

**PROCEEDINGS OF NEW JERSEY TURNPIKE AUTHORITY
FRIDAY, OCTOBER 3, 2008**

Chairman Kolluri called the Authority into session in the Executive Boardroom of the Authority's Administration Offices, Woodbridge, New Jersey, at 9:40 AM.

PRESENT

Chairman Kris Kolluri; Treasurer Michael DuPont; Commissioner Harold Hodes; Commissioner Raymond Pocino; and Commissioner Clive Cummis.

Executive Director Diane Gutierrez-Scaccetti; Deputy Executive Director-Operations Kenneth Rotter; Chief Engineer Richard Raczynski; Finance Director Benjamin Hayllar; Human Resources Director Mary-Elizabeth Garrity; Internal Audit Director James Carone; Labor Relations Director John O'Hern; Law Director George Caceres; Maintenance Director John Cifelli; Operations Director Sean Hill; Purchasing Director Andrea Ward; Strategic Policy & Planning Deputy Director Elizabeth Johnson; Technology and Administrative Services Director Brian Gorman; Tolls Director Robert Quirk; Communications Director Joseph Orlando; New Jersey State Police Troop D Deputy Commander, Captain Stephen Wolcott; and Secretary Rose Stanko.

Also present were: General Counsel John Hoffman; Co-General Counsel Judy Verrone; General Consultant James Beattie; Sonia Frontera, Governor's Authorities Unit; Kathy Diringer, NJDOT Policy and Authorities Coordination; additional individuals consisting of other NJTA employees; interested organizations; general public; and from the media: Asbury Park Press; and The Record

NOTICE OF MEETING

This is a rescheduled 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.

APPROVAL OF MINUTES

The Secretary reported that ten days (excluding Saturdays, Sundays and holidays) have elapsed since Governor Jon S. Corzine received the proceedings of the September 9th rescheduled meeting; he has not exercised his power to veto any items in those minutes.

Upon motion made by Commissioner DuPont, seconded by Commissioner Pocino, the minutes of the September 9, 2008 meeting were unanimously approved.

RECUSALS

The Secretary reported that advisement of recusal has been submitted regarding agenda item 185A-08 for Commissioner Pocino. She then asked for any further recusals or abstentions to be placed on the record for this meeting. There was no response.

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At this juncture, Chairman Kolluri announced that a separate Executive Session was not required and opened the floor for comment pertaining to the public items being presented for Board approval. There was no response.

The Members of the Authority then moved on the following agenda matters:

HUMAN RESOURCES

177-08

Human Resources Director Garrity submitted the **Personnel Agenda**, dated October 2008, and requested confirmation of the personnel matters contained therein, as amended.

The Executive Director certified the recommendations for consideration.

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

LAW

Law Director Caceres requested approval of item numbers 178-08 through 180-08; moved as a group, those items are as follows:

178-08

In the memorandum dated September 15, 2008, concerning the recommendation to **Settle the Formal Workers' Compensation Matter of Daniel Della Pia v. New Jersey Turnpike Authority**, Account No. 10-870-405070.

Daniel Della Pia, a Parkway Toll Collector hired in October 1988, felt pain in his groin while lifting money vaults out of the trunk of a car on June 9, 2005. Subsequent to diagnosis and determination of proximate cause, he was admitted to Robert Wood Johnson hospital and underwent left inguinal hernia surgery. After the hernia operation, the Petitioner began experiencing lower back pain and was referred for further evaluation. An MRI revealed positive findings and, after conservative treatment failed to provide relief, Petitioner underwent a right L5-S1 discectomy in October 2005. Continued persistent pain despite the attending physical therapy sessions led to another MRI, which revealed further positive findings. Again, pursuant to unproductive conservative treatment, the Petitioner underwent a third surgical procedure, a microdiscectomy for central and right disc herniation at L4-5 in March 2006. The Petitioner lost approximately one year from work.

The petitioner is represented by Marina Perna of Nutley. The Authority is defended by Special Counsel James Jude (JJ) Plaia of Verona. The matter is venued in the district office of Mt. Arlington before Judge Ann Hutton.

Permanency findings on behalf of the respondent opined 15% partial total (\$16,020.00) from all causes, which is an unusually high finding from this examiner. Permanency findings on behalf of the petitioner opined 20% partial total (\$22,956.00) for the hernia, 50% partial total (\$135,200.00) orthopedic, 40% partial total (\$85,200.00) neurologic and 22.5% (\$28,520.00) psychiatric.

Given the multiple surgical interventions and extensive lost time from work, Defense counsel proceeded to aggressively negotiate with Petitioner's counsel and successfully achieve agreement on 40% of partial total disability or \$85,200.00. If tried, the likelihood of a more significant award in this case is virtually certain.

The Law Department has reviewed this matter and agrees with the recommendation of the Special Counsel, the Authority's third party workers' compensation administrator and the Assistant Director, HR, Safety & Benefits. Authorization is, therefore, requested to allow Special Counsel to settle this matter for the sum of \$85,200.00.

179-08

In the memorandum dated September 25, 2008, concerning the recommendation to **Ratify Settlement in the Matter of George Stewart v. New Jersey Turnpike Authority / Driscoll Construction**, Superior Court of New Jersey, Law Division, Ocean County, Docket No. OCN-L-3338-05.

On October 24, 2004, Plaintiff George Stewart, a commercial tractor-trailer vehicle operator, was traveling northbound on the Garden State Parkway in the Township of Bass River, County of Burlington when he alleges that an unknown motor vehicle made a sudden maneuver into the lane and caused him to lose control of his vehicle. He alleged severe injuries resulting in lengthy hospitalization and loss of work. The alleged injuries include multiple rib, shoulder and vertebrae fractures and a severe concussion. Plaintiff claims inability to work due to the injuries, a full three years after the accident.

Statewide Hi-Way, Inc. and Driscoll Construction have been named as additional defendants and the Authority is defending and indemnifying those entities pursuant to the construction rolling Wrap-Up Insurance Program. The plaintiff's UM carrier has entered the case in a motion to intervene. The plaintiff's UM policy provider is a defendant due to the plaintiff's claim that he was cut off by a phantom vehicle before swerving off the road. A State Trooper investigated the site and concluded that the plaintiff had fallen asleep on the road and lost control. The fact that the accident took place at the conclusion of the plaintiff's 12-hour overnight shift, coupled by the fact that he has a history of sleep apnea favors the State Trooper's conclusion.

An IME Report from his neurologist, along with a report from Dr. Ian Fries regarding the orthopedic injuries indicates that the plaintiff is exaggerating his injury claims. Plaintiff has not been treated medically or taken any medication for his alleged symptoms in over two years yet claims he cannot work due to the pain.

General Counsel and the Law Department have reviewed this case thoroughly and deem it advisable to settle plaintiff's case for the total sum of \$60,000, especially in light of a potential worker's compensation lien of \$145,000 and a potential lost wage claim of \$460,000.

Accordingly, it is recommended that that New Jersey Turnpike Authority's Commissioners ratify the settlement of \$60,000 in this matter.

180-08

In the memorandum dated September 29, 2008, concerning the recommendation to **Approve the Negotiated Purchase of Property Required for the Turnpike Interchange 6 to Interchange 9 Widening Program**, Turnpike Design Section 5: Parcel Nos. 1027A and E1027A Block 24, Lot 1; and Parcel No. 1027E; Block 19, Lot 16; Township of Robbinsville, Mercer County; Current Owner: Township of Robbinsville; Project No: 06510057.

The New Jersey Turnpike Authority (the "Authority") is proceeding with its plans to widen the Turnpike between Interchange 6 in Mansfield Township, Burlington County and Interchange 9 in East Brunswick Township, Middlesex County (the "Widening Program"). In order to complete the Widening Program, the Authority must acquire certain property located adjacent to the Turnpike for the purpose of facilitating construction as well as for potential environmental purposes and has determined that portions of the above referenced parcels (the "Properties") are necessary for the Widening Program. The Properties total approximately five (5) acres and are owned and operated by the Township of Robbinsville (the "Township") as public parkland. As such the Properties are therefore subject to regulations promulgated by the New Jersey Department of Environmental Protection, Green Acres Program which applies a 4:1 ratio of value when a governmental entity seeks to dispose of and divert the use of regulated parkland as was necessary here. Applying that ratio to this transaction resulted in a total compensation package due to the Township of Robbinsville of \$615,541.00 for the replacement of the land.

Because the Widening Program also impacted active recreational facilities on Block 24, Lot 1, specifically the loss of athletic fields, the Green Acres Program also requires additional compensation for replacement of these facilities. An athletic field of similar quality was found and, subsequent to public bidding by the Township of Robbinsville, was purchased at a cost of approximately \$300,000.00. Accordingly, negotiations resulted in the parties agreeing to a total purchase price of \$915,541 which was also to be used by the Township for both the acquisition of said replacement parkland and the creation of active recreational facilities within the Township. The Authority's Law Department in consultation with General Counsel and its Real Estate Manager/Consultant recommend that the Authority acquire the property and agreed to the settlement as set forth above.

Reviewed by the Human Resources Director where applicable; available funds certified by the Finance Director; the Executive Director certified the recommendations for consideration.

On motion by Commissioner DuPont, seconded by Commissioner Pocino, the Authority unanimously approved the three (3) item law agenda; and authorized, as presented, the recommendations contained therein; and received and filed the memoranda.

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The following matters were identified in the Public Session agenda:

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ENGINEERING

Chief Engineer Raczynski requested approval of item numbers 181-08 through 184-08.

Moved as a group, those Engineering items are as follows:

181-08

In the memorandum dated September 9, 2008, concerning a recommendation to **Execute Utility Order No. 1193-T – Transcontinental Gas Pipe Line Corporation** – New Jersey Turnpike Interchange 6 to Interchange 9 Widening Program, Townships of Mansfield, Bordentown and Chesterfield, Burlington County, Construction Fund No. 06510057.

A Utility Order is required to perform utility relocations of existing Transcontinental Gas Pipe Line Corporation (Transco) facilities that will be directly impacted by the construction of the New Jersey Turnpike Interchange 6 – 9 Widening Program between Mileposts 48.7 and 56.5. The Authority will reimburse Transco for the installation of new natural gas pipelines, filling and abandoning the existing pipeline, and associated activities. As approved at the Authority's December 10, 2007 Commission Meeting, materials associated with this work will be purchased in advance by Transco to expedite the pipeline relocation process.

A cost proposal for this Utility Order was provided by Transcontinental Gas Pipe Line Corporation in the amount of \$6,100,000 based on the final improvements and known conditions at this time. The cost proposal is considered reasonable and its approval is recommended. It is, therefore, recommended that this Utility Order be authorized in the amount of \$6,100,000.

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182-08

In the memorandum dated September 9, 2008, concerning a recommendation to **Execute Utility Order No. 1195-T – Adesta, LLC** – New Jersey Turnpike Interchange 6 to Interchange 9 Widening Program, Burlington, Mercer and Middlesex Counties, Construction Fund No. 06510057.

A Utility Order is required to perform the relocation of approximately 22 miles of the existing New Jersey Turnpike Authority's fiber optic cable to accommodate the Turnpike's Interchange 6 – 9 Widening Program. The relocation of the fiber optic cable is scheduled to be completed prior to the start of the Widening Program's construction, which is currently scheduled for summer 2009. The construction drawings and cost estimate are based on HNTB Corporation's preliminary design plans, which have been coordinated with the Technology and Administrative Services Department. The Authority will reimburse Adesta for the fiber optic cable and duct relocations and associated activities.

A cost proposal for this Utility Order was provided by Adesta, LLC in the amount of \$10,950,000 based on the known conditions at this time. The cost proposal is considered reasonable and its approval is recommended. It is, therefore, recommended that this Utility Order be authorized in the amount of \$10,950,000.

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183-08

In the memorandum dated September 11, 2008, concerning a recommendation to **Issue Order for Professional Services No. T3182 – Hatch Mott MacDonald** – Operations, Maintenance and Monitoring of Soil and Groundwater Remediation Systems; and Remedial Investigation / Remedial Design, Turnpike William Halsey Service Area 11N and Turnpike Vince Lombardi Service Area 13, Special Project Reserve Fund No. 04010019.

The Authority requires the professional services of an environmental engineering consultant to operate, perform compliance monitoring and maintain the remediation systems installed at the above referenced service areas in accordance with current New Jersey Department of Environmental Protection (NJDEP) regulations. The scope also includes remedial investigations and design as may be needed to further define and delineate contamination to ensure the most effective remediation of the site. The solicitation is for a two-year term with an option for a one-year extension at the Authority's discretion.

This assignment is classified as a "Simple Project" based on the scope of work being clearly defined and not likely to change during the course of the project, and the cost not exceeding \$1,000,000. Solicitations for Expressions of Interest (EOIs) were sent to 19 engineering firms prequalified and eligible under Profile Codes C195: Soil and Groundwater Remedial Investigation; C196: Soil and Groundwater Remediation Design; and C197: Remediation Systems – Operation, Maintenance and Compliance Monitoring. Nine firms submitted EOIs by the closing date of August 20, 2008.

Subsequent to the scoring of the Expressions of Interest, Fee Proposals were requested from the top three firms. They are, in the order of technical ranking: 1) Hatch Mott MacDonald; 2) Dewberry-Goodkind, Inc.; and 3) Environmental Waste Management Associates, LLC. The fee submitted by Hatch Mott MacDonald has been reviewed and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services (OPS) No. T3182 be issued to the firm of Hatch Mott MacDonald of Millburn, New Jersey in the maximum amount of \$500,000, allocated as follows: \$21,000 in 2008, \$250,000 in 2009, and \$229,000 in 2010. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.79, based on a 10% allowance for profit and an overhead rate of 154% or, the firm's overhead rate as determined by Federal Audit Regulation (FAR) procedure, whichever is less, plus authorized, direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by this awardee pursuant to Public Law 2005, Chapter 51 and

having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1 et seq. and N.J.A.C. 19:9-2.8 and Executive Order No. 37 (Corzine).

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184-08

In the memorandum dated September 9, 2008, concerning a recommendation to **Issue Supplement B to TPK Order for Professional Services No. 2009 – URS Corporation** – Final Design, New County Road Grade Separation Project, Construction Fund 06510013.

TPK Order for Professional Services (OPS) No. 2009 was issued at the December 2002 Commission Meeting in the amount of \$2,350,000 to provide professional services for the preparation of contract documents and other ancillary items for Contract No. NCR-501 for the New County Road Grade Separation Project. Supplement A, in the amount of \$370,000, provided for additional services required due to expanded project limits.

This supplement will compensate URS Corporation for additional design services for the preparation of site plans and lighting designs submitted to the New Jersey Meadowlands Commission for site approval of two properties impacted by the New County Road Grade Separation Project. Additionally, URS Corporation provided engineering support during the legal and/or condemnation process of impacted properties.

The fee of \$60,000 submitted by URS Corporation, for these additional services, has been reviewed, negotiated and is considered fair and reasonable for the additional services to be provided.

It is, therefore, recommended that Supplemental TPK OPS No. 2009B be issued to URS Corporation in the amount of \$60,000 with compensation on the same basis as the original OPS. The addition of this amount increases the total authorized fee from \$2,720,000 to \$2,780,000. The original contract was procured pursuant to N.J.S.A. 52:34-9.1 et seq. and N.J.S.A. 19:9-2.8.

Reviewed by the Law Director; available funds certified by the Finance Director; the Executive Director certified the recommendations for consideration.

On motion by Commissioner Hodes, seconded by Commissioner DuPont, the Authority unanimously approved the four (4) item engineering agenda; and authorized, as presented, the recommendations contained therein; and received and filed the memoranda.

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PURCHASING

Purchasing Director Ward distinguished general business item 186-08 as a professional services contract; identified the purchasing agenda items 185A-08 through 185H-08 as routine goods and services; highlighted the vital importance of awarding the snow plowing and salting services item and requested approval for all.

At this time General Counsel Hoffman addressed the Board regarding the snow removal contracts specifically referred to above. He opined that, due to the time sensitive importance of

awarding these contracts and with only five (5) Authority Board Members in attendance today, the “rule of necessity” is invoked and voting by Commissioner Pocino is permitted to complete the needed quorum.

Moved as a group, items 185A-08 through 186-08 are as follows:

185A-08

Results of Bidding – Snow Plowing and Salting Services – New Jersey Turnpike and Garden State Parkway, Requisition Memorandum (RM) 564B.

Service Agreements for snow plowing and salting services on the Garden State Parkway and New Jersey Turnpike are for the three-year period beginning November 1, 2008 through April 30, 2011. The bid quotations are based on the hourly rates for the number of trucks, and awards are based on total prices. Bids for these items were procured, and authorization is being sought to award contracts to the lowest responsible bidders, in accordance with N.J.S.A. 27:23-6, N.J.A.C. 19:9-2.2 and Executive Order 37. These awards are contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee(s) pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and having no objection to same.

Original contract term may be extended for two additional one-year terms under the same terms and conditions at the sole discretion of the Authority. The succeeding years of the contract will be adjusted yearly based on the CPI as designated in the average Consumer Price Index for combined New York/Northern New Jersey and Philadelphia/Southern New Jersey areas.

However, the maximum increase permitted for any year shall be 5%.

Bidders Invited: 19; Bids Received: 4. Recommendations are as follows:

TURNPIKE AREA CONTRACTS:

Silvi of Englishtown Inc.

Contract SPC-2-08: Interchange 10 (Edison) – Interchange 15E (Newark)
Bid: \$4,135

Contract SPD-2-08 Milepost 100 (Elizabeth) – Milepost 118 (North Bergen)
Bid: \$2,010

Contract SPF-1-08 Milepost 105 (Newark) – Milepost 109 (Kearny)
Bid: \$1,625

Contract SPE-1-08 Interchange 16W (E. Rutherford) – George Washington Bridge (Ft. Lee)
Bid: \$1,625

Contract SPE-2-08 Interchange 16/18E – George Washington Bridge (Ft. Lee)
Bid: \$1,625

Richard E. Pierson Construction Co. Inc.

Contract SSC-02-08 Interchange 1 (Deepwater) – Interchange 4 (Morristown)
Bid: \$1,470

PARKWAY AREA CONTRACT:

The Walter R. Earle Corp..

Contract SPC-11-08 Milepost 88-100
Bid: \$1,550

At the July 22, 2008 Commission Meeting, authorization was granted to establish two Snow Removal Contract Accounts for the Turnpike and Parkway Divisions, respectively, for all snow removal services on both roadways. The establishment of these accounts would facilitate

prompt payment to the snow removal contractors. Payments for these contracts would be made from the respective Division’s Snow Removal contracts. The anticipated expenditure is subject to funding availability at the time of service.

Accordingly, authorization is requested to award contracts for snow plowing and salting services on both roadways as outlined herein.

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Results of Bidding in response to public advertisement for the commodities requisitioned by various departments. 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 having no objection to same. Bids for these items were procured and authorization is sought to award contracts to the lowest responsible bidders, pursuant to N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order 37.

Recommendations of contract awards to the low bidders meeting Authority specifications are as follows:

185B-08

<u>BIDDERS</u>	<u>BIDS</u>		
<u>INVITED</u>	<u>REC'D</u>	<u>COMMODITY</u>	<u>VENDOR</u>
15	6	Generator and Electrical Switching Apparatus Repair	EMR Power Systems LLC Trenton, NJ
			<u>AWARD</u>
			\$75,000.00

Service Agreement; Bids received September 8, 2008; Requisition Memorandum (RM) 605

Requisitioned by the Maintenance Department, bidders were required to quote an hourly rate for normal service and an hourly rate for emergency service including a discount off of the Manufacturer’s List Prices for miscellaneous items. Review of the bid proposals found one bid as non-compliant which required mandatory rejection.

Therefore, recommendation is made that award be made to the lowest, responsible bidder, EMR Power Systems LLC. The anticipated annual expenditure will not exceed \$75,000, subject to funding availability at the time of service.

Original contract term may be extended for two additional one-year terms each under the same terms and conditions, in the sole discretion of the Authority.

185C-08

<u>BIDDERS</u>	<u>BIDS</u>		
<u>INVITED</u>	<u>REC'D</u>	<u>COMMODITY</u>	<u>VENDOR</u>
17	15	Body Work and Repair on Authority Vehicles	Maaco Auto Painting South Toms River, NJ
			<u>AWARD</u>
			\$46,000.00 (Items 3 and 10)
			Maaco Auto Painting Lakewood, NJ
			\$35,000.00 (Items 4 and 11)
			Maaco Collision Keyport, NJ
			\$45,000.00 (Item 5)
			A. Lembo Car & Truck Collision Inc. Newark, NJ
			\$10,000.00 (Item 6)
			Al’s Auto Body South Amboy, NJ
			\$60,000.00 (Item 12)
			Color My Car Inc. Newark, NJ
			\$23,000.00 (Item 13)
			Maaco Collision Paterson, NJ
			\$60,000.00 (Item 14)

Service Contracts; Bids received September 17, 2008; RM 607. Specified Garden State Parkway (GSP) milepost (MP) areas are as follows:

VEHICLES GREATER THAN 18,000 GVWR

- Item #1 – GSP MP 0 – 30 (No Bids Received)
- Item #2 – GSP MP 30.1 – 61.5 (No Bids Received)
- Item #3 – GSP MP 61.6 – 90.1
- Item #4 – GSP MP 90.2 – 117
- Item #5 – GSP MP 117.1 – 140
- Item #6 – GSP MP140.1 – 153.3
- Item #7 – GSP MP 153.4 – 172.2 (No Bids Received)

VEHICLES LESS THAN 18,000 GVWR

- Item #8 – GSP MP 0 – 30 (No Bids Received)
- Item #9 – GSP MP 30.1 – 61.5 (No Bids Received)
- Item #10 – GSP MP 61.6 – 90.1
- Item #11 – GSP MP 90.2 - 117
- Item #12 – GSP MP 117.1 - 140
- Item #13 – GSP MP 140.1 – 153.3
- Item #14 – GSP MP 153.4 – 172.2

Bidders were required to quote an hourly labor rate and a discount off the manufacturer’s list price for one or more areas and must be located within 10 miles east or west of the roadway mile markers.

The Purchasing Department reviewed the bid proposals and found that two proposals were non-compliant with the specifications and warrant rejection. In addition, bid proposals received for Items Nos. 2, 4, 5, 7, 9, 11, 12 and 14 were outside the 10-mile (mandatory) requirement in the bid specifications. Accordingly, it is recommended that these bid proposals be rejected.

The total combined amount will not exceed \$279,000, subject to funding availability at the time of service. Authorization is further requested to revise individual contract amounts stated herein so as to facilitate prompt payment during the term of this contract.

These are one-year Service Contracts for specified GSP roadway areas. Original contract term may be extended for two additional one-year terms, each under the same terms and conditions, in the sole discretion of the Authority.

185D-08

<u>BIDDERS BIDS</u>		<u>COMMODITY</u>	<u>VENDOR</u>	<u>AWARD</u>
<u>INVITED</u>	<u>REC'D</u>			
1	1	Windmaster Sign Replacement Parts	Atlas Flasher & Supply Co. Inc.	\$35,977.15

Price Agreement; Bids Received: August 27, 2008; R-49829.

Requisitioned by the Maintenance Department, vendors were required to supply unit prices for every item listed. Recommendation is that award be made to the lowest, responsible bidder, Atlas Flasher & Supply Co., Inc. The anticipated annual expenditure will not exceed \$35,977.15, subject to funding availability at the time of service.

This is a one-year Price Agreement. Original contract term may be extended for one additional three-year term, under the same terms and conditions, in the sole discretion of the Authority.

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185E-08

In the memorandum dated September 24, concerning **Ratification of Contract**

No. 981 – American Asphalt Co. Inc. – Asphalt & Tack Oil, Budget Codes: 423900-02-010-520 and 431010-01-010-520, (RM 516, 521 and 525).

The Maintenance Department requisitioned a price agreement for asphalt and tack oil used in roadway patching. The agreement was publicly bid in accordance with N.J.S.A. 27:23-6.1 and N.J.A.C. 19:9-2.2 and Executive Order 37. The first bid opening occurred on May 13, 2008. No bids were received. Given the need for an immediate supply of asphalt, the Maintenance Department had requested that the contract be re-advertised and an award made following the second bid opening. Thus, at the June 4, 2008 Commission Meeting, authorization was delegated to the Executive Director to award a contract to the responsible low bidder and ratify the contract at a subsequent Commission Meeting. The second bid opening occurred on June 26th and again there were no bidders. Consistent with the Authority’s enabling statute, Staff

decided to negotiate a contract. Vendors were required to quote per ton prices for five items of asphalt and a 5-gallon can of tack oil. The contract will be for one year with an option to extend for two additional one-year periods under the same terms and conditions. The Purchasing Department solicited proposals from three vendors with the following results:

	Central District	Southern District
	<u>Hightstown</u>	<u>Mt. Laurel</u>
American Asphalt	\$56.00 per ton – asphalt	\$56.00 per ton - asphalt
	\$90.00 5-gal can – tack oil	\$90.00 5-gal can – tack oil

A proposal was received from National Paving Co., Inc., Berlin, NJ. However, this vendor cannot supply the 37.5 mm grade of asphalt as required. Trap Rock Industries, Inc., Kingston, NJ also submitted a proposal. This vendor’s proposal is contrary to the specifications with respect to fluctuating prices, fuel escalation provision, plant availability and different asphalt composition as required. Thus, the proposals from National Paving and Trap Rock were rejected. The proposal submitted by American Asphalt and negotiated with Authority Staff was fully compliant with the specifications. Thus, a price agreement was awarded to American Asphalt Co., Inc. in the anticipated annual amount of \$54,000 (\$29,000 for Hightstown and \$25,000 for Mt. Laurel, respectively).

Accordingly, authorization is requested to ratify Contract No. 981 awarded to American Asphalt Co. Inc., W. Collingswood Heights, New Jersey, for asphalt and tack oil as outlined, in an amount not to exceed \$54,000, subject to availability of funding at the time of ordering.

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185F-08

In the memorandum dated September 25, 2008, concerning a recommendation to **Increase the Amounts of Contract No. 428 – Southland Printing Co.;** and **Contract No. 776 – Magnetic Ticket Label Corporation** – Magnetic Toll Tickets.

At the January 2006 Commission Meeting, authorization was granted to award a contract to Southland Printing Company, Inc., Shreveport, LA for approximately 45,000,000 magnetic toll tickets in an amount not to exceed \$205,800.80. This contract (No. 428) was for the period through December 31, 2006. The Authority opted to exercise the 2 one-year extensions through December 31, 2008. In addition, consistent with the contract provisions, the annual contract amount for 2007 was increased by \$20,580.00 for a new authorized total of \$226,380.80. The Technology and Administrative Services (TAS) Department has now requested an increase to the contract of \$130,000 to pay for an additional 17,225,000 tickets; to change ticket format (proofs, printing plates); and for shipping costs. For Contract No. 428, this will increase the total authorized amount to \$356,380.80.

In addition, at the September 2007 Commission Meeting, authorization was granted to award a second contract to Magnetic Ticket and Label Corp., Dallas, TX for approximately 45,000 magnetic toll tickets in an amount not to exceed \$292,500. The contract (No. 776) was for the period November 14, 2007 through November 13, 2008. The TAS Department has requested that

the Authority increase the contract by \$20,000 to pay for an additional 45,000,000 tickets; to change ticket format (proofs, printing plates); and for shipping costs. For Contract No. 776, this will increase the total authorized amount total to \$312,500.00.

Accordingly, authorization is requested to increase Contract No. 428 with Southland Printing Company, Inc. and Contract No. 776 with Magnetic Ticket and Label Corp as outlined herein. Both contracts were procured and awarded in accordance with N.J.S.A. 27:23-6.1 et seq., N.J.A.C. 19:9-2.2 and Executive Order 37.

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185G-08

In the memorandum dated September 25, 2008, concerning a recommendation to **Extend Contract No. 329 – Energy Solve Demand Response, LLC (“Energy Solve”) – Energy Management and Accounting Services.**

At the August 30, 2005 Commission Meeting, authorization was granted to award a contract to Energy Solve for services relating to payment of utility bills (the “Services”). Under this program, the Authority eliminated data entry, check issuance, microfilming, records retention and other tasks associated with payment of utility bills for both Maintenance Departments. Contract No. 329 was issued to Energy Solve for the period through September 30, 2007 in an amount not to exceed \$273,596.70. Subsequently, at the November 5, 2007 Commission Meeting, authorization was granted to extend the contract for one year through September 30, 2008 pending competitive solicitation of a new contract.

The Maintenance Department has requested an extension of Contract No. 329 for an additional three months to complete the request for proposal documents and solicitation process. Staff was initially utilizing the Scope of Services from the underlying New Jersey Transit's contract. However, Staff found that the computer security and hardware requirements had to be significantly revised to be compatible with the Authority's system. Therefore, the solicitation process was delayed to incorporate the technology components. The RFP is now scheduled to be advertised and distributed by mid-October 2008. The procurement will be conducted pursuant to the Laws of New Jersey in accordance with N.J.S.A. 27:23-6.1, N.J.A.C.19:9-2.1B and Executive Order 37.

Accordingly, authorization is requested to extend Contract No. 329 with Energy Solve Demand Response, LLC (“Energy Solve”), Somerset, NJ through December 31, 2008 as outlined herein. No additional funds are required.

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185H-08

In the memorandum dated September 19, 2008, concerning a recommendation to **Reject both Bid Proposals and Re-bid Contract for Calcium Chloride Spreader Parts**, RM-557.

The Maintenance Department requisitioned a price agreement for calcium chloride spreader parts for both roadways. The bid specifications required prices for the parts listed and a

discount off the manufacturer's list price for all parts not listed. Bids for these items were solicited in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2 and Executive Order No. 37. The contract was publicly advertised and requests for bids were sent to five vendors. The bid opening took place on August 28, 2008. Two bid proposals were received from Bristol Donald Co. Inc, Newark, NJ and Seely Equipment & Supply Co, Farmingdale, NJ.

The Purchasing and Maintenance Departments reviewed both bid proposals submitted and found that instead of bidding a discount off the manufacturer's list price, both bidders proposed surcharges for the unlisted parts. The Maintenance Department determined that the surcharges were contrary to the specifications, excessive and unacceptable for the referenced contract. Furthermore, the Maintenance Department would like to revise the specifications with respect to the delivery locations. Thus, it is recommended that the two bid proposals be rejected and the contract be re-advertised with revised specifications.

The Maintenance Department requires the parts for the upcoming snow season, thus it is necessary to procure a contract as soon as possible. Accordingly, authorization is requested to reject the bid proposals submitted, for the reasons outlined herein, and to immediately re-advertise the contract for re-bid.

Reviewed by the Law Director; available funds certified by the Finance Director where applicable; the Executive Director certified the recommendations for consideration.

On motion by Commissioner DuPont, seconded by Commissioner Pocino, the Authority approved the eight (8) item purchasing agenda; and authorized, as presented, the recommendations contained therein; and received and filed the memoranda.

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GENERAL BUSINESS

186-08

In the memorandum dated September 22, 2008, concerning a recommendation to **Enter into Agreement – DTN Meteorlogix** – Weather Forecasting Services, Account # 010-00-710-445900.

The Authority's current agreement with DTN Meteorlogix, Inc. (formerly Surface Systems), for weather forecasting services on the New Jersey Turnpike and Garden State Parkway expires on October 24, 2008. In anticipation of the contract expiration a Request for Proposal (RFP) was released on June 25, 2008. The RFP was advertised in three newspapers: The Star Ledger, The Trenton Times, The Home News Tribune; the Turnpike Authority's website; and mailed to eight (8) firms. Four (4) firms submitted proposals: Meridian Environmental Technology Inc. of Grand Forks, North Dakota; WSI Corporation of Andover, Massachusetts; DTN Meteorlogix of Minneapolis, Minnesota and Weatherworks of Hackettstown, New Jersey. The consultant selection process was conducted pursuant to The Laws of New Jersey in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.1(b) and Executive Order 37.

The Acting Executive Director appointed the Evaluation Committee consisting of personnel from the Maintenance and Operations Departments. The Committee reviewed and evaluated each proposal and found that the proposals were competitive. DTN Meteorlogix received the highest overall score of 88.1 points out of 100. A copy of the Evaluation Report, with the composite census sheet is on file in the Purchasing Department. DTN Meteorlogix has provided weather forecasting services in a satisfactory manner for the Authority since July 2006. In addition to receiving the highest score, DTN proposed the lowest cost.

Authorization is requested to award a contract to DTN Meteorlogix of Minneapolis, Minnesota for weather forecasting services for the 3-year period 2009 to 2011: Year 1 at \$16,995.00; Year 2 at \$17,505.00; and Year 3 at \$18,030.00 for a total amount not to exceed \$52,530.00, subject to funding availability at time of service.

Reviewed by the Law Director; available funds certified by the Finance Director; the Executive Director certified the recommendation for consideration.

On motion by Commissioner DuPont, seconded by Commissioner Pocino, the Authority unanimously approved the recommendation; authorized the Agreement with DTN Meteorlogix, as presented; and received and filed the memorandum.

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187-08

Strategic Policy and Planning Deputy Director Johnson identified the recommendation in item 187-08 and requested approval.

In her memorandum dated September 19, 2008, concerning the recommendation to **Issue Supplement A to Order for Professional Services No. A3096 – Michael Baker, Jr. Inc.** – On-call Professional Transportation Services, Various Capital Program Funds.

An on-call professional transportation planning service contract, Order for Professional Services (OPS) No. A3096, was awarded to Michael Baker, Jr., Inc. at the July 12, 2006 Commission Meeting for a maximum authorized amount of \$800,000.00 and a two-year term period with the option for the Authority's Executive Director to execute a one-year extension, if needed.

Under this contract there have been four task assignments issued to date, totaling \$740,762.24, leaving a remaining balance of \$59,237.76 unencumbered for future task assignments. The original two-year term period for this OPS was scheduled to expire on September 29, 2008. The one-year extension option was executed under the authorization of the Executive Director on June 23, 2008 extending the expiration date of OPS No. A3096 to September 29, 2009.

To cover additional on-call assignments for professional transportation planning services in the next year, it is recommended that Supplement No. A be issued to Michael Baker Jr. Inc. for the maximum amount of \$300,000.00 with compensation on the same basis as the original OPS, contingent upon funding availability. The addition of this amount increases the total authorized

fee from \$800,000.00 to \$1,100,000.00. All other provisions of OPS No. A3096 will remain unchanged. The original contract was procured pursuant to N.J.S.A. 52:34-9.1 et seq. and N.J.S.A. 19:9:-2.8.

Reviewed by the Law Director; available funds certified by the Finance Director; the Executive Director certified the recommendation for consideration.

On motion by Commissioner DuPont, seconded by Commissioner Pocino, the Authority unanimously approved the recommendation; and authorized the issue of Supplemental OPS A3096A to Michael Baker, Jr. Inc. in the amount of \$300,000; as presented; and received and filed the memorandum.

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188-08

Executive Director Gutierrez-Scaccetti presented the recommendation contained in a memorandum dated September 22, 2008, concerning **Ratification of Payment – NIA Group Associates LLC** – Certificate Filing Fees, Major Bridge and Property Insurance Program, New Jersey Turnpike, Account No. 10890-441030-10890.

At the September 9, 2008 Commission Meeting, approval was given for renewal of various insurance policies including the Major Bridge and Property Insurance Program for the New Jersey Turnpike with a premium of \$2,242,728. The program was effective with September 1, 2008.

In addition to the premium, the proposal by the Broker of Record, NIA Group Associates, LLC included a Certificate filing fee estimated in the amount of \$2,000 for inspections to be performed by Hartford Steam Boiler & Inspection Company. This fee was included in invoices submitted to the Authority, but was not included in the amount previously approved by the Commissioners. To ensure timely payment of invoices for the Major Bridge and Property Insurance Program, with the Executive Director's approval, the \$2,000 fee will be included in the amounts remitted to NIA Group Associates, LLC.

Accordingly, it is recommended that the New Jersey Turnpike Authority's Commissioners authorize and approve the ratification of payment of \$2,000 to NIA Group Associates, LLC for fees relating to Certificate filings for inspections to be performed by Hartford Steam Boiler & Inspection Company.

Reviewed by the Law Director, available funds certified by the Finance Director; the Executive Director certified the recommendation for consideration.

On motion by Commissioner DuPont, seconded by Commissioner Pocino, the Authority unanimously approved the recommendation; ratified payment to NIA Group Associates LLC for Certificate Filing Fees, as presented; and received and filed the memorandum.

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189-08

Finance Director Hayllar presented the financial results of the New Jersey Turnpike Authority for the eight months ended August 31, 2008. On motion by Commissioner DuPont,

seconded by Commissioner Pocino, the Authority's **Financial Summary** was unanimously accepted and received for file.

Chairman Kolluri then stated that it is his understanding that even though the Authority has taken aggressive financial steps, the Authority will remain unable to provide the certification of 2009 projected revenues as required under the Authority's Bond Resolution. The Finance Director confirmed the Chairman's statement as correct.

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190-08

Résumé's of All Fatal Accidents – Garden State Parkway and New Jersey Turnpike.

Submitted by Operations Director Hill, they contain a descriptive account for the Period 1/1/08 to 9/15/08 and also include 2007 – 2008 Yearly Comparisons for the eight months through August 2008.

On motion by Commissioner Pocino, seconded by Commissioner DuPont, the Authority unanimously accepted the Résumé's and received for file.

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191-08

New Jersey State Police Troops D and E - Reports of Activities for the eight months through August, 2008, including 2007 – 2008 Yearly Comparisons, were submitted by Captain Wolcott, Troop D Deputy Commander.

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

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At this juncture, Chairman Kolluri opened the floor to public comment on other matters. There was no response.

Before requesting adjournment, the Chairman acknowledged New Jersey Governor Corzine's public request that the New Jersey Turnpike Authority revise its capital program and institute budget cuts. He announced that it is the New Jersey Turnpike Authority's intention to adhere to the Governor's request and included a reminder of the supplemental public hearing regarding modified toll adjustments scheduled for Friday, October 10, 2008.

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The motion to adjourn was made by Commissioner DuPont, seconded by Commissioner Pocino and, after the voice vote, the motion was duly adopted. The Authority adjourned at 9:55 A.M., scheduled to meet on Tuesday, October 28, 2008, at 9:30 A.M.

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The Secretary acknowledges receipt of the following documents for file:

ADDITIONAL REPORTS:

Purchases – under Resolution 40-95, Executive Directors Delegated Authority (EDDA), for the Period: August 1, 2008 – August 31, 2008.

Utility Orders – under EDDA 117-05, (none); Dated for September 30, 2008.

Contract Change Order Summary, Type 1 and Type 2 – Period August 9, 2008 through September 11, 2008, Dated for September 30, 2008.

Construction Progress – Period Ending September 12, 2008; Dated September 30, 2008.

Rose Stanko
Secretary

APPROVED:

Kris Kolluri, Chairman and NJ Department of Transportation Commissioner

Michael R. DuPont, Treasurer

Harold L. Hodes, Commissioner

David G. Evans, Commissioner

(ABSENT)

Raymond M. Pocino, Commissioner

Clive S. Cummis, Commissioner