

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2246
973-491-7000



February 14, 2008

Dear Governor Corzine:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc. Board of Directors held on Wednesday, February 13, 2008.

Sincerely,

Gwen A. Watson
Board Secretary

Enclosures

Honorable Jon S. Corzine
Governor, State of New Jersey
State House
Trenton, NJ 08625

(NJT Board – 02/13/2008)

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, February 13, 2008.

Present:

Kris Kolluri, Chairman
Myron P. Shevell, Vice Chairman
James Carey, Governor's Representative
Patrick O'Connor, Treasurer's Representative
Kenneth E. Pringle

Richard R. Sarles, Executive Director
Gwen A. Watson, Board Secretary
Warren A. Hersh, Auditor General
Lynn Bowersox, Assistant Executive Director, Corporate Communications & External Affairs
James Gigantino, Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Mala Narayanan, Deputy Attorney General
Vincent Soleo, Assistant Executive Director, Procurement & Support Services
James Redeker, Assistant Executive Director, Policy, Technology & Customer Services
Steve Santoro, Assistant Executive Director, Capital Planning and Programs
H. Charles Wedel, Chief Financial Officer & Treasurer
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Jan Walden, Assistant Executive Director, Diversity

Chairman Kris Kolluri convened the Open Session at 9:10 am in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations and attorney-client, litigation and personnel matters. A motion was made by Myron P. Shevell, seconded by Kenneth E. Pringle and unanimously adopted.

Chairman Kolluri reconvened the Open Session at 9:34 am and asked for a motion to adopt the minutes of the January 17, 2008 meeting. A motion was made by Kenneth E. Pringle, seconded by Patrick O'Connor and unanimously adopted.

Chairman Kolluri mourned the recent loss of Simplicio Nino, a valued member of Rail Operations. Mr. Nino was a revered employee and close friend of many. He gave 36 years of dedicated service to NJ TRANSIT. Chairman Kolluri said he and the NJ TRANSIT family are truly shaken by this tragic event and expressed deepest sympathies to his family, friends and crew members. A moment of silence was observed.

Executive Director Richard R. Sarles highlighted the following from his monthly business report.

Executive Director Sarles said NJ TRANSIT mourns the recent loss of Simplicio Nino, who was a valued member of Rail Operations. Nino, as he was known, worked on the railroad for 36 years and had many friends among his coworkers, who knew him as a devoted family man. He was a consummate gentleman -- referred to everyone as "Mr." Joe Meade asked him to "stop with the Mr. Meade," so he instead called him Mr. Joe. Nino started each workday with a prayer to God for His blessings. Executive Director Sarles said thoughts and prayers are with the Nino family.

No. 6 Bus Route

Executive Director Sarles announced the new No. 6 bus route in Jersey City which is replacing a route being discontinued by a private carrier. The route serves about 1,000 customers per day between Greenville and Journal Square. The new route is modified to enhance customer service including Hudson County Plaza, home of the county administration building when it opens later this year, which should attract hundreds of additional customers. Also, details are being worked out to offer service to customers affected by 99S cuts beginning in April. It is expected to extend some 123 line trips to Christ Hospital with service about every 30 minutes in peak, every hour off-peak. He said this will be reviewed at the end of the year and adjustments will be made to meet demand. This new robust service should meet customer needs and NJ TRANSIT will provide final details well in advance of the schedule change.

Executive Director Sarles said to cover the costs of these and other service additions NJ TRANSIT is continually tightening belts and cutting back-office expenses. Recent examples include lowering conference call rates, recalling 250 cell phones and pagers and slashing photo copier maintenance costs, which saved the Company greater than \$300,000. Executive Director Sarles thanked the Attorney General's office for their support of these efforts. NJ TRANSIT is saving a half million dollars annually in rent by consolidating lawyers and planning staff in smaller offices in the Headquarters building. These kinds of savings make it possible to add buses where customers need them and to keep the company efficient. In fact, this year 91 cents of every operating dollar is being spent in service delivery and only nine cents goes to the administration that supports the service. That amount is down from 12 cents on the dollar in 2004.

New Bus on Display

Executive Director Sarles said many customers will benefit from the 1,145 new suburban and transit buses which have been purchased and which will be delivered over the next several years. The first of these buses will be in service this summer. One of the Suburban style buses is on display outdoors today. He said this bus will provide medium-length trips and customer amenities include: aircraft-style overhead parcel compartments, individual reading lights and air diffusers. The bus on display goes into a 90-day revenue test. Passengers/drivers/mechanics will evaluate the bus and at the end of 90 days, modifications will be made, if necessary.

Features customers will notice include additional two inches of leg room (hip-to-knee) from 27 inches to 29 inches and improved air conditioning, wheelchair lifts, on-board cameras, automated stop announcements (GPS based) and LED displays inside the

bus (which benefits all customers, especially hearing- and visually-impaired) and a new rear door which allows faster unloading at the Port Authority Bus Terminal. Features for operators include better visibility for the operator and roomier operator work-stations. Environmental benefits include meeting or exceeding all Federal emission standards through improved engine design, a diesel oxidation catalyst, soot filters and use of Ultra Low Sulfur Fuel. When all buses are delivered, the entire fleet will be Americans with Disabilities Act (ADA)-compatible.

Portal Bridge and Access to the Region's Core

Executive Director Sarles said the Board will consider two critical projects today, the Portal Bridge Capacity Project and Access to the Region's Core. These items request authorization for contract amendments for additional work needed to complete environmental studies later this year.

Portal Bridge

Executive Director Sarles said while Access to the Region's Core gets the "lion's share of attention," the Portal Bridge project is critical to breaking the peak-period train traffic bottleneck in/out New York. It is a two-track rotating swing bridge in service since 1910, nearly 100 years ago, which requires constant maintenance and, even when it works, it is painfully slow. He said the bridge stops rail traffic on the busy Northeast Corridor. Just last Thursday morning, the bridge opened for marine traffic at 6:43 a.m., and did not close until 7:02 a.m. For 19 minutes during the peak period, rail traffic was stopped in its tracks, making a mess of the morning commute for customers heading to work. There were 30 trains delayed and it took nearly three-and-a-half hours to get trains back on schedule. The project team is considering a range of alternatives to alleviate/minimize capacity and reliability issues and minimize conflicts between rail/marine traffic. It is anticipated that the Draft Environmental Impact Statement (DEIS) public hearings will be held next month.

Access to the Region's Core

Executive Director Sarles said that the Federal Transit Administration (FTA) raised the rating of the Access to the Region's Core project to "medium high", increasing its chances of receiving federal funding. The FTA's extremely favorable rating is a major step toward Governors' shovels being in the ground next year. Executive Director Sarles thanked Administrator Jim Simpson for leadership and FTA's thoughtful and thorough work with NJ TRANSIT on this project. A contract amendment with Transit Link Consultants of Little Falls, New Jersey, covers the expanded Supplemental Draft Environmental Impact Statement and Final Environmental Impact Statement.

Recovery Wishes

Executive Director Sarles noted the absence of a man who is a welcome fixture at Board meetings. He referred to the staunch rail advocate Al Cafiero, transportation representative for Senator Cardinale, who is recovering from surgery. Executive

Director Sarles related that Mr. Cafiero's zeal for railroads caused him to hope for room at Englewood Hospital that overlooked the Northern Branch railroad. Executive Director Sarles said a glowing status report was received from Mr. Cafiero's wife, Renata, and NJ TRANSIT wishes him a full and speedy recovery.

Matthew Boxer

Executive Director Sarles recognized the service Matthew Boxer provided this agency for the past two years as a Board Member. As the former head of the Governor's Authorities Unit, he brought vision and professionalism to his work here and he emphasized transparency. Having been recently appointed by the Governor as State Comptroller, Mr. Boxer was obliged to step down from this Board. Executive Director Sarles said establishing a new State office with such great responsibility requires an exceptional leader of Matt's caliber. Executive Director Sarles concluded his remarks.

David Peter Alan said at its January 28, 2008 meeting, the Lackawanna Coalition adopted a Resolution recognizing the 25th anniversary of NJ TRANSIT Rail Operations as an official rail operator. He said NJ TRANSIT was founded in 1979 in an effort to improve transit infrastructure and services that were deteriorating at the time. He recalled what trains were like 25 years ago compared to the rail service today. NJ TRANSIT formed NJ TRANSIT Rail Operations Inc. to directly operate all local rail passenger service in the State of New Jersey, including services operating into Pennsylvania Station in New York. NJ TRANSIT's operation of New Jersey's passenger rail services has resulted in expansion of service on several NJ TRANSIT rail lines as well as added electrification, new stations and other infrastructure improvements. Mr. Alan said the Lackawanna Coalition congratulates NJ TRANSIT and presented a plaque to Executive Director Richard Sarles and Vice President/General Manager, Rail Operations William Duggan. He said DC Agrawal was there at the beginning deserves special mention for his many years in rail operations.

Suzanne Mack mourned the loss of NJ TRANSIT employee Simplicio Nino and recognized his professionalism on the job and dedication to his church.

Ms. Mack presented the Advisory Committee report and said the Committee was pleased to hear about the introduction of the new No. 6 bus route in Jersey City serving Hudson County commuters as well as the agency looking at bus services around the State.

The Committee also discussed the Americans with Disabilities Act (ADA) situation in Ridgewood and said accessibility is moving ahead thanks to the dedicated staff of professionals at NJ TRANSIT.

Ms. Mack recognized that Executive Director Sarles and Board Member Kenneth E. Pringle attended the Advisory Committee and his presence was well appreciated.

Ms. Mack said the Committee also discussed the fare enforcement policy on light rail. She said the whole concept of a proof-of-payment fare system is difficult and challenging and NJ TRANSIT made the system user friendly.

Ms. Mack is looking forward to the next Advisory Committee meeting which will discuss the budget and said the Governor's proposal should be given a fair chance.

Chairman Kolluri said the Governor's proposal includes \$42 billion for transportation infrastructure which would be the largest sustained investment for mass transit.

There were six public comments on agenda items.

David Peter Alan commented on two agenda items, Access to the Region's Core Environmental Impact Statement and the Portal Bridge Capacity Project. Both of these items concern additional payments to firms that are currently working on these projects. Mr. Alan addressed these items together for two reasons. First, they should be considered together as a "mega project" rather than segmented. Apparently the Environmental Protection Agency agrees, since they have asked for environmental information concerning the combined projects as a whole. Second, an expansion of capacity at Portal Bridge would only be required in connection with the new proposed tunnel and deep cavern station that represents significant change from the Access to the Region's Core project as originally proposed in 1995 and supported by NJ TRANSIT management for nearly a decade.

Everyone in New Jersey has a compelling stake in how money is spent, especially in light of recent revelations about the State's financial condition. All rail riders have a stake in making sure that every dollar that is spent helps bring them closer to their offices or other destinations, whether in New York or New Jersey. Riders on the Morris & Essex and Montclair-Boonton Lines have a special concern because the current plan calls for commuters to be evicted from the existing Penn Station and relegated to the proposed deep cavern terminal, 20 stories below 34th Street. Mr. Alan said as a representative of riders and communities, the Lackawanna Coalition is appropriately and deeply concerned about this issue.

Mr. Alan said in December 2006, he approached the Board about the lack of information available to the public about some agenda items. With the lack of information, the public is incapable of intelligently evaluating the potential effects of Board actions and making their opinions known before a vote is taken. Mr. Alan thinks this procedure violates the New Jersey's Open Public Meetings Act. Following that meeting, Mr. Alan was informed that more detailed interpretative statements would be provided on the Board agenda notices. The practice has generally been followed but in the case of the present items before the Board today, they flunk the Right-to-Know test. He said there is absolutely no description of how the requested funds would be spent. Neither is there any justification offered for the additional funds to consulting firms that have already been given millions of dollars. Mr. Alan said that the agenda items do not disclose this information; he thinks they are legally insufficient and should not be subject to a vote. Mr. Alan postponed his substantive comments on these projects until the "non-agenda" portion of the meeting.

James T. Raleigh commented on two agenda items, Access to the Region's Core Environmental Impact Statement and the Portal Bridge Capacity Project. Mr. Raleigh

(NJT BOARD –02/13/2008)

said he observed and participated in Governor Corzine's town hall meeting in Middlesex County. Mr. Raleigh said he asked a question regarding THE Tunnel project and getting to the east side but was confused by the Governor's answer. He said the Governor replied that there is some concern about how expensive it is to Amtrak and whether Amtrak would continue its service into the new tunnel. Mr. Raleigh thinks the Governor was referring to homeland security but was not sure. Mr. Raleigh said it was suggested he ask his question to NJ TRANSIT which is why he is here today. Mr. Raleigh asked how the cooperation with Amtrak and New York City is and if there is another source of funds.

Chairman Kolluri said he also attended Governor Corzine's town hall meeting in Middlesex County and reiterated that the Governor said this is the State's single most important project and the Port Authority already committed to \$3 billion. The Governor made it clear that Amtrak is a partner and will continue to be a partner. This project has the unified support of the leadership of New York, New Jersey and the Metropolitan Transit Authority (MTA).

Gary Johnson said he is an extensive rider of the transit system and commented on the Access to the Region's Core item. He said the proposed 34th Street Station is 175 feet below street level which is a 75 foot vertical climb from the platform to street level. It would take approximately seven minutes to get out of the station using the escalators. Mr. Johnson expressed concern about the safety and security of the passengers using such a facility especially in these times of terrorists. He also expressed concern about New Jersey riders spending money that benefits the New York economy and suggested that New York should also pay into this project. Mr. Raleigh said this proposal is bad both physically and fiscally since New York is not contributing its fair share and suggested the project be terminated until funding is obtained from New York.

George Haikalis commented on the Access to the Region's Core and Portal Bridge items. Mr. Haikalis commended Chairman Kolluri and the New Jersey Transportation Planning Authority for signing a Memorandum of Understanding to restore regional collaboration and welcomed the opportunity to discuss issues from both perspectives. With regard to the Access to the Region's Core project, Mr. Haikalis said a direct connection to Penn Station is an important first step but then there should be a link from Penn Station to Grand Central Terminal. This opportunity should not be ignored. He said the deep cavern should be abandoned and NJ TRANSIT should return to the original plan of connecting to Penn Station and then Grand Central Terminal. Since funding is an issue, the Port Authority funds should be used as efficiently as possible.

Mr. Haikalis said Portal Bridge is a critical problem that should be dealt with as quickly as possible. Marine traffic should be adjusted to fit clearances. There are homeland security and economic issues and NJ TRANSIT should go to the Coast Guard for assistance.

Chairman Kolluri said Mr. Haikalis is correct in that NJ TRANSIT cannot make the decision on its own regarding Portal Bridge. It is a Coast Guard issue that needs to be resolved and NJ TRANSIT is working towards that goal.

Al Papp, New Jersey Association of Railroad Passengers, said New Jersey is facing a fiscal crisis of overwhelming magnitude. Any State that resorts to repetitive borrowing to meet its current deficit will eventually have to pay the piper. It happened to the Transportation Trust Fund several years ago and now it is happening statewide. Mr. Papp said since the State constitution mandates a balanced budget, Governor Corzine has devised a plan to do that on the backs of the motorists who use the Parkway and the Turnpike.

While the ultimate form of the State's fiscal solvency remains conjecture, it is well to consider the ramifications it could have on both the Trans-Hudson tunnel and the Portal Bridge Capacity project. According to Governor Corzine in recent town meetings, he is endeavoring to find \$3 billion in State and local funding sources by September 30, 2008 to secure the eventual release of a similar amount of federal matching funds to put a full funding agreement into place for THE Tunnel. Mr. Papp is concerned not only about the State's ability to honor its part of the bargain, but whether federal funds will be available at all or available at the time they are most needed. Mr. Papp said there is a need to worry. President Bush has submitted a \$3.1 trillion dollar fiscal year 2009 federal budget request that is six percent over fiscal year 2008. All of this without any new taxes, while a costly war rages in the Mideast and in an economy that is beginning to cool.

While transit funding increases \$600 million over fiscal year 2008 to \$10.1 billion, it still remains \$200 million below the SAFETEA-LU authorized level. Mr. Papp is concerned that \$3.2 billion, fully a third, is proposed to be transferred from the mass transit account to the Highway Trust Fund. If adopted, this could severely limit transit new starts and adversely impact THE Tunnel and the Portal Bridge projects. NJ TRANSIT needs to reassess the need for a costly set of projects that will only take more people to a place in midtown Manhattan where they really don't want to go.

Joe Clift, Representative of the Regional Rail Working Group and New Jersey Association of Railroad Passengers, commented on the Access to the Region's Core and Portal Bridge items. Mr. Clift said Governor Corzine's proposed budget plan puts the State on a diet and proposes a pay-as-you-go system. He said the Draft Environmental Impact Statement is going out next week which states that it would cost \$1.5 billion to actually replace the bridge. The Portal Bridge project is tied into the Access to the Region's Core project and should be done together. There are fiscal concerns voiced that these two projects are estimated to cost \$10 billion. Mr. Clift suggested that, instead of the deep cavern station, the project go directly to Penn Station and an extension to Grand Central Terminal with the pay-as-you-go theme. Mr. Clift suggested taking a hard look at the fiscal realities and going back to the original plan that can be done in phases. Seventy percent of the jobs are within 10 minutes of Grand Central Terminal. New Jersey should not have a second class station status.

Executive Director Sarles presented the following Action Items for approval:

0802-8: ACCESS TO THE REGION'S CORE ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT

Preliminary engineering for the Access to the Region's Core project is nearing completion. The Draft Environmental Impact Statement was submitted to the Federal Transit Administration (FTA) and, as a result of public comments made during that stage, as well as refinements to the original design, the FTA has asked for a Supplemental Draft Environmental Impact Statement. This will be followed by the Final Environmental Impact Statement which must now be completed as the project moves toward the Record of Decision. Authorization is requested to amend the contract with Transit Link Consultants in order to complete these two documents in an amount not to exceed \$1,993,500 plus five percent for contingencies.

Myron P. Shevell moved the resolution, Patrick O'Connor seconded it and it was unanimously adopted.

0802-9: PORTAL BRIDGE CAPACITY PROJECT DRAFT ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT

The two-track Portal Bridge over the Hackensack River is a century-old structure built as part of the Pennsylvania Railroad's new tunnel under the Hudson River to midtown Manhattan. Not only do bridge operating problems affect the reliability of both rail and marine traffic, but the capacity of the bridge is at a saturation point, leaving no room for future growth. The existing bridge is a swing bridge requiring long opening and closing times creates a negative impact on timely operations. NJ TRANSIT has been working with Amtrak, the owner of the bridge, to complete a Draft Environmental Impact Statement (DEIS) which will consider a range of alternatives to alleviate or minimize the impacts on the Northeast Corridor. The Portal Bridge complements the Access to the Region's Core (ARC) project by addressing a crucial bottleneck over which 150,000 NJ TRANSIT passengers travel each day. Since recent design refinements were made to the alternatives that were being considered for ARC, it is necessary to expand the work of AKRF, Inc., the firm that is preparing the DEIS for the Portal Bridge project. Authorization is requested in an amount not to exceed \$445,977 plus five percent for contingencies.

Myron P. Shevell moved the resolution, Patrick O'Connor seconded it and it was unanimously adopted.

0802-10: PAINTING OF SPANS 12 AND 13 AT “HX” DRAWBRIDGE OVER THE HACKENSACK RIVER UNDERGRADE BRIDGE 5.48, BERGEN COUNTY LINE, EAST RUTHERFORD, BERGEN COUNTY, NEW JERSEY

The HX Drawbridge over the Hackensack River is in need of a lead abatement application of a paint system to the through truss span and tower span to maintain a state of good repair on this Bergen County Line bridge. Lead-based paint as well as severe rusting and corrosion must be removed. Authorization is requested to contract with Allied Painting Inc. for \$1,676,500 plus five percent for contingencies to paint spans 12 and 13 of the HX Drawbridge.

Patrick O'Connor moved the resolution, Myron P. Shevell seconded it and it was unanimously adopted.

0802-11: ISSUANCE OF LONGITUDINAL OCCUPANCY PERMIT ALONG NJ TRANSIT'S RARITAN VALLEY RIGHT-OF-WAY TO ABOVE NET INC.

On the Raritan Valley Line, NJ TRANSIT owns 37 miles of available conduit between Roselle Park and High Bridge. Authorization is requested for an agreement with Above-Net Inc., a fiber-optic network infrastructure provider, for a 25 year occupancy permit for which NJ TRANSIT will receive a one time upfront payment of \$1.5 million and an annual payment of \$191,603, increasing to \$219,775 with a cumulative five year CPI adjustment thereafter.

Myron P. Shevell moved the resolution, Kenneth E. Pringle seconded it and it was unanimously adopted.

There were six public comments on non-agenda items.

James T. Raleigh, Friends of Monmouth Battlefield, commented on the Monmouth-Ocean-Middlesex project, now called Monmouth-Ocean as stated in Governor Corzine's town hall meeting in Middlesex County. This project has been ongoing for years and he understands that further studies will be done on the project. Mr. Raleigh said it is time to get on with the engineering. In 1996, a Major Investment Study was done that recommended enhanced bus service. Mr. Raleigh mentioned the Fort Monmouth job viability market and said he would like to see the Matawan Connection built as soon as possible.

Chairman Kolluri said Governor Corzine is committed to providing rail service to Monmouth-Ocean counties. There is economic growth in Fort Monmouth which is a critical point of strategy. Chairman Kolluri said the ultimate plan is for bus/rail mode equity that this agency needs to develop.

Benjamin Evans, Amalgamated Transit Union, President Local 819, said at the last Board Meeting he mentioned several company issues that he is trying to work out with management and communication is ongoing. Mr. Evans was pleased with the new bus that is on display which is the first of 1,145 transit and suburban style buses that are scheduled to be delivered. Mr. Evans said he would get the word out about the new bus delivery which includes improved amenities such as additional leg room, improved air conditioning, wheel-chair lifts and on-board cameras.

John Costa, newly elected State Chairman and Business Agent, Amalgamated Transit Union, said it was a wise decision that the No. 6 bus route in Jersey City will be operated by NJ TRANSIT and it will benefit the riding public.

David Peter Alan commented on the Access to the Region's Core project and the proposed Portal Bridge replacement. He said it is ironic that these two projects are somewhat linked today because they should be permanently linked together. The Lackawanna Coalition, the New Jersey Association of Railroad Passengers and the Regional Rail Working Group continue to object to the separation of these two projects. He is also aware that the Federal Railroad Administration and the Environmental Protection Agency have also raised their own concerns about the continued segmentation of these two projects.

Mr. Alan said if the Access to the Region's Core project had not morphed into an overblown independent non-connected railroad, there would be no need to propose replacement of the Portal Bridge. Amtrak has no need to expand capacity across the Hackensack River. The Portal Bridge can be rehabilitated too and at a much lower cost than would be needed to replace it. The existing bridge is open for barge traffic less than once a week on average. It is not worth billions of dollars or more to avoid these few openings, especially when the Coast Guard allows rail traffic to have priority during peak hours.

The improvements that NJ TRANSIT originally proposed as part of the Access to the Region's Core project will add enough rail capacity to ensure good service for the intermediate run and possibly for the long run, as long as there is full use of the \$600 million investment in the Secaucus Station. Main Bergen and Pascack Valley riders will be able to reach their offices or other destinations in midtown Manhattan as quickly by transferring at Secaucus as they would if the proposed dead end deep cavern terminal were built far below 34th Street.

Mr. Alan said the State is in financial difficulty and he is sure that an NJ TRANSIT fare increase is coming soon. It is time to raise highway tolls and the gasoline tax both as part of a comprehensive plan to raise State revenue and for equity and fairness for transit riders who are always forced to shoulder the burden of increased costs while motorists and truck drivers are not. The fact remains that this State does not have the money to build the world's most expensive eight miles of railroad that will not even take people any closer to their offices or other destinations. Mr. Alan urged the Board, on behalf of the organized rail riders of New Jersey, to place the proposed contracts on hold until a better way is worked out to truly serve the rail riders than the current proposal currently allows.

Joseph Clift, Regional Rail Working Group, distributed a document that recommended replacement of the current Trans-Hudson Express Tunnel and Portal Bridge Capacity Enhancement Projects with an alternate plan that accomplishes the key objectives of the Access to the Region's Core Project, especially access to the East Side of Midtown Manhattan via Grand Central Terminal. He said there are five key works and ten key numbers to remember: People: 125,000 New Jersey commuters, cross the Hudson River every day and 85,000 people are expected to go to the Grand Central Terminal in the future. Time: Each person will lose 30 minutes each day and they will ride the escalators for 8 minutes each day. Depth: 175 feet is 20 stories and that is how deep the station will be. Dollars: It is estimated that the two projects will cost \$10 billion which will require State funding. A budget shortfall can be saved if the project goes directly to Penn Station with an extension to Grand Central Terminal. Year: It is estimated that the new tunnel will be in operation by 2017. Infinity: The estimated cost??? of \$10 billion will never get to the East Side. Mr. Clift said the Port Authority, Metropolitan Transit Authority and NJ TRANSIT all made it clear that the core is mid-Manhattan and getting to the East Side. If NJ TRANSIT wants to be first class in this part of the region, it needs to shift the focus of this project to the East Side.

Philip Craig, New Jersey Association of Railroad Passengers and Member of Light Rail Panel, asked the status of the Northern Branch project. Steven Santoro, Assistant Executive Director, Capital Planning and Programs, said the draft scoping documents have been sent to the Federal Transit Administration for their final comment. The Draft Environmental Impact Statement will be given to the Federal Transit Administration in mid-March and subsequently will be issued to the public.

Al Papp commented that the New Jersey Association of Railroad Passengers and also other advocacy groups have, for years, asked for an increase in the motor fuels tax. It is fair to say that citizens are outraged about Governor Corzine's plan to reduce debt on the backs of Turnpike motorists. Mr. Papp said times are changing and the motor fuels tax has to be increased, which is a mechanism available for a multitude of purposes. Mr. Papp suggested a second high occupancy bus lane in the morning and evening to increase bus access to the Port Authority.

David Peter Alan said TEA-LU is coming up for renewal and he is working on not only capital but also operating support grants. He is seeking support from APTA and said he would be available for discussions with NJ TRANSIT.

Chairman Kolluri and Board members exited the Open Session and reconvened Executive Session at 10:55 am. Following a brief Executive Session, and since there were no further comments or business, Chairman Kolluri called for adjournment and a motion to adjourn was made by Kenneth E. Pringle, seconded by Patrick O'Connor and unanimously adopted.

The meeting was adjourned at approximately 11:00 am.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING

FEBRUARY 13, 2008

MINUTES

	<u>PAGE</u>
➤ EXECUTIVE SESSION AUTHORIZATION	39607
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	39608
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	39609
➤ ADVISORY COMMITTEE REPORTS	
➤ BOARD COMMITTEE REPORTS	
*Capital Planning, Policy & Privatization Committee-Shevell	
*Administration Committee-Castillo	
➤ PUBLIC COMMENTS ON AGENDA ITEMS	

ACTION ITEMS

0802-8	ACCESS TO THE REGION'S CORE ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT	39631
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Staff seeks authorization to amend the professional services contract (No. 03-118) with Transit Link Consultants of Little Falls, New Jersey, for completion of the Supplemental Draft Environmental Impact Statement (SDEIS) and the Final Environmental Impact Statement (FEIS) for the Access to the Region's Core project for an additional eight months in an amount not to exceed \$1,993,500, plus five percent for contingencies, for a total contract authorization of \$24,248,175, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
FEBRUARY 13, 2008
MINUTES
PAGE 2

0802-9 PORTAL BRIDGE CAPACITY PROJECT DRAFT ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT 39634

Staff seeks authorization to amend the professional services contract (No. 06-097) with AKRF, Inc. of Marlton, New Jersey for completion of the Portal Bridge Draft Environmental Impact Statement (DEIS) in an amount not to exceed \$445,977, plus five percent for contingencies, for a total contract authorization of \$5,765,262, subject to the availability of funds.

0802-10 PAINTING OF SPANS 12 AND 13 AT "HX" DRAWBRIDGE OVER THE HACKENSACK RIVER UNDERGRADE BRIDGE 5.48, BERGEN COUNTY LINE, EAST RUTHERFORD, BERGEN COUNTY, NEW JERSEY 39637

Staff seeks authorization to contract (No.08-068X) with Allied Painting Inc. of Franklinville, New Jersey for painting Spans 12 and 13 at "HX" Drawbridge, Undergrade Bridge No. 5.48, Bergen County Line, East Rutherford, Bergen County, New Jersey in an amount not to exceed \$1,676,500, plus five percent for contingencies, subject to the availability of funds.

0802-11 ISSUANCE OF LONGITUDINAL OCCUPANCY PERMIT ALONG NJ TRANSIT'S RARITAN VALLEY RIGHT-OF-WAY TO ABOVE NET INC. 39639

Staff seeks authorization to take all actions necessary to enter into a 25 year longitudinal occupancy permit with AboveNet Inc. for a fiber optic occupancy of 37.25 miles of existing conduit on NJ TRANSIT's Raritan Valley Line, between High Bridge and Roselle Park 15.0 to 52.25 in consideration of a one time, upfront payment of \$1,500,000 and an annual occupancy rate of \$5,900 per mile with a minimum initial annual payment of \$191,603 increasing to \$219,775 plus cumulative five year CPI adjustments thereafter.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

(NJT Board – 02/13/2008)

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss contract negotiations and attorney-client, litigation and personnel matters; and

BE IT FURTHER RESOLVED that it is expected that discussions undertaken at this executive session could be made public at the conclusion of these matters as appropriate.

(NJT Board – 02/13/2008)

APPROVAL OF MINUTES

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors be approved by the Board; and

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the January 17, 2008 Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on January 18, 2008;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the January 17, 2008 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors' meetings are hereby approved.

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2246
973-491-7000



39609

TO: BOARD OF DIRECTORS
FROM: RICHARD R. SARLES *Richard Sarles*
DATE: FEBRUARY 13, 2008
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – FEBRUARY 2008

As you know, last week the Federal Transit Administration (FTA) raised the rating for Access to the Region's Core (ARC) to "medium high"—improving the project's positioning for federal funding and marking a major step toward Governor Corzine's goal of beginning construction next year. I would like to thank FTA Administrator Jim Simpson for his leadership and the FTA's thoughtful and thorough work with NJ TRANSIT on the project.

Regarding ARC, today the Board will consider authorizing additional work on ARC and another critical project—the Portal Bridge capacity project. These contract amendments will cover additional work necessary to complete environmental studies later this year.

ARC's contract amendment will cover expanded work on the Supplemental Draft Environmental Impact Statement and the Final EIS. The refinements resulted from preliminary engineering work and public comments received during the DEIS process and will reduce environmental impacts in the river and along west side Manhattan, as well as redesign track alignments.

While ARC gets the "lion's share" of attention, the Portal Bridge project is critical to breaking the bottleneck for trains that operate into and out of New York during peak periods. The two-track swing bridge, which entered service in 1910, requires constant maintenance and often stops rail traffic on the busy Northeast Corridor. The Portal project team is considering a range of alternatives to alleviate capacity and reliability issues, while minimizing conflicts between rail and marine traffic.

Turning to bus, today we will preview the first of 1,145 transit- and suburban-style buses that are scheduled to be delivered over the next several years. The suburban bus on display today features two inches of additional leg room, improved air-conditioning, wheelchair lifts, on-board cameras, new rear doors allowing faster unloading at the Port Authority Bus Terminal, automated GPS-based stop announcements and an LED display inside of the bus. In addition, these environmentally-friendly buses meet or exceed all federal emission standards through improved engine design, diesel oxidation catalysts, soot filters and use of ultra-low sulfur fuel. When all of the new buses have been delivered, NJ TRANSIT's entire bus fleet will be ADA-accessible.

This month, we are introducing the new No. 6 bus route in Jersey City to replace a route being discontinued by a private carrier. We have modified the route—which currently serves about 1,000 customers per day between Greenville and Journal Square—to enhance customer service. The new No. 6 will serve Hudson County Plaza, home of the County administration building when it opens later this year, which should attract hundreds of additional customers. In addition, we are working out details to offer service to customers affected by Coach USA 99S service cuts beginning in April by extending some 123 line trips.

We cover the cost of these and other service additions by cutting administrative expenses, which is a constant effort. Recent examples include lowering conference call rates, recalling 250 cell phones and pagers, and slashing photo copier maintenance costs, which have saved more than \$300,000. In addition, we are saving a half million dollars in rent annually by consolidating lawyers and planning staff in smaller offices in our Headquarters building. I want to thank the Attorney General's office for supporting these efforts.

Finally, we would like to express our deepest condolences to the family, friends and co-workers of Simplicio Nino, a 36-year transit employee and welder for NJ TRANSIT Rail Operations who was struck and fatally injured by a train on Sunday morning. This is a tragedy that we feel profoundly, particularly given the years of service Mr. Nino had with NJ TRANSIT. I am leading the internal investigation personally, and I am deeply committed to thoroughly reviewing the circumstances surrounding this unfortunate loss. We will be deliberate and ensure that we fully understand and learn from this incident.

EXECUTIVE DIRECTOR'S MONTHLY REPORT FEBRUARY 2008

- 1. HIGHLIGHTS**
- 2. CUSTOMER AND COMMUNITY INITIATIVES**
- 3. EMPLOYEE RECOGNITION**
- 4. DBE/MBE PROGRAM**
- 5. PERFORMANCE MEASURES**

HIGHLIGHTS

Feds give ARC Tunnel rating boost

On February 5, the Federal Transit Administration (FTA) boosted its rating for the Access to the Region's Core (ARC) Tunnel project to "medium high," improving the project's rating and positioning for federal funding.

In its New Starts ratings report, the FTA noted that the ARC Tunnel project has "put together an experienced design team and performed thorough analysis of project requirements." The report also indicated that a final Record of Decision to advance the project is expected this year.

About Access to the Region's Core

The ARC program includes two new single-track railroad tunnels between New Jersey and New York, additional Penn Station capacity under 34th Street in Manhattan, and signal and track improvements along and adjacent to the Northeast Corridor.

The project will allow for the introduction of transfer free rail service to New York on the Main, Bergen County, Pascack Valley, Port Jervis and Raritan Valley lines, the Montclair Boonton line west of Montclair, North Jersey Coast Line south to Bay Head, as well as the Morristown Line west of Dover. It will also create the capacity for future rail extensions. The project includes expanded station capacity for New York Penn Station under 34th Street, with underground connections to several New York City subway lines (A, B, C, D, E, F, N, Q, R, V, W, 1, 2, 3, and PATH trains.)

Construction begins on Long Slip pedestrian bridge between Hoboken Terminal and Newport

U.S. Senator Robert Menendez and NJ TRANSIT Executive Director Richard Sarles joined Hoboken Mayor David Roberts and Jersey City Mayor Jerramiah T. Healy on February 11 to break ground on a project that will provide a pedestrian link between Jersey City and Hoboken, completing a critical segment of the Hudson River Waterfront Walkway.

When completed, the pedestrian bridge will span the Long Slip Canal to connect the nearby Newport section of Jersey City with Hoboken Terminal, providing pedestrians with a direct path to light rail, commuter rail, bus, PATH and ferry services.

The 175-foot-long, 30-foot-wide bridge will feature lighting, railings and signage, as well as a surface of brick pavers to match the existing Waterfront Walkway that it will connect to at the Hoboken Terminal light rail station. It will be constructed of pre-cast and cast-in-place reinforced concrete.

NJ TRANSIT's portion of the Waterfront Walkway will link to a new temporary walkway connecting the Long Slip pedestrian bridge to the Newport section of Jersey City. The temporary walkway will be constructed by the Newport Associates Development Company, the developers of Newport, and will be completed in advance of the pedestrian bridge.

In September 2007, the NJ TRANSIT Board of Directors awarded a \$6.4 million contract to Simpson & Brown, Inc., of West Cranford, NJ, for the construction of a pedestrian bridge spanning the east end of the Long Slip Canal adjacent to the Hudson-Bergen Light Rail station at Hoboken Terminal.

Construction of the Long Slip pedestrian bridge is expected to be completed in spring 2009.

About the Hudson River Waterfront Walkway

The Hudson River Waterfront Walkway currently extends along nearly 15 miles in Hudson County and encompasses state, county and municipal parks. Once complete, it will provide a contiguous 18.5 mile linear walkway system of parks, piers and open space along the Hudson River and Upper New York Bay waterfront, extending from the George Washington Bridge to the Bayonne Bridge.

CUSTOMER AND COMMUNITY INITIATIVES

NJ TRANSIT celebrates opening of new Mount Arlington Station

U.S. Rep. Rodney Frelinghuysen and NJ TRANSIT Executive Director Richard Sarles joined State Senator Anthony R. Bucco and Mount Arlington Mayor Arthur R. Ondish on January 20 to celebrate the opening of the new Mount Arlington Station, which offers commuters along the busy Interstate-80 corridor convenient access to rail service.

Trains began serving the intermodal facility, which is also served by private carrier buses, on Monday, January 21.

With nearly 300 parking spaces ideally located at the Howard Blvd. Interchange, the Mount Arlington Station is expected to help reduce congestion on the busy I-80 corridor by giving commuters the ability to leave their cars in favor of transit service.

On weekdays, the new station is served by trains on the Montclair-Boonton Line and the Morristown Line, enabling customers to travel to Hoboken Terminal, where transfers are available to bus, PATH and trans-Hudson ferries. Customers traveling to midtown Manhattan can transfer to MidTOWN DIRECT service at Dover or Montclair State University stations. The station is served by 34 trains per day—16 inbound to Hoboken and 18 outbound.

The new facility is fully accessible for customers with disabilities, featuring two high-level platforms, heated waiting shelters on the inbound platform, a pedestrian under pass and public address and passenger communications systems. The project also reconfigured and expanded the existing carpool and bus park & ride lot, built by the New Jersey Department of Transportation (NJDOT) in 2003, by 57 spaces.

In April 2006, the NJ TRANSIT Board of Directors awarded a \$12.1 million contract to Terminal Construction Corp. of Wood-Ridge for construction of the new station and associated improvements.

NJ TRANSIT introduces new bus route to serve Jersey City

NJ TRANSIT will introduce a new bus route serving Jersey City on Monday, February 18, 2008. The new No. 6 Ocean Avenue bus route will operate between Greenville and Journal Square to replace Coach USA Bus No. 99, which will be discontinued on Sunday, February 17.

NJ TRANSIT buses will follow a similar—but not identical—route and schedule as the former Coach USA route. The new route will enable No. 6 buses to serve Hudson County Plaza (currently under construction), as well as Montgomery Gardens and the Beacon.

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Eleven NJ TRANSIT employees retired in January with careers ranging from 10 to 38 years of service:

1. Joseph Costantini (Burlington) Morrisville Mechanical Manager – 38 years
2. Sharon White (Irvington) Penn Plaza Executive Secretary – 31 years
3. Charles F. Sheppard (Mantua) Southern Division Superintendent Garages – 29 years
4. Beatrice Harris-Green (Bronx, NY) PABT Manager Ticket Sales – 26 years
5. Anna Douglas (Orange) General Office Building Financial Analyst – 25 years
6. Arlene Mourier (Rutherford) GOB Manager Payroll System Project – 25 years
7. Anna E. Bazemore (Galloway) Atlantic City Garage Bus Operator – 23 years
8. Sandra Durrell (Newark) Penn Plaza Principal EO/AA Officer – 20 years
9. Jerome Lutin (Holland, PA) Penn Plaza Senior Director Regional Planning – 20 years
10. Iris R. Ensley (Willingboro) Hilton Garage Depot Clerk – 17 years
11. Cosimo Gonnella (Wood-Ridge) Ferry Street Safety Supervisor – 10 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$25,378,785 in federal funds were awarded during October through December of FY 08.* Disadvantaged Business Enterprises (DBEs) were awarded \$2,630,979 or 10.4 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$171,014,060 in state-funded contract dollars were awarded during July through December FY 08. ** Of that total, Small Business Enterprises (SBEs) received \$20,761,372 or 12.1 percent. Category 1 SBEs received \$742,549 or 0.4 percent. Category 2 SBEs received \$1,282,772 or 0.8 percent. Category 3 SBEs received \$449,496 or 0.2 percent. Category 4 SBEs received \$529,355 or 0.3 percent. Category 5 SBEs received \$17,757,200 or 10.4 percent ***

Federal & State Contracts Total

\$196,392,845 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$23,392,351 or 11.9 percent of federal and state contract dollars was won by DBEs and SBEs.

Hudson-Bergen Light Rail Transit System Project

Of \$1,433,024,411 in contract dollars awarded for the Hudson-Bergen Light Rail Transit System project****, \$180,729,496 or 12.6 percent has been received by DBEs. Of the \$180,729,496, 6 percent or \$86,823,647 has been won by Women Business Enterprises (WBEs) who are classified as DBEs.

*Fiscal year beginning October 1, 2007

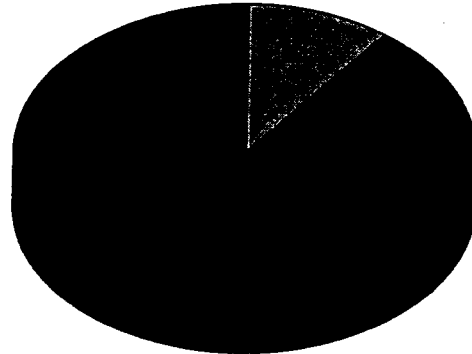
**Fiscal year beginning July 1, 2007

***Cat 1-Less than \$500,000 gross revenues, Cat 2-Less than \$5 million, Cat 3-Less than \$12 million, Cat 4 (construction)-Less than \$1 million, Cat 5 (construction)-Less than \$17,420,000

****This YTD figure reflects federal dollars expended on an annual basis; including change orders, for the period from December, 1996 through April 2005.

**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH JANUARY 08)***

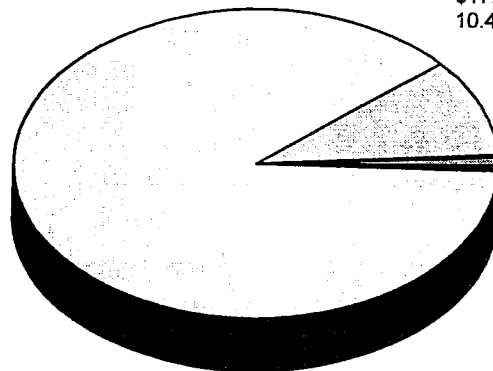
NON-DBE
FEDERAL
\$22,747,806
89.6%



DBE RACE
NEUTRAL &
RACE
CONSCIOUS
\$2,630,979
10.4%

**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH JANUARY 08)****

NON-SBE STATE
\$150,252,688
87.9%



SBE-5
\$17,757,200
10.4%

SBE-4
\$529,355
0.3%

SBE-2
\$1,282,772
0.8%

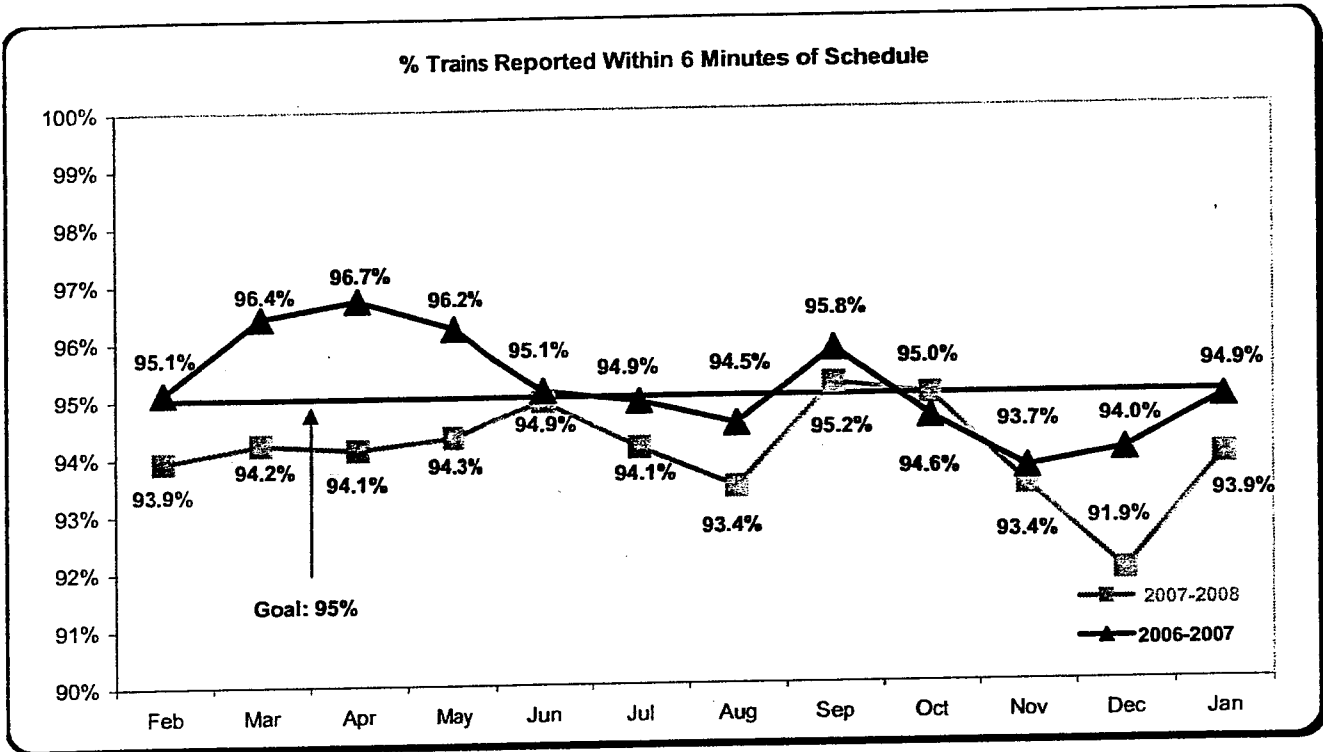
SBE-1
\$742,549
0.4%

SBE-3
\$449,496
0.2%

Fiscal Year Beginning October 1, 2007*
Fiscal Year Beginning July 1, 2007**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL FEBRUARY 2006 - JANUARY 2008



	2006-2007	2007-2008	# Change
January Comparison	94.9%	93.9%	-1.0%

	2006-2007	2007-2008	# Change
12-Month Average February-January	95.2%	94.0%	-1.1%

Analysis:

Rail On-Time Performance for January 2008 was 93.9%. Of the 20,384 trains that were scheduled to operate, 19,134 were on time, while 1,250 trains (or 6.1%) were delayed. Key causes of delay included:

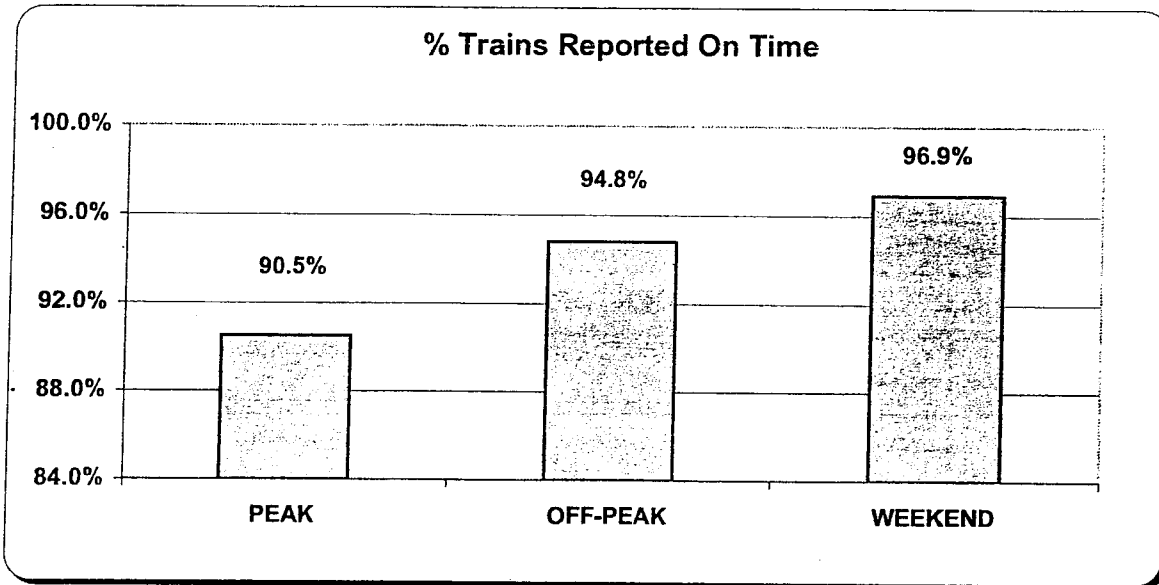
- Amtrak speed restrictions on the Northeast Corridor.
- Cable that became entangled in Amtrak overhead power lines near Secaucus Junction on January 2nd.
- An Amtrak power failure between the Newark Liberty International Airport Station and Newark Penn Station on January 3rd.
- Two separate openings of Portal Bridge on January 22nd.

The 12-month average for Rail On-Time Performance for February 2007-January 2008 was 94.0%.

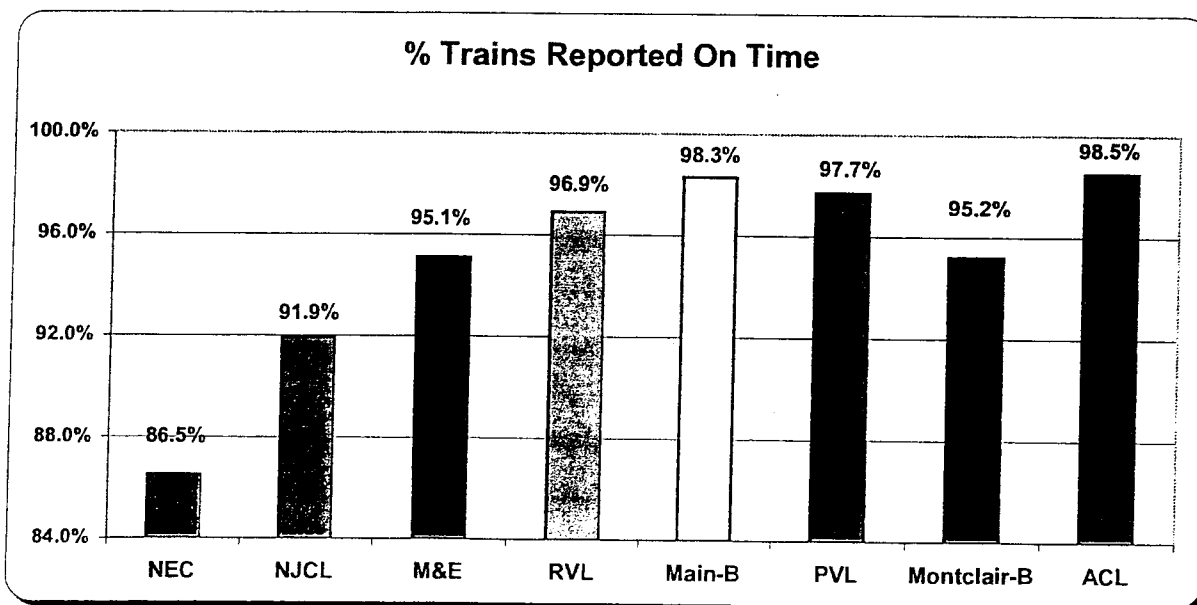
ON-TIME PERFORMANCE RAIL

39624

SUMMARY BY TIME PERIOD JANUARY 2008

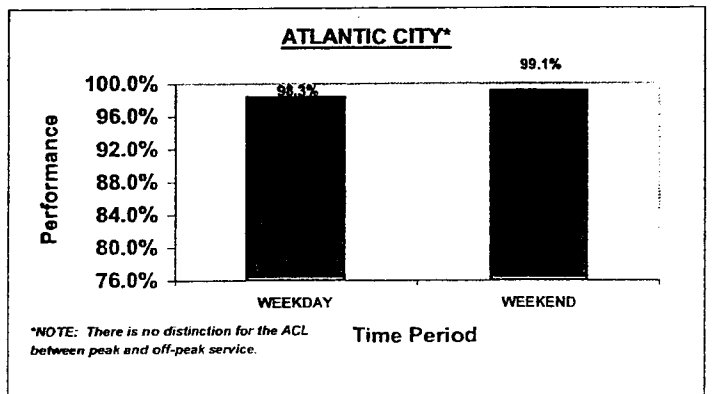
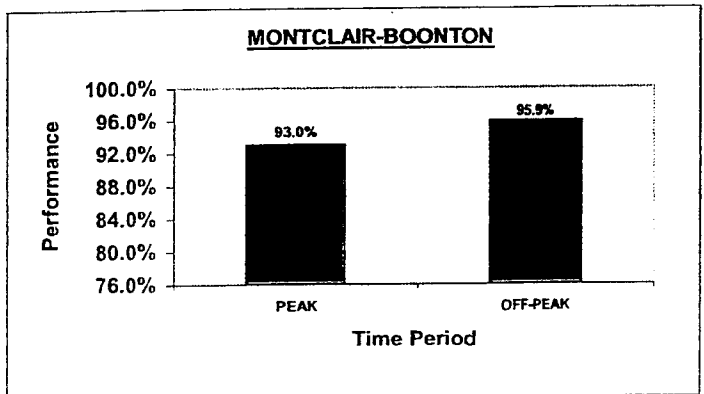
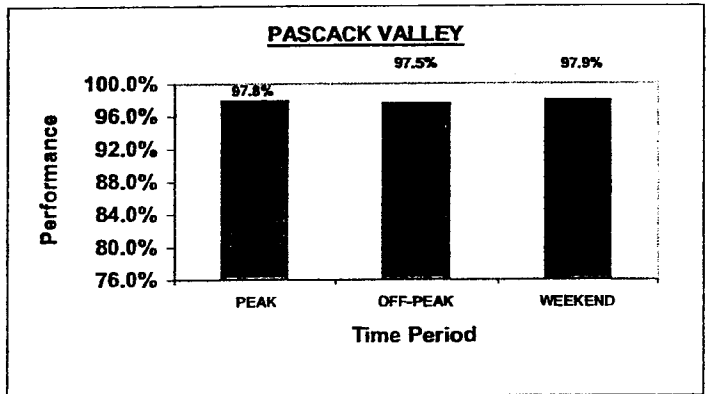
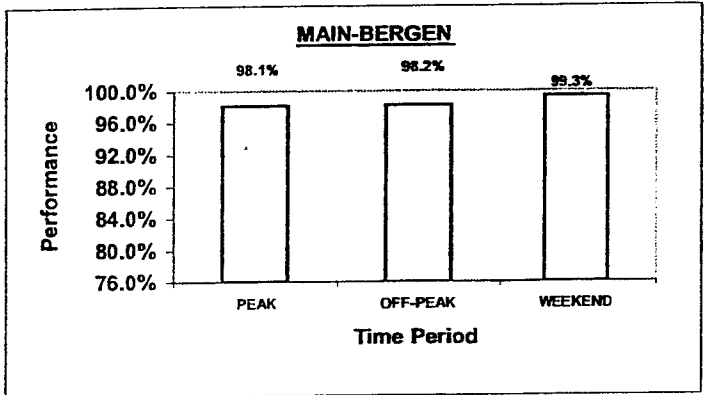
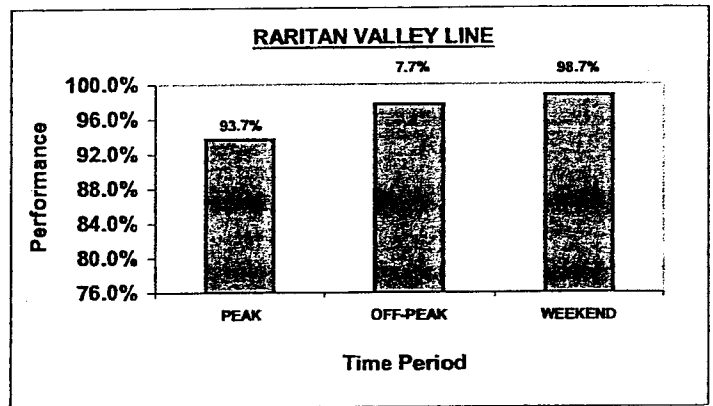
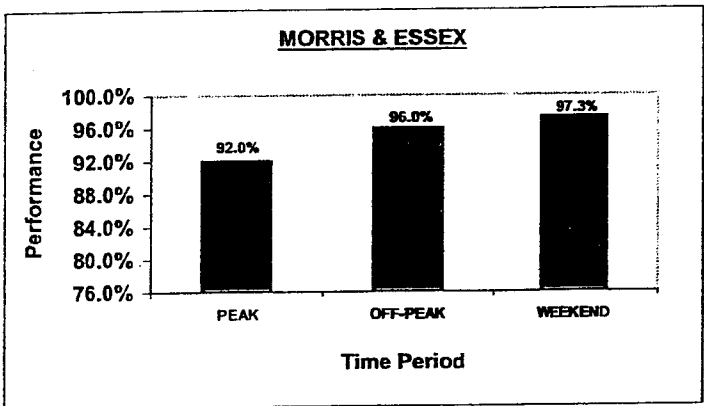
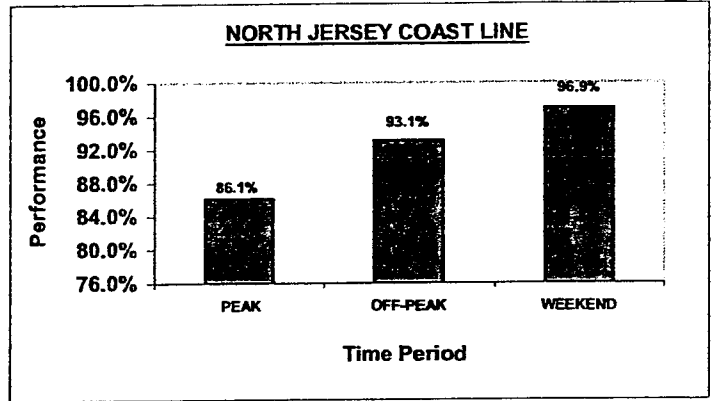
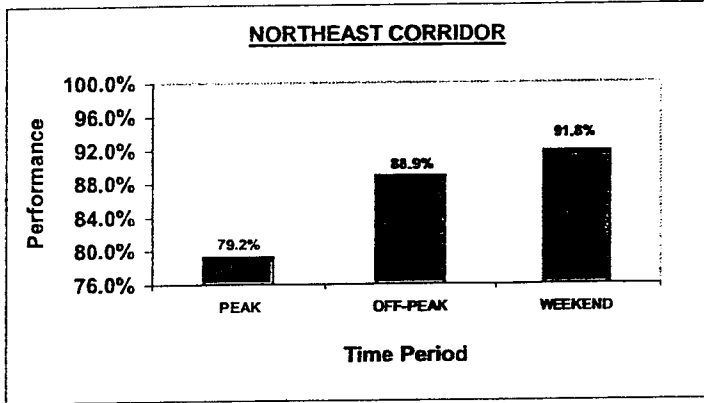


SUMMARY BY LINE JANUARY 2008



ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD January 2008

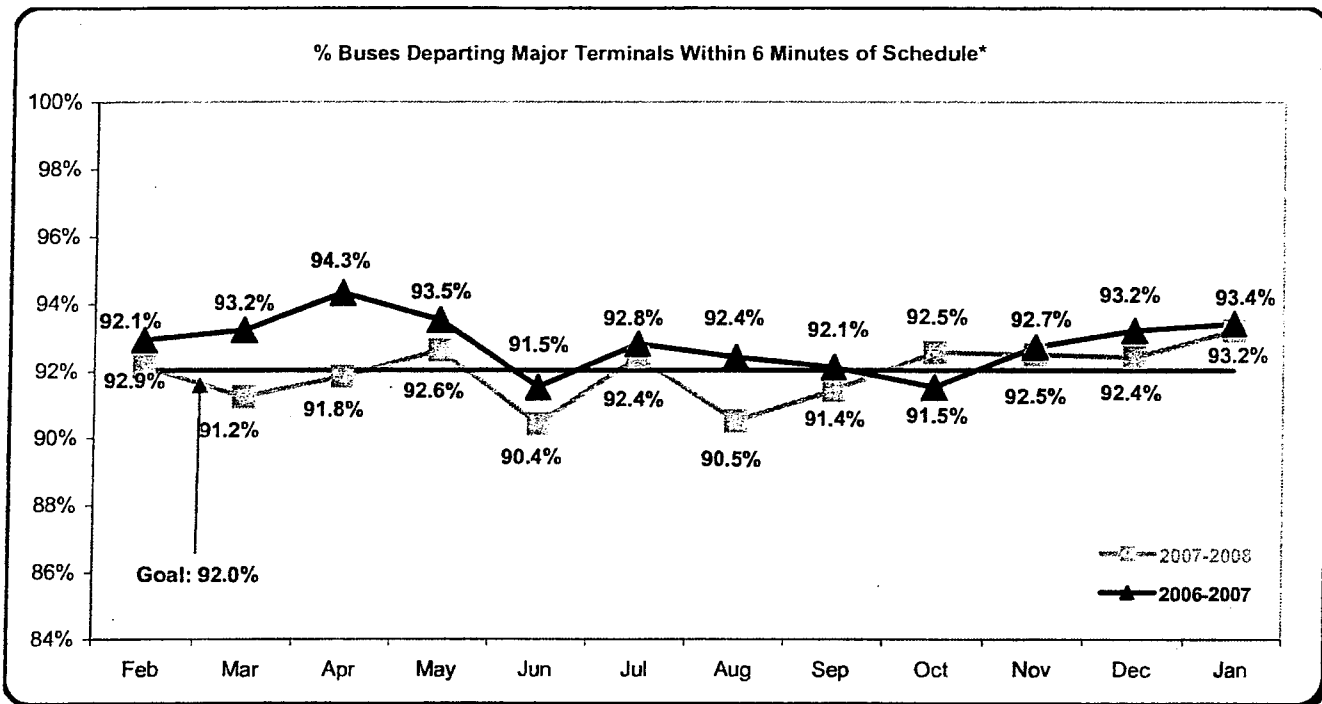
39625



*NOTE: There is no distinction for the ACL between peak and off-peak service.

NJ TRANSIT ON-TIME PERFORMANCE BUS FEBRUARY 2006 - JANUARY 2008

39626



*Note: Includes the Walter Rand Transportation Center, Atlantic City Bus Terminal, Port Authority Bus Terminal and Newark Penn Station

	2006-2007	2007-2008	# Change
January Comparison	93.4%	93.2%	-0.2%

	2006-2007	2007-2008	# Change
12-Month Average February-January	85.0%	91.9%	6.9%

Analysis:

Bus On-Time Performance for January 2008 was 93.2%. Of the 31,643 monitored departures, 2,166 (or 6.8%) experienced delays. Key sources of delay included:

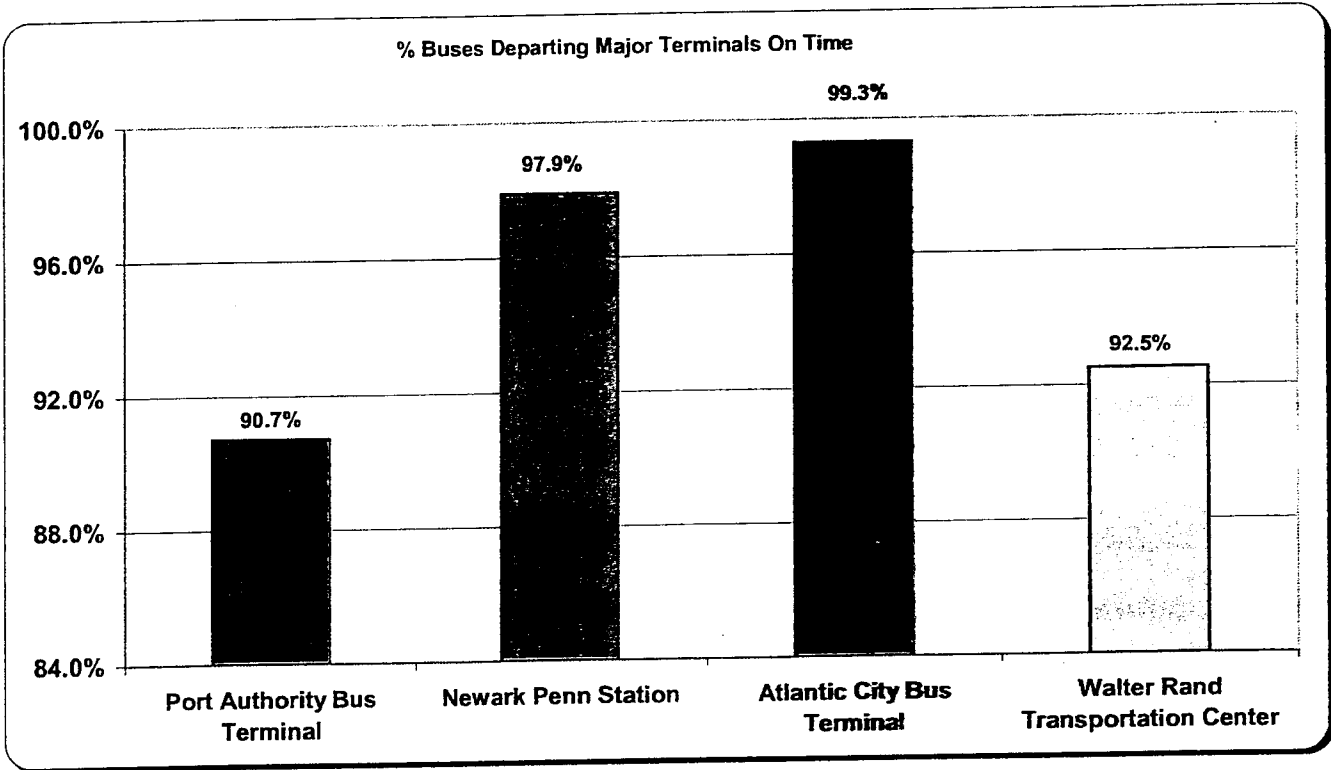
- Heavy traffic inbound to the Port Authority Bus Terminal on several days of the month.
- Heavy traffic during both the AM and PM rush hours on the Ben Franklin Bridge on several days of the month.
- A snowstorm on January 17th, and rain and strong winds on January 30th.

The 12-month average for Bus On-Time Performance for February 2007-January 2008 was 91.9%.

ON-TIME PERFORMANCE BUS

39627

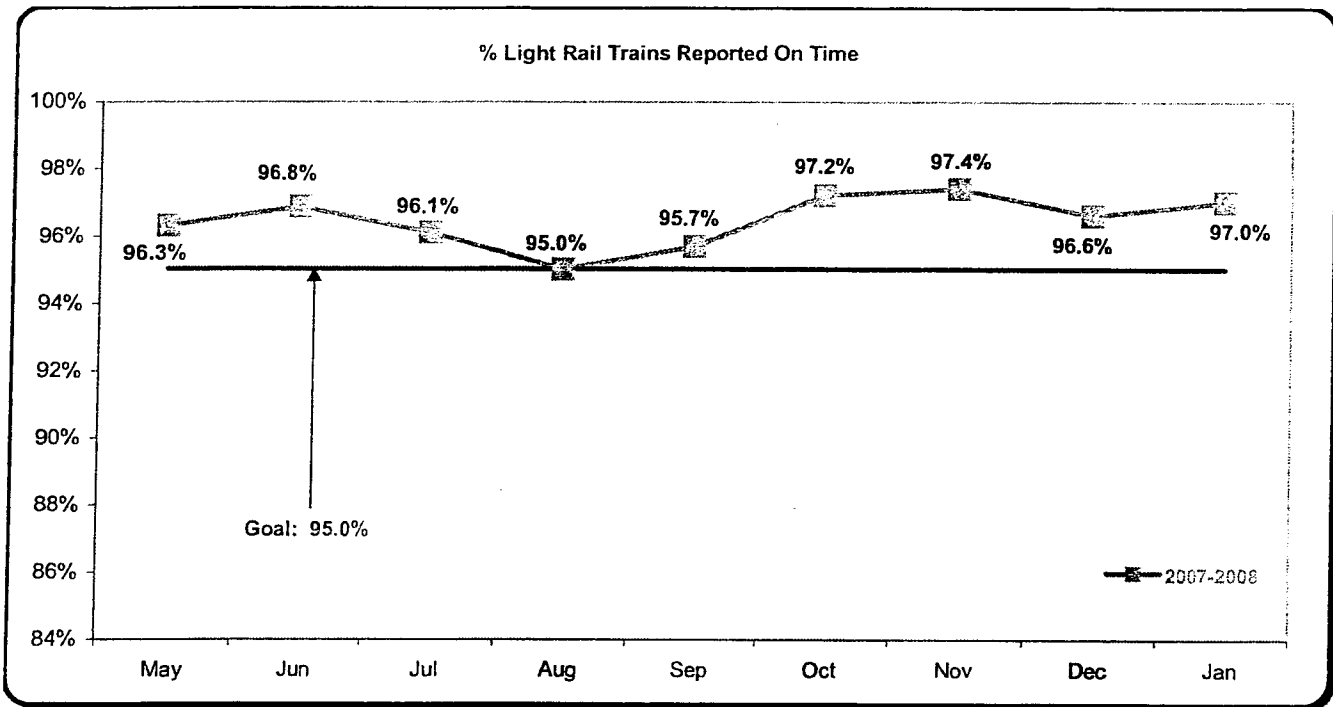
SUMMARY BY TERMINAL JANUARY 2008



NJ TRANSIT

39628

ON-TIME PERFORMANCE LIGHT RAIL - SYSTEMWIDE MAY 2007-JANUARY 2008



*Note: Starting May 2007

	2006-2007	2007-2008	# Change
January Comparison	N/A	97.0%	N/A

	2006-2007	2007-2008	# Change
12-Month Average	N/A	N/A	N/A

Analysis:

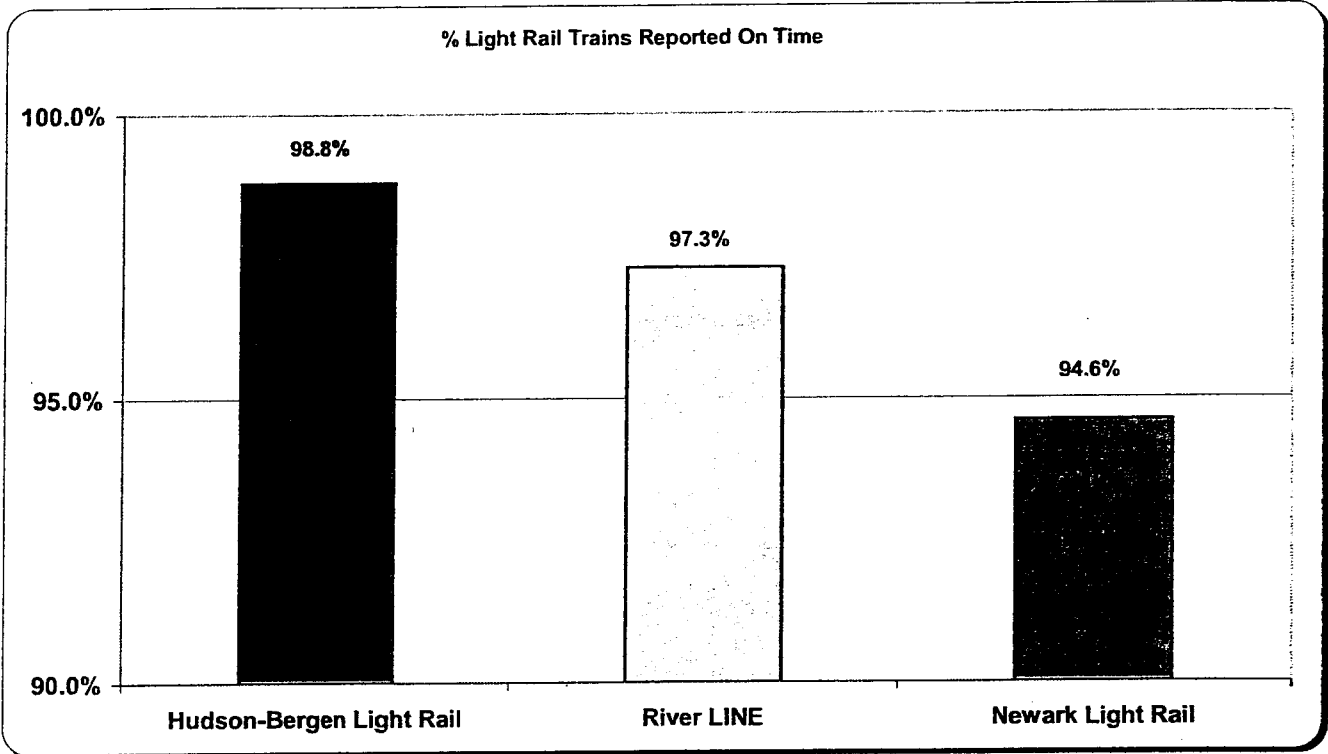
Light Rail On Time Performance systemwide was 97.0% for the month of January 2007. Of the 34,697 scheduled trains, 1,048 (or 3.0%) experienced delays. Causes of delay during the month included:

- An automobile on the River LINE tracks on January 3rd.
- A power problem on Newark Light Rail on January 29th.
- An equipment problem on Hudson-Bergen Light Rail on January 30th.

ON-TIME PERFORMANCE LIGHT RAIL

39629

SUMMARY BY LINE JANUARY 2008



(NJT Board – 02/13/2008)

ACTION ITEMS

(NJT Board – 02/13/2008)

ITEM 0802-8: ACCESS TO THE REGION'S CORE ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT

BENEFITS

The Access to the Region's Core (ARC) project will expand NJ TRANSIT's rail infrastructure, providing increased rail service capacity to midtown Manhattan to meet anticipated significant growth in travel demand and to support the economic vitality of the region. An approximate doubling of existing peak period train operations across the Hudson River would be attained as a result of construction of two new single-track tunnels known as the Trans-Hudson Express (THE) Tunnel, a new station facility in New York City, a new rail yard, and track and signal improvements in New Jersey and New York. The added capacity will provide opportunities for operating direct rail service from portions of the existing rail system and from new extensions of that system.

PURPOSE

The current professional services contract with Transit Link Consultants (TLC) for Environmental Impact Statement preparation would be amended to fund an expanded work effort associated with the completion of a Supplemental Draft Environmental Impact Statement (SDEIS) and the Final Environmental Impact Statement (FEIS), and to adjust the duration of the contract accordingly.

NJ TRANSIT and the FTA agreed that an SDEIS would be prepared to address refinements to the project design that had been made by the team presently undertaking Preliminary Engineering (PE). The refinements were made in response to comments NJ TRANSIT received during the DEIS public comment period, through the extensive public outreach, and as a result of ongoing PE.

The consultant services contract was originally awarded to Transit Link Consultants through a competitive procurement process for consultant services for the preparation of the Environmental Impact Statement.

ACTION (Justification: System Expansion)

Staff seeks authorization to amend the professional services contract (No. 03-118) with Transit Link Consultants of Little Falls, New Jersey, for completion of the Supplemental Draft Environmental Impact Statement (SDEIS) and the Final Environmental Impact Statement (FEIS) for the Access to the Region's Core project in an amount not to exceed \$1,993,500, plus five percent for contingencies, for a total contract authorization of \$24,248,175, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: This Authorization \$ 1,993,500 + 5% contingency
Total Authorization \$ 24,248,175

Total Project Cost: \$ 30,254,000 (EIS Only)

Projected Date of Completion: June 2008 – FTA Record of Decision

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBE Goal: 25% DBE

Related/Future Authorizations: Final Design
Construction
Construction Assistance

**Impacts on Subsequent
Operating Budgets:** NA

RESOLUTION

WHEREAS, NJ TRANSIT is completing the Access to the Region's Core (ARC) Environmental Impact Statement (EIS); and

WHEREAS, the Federal Transit Administration has directed that a Supplemental Draft Environmental Impact Statement (SDEIS) be prepared as part of the ongoing effort; and

WHEREAS, the completion of both the SDEIS and the Final Environmental Impact Statement (FEIS) is required to secure a Record of Decision from the FTA; and

WHEREAS, completion of both the SDEIS and the FEIS requires additional time and budget for Transit Link Consultants, the consultant for the existing EIS contract; and

WHEREAS, Transit Link Consultants was previously selected by a competitive procurement process to provide consultant services for the preparation of the ARC Environmental Impact Statement;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend the existing contract (No. 03-115) with Transit Link Consultants of Little Falls, New Jersey, for completion of the Supplemental Draft Environmental Impact Statement and the Final Environmental Impact Statement for the Access to the Region's Core project at a cost not to exceed \$1,993,000, plus five percent for contingencies, for a total contract authorization of \$24,248,175, subject to the availability of funds.

**ITEM 0802-9: PORTAL BRIDGE CAPACITY PROJECT DRAFT
ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT
CONTRACT AMENDMENT**

BENEFITS

Portal Bridge is an existing two-track railroad bridge carrying the Northeast Corridor over the Hackensack River. The proposed effort will result in the completion of the Environmental Impact Statement and the rendering of a Record of Decision in Spring 2008. The replacement of this bridge is essential since it is almost 100 years of age having been originally placed in service in 1910. Operating problems associated with the bridge are increasing and there is a need to continue the process that will result in the construction of an improved river crossing. The project will also address the need for additional rail capacity over the Hackensack River to meet the future needs of NJ TRANSIT's expanding ridership.

The new crossing will be designed to significantly reduce the number and duration of bridge openings to reduce rail service disruptions. Presently, even with peak period opening restrictions, there are conflicts between rail and marine operations.

PURPOSE

NJ TRANSIT is working with Amtrak and the Federal Railroad Administration (FRA) to complete the Environmental Impact Statement and obtain a Record of Decision from the FRA. All activities are coordinated with the Access to the Region's Core (ARC) project team so that a connection to the ARC project is not precluded.

The current professional services contract (No. 06-097) with AKRF, Inc. would be amended to provide additional support for an expanded work effort associated with the completion of the Draft Environmental Impact Statement (DEIS). The expanded work effort is required to respond to refinements in the design of the ARC project that would affect the connections with the Portal Bridge improvements just west of Secaucus Junction. These changes required additional engineering efforts as well as redrafting the environmental chapters in the Portal Bridge DEIS.

The consultant services contract was originally awarded to AKRF, Inc. through a competitive procurement process for consultant services for the preparation of the Environmental Impact Statement.

ACTION (Justification: Capacity)

Staff seeks authorization to amend the professional services contract (No. 06-097) with AKRF, Inc. of Marlton, New Jersey for completion of the Portal Bridge Draft Environmental Impact Statement (DEIS) in an amount not to exceed \$445,977, plus five percent for contingencies, for a total contract authorization of \$5,765,262, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: This Authorization \$ 445,977 + 5% contingency
Total Authorization \$ 5,765,262

Total Project Cost: \$ 10,000,000 (EIS Only)

Project Date of Completion: June 2008 – Record of Decision

Anticipated Source of Funds: Transportation Trust Fund

Diversity Goal: 25% DBE

Related/Future Authorization: Preliminary Engineering
Final Engineering
Construction
Construction Assistance

Impacts on Subsequent Operating Budgets: NA

RESOLUTION

WHEREAS, NJ TRANSIT seeks to replace an aging Portal Bridge across the Hackensack River, expand capacity in the Northeast Corridor, reduce conflicts between rail and marine traffic, and decrease rail service interruptions; and

WHEREAS, Amtrak will be a partner with NJ TRANSIT on this work, along with the Federal Railroad Administration; and

WHEREAS, NJ TRANSIT is coordinating this work with the Access to the Region's Core (ARC) project to insure its compatibility; and

WHEREAS, refinements to the design of the ARC project affected the design of track improvements related to the Portal Bridge design, impacting the alternatives being reviewed in the Portal Bridge Environmental Impact Statement; and

WHEREAS, AKRF, Inc. was previously selected by a competitive procurement process to provide consultant services for the preparation of the Portal Bridge Capacity Project Environmental Impact Statement;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend the professional services contract (No. 06-097) with AKRF, Inc. of Marlton, New Jersey to provide additional support needed to complete the Draft Environmental Impact Statement at a cost not to exceed \$445,977, plus five percent for contingencies, for a total contract authorization of \$5,765,262, subject to the availability of funds.

ITEM 0802-10: PAINTING OF SPANS 12 AND 13 AT “HX” DRAWBRIDGE OVER THE HACKENSACK RIVER, UNDERGRADE BRIDGE 5.48, BERGEN COUNTY LINE, EAST RUTHERFORD, BERGEN COUNTY, NEW JERSEY

BENEFITS

NJ TRANSIT owns, operates and maintains undergrade Bridge No. 5.48 on the Bergen County Line, also known as “HX” Drawbridge over the Hackensack River. Painting is an important part of the bridge maintenance program. Painting of Spans 12 and 13 will remove peeling lead-based paint and severe rusting and other forms of deterioration from the structure and minimize continued corrosion. Lead abatement will also facilitate needed repairs of structural members.

PURPOSE

The project will perform environmentally required lead paint abatement and will apply a paint system to protect the structural steel members on Spans 12 and 13 from further corrosion and prolong the lifespan of the bridge. These two spans comprise the moveable portion of the bridge.

ACTION (Justification: State-Of-Good-Repair)

Staff seeks authorization to contract (No.08-068X) with Allied Painting Inc. of Franklinville, New Jersey for painting Spans 12 and 13 at “HX” Drawbridge, Undergrade Bridge No. 5.48, Bergen County Line, East Rutherford, Bergen County, New Jersey in an amount not to exceed \$1,676,500, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: \$1,676,500, plus 5% for contingencies

Total Project Cost: \$2.8M

Projected Date of Completion: November 2008

Anticipated Source of Funds: State

Diversity Goal: 20% SBE (Category 5)

Related/Future Authorization: Painting of the remaining spans

(NJT Board – 02/13/2008)

RESOLUTION

WHEREAS, NJ TRANSIT owns, operates and maintains Spans 12 and 13 at undergrade Bridge No. 5.48, "HX" Drawbridge, on the Bergen County Line, East Rutherford, Bergen County, New Jersey; and

WHEREAS, painting of the bridge is necessary to prolong the lifespan of the bridge by protecting the structural steel members from corrosion; and

WHEREAS, lead abatement is environmentally required and will ensure that workers will not be exposed to lead while performing future repairs to the bridge; and

WHEREAS, following a competitive procurement process, Allied Painting Inc. of Franklinville, New Jersey submitted the lowest responsive bid to perform this work;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with Allied Painting Inc. of Franklinville, New Jersey for the painting of the bridge, at a cost not to exceed \$1,676,500, plus five percent for contingencies, subject to the availability of funds.

ITEM 0802-11: ISSUANCE OF LONGITUDINAL OCCUPANCY PERMIT ALONG NJ TRANSIT'S RARITAN VALLEY LINE RIGHT-OF-WAY TO ABOVE NET INC.

BENEFITS

The issuance of a 25 year longitudinal occupancy permit to AboveNet Inc., a infrastructure/network provider, for 37.25 miles along NJ TRANSIT'S Raritan Valley Line Right-of-Way will generate non-farebox revenue of a one time \$1,500,000 upfront payment for the existing conduit and an annual permit rate of \$5,900 per mile with a minimum initial annual payment of \$191,603 for the first five years increasing to \$219,775 plus cumulative five year CPI adjustments thereafter.

PURPOSE

This authorization provides for NJ TRANSIT to enter into a 25 year occupancy permit agreement with AboveNet Inc. for a fiber optic occupancy of 37.25 miles of existing conduit on NJ Transit's Raritan Valley Line, between High Bridge and Roselle Park, mileposts 15.0 to 52.25.

For the first five years, AboveNet Inc. will pay \$5,900 per mile for occupying 27.7 miles of conduit and a discounted 50 percent annual rate of \$2,950 per mile for 9.55 miles of unoccupied conduit for an annual total of \$191,603. At the end of the first five years, AboveNet Inc. will pay the full annual rate for the 37.25 miles of conduit for a total of \$219,775 plus a cumulative five year CPI adjustment. If at any time during the first five years any portion of the unused conduit becomes occupied, AboveNet Inc. will commence to pay the full \$5,900 per mile annual rate for the entire 37.25 miles of conduit.

ACTION

Staff seeks authorization to take all actions necessary to enter into a 25 year longitudinal occupancy permit with AboveNet Inc. for a fiber optic occupancy of 37.25 miles of existing conduit on NJ TRANSIT's Raritan Valley Line, between High Bridge and Roselle Park 15.0 to 52.25 in consideration of a one time, upfront payment of \$1,500,000 and an annual occupancy rate of \$5,900 per mile with a minimum initial annual payment of \$191,603 increasing to \$219,775 plus cumulative five year CPI adjustments thereafter.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee

FISCAL IMPACTS

Requested Authorization: Staff seeks authorization to take all actions necessary to enter into a 25 year longitudinal occupancy permit with AboveNet Inc. for a fiber optic occupancy of 37.25 miles of existing conduit on NJ TRANSIT's Raritan Valley Line, between High Bridge and Roselle Park 15.0 to 52.25, in consideration of a one time, upfront payment of \$1,500,000 and an annual occupancy rate of \$5,900 per mile with a minimum initial annual payment of \$191,603 increasing to \$219,775 plus cumulative five year CPI adjustments thereafter.

Total Project Cost: N/A

Projected Date of Completion: March 2033

Anticipated Source of Funds: N/A

Diversity Goal: No goods or services to be procured.

Related/Future Authorizations: N/A

Impacts on Subsequent Operating Budgets: Initial annual payment at a maximum of \$219,775 with cumulative five year CPI adjustments thereafter.

RESOLUTION

WHEREAS, the New Jersey Public Transportation Act of 1979, P.L. 1979, c. 150 authorizes NJ TRANSIT to lease, purchase and sell, or otherwise dispose of, on terms which NJ TRANSIT may prescribe, real and personal property; and

WHEREAS, AboveNet Inc., a infrastructure/network provider, has interest in occupying an available existing conduit on NJ Transit's Raritan Valley Line from High Bridge to Roselle Park (37.25 miles); and

WHEREAS, AboveNet Inc. will pay a \$1,500,000 lump-sum, upfront payment to NJ Transit; and

WHEREAS, AboveNet Inc. will pay the annual rate of \$5,900 per mile for a longitudinal occupancy permit for available existing conduit on the Raritan Valley Line with cumulative CPI adjustments every five years for a term of 25 years; and

WHEREAS, for the first five years, AboveNet Inc. will pay 50 percent of the \$5,900 annual rate or \$2,950 per mile for 9.55 miles of unused conduit and \$5,900 per mile for the remaining 27.7 mile portion of the 37.25 miles of conduit with cumulative CPI adjustments every five years; and

WHEREAS, if at any time during the first five years, any portion of the 9.55 miles of unused conduit becomes occupied, AboveNet will commence to pay the full \$5,900 per mile annual rate for the entire 37.25 miles of conduit; and

WHEREAS, at the end of the first five years of this permit, AboveNet will pay the full per mile annual rate for the 37.25 miles of the conduit which is estimated to be \$219,775 plus the cumulative five year CPI adjustment:

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director or his designee is authorized to take all actions necessary to enter into a 25 year longitudinal occupancy permit with AboveNet Inc. for a fiber optic occupancy of 37.25 miles of existing conduit on NJ TRANSIT's Raritan Valley Line, between High Bridge and Roselle Park 15.0 to 52.25, in consideration of a one time, upfront payment of \$1,500,000 and an annual occupancy rate of \$5,900 per mile with the initial annual of \$191,603 increasing to \$219,775 plus cumulative five year CPI adjustments thereafter.