

**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, John M. Keller, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such, Executive Director certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the September 25, 2018 Meeting of the Authority.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority this 25th day of September, 2018.

ATTEST:

Kim Schurman
Kim Schurman
Secretary to the Authority

John M. Keller
John M. Keller
Executive Director

Corporate Seal

Date: September 25, 2018

**Received in the Governor's Office September 25, 2018
(hand delivered)**

Received by:

Samantha Heffelfinger
Print Name

Samantha Heffelfinger
Signature

Veto Period Ends:

October 10, 2018
(Write in the date the veto period ends)

NEW JERSEY PARKS AND RECREATION
DEPARTMENT
CERTIFICATION

STATE OF NEW JERSEY

DEPARTMENT OF

PARKS AND RECREATION

OFFICE OF THE COMMISSIONER

ATTEST

DATE

SIGNATURE

COMMISSIONER

STATE OF NEW JERSEY

DEPARTMENT OF

PARKS AND RECREATION

ATTEST

STATE OF NEW JERSEY

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COMMISSIONER

STATE OF NEW JERSEY

DEPARTMENT OF PARKS AND RECREATION

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STATE OF NEW JERSEY

**PROCEEDINGS OF MEETING OF NEW JERSEY TURNPIKE AUTHORITY
BOARD OF COMMISSIONERS
Tuesday, September 25, 2018**

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Vice Chairman Ronald Gravino called the meeting of the Authority's Board of Commissioners into session in the Executive Boardroom of the Authority's Headquarters Building at 1 Turnpike Plaza in Woodbridge, New Jersey, at 9:04 A.M.

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PLEDGE OF ALLEGIANCE

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PRESENT

Present were Vice Chairman Ronald Gravino, Treasurer Michael DuPont (arrived at 9:13 A.M.), Commissioner Raymond Pocino, Commissioner Ulises Diaz, Commissioner John Minella, Commissioner Raphael Salerno (arrived 9:05 A.M.) and NJDOT Deputy Commissioner Joseph Bertoni (designee for Chair Gutierrez-Scaccetti). The meeting commenced at 9:04 A.M.

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ALSO PRESENT

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

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

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NOTICE OF MEETING

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

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

1. Vice Chairman Gravino
2. Treasurer DuPont (arrived 9:13 A.M.)
3. Commissioner Pocino

4. Commissioner Diaz
5. Commissioner Minella
6. Commissioner Salerno (Arrived 9:05 A.M.)
7. NJDOT Deputy Commissioner Joseph Bertoni

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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:

- Contract Negotiations
- Personnel

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

Executive Session was adjourned at 9:27 a.m. Vice Chairman Gravino resumed the public portion of the meeting at 9:30 a.m.

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

1. Vice Chairman Gravino
2. Treasurer DuPont
3. Commissioner Pocino
4. Commissioner Diaz
5. Commissioner Minella
6. Commissioner Salerno
7. NJDOT Deputy Commissioner Joseph Bertoni

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ACTION ON MINUTES

The Secretary to the Authority reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Philip D. Murphy received the proceedings of the regular meeting of August 21, 2018; he did not exercise his power to veto any items in those minutes.

Upon motion made by Treasurer DuPont seconded by Commissioner Diaz, and, after the voice vote, the minutes of the meeting was unanimously approved.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

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RECUSALS

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

- Commissioner Pocino is recused on items 201 through 206

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PUBLIC COMMENT

None

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VICE CHAIRMAN COMMENTS

Vice Chairman Gravino thanked John Keller and all that were involved in contributing to the donation of 220 back-packs to children in need and advised 60 came from Commissioner Pocino's members.

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EXECUTIVE DIRECTOR COMMENTS

Executive Director Keller thanked Vice Chairman Gravino and said the back-packs were a team event. Keller also welcomed Bob Carroll our new Director of Law and said he will be an asset to the Authority.

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COMMISSIONERS COMMENTS

None

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 199-09-2018. Moved is the item as follows:

199-09-2018

Human Resources Director Mary Elizabeth Garrity submitted the Personnel Agenda, dated September 25, 2018, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

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

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

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LAW

Director of Law Robert Carroll requested approval of item number 200-09-2018. Moved is the item as follows.

032228

200-09-2018

In a memorandum dated September 17, 2018, Authorization to Execute Access Agreement No. T – 1 by and between the Authority and Transcontinental Gas Pipeline Company, LLC ("Transco") in the Borough of Carlstadt, County of Bergen, was approved.

Transcontinental Gas Pipe Line Company ("Transco") is the owner of underground fuel transmission pipelines located at Turnpike Mile W115.0 under Structure No. W115.36, immediately south of the Hackensack River. During construction of the western spur, the Authority severed Transco's preexisting access to its pipelines and therefore the Authority, at its own expense, built an access road for Transco to use to access its facility. Transco has been using this access road since the early 1970's. The Authority seeks to enter into an access agreement to grant to Transco the non-exclusive right of ingress and egress to the Transco facilities in order to memorialize this existing condition (the "Agreement"). Transco's use of the access granted by the Agreement will not prevent or adversely affect the Authority's use of its property. Both parties are in agreement that, pursuant to the terms of the Agreement, the only intent of the Agreement is to provide a means of access to Transco's facilities.

Based on the foregoing, it is requested that the Authority's Commissioners authorize the Executive Director to execute an Agreement incorporating the above terms. It is further recommended that the Executive Director be authorized to take any other actions necessary to effectuate the intent of this authorization upon review and approval of such actions by the Law Department and Authority Counsel.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item number 200-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GRAVINO DuPONT POCINO DIAZ MINELLA SALERMO BERTONI

YES YES YES YES YES YES YES

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ENGINEERING

Chief Engineer Robert Fischer requested approval of item numbers 201-09-2018 through 204-09-2018. Moved are the items as follows:

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PUBLIC BID SOLICITATIONS - AWARD OF CONTRACTS

201-09-2018

In a document dated August 31, 2018, Recommendation to Award Contract No. P500.495, Garden State Parkway, Joseph M. Sanzari, Inc., Construction of HVAC Improvements to the Amphitheatre at PNC Bank Arts Center, Holmdel Township, Monmouth County, RM-142381,

Budget Code: 080C27033, Funding Allocation: \$350,000.00 FY 2018, \$695,900.00 FY 2019,

Amount: \$1,045,900.00, was approved.

This contract involves the replacement and upgrade of the HVAC system with associated architectural, electrical, and plumbing improvements within the existing amphitheatre at PNC Bank Arts Center. All work is expected to be completed by May 2019.

Five bid proposals were received on August 28, 2018 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$1,045,900.00, may be compared to the Engineer's Estimate in the amount of \$968,800.00. The low bidder, Joseph M. Sanzari, Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P500.495 be awarded to the low bidder, Joseph M. Sanzari, Inc. of Hackensack, New Jersey, in the amount of \$1,045,900.00 which is allocated as follows \$350,000.00 for FY 2018 and \$695,900.00 for FY 2019. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

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

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ORDER FOR PROFESSIONAL SERVICES (OPS)

202-09-2018

In a document dated August 29, 2018, **Recommendation to Issue Order for Professional Services No. P3674, Garden State Parkway, WSP USA Inc., Design Services for Contract No. P100.476, Superstructure Replacement and Widening of Bridge No. 158.2, GSP Bridge over Passaic River, US Route 46 and River Road, RM-143396, Budget Code: 391R00001, Amount: \$6,399,960.00,** was approved.

This Order for Professional Services will provide for the preliminary and final design, permitting, and preparation of construction contract documents for the superstructure replacement and widening of the Garden State Parkway Bridge No. 158.2, GSP Bridge over Passaic River, US Route 46 and River Road.

This assignment is classified as a "Complex Project" since the scope of work is not clearly defined and likely to change during the course of the project, and the cost exceeds \$2,000,000. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and 55 engineering firms were prequalified and eligible under Profile Code: A091 Bridges – Widening and Modifications. Seven firms submitted EOIs by the closing date of June 6, 2018.

On July 16, 2018, Technical and Fee Proposals were received from three firms. The Review Committee reviewed and scored the Technical Proposals. The firms in the order of ranking are: 1) WSP USA Inc.; 2) Hardesty & Hanover, LLC and 3) Dewberry Engineers Inc. The fee submitted by WSP USA Inc. has been reviewed, negotiated and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. P3674 be issued to the firm of WSP USA Inc. of Lawrenceville, New Jersey, in an amount not to exceed \$6,399,960.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.65 to cover the cost of fringe benefits, overhead and profit, plus authorized direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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FINAL ACCEPTANCE

203-09-2018

In a document dated September 3, 2018, **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,** was approved.

Contract No.	Contractor	Award Total Amount	No. of Change Orders	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
T600.319	PKF- Mark III, Inc.	\$26,978,815.80	2	(\$2,465,491.62)	\$24,513,324.18	\$245,133.24
Total						\$245,133.24

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 amount shown above be made to the Contractor.

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

204-09-2018

Acknowledge Reports of Engineering Expenditures Under Delegated Authority

- Construction Contract Progress Summary
- Change Order Summary

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Board unanimously approved item nos. 201-09-2018 through 203-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 204-09-2018 and received same for file.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	RECUSED	YES	YES	YES	YES

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MAINTENANCE

Director of Maintenance, Kenneth McGoldrick requested approval of item number 205-09-2018 and 206-09-2018. Moved are the items as follows:

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FINAL ACCEPTANCES

205-09-2018

In a document dated September 3, 2018, **All work performed on the construction contract listed below has been completed in accordance with the contract documents and to the satisfaction of the Maintenance 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.** was approved.

Contract No.	Contractor	Award Total Amount	Number of Change Orders	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
A200.334	Traffic Lines, Inc.	\$4,578,000.00	11	(\$617,631.28)	\$3,960,368.72	\$79,207.38
Total						\$79,207.38

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultant and the Director of Maintenance. 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

MAINTENANCE EXPENDITURES UNDER DELEGATED AUTHORITY

206-09-2018

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

- Construction Contract Progress Report
- Change Order Report

On motion by Treasurer DuPont and seconded by Commissioner Diaz, the Board unanimously approved item number 205-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 206-09-2018 and received same for file.

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ROLL CALL

GRAVINO DuPONT POCINO DIAZ MINELLA SALERMO BERTONI

YES YES RECUSED YES YES YES YES

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PROCUREMENT ("PMM")

Director of Procurement and Materials Management Andrea Ward, requested approval of item number 207-09-2018. Moved is the item as follows:

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STATE/GOVERNMENT CONTRACTS

207-09-2018

In a document dated September 10, 2018, Cisco Threat Defense Licensing and Support, ePlus Technology, Inc., R-142983 (ITS), Budget Code: 040 00 830 156555 040C00020, State Contract No. 87720 M-7000 expiring 05/31/19, Amount: \$139,145.00, was approved.

Under this contract, ePlus Technology, Inc. will provide three years of licenses and support for Cisco Cyber Threat Defense. At the perimeter of the Authority network, this product will protect against known and emerging malware threats before reaching the Authority's firewall infrastructure. It will block harmful file types and any attempts to infiltrate the network. Internally, to protect against social engineering, spear phishing, and external media, the product continuously monitors and analyzes all file activity and provides visibility into where a harmful file originated and what systems have been affected. These licenses and support are available from NJ State Contract No. 87720 expiring 05/31/2019.

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 under State Contract No. 87720 for three years of licenses and support for Cisco Cyber Threat Defense to ePlus Technology, Inc. for an amount not to exceed \$139,145.00.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item number 207-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

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GENERAL BUSINESS

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OPERATIONS

Acting Director of Operations Kevin Dunn requested approval of item number 208-09-2018. Moved is the item as follows:

208-09-2018

Acting Director of Operations Kevin Dunn requested acceptance of the Resume of All Fatal Accidents for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2018 through 8/31/2018; both with 2017-2018 Yearly Comparisons through August 2018.

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Board unanimously approved item numbers 208-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

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STATE POLICE

209-09-2018

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

On motion by Treasurer DuPont and seconded by Commissioner Pocino, the Authority unanimously accepted the reports contained in item number 209-09-2018 and received same for file.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

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FINANCE

Chief Financial Officer Donna Manuelli requested approval of item number 210-09-2018. Moved is the item as follows:

210-09-2018

Chief Financial Officer Donna Manuelli presented the **Financial Summary for the Eight (8) months ended August 31, 2018**, was approved.

On motion by Treasurer DuPont and seconded by Commissioner Pocino the Board unanimously approved item number 210-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

Chief Financial Officer Donna Manuelli requested approval of item numbers 211-09-2018 and 212-09-2018. Moved are the items as follows:

211-09-2018

In a memorandum dated September 13, 2018, Authorization to Amend the 2018 Annual Budget was approved.

At its October 24, 2017 meeting, the Authority's Board of Commissioners approved the 2018 Annual Budget, which includes the Authority's Revenue Budget, Operating Expense Budget, Debt Service Fund Budget, Maintenance Reserve Fund Budget, Special Project Reserve Fund Budget, Supplemental Capital Budget and General Reserve Find Budget.

During 2018, several events occurred that have had a positive impact on the Authority's finances and operations as compared to the assumptions contained in the approved 2018 Annual Budget. Notably, the Authority has achieved a \$45.4 million increase in revenues above the 2018 Revenue Budget largely due to higher than expected toll revenue from increased traffic volumes. In addition to the positive revenue growth, the Authority will spend approximately \$13.765 million less on debt service in 2018 as compared to the 2018 Debt Service Budget due to savings achieved through refinancing and issuance date changes for new money borrowing. The combined revenue increase and debt service savings total approximately \$59.165 million of additional available funds.

As for operations, the Authority anticipates reaching a financial settlement regarding wage increases with its various unions representing nearly 2,500 full and part-time personnel. The majority of these employees have not had a wage increase in more than eight years. Agreement on these wage increases is a positive step in progressing labor relations and future negotiations on work rules, as many employees have also been working without a contract for over eight years. In addition, the Authority has determined that State Police are spending a higher percentage of their time on patrolling the roadway as opposed to providing maintenance and protection of traffic through construction zones. As such, more of the total State Police costs need to be allocated to the Operating Expense Budget, which reduces the amount charged to capital projects allowing more funds to be spent on construction. Finally, higher toll volumes not only result in increased toll revenue, but also result in higher expenses paid to process and collect tolls electronically. On a combined basis, these changes will increase the 2018 Operating Expense Budget by \$32 million.

Finally, the Authority has plans for several future construction projects that will be included in the next capital program when approved. Authority staff feel now is an opportune time to fund the design work required for these projects. Providing an additional \$25 million to the Supplemental Capital Fund will fund the desired design work thereby laying the foundation for an anticipated \$250 million in new construction work once the next capital program is approved. Beginning the design work now will allow these projects to accelerate the award of construction contracts to late 2019 or early 2020.

In total the Authority has identified \$57 million in additional expenditures associated related to higher traffic volumes, anticipated higher labor costs including taxes and pension, as well as provide funding for needed construction projects to keep the Authority in a high state of good repair. These expenditures will be funded through the additional \$59.165 million of revenue and debt service savings, resulting in a \$307.0 million deposit to the General Reserve Fund, which is \$2.2 million higher than

what was included in the 2018 Annual Budget. Finally, debt service coverage in the Amended 2018 Annual Budget is expected to increase to 1.59 times, compared to the original 2018 Annual Budget projection of 1.54 times. Debt service coverage remains above the Bond Resolution requirements of 1.20 times and the Board Adopted Policy target of 1.40 times.

Based on the above, approval of the Amended 2018 Annual Budget is requested

212-09-2018

In a memorandum dated September 12, 2018, **Authorization to Amend the \$7 Billion Capital Improvement Program**, was approved.

On October 10, 2008, the Authority's Board of Commissioners approved a 10-year \$7 Billion Capital Improvement Program (CIP) to fund roadway widening and infrastructure improvements. The first contracts under the \$7 Billion CIP were awarded in 2009. The Authority successfully completed several construction projects under the \$7 Billion CIP on schedule and on or under budget. Savings achieved from favorable pricing on several projects enabled the Authority to add projects to the program, while maintaining the original overall \$7 billion budget. Several of the projects added could not be started until recently due to the need to coordinate scheduling and location of work with existing projects to minimize patron disruption. In addition, the Pulaski Skyway was not reopened until July 2, 2018, and therefore the New Jersey Turnpike's Newark Bay Hudson County Extension (NBHCE) work could not begin until after that date. Because of these factors, the Authority will need to extend the \$7 Billion CIP end date by two years until December 31, 2020. This extension date will allow the Authority to continue to award contracts to complete the work included in the current \$7 Billion CIP.

Additionally, the Authority has reviewed the costs to complete the projects in the current \$7 Billion CIP and has determined that a \$16 million surplus remains after all necessary transfers between existing projects are made. The surplus has been generated from continued favorable pricing on construction contracts through the public bid process, as well as prudent control of both change orders and settlements of claims. The Authority will use the \$16 million surplus to complete design work for a new project, the Median Barrier Replacement Project Phase II. The Median Barrier Replacement Project Phase II is expected to be part of the Authority's next capital program, and will include \$160 million of new contract awards to complete the work. The inclusion of the design work in the Amended \$7 Billion CIP will allow the construction work for the Median Barrier Replacement Project Phase II to be accelerated into late 2019 or early 2020.

In a separate agenda item, the Amended 2018 Annual Budget includes \$25 million of new design work for future construction projects. When combined with the \$16 million of design work being approved as a part of the Amended \$7 Billion CIP, there is a total of \$41 million of funds designated for new design work. This combined design work of \$41 million is expected to result in future new construction contract awards of over \$400 million.

Based on the above, approval of the Amended \$7 Billion CIP is respectfully requested.

On motion by Treasurer DuPont and seconded, by Commissioner Pocino the Board unanimously approved item numbers 211-09-2018 and 212-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

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EXECUTIVE

Deputy Executive Director James Carone requested approval of item number 213-09-2018. Moved is the item as follows:

213-09-2018

In a memorandum dated September 21, 2018, **Authorization to Enter into a Memorandum of Agreement with IFPTE Locals 194, 196 (Chapters 1 and 12) and 200 and AFSCME Local 3914 relative to Salary Increases**, was approved.

On September 12, 2018, IFPTE Locals 194 and 196 (Chapters 1 and 12) and the New Jersey Turnpike Authority entered into a Memorandum of Agreement relative to several economic provisions. This agreement provides for across the board salary increases for employees on the NJTA payroll as of September 5, 2018 as follows:

- Effective July 1, 2013 -1%
- Effective July 1, 2014 – 1.75%
- Effective July 1, 2017 – 2%
- Effective July 1, 2018 – 2%

On September 12, 2018, IFPTE Local 200 and AFSCME Local 3914 and the New Jersey Turnpike Authority entered into a Memorandum of Agreement relative to several economic provisions. This agreement provides for across the board salary increases for employees on the NJTA payroll as of September 5, 2018 as follows:

- Effective July 1, 2017 – 2%
- Effective July 1, 2018 – 2%

In addition to the above, this agreement allows for all the above referenced Local employees on the NJTA payroll as of September 5, 2018 who earn less than \$15 an hour will now have their hourly rates increased to a minimum of \$15 per hour effective July 1, 2018. Furthermore, management has agreed to take all necessary and appropriate actions to allow each employee to receive these salary increases beginning in November 2018 and no later than December 15, 2018. Attached to this recommendation letter is a fully executed copy of the Memorandum of Agreement.

The terms of this agreement are fair and reasonable to both the employees represented by IFPTE Locals 194, 196 (Chapters 1 and 12) and 200 and AFSCME 3914 and the Authority. Locals

196, 196-12 and 3914 have informed the Authority that its members have ratified the terms of this agreement. Locals 194 and 200 anticipate formal ratification of this agreement either before or shortly after the September 25, 2018 NJTA Commission meeting.

Therefore, approval of this Memorandum of Agreement effective September 12, 2018 is respectfully requested. It is also requested to authorize the Executive Director to execute all documents relative to this agreement.

[MOA Dated September 12, 2018 attached]

On motion by Commissioner Pocino and seconded by Treasurer DuPont the Board unanimously approved item number 213-09-2018; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

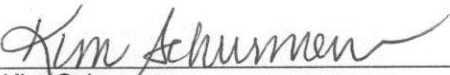
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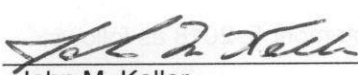
The motion to adjourn was made by Treasurer DuPont and seconded by Commissioner Pocino, and, after the voice vote, the motion was duly adopted. The Board of Commissioners adjourned the meeting at 9:41 a.m., and advised that it will meet again on Tuesday, October 23, 2018, at 9:00 a.m., at the Authority's headquarters building located at 1 Turnpike Plaza in Woodbridge, New Jersey.

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ROLL CALL

GRAVINO	DuPONT	POCINO	DIAZ	MINELLA	SALERMO	BERTONI
YES	YES	YES	YES	YES	YES	YES

ATTEST:


Kim Schurman
Secretary to the Authority


John M. Keller
Executive Director

Date: September 25, 2018

032239

September 12, 2018 - Final MOA

**Memorandum of Agreement between the NJ Turnpike Authority and IFPTE
Locals 194, 196 (Chapters 1 and 12) and 200 and AFSCME Local 3914
regarding Salary Increases**

The parties to this MOA agree to the following economic provisions:

1. The members of IFPTE Locals 194 and 196 Chapters 1 and 12, on payroll on September 5, 2018, shall receive the following across the board salary increases:
 - a. Effective July 1, 2013 - 1%
 - b. Effective July 1, 2014 - 1.75%
 - c. Effective July 1, 2017 - 2%
 - d. Effective July 1, 2018 - 2%
2. The members of IFPTE Locals 194 and 196 on payroll on September 5, 2018 and who earn less than \$15 an hour, including full-time and part-time Toll Collectors (Locals 194 and 196, chapter 1), Maintenance workers 4, 3, 2, and 1 (Local 196, chapter 1) and Janitors (Local 194), shall have their hourly rates increased to \$15 an hour effective July 1, 2018, or shall have their hourly rates increased by the July 1, 2018 2% across-the-board increase referenced above in paragraph 1(d), whichever is greater.
3. The members of IFPTE Local 200 and of AFSCME Local 3914 on payroll on September 5, 2018 shall receive the following across-the-board salary increases:
 - a. Effective July 1, 2017 - 2%
 - b. Effective July 1, 2018 - 2%
4. All salary increases set forth in paragraphs 1 through 3 above are retroactive to their effective dates and all steps for all job classifications shall be increased by the across-the-board increases set forth in paragraphs 1 and 3 this MOA.
5. Employees promoted from one bargaining unit to another bargaining unit between July 1, 2011 and June 30, 2018, shall receive retroactive across-the-board increases based on the local union they were represented by on the effective date of the increase. Further, the employee's promotion increase shall be based on the employee's salary at the time of promotion, calculated pursuant to the increases in this MOA and the applicable collective negotiations agreement at the time of promotion.

September 12, 2018 - Board Meeting

At a meeting of the Board of Directors of the City of San Francisco, held on September 12, 2018, at 1:00 PM, the following resolution was adopted:

The Board of Directors of the City of San Francisco hereby approves the following resolution:

1. The members of the Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:

- 1. The Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:
- 2. The Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:
- 3. The Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:

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- 4. The Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:
- 5. The Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:

6. The members of the Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:

7. The members of the Board of Directors of the City of San Francisco, acting as a body, do hereby approve the following resolution:

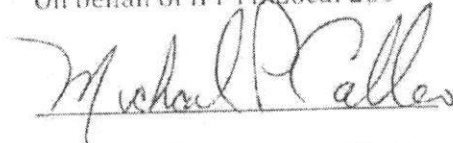
032240

6. Upon execution of this MOA, the Turnpike will immediately take all necessary actions so that employees can be paid at the proper rate and receive all appropriate retroactive payments as quickly as possible. The Turnpike further commits that beginning in November 2018 and not later than December 15, 2018, all employees covered by this MOA shall receive a prospective salary adjustment to reflect the salary increases pursuant paragraphs 1, 2 and 3 of this MOA and shall receive the retroactive salary payment they are due pursuant to paragraphs 1, 2 and 3 of this MOA. The employee's share for healthcare contributions shall not be deducted from any retroactive payments.
7. All terms of the parties' current or expired collective negotiations agreements shall remain in full force and effect through June 30, 2019, unless those terms are expressly modified by this MOA. Any terms in the parties' current agreements containing protections relative to privatization or subcontracting of unit work shall remain in effect for the terms of those agreements or until June 30, 2019, whichever is later.
8. This MOA is subject to ratification by the respective memberships of the union locals that are parties to this MOA and by the New Jersey Authority Turnpike Board of Commissioners. Although this MOA is the product of joint negotiations by the signatory union locals, ratification shall be by the membership of each union local and the terms of this MOA shall become effective only for those union locals that ratify this MOA.

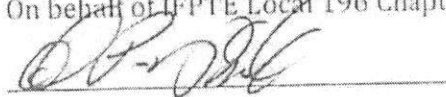
On behalf of the New Jersey Turnpike
Authority



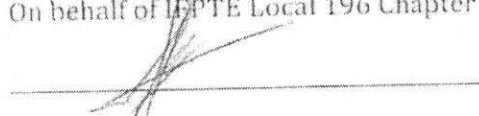
On behalf of IFPTE Local 200



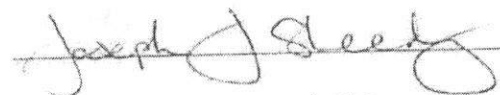
On behalf of IFPTE Local 196 Chapter 1



On behalf of IFPTE Local 196 Chapter 12



On behalf of AFSCME Local 3914



On behalf of IFPTE Local 194



Dated: September 12, 2018

QASSEG