights thereunder without the prior written consent of the Authority. McDonald's recently notified the Authority that the existing franchisee for the Vauxhall location is desirous of transferring its interests at this location. McDonald's has advised the Authority that the requisite due diligence of the prospective franchisee has been conducted and has determined that the proposed entity satisfies all requirements of the McDonald's Corporation.

In light of the above, McDonald's is requesting the Authority's consent to transfer said franchise to Harry H. Chapman III. In exchange for the Authority's consent, McDonald's agrees to, among other things, at the Vauxhall Service Area, to replace and repair portions of the HVAC system, replace the roof, and upgrade the generator. At the Brookdale South Service Area, McDonald's will perform improvements to the generator and the HVAC system. The work at both locations will be completed by December 1, 2015.

It is therefore recommended that authorization be granted to the Executive Director to consent to this change in franchisee by way of a Sixth Amendment to the Agreement consistent with the terms outlined above. It is further recommended that the Board of 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.

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Authority unanimously approved of item number 323-07-2015; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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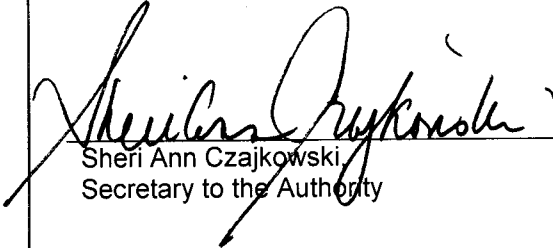
ROLL CALL

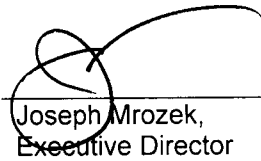
FOX	GRAVINO	DuPONT	POCINO	DIAZ	BECHT	MINELLA
YES	YES	YES	ABSENT	YES	YES	YES

ooo0ooo

The motion to adjourn was made by Treasurer DuPont and seconded by Commissioner Becht, and, after the voice vote, the motion was duly adopted. The Authority adjourned at 9:55 a.m., to meet on Tuesday, August 25, 2015, at 9:00 A.M.

ATTEST:



Sheri Ann Czajkowski
Secretary to the Authority

Joseph Mrozek,
Executive DirectorDate: July 28, 2015
