

Philip D. Murphy, Governor
Tahesha L. Way, Lieutenant Governor
Francis K. O'Connor, Acting Commissioner
Kevin S. Corbett, President & CEO

ONE PENN PLAZA EAST
NEWARK, NJ 07105-2246
973-491-7000



May 16, 2024

Honorable Philip D. Murphy
Governor, State of New Jersey
State House
Trenton, NJ 08625

Dear Governor Murphy:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc., Board of Directors held on Wednesday, May 8, 2024.

Sincerely,

Meghan Clark Umukoro

Meghan Clark Umukoro
Board Secretary

Enclosures

Open Session Minutes of the actions taken at the Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, May 8, 2024. The meetings occurred concurrently.

Board Members

Francis K. O'Connor, Chair
Kiabi D. Carson, Vice Chair
Aaron J. Creuz, Governor's Representative
Michael Kanef, Treasurer's Representative
Anthony N. Abrantes, Board Member
Richard A. Maroko, Board Member
Carlos A. Medina, Board Member
Shanti Narra, Board Member
Evan S. Weiss, Board Member
Rashonda A. Brown, Board Member (Non-Voting)
Karen Thomas, Board Member (Non-Voting)

Staff

Kevin S. Corbett, President & Chief Executive Officer (CEO)
Meghan Clark Umukoro, Board Secretary
Brian T. Wilton, Senior Vice President, Chief Legal Officer & General Counsel
Michael Kilcoyne, Senior Vice President, Surface Transit & General Manager, Bus Ops.
Richard Schaefer, Senior Vice President, Capital Programs
Christopher Trucillo, Senior Vice President, Chief of Police, Office Emergency Mgmt.
Jacqueline Stamford, Acting Senior Vice President, Chief Financial Officer & Treasurer

Chair O'Connor convened the Open Session at 6:03 p.m., in accordance with the Open Public Meetings Act and NJ TRANSIT's enabling legislation. Board Secretary Umukoro asked everyone to mute their phones and turn their attention to the Public Safety Announcement. The pledge of allegiance to the flag was recited.

Board Secretary Umukoro conducted Roll Call and noted Board Members Abrantes, Medina, and Weiss were participating remotely.

Board Secretary Umukoro announced that adequate notice of the meetings of the Board of Directors of the New Jersey Transit Corporation and its affiliates and subsidiaries was provided in accordance with the Open Public Meetings Act and NJ TRANSIT's enabling legislation. Notices were filed on May 2, 2024, with the Secretary of State, sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, published on the corporation's website, and sent to each individual, agency, and organization that requested such notice.

Approval of Minutes

Chair O'Connor asked for a motion to approve the minutes of the April 10, 2024, Board meetings. Board Member Richard A. Maroko made the motion and Board Member Shanti Narra seconded the motion. The minutes were adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

President & CEO's Monthly Report

President & CEO Corbett began with an update that signaled summer was approaching. He was pleased to announce the resumption of rail service to Monmouth Park Racetrack. Service to Monmouth Park Station would resume on their North Jersey Coast Line Saturday, May 11, 2024, and would continue days when the track was open for live racing to the end of the season on September 15, 2024. They were also offering a great discounted round-trip transportation package to the Racetrack, which included general admission, and an official racing program. Visit njtransit.com/MonmouthPark for more information.

President & CEO Corbett discussed the ticket expiration policy change, as they resumed this seasonal service to Monmouth Park, which was often frequented by infrequent and first-time riders. He noted an important update to their ticket policy, which they began communicating last week to provide customers with 90 days' notice. Effective July 1, 2024, all printed and digital one-way and roundtrip tickets would be valid for 30 days, including the date of purchase. One-way and roundtrip tickets purchased prior to July 1, 2024, would expire on July 30, 2024, regardless of their original date of purchase. These tickets are non-refundable, so they were urging customers to avoid purchasing more tickets than they could use before July 30, 2024. In addition, the FLEXPASS pilot would sunset effective July 1, 2024, so the last date to purchase FLEXPASS would be June 30, 2024. For more information on the updated policy, visit njtransit.com/fares.

Another sign that summer was just around the corner was the kick-off of the MetLife concert schedule. Just as they proved last year with concerts such as Beyonce and Taylor Swift, NJ TRANSIT was looking forward to once again ensuring that the fan experience began as soon as customers boarded their NJ TRANSIT train or bus. President & CEO Corbett said they were prepared with a service plan that would move customers conveniently and seamlessly to and from the stadium for concerts beginning with Morgan Wallen on May 17 and 18, 2024, and included future dates for the Rolling Stones, George Strait with Chris Stapleton & Little Brown, Luke Combs, and Kenny Chesney. MetLife would also host four international soccer matches this summer, including three Copa America Matches and a battle of soccer juggernauts, Real Madrid versus Barcelona.

President & CEO Corbett said their focus extended well beyond service to entertainment and destination venues such as MetLife and included their ongoing participation in vital industry discussions. He was pleased to attend the American Public Transportation Association's Metropolitan Rail Discussion Group meeting on April 28, 2024, which focused on the lingering effects of the COVID-19 pandemic on transit agencies nationwide. They discussed where those effects were still adversely impacting ridership and revenues, and addressed various legislative and policy issues, including bus procurement and other challenges stemming from funding gaps and other issues facing many transit agencies nationwide.

President & CEO Corbett said as they continued to address challenges and strategize on industry-wide issues, this included their commitment to their environmental responsibilities. This commitment was evident in their newly released, first-ever Sustainability Plan, which marked a significant step forward in their efforts to enhance energy efficiency, improve air quality, and strengthen resilience across their operations. They fittingly released the plan during Earth Week on April 23, 2024. Much like their initial 5-year Capital Plan, their Sustainability Plan was an unconstrained plan, with greater details and associated budgets to be developed and shared as they worked toward implementation. It was a living document that would be revised and updated periodically, to provide transparency and direction for NJ TRANSIT to become a leader in sustainability.

Related to NJ TRANSIT's infrastructure, on April 17, 2024, President & CEO Corbett had the privilege of testifying before the U.S. House Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials, in his role as both President & CEO of NJ TRANSIT and Co-Chair of the Northeast Corridor Commission. There, he covered the significant impact of the Bipartisan Infrastructure Law, or IIJA, on the Northeast Corridor and commuter railroads nationwide. With increased formula funding and competitive grants available through IIJA, they would look to continue aggressively advancing safety innovations, infrastructure modernization, and other capital improvements to enhance service reliability for their customers. President & CEO Corbett concluded his testimony by noting that infrastructure had historically been a bipartisan issue in this country, and his hope was to see that spirit of cooperation continue through the reauthorization process, enabling them to tackle their significant capital needs head-on.

President & CEO Corbett spoke about the important infrastructure projects that would improve the customer experience and was pleased to announce that they would be hosting a very special event next week that would mark the 50 percent completion milestone of the Portal North Bridge. On Monday, May 13, 2024, NJ TRANSIT would be joined by their project partners from Amtrak, the Federal Transit Administration (FTA), Federal Railroad Administration (FRA), and many other local, state, and federal dignitaries to celebrate this incredible milestone less than two years after officially breaking ground on the project in August of 2022. This project of national significance was the largest single construction award in NJ TRANSIT's history, and was on time, and on budget. He was also pleased that NJ TRANSIT was able to demonstrate that with

proper management and coordination, mega-projects in the Northeast could be delivered on time and on budget, despite previous examples of delays and cost overruns of similar sized projects in their region. They look forward to continued collaboration with Amtrak and all stakeholders to ensure the timely completion of such a transformative project, set to open its first track in 2026.

As they mark significant milestones in projects like the Portal North Bridge, they also recognized the importance of engaging the next generation of transit riders who would benefit from all these transformational projects currently underway. In keeping with this commitment, they celebrated Take Your Children to Work Day by offering complimentary rides for children. On April 25, 2024, two children up to the age of 18 travelled free on the NJ TRANSIT system, with each fare-paying adult. They were pleased to participate in this national educational event, which promoted career exploration, and highlighted the benefits of using transit to commute.

President & CEO Corbett wrapped up that evening with two examples of the profound impact their New Jersey Transit Police Department (NJTPD) had on their community. On the evening of April 16, 2024, a critical incident unfolded at the Trenton Transit Center that demonstrated the superior training and preparedness of their NJTPD. Upon arrival of two buses from Texas, a father carrying his lifeless three-year old son exited the bus in a panic, seeking help. His son was not breathing and turning blue from an apparent airway obstruction. NJTPD Sergeant Michael Filandro immediately took the child, held him belly down at an angle while maintaining control of his head, and began back strokes to clear the child's airway. Despite his best efforts, the child remained unresponsive, at which point Sergeant Filandro and Officer Timothy Geoghegan initiated CPR, before rushing the child to Capital Health Hospital in an NJTPD K-9 patrol vehicle, as they feared it might be too late if they waited for an ambulance. As Officer Geoghegan drove to the hospital, with the family following in another NJTPD vehicle, Sergeant Filandro continued administering CPR and, thankfully the child regained consciousness by the time they reached the hospital.

This incident not only highlighted the critical role their transit police play in emergency situations, but also underscored the importance of their continued investment in training and preparedness for all scenarios. The officer's body worn cameras captured all the drama unfolding in real time, and a video was played.

President & CEO Corbett said although both officers were extremely modest, it was really inspiring for all of them at NJ TRANSIT. He said this was just one example of the dedication and bravery their officers exhibited every day. They were fortunate to have Sergeant Filandro and Officer Geoghegan, along with NJTPD Chief Christopher Trucillo, with them that night and they were asked to join President & CEO Corbett in front of the Board room so he could present special proclamations to Officer Geoghegan and Sergeant Filandro. He also invited the members of the Board to join him for a photo with Officers Geoghegan, Sergeant Filandro, and Chief Trucillo.

While on the topic of remarkable NJTPD Officers, President & CEO Corbett said they would soon honor a legacy of dedication and leadership within the NJTPD's ranks. On Friday, May 10, 2024, he would have the privilege of joining Chief Trucillo at a ceremony dedicating their Emergency Operations Center in Maplewood to the late Inspector Robert Noble, who passed away last year in November, marking his significant contributions to the New Jersey Transit Police Department. Inspector Noble served their agency for 28 years, notably as the Commanding Officer of Special Operations, where his leadership and dedication to public safety left an indelible mark on both the department and the community. This dedication, which would also be attended by Inspector Noble's family, would serve as a lasting tribute to his legacy of integrity and service, embodying the virtues they strive to uphold at both the NJTPD and NJ TRANSIT. NJ TRANSIT was deeply grateful for Inspector Noble's lasting contributions to their community and transit system, and this dedication, along with a beautiful plaque they created in Inspector Noble's memory, would ensure that his impact and values continued to inspire future generations of NJTPD officers.

Advisory Committee Report

Suzanne Mack said the proclamations given that evening to Sergeant Filandro and Officer Geoghegan for saving a life was a tough act to follow. She said seeing the video of those officers in action, showed a testament of the training the NJTPD received because they knew exactly what to do, and went above and beyond. She said the NJTPD was making the system safe for its riders and what the officer and sergeant did was amazing, and she hoped their children were proud.

Ms. Mack said she had the privilege of being at the TransAction Conference in Atlantic City last week, which was attended by 1,100 professionals, and was the highest attendance in many years.

While they were in Atlantic City last week, they had a very detailed conversation with Jacqueline Stamford, Acting Senior Vice President, Chief Financial Officer & Treasurer, and Patrick Hartman, Senior Director of Budgets, on the budget. Ms. Mack said they spent a lot of time on the budget, and it was challenging this year. She said NJ TRANSIT had challenges, Governor Murphy had been wonderful, and was the first Governor in many years who stood up to help them come up with a solution. While unfortunately there was going to be a fare increase, after many years of no fare increase, she was happy that one of the questions raised by the Board was would they be incremental in the future. Ms. Mack said this gave people some type of warning of how it was going to happen.

Ms. Mack said this world has been so crazy. She has been through Hurricane Sandy, 9/11, and COVID, and could provide a long history of what the Advisory Committee has seen NJ TRANSIT do since forming as a corporation, which was remarkable. Ms. Mack said what came out of the budget hearings was that a lot of transit agencies around the country shut down during COVID. She was proud to be part of an organization that did not, because it was the buses, rail, and light rail that were taking people to work, hospitals, and other places they needed to go.

Ms. Mack said it was also gratifying for her to see the statistics that President & CEO Corbett provided, and although they were not totally back to where they were, other agencies that shut down were not back. She said due to good planning and leadership NJ TRANSIT was still on top and has always had good leadership at this Board level. She was happy to see the support they were getting from the Governor and hoped that continued. In closing, Ms. Mack said the Advisory Committees met last week, their next meeting was June 14, 2024, they would love to have the Board members join them, and reiterated they were there to help the Board if there was anything they needed to be done.

Chair O'Connor asked Board Secretary Umukoro if there were any comments from the public. Board Secretary Umukoro said there were six in-person speakers and five pre-registered telephone speakers.

Board Secretary Umukoro said in order to give everyone an opportunity to be heard, comments would be limited to three minutes. Priority access would be given to pre-registered in-person speakers, followed by any additional in-person speakers. They would then take comments from pre-registered telephone speakers, followed by any additional telephone participants queued to speak. Board Secretary Umukoro instructed those participating by telephone, if they had not already done so, please press *1 on their telephone keypad to enter the queue to speak. They would hear a brief tone to indicate they have successfully entered the queue.

Public Comments

Sally Jane Gellert said she was wearing multiple hats, all in service to NJ TRANSIT riders. Ms. Gellert said Janelle Rivera, Director of Local Programs and Community Mobility, presented the same presentation at the April Senior Citizens and Disabled Residents Transportation Advisory Committee (SCDRTAC) meeting that she presented for the SCDRTAC hearings in December, and a vibrant discussion followed. She said there was a new microphone system in place to have better recordings at their meetings. Ms. Gellert said her committee was in receipt of a letter from President & CEO Corbett that appeared to reverse the deal that was made last spring and they wanted to ask the reason for the change.

Ms. Gellert said regarding the Lackawanna Coalition, as a member organization of the Rail User's Network (RUN), they were looking forward to RUN's virtual conference on Friday, May 17, 2024, at 12:30 p.m. She said their programs were informative. On May 18, 2024, SCDRTAC Chairperson David Peter Alan and SCDRTAC member Joseph Cliff would lead an NJ TRANSIT connection walking tour on multiple transportation modes starting at Newark Penn Station at 10:30 a.m. and ending at either New York Penn Station or Grand Central Station. She said this was their third attempt hosting this tour, due to bad weather and severely limited attendance in the past. Ms. Gellert welcomed everyone to join them, and said everyone was responsible for their own fares, refreshments, and other purchases.

Ms. Gellert said Reporters without Borders and their annual index referred to the country's history as a former bastion of free speech. She said the United States was down to 55th place out of 180 countries, which was down from 46th place last year. She said the New Jersey Senate Budget Committee was poised to gut the Open Public Records Act (OPRA) at a budget hearing on May 9, 2024, demonstrating that the institutional and governmental barriers that have driven down their rating, and those of other countries as well. Ms. Gellert said she would argue that NJ TRANSIT's Public Information Office's unwillingness to put out a complete press release for SCDRTAC's 40th anniversary, when they asked for additional information, combined with the misinformation given to her and others at the fare increase hearings, indicated that NJ TRANSIT was not any better than the rest of the government. She said they constantly complained that NJ TRANSIT's transparency was no better than the windows on their train.

Gianangelo Dichio, resident of Denville and student at New Jersey Institute of Technology (NJIT), said he was in attendance with two of his fellow NJIT classmates, Sebastian and Anthony. Mr. Dichio said he and his classmates participated in HackNJIT, and they built bus stop signs that were all connected on a long-range, low frequency network that allowed all the bus stops to be in communication with each other. He said the bus stops allowed for low-energy ETA for each bus arrival. Mr. Dichio said the bus stop used solar energy and did not need to be connected to the grid. He said he and his classmates were three ambitious college students who were interested in building cool things, and he thought their design could be beneficial to NJ TRANSIT. Mr. Dichio said they built the bus stop signs within a 24-hour period and could build other cool inventions for NJ TRANSIT.

Omar Vera, resident of New York City, said he was a big transit fan. Mr. Vera congratulated New Jersey Transit Police for their heroic efforts to save a choking child at the Trenton Transportation Center. He wanted to talk about the cancellation of the Number 308 bus service from Port Authority in New York City to Six Flags Great Adventures in Jackson, New Jersey. Mr. Vera said many people enjoyed going to the amusement park and that bus service was needed for people like him, who lived in a major city, did not own an automobile, and relied on public transit to get to the park. He asked the Board to reconsider restoring that bus service. Mr. Vera said the bus service, from Philadelphia and Jersey City to Six Flags, was cancelled nine years ago.

Vito Havrilla, Legislative Director for the Lackawanna Coalition, read highlights from a resolution the Coalition made on November 28, 2022, calling for hourly weekend service on the Montclair-Boonton Line between Hoboken and Montclair State University. Mr. Havrilla said their organization was advocating for better service on the Montclair-Boonton and Morris & Essex lines. He said currently the train ran every two hours between Hoboken and Bay Street in Montclair. The standard weekend for most other rail lines was one train per hour. They were calling on NJ TRANSIT to provide hourly service between Montclair State University and Hoboken on weekends. Mr. Havrilla said everyone was invited to join the Coalition's monthly meetings held at Millburn Town Hall.

David Anderson, Technical Director for the Lackawanna Coalition, said he was speaking as a concerned citizen. Mr. Anderson said recently it had become quite apparent to the public that decisions on NJ TRANSIT's agenda were decided well in advance and outside of the Board meeting. He said some notable examples were the implementation of the Portal North Bridge Design, NJ TRANSIT's involvement in Gateway, and the decision to move NJ TRANSIT headquarters to a building with more expensive rent, at a time when fiscal constraints were forcing them to be more mindful and responsible fiscally. Mr. Anderson said the most concerning matter was the gas powered TRANSITGRID plant in lower Kearny. He said the proposal was removed twice and then withdrawn, only after widespread opposition from numerous associations and activist groups throughout New Jersey.

Mr. Anderson said even more worrisome to many was seeing Board members resign or not be reappointed for questioning these agenda items. He said there was an increasing perception by many that more influence was exercised from those outside of NJ TRANSIT than within. He said several remedies were available to the Governor's Office, and the State Legislature had ways to alleviate basic problems that NJ TRANSIT faced. Mr. Anderson said one example was to channel funds away from projects that might have dubious benefits to citizens of New Jersey, such as the turnpike expansion project, and instead give those funds to public transit and other needed state programs and service that benefit the most vulnerable people.

John Reichman, member of the Steering Committee of Empower NJ, said at the last meeting where the fare increase was approved, there were several public comments questioning the independence of the Board. Mr. Reichman said afterwards there were response from some Board members saying that they were in fact independent. He said unfortunately, the Board meeting forum did not allow for dialogue between the Board and the public, but he wanted to continue the conversation and asked the Board members four questions with respect to their independence or perhaps lack thereof.

Mr. Reichman asked the Board why they had not publicly sought funding from the Legislature or the Governor before announcing the 15 percent fare increase. Based on the recent sustainability report, what were the Board doing to seek funding for both operating and capital purposes. He asked the Board members if they believed the billion-dollar turnpike expansion project was the best way their transportation dollars could be used, given the fact that NJ TRANSIT was desperate for funding. Lastly, he asked what position or action any of the Board members took that was contrary to a position of Governor Murphy. Mr. Reichman hoped they would respond to his questions at the end of the public comment period and that if they did not, everyone would assume they were not doing anything to address the questions he raised. He said he would love to be proven wrong, that the Board was in fact made up of independent members who were first seeking to service the public and NJ TRANSIT riders, and he asked that they provide proof that they were independent members.

Michael Vieira, President of the New Jersey Council on Special Transportation (NJCOST), Director of Essex County Community Transportation Program, which fell under the purview

of NJ TRANSIT, thanked Ms. Mack for mentioning the New Jersey TransAction Conference. He said he was also the Coordinator of the New Jersey Transaction Conference, and they had almost 1,200 in attendance with the walk-ins, which was a very significant and successful event. Mr. Vieira thanked President & CEO Corbett for the letter he wrote to the Senior Citizens and Disabled Residents Transportation Advisory Committee (SCDRTAC), asking that committee be put back on track. He said this advisory committee was legislatively mandated and created by the legislature with a certain purpose to work with the 21 counties as per NJ TRANSIT's designee, however, for the last couple of years, but worse this year, it had gotten out of control. Mr. Vieira said President & CEO Corbett had the entire 21 counties supporting him with getting things back on track.

Tineen Howard said he was doing a follow-up from the last meeting when he said he would bring documentation pertaining to the intolerable conditions at New Jersey Department of Transportation (DOT), especially against black males. Mr. Howard said he wanted to first make a point about the transit agency in Richmond, Virginia and how they were able to cut fares since the pandemic, as well as 22 other agencies across the country. He said felt NJ TRANSIT could have looked at what those agencies did to avoid raising fares.

Mr. Howard referenced a letter sent to Commissioner Kris Kolluri at the DOT on May 15, 2006, from the U.S. Department of Transportation Federal Highway Administration, outlining disparities in disciplinary actions against African American employees. He believed these actions prevented the DOT and NJ TRANSIT from providing good service, especially in urban areas because employee retention was low. He said when employees tried to contribute and offer suggestions, they were disregarded. Mr. Howard said his documentation also included various Title VI reports, which showed a senior leadership committee appointed to the DOT that did absolutely nothing to alleviate problems at the DOT. He said he would continue coming to the monthly Board meetings to provide documentation that he had.

Board Secretary Umukoro asked Mr. Howard to leave his complete documentation with the employees at the NJ TRANSIT reception desk.

Matty Buchys-Hyland, resident of New York, said with Autism Awareness Month ending in April, they needed to recognize that children who have autism should be eligible for a disability discount at age 12, rather than 18 years and older. He said children aged five through 11 get half off the fare. Mr. Buchys-Hyland's second concern was in relation to the corporate transit fee. He agreed with former State Senator Loretta Weinberg, that corporations should pay their fair share, but this would not cover the cost of how much NJ TRANSIT would need if some corporations decided not to pay federal taxes. Mr. Buchys-Hyland said lastly, as hurricane season approached, they needed to be prepared for storms that might come their way. He also wanted to correct his previous comment from the last meeting, that The Port Authority of New York and New Jersey \$15 fare increase went into effect on December 6, 2015, not December 13, 2015.

Paula Rogovin said she was speaking as a resident of Teaneck, which passed a resolution in December 2023 addressing the New Jersey Turnpike Authority (NJTA) widening the turnpike. Ms. Rogovin said in 2022, NJTA estimated the cost of the turnpike expansion to be \$10.7 billion alone. She read an excerpt from the resolution that stated, highway engineering found that widening the highway could worsen congestion and lead to increased traffic volume, and the surge in traffic would exacerbate roadway pollution, including air pollution from gas powered vehicles that emit harmful pollutants and greenhouse gases. Ms. Rogovin said such particulate matter and ground level ozone have been found to disproportionately impact vulnerable citizens and those living in overburdened communities. She said investments in sustainable public transportation infrastructure, especially for underserved communities, could provide economic opportunity and improved quality of life for all. Ms. Rogovin said the Teaneck City Town Council called for NJTA to immediately halt any expansion of the New Jersey Turnpike, and all NJTA projects should go through a comprehensive analysis of their climate, economic, and public health impacts and provide ample opportunities for public input to assess their effects on local communities before initiation and continuation. She said projects found to harm any resident, especially overburdened communities, should be rejected.

Ms. Rogovin said the State of New Jersey and New Jersey DOT should incentivize, support, and prioritize statewide investments in public transportation, and repair projects, railways, safe streets, bikeways, and walkways, to alleviate traffic and advance New Jersey's transportation infrastructure, with the goal of protecting the health and safety of its residents, businesses, and institutions.

Doug O'Malley, Director of Environment New Jersey, and a Steering Committee member of Empower NJ, said he wanted to start off his testimony by talking about a letter that was circulated to members of the New Jersey Legislature, including Senate President Nicholas P. Scutari and Assembly Speaker Craig J. Coughlin, calling for sustained dedicated funding for NJ TRANSIT. Mr. O'Malley said the letter was signed by 34 labor, social justice, transportation, environmental, and community organizations, and it was calling for four things. First, to reverse the 15 percent fare hike that the Board voted on in April. Second, to repurpose funds that were designated for the unneeded expansion of the turnpike, to replace revenue that would be generated by the fare increase. Third, to support and expand Governor Murphy's Fiscal Year 2025 budget proposal for a corporate transit fee, in the amount of \$800 million in dedicated funding. Fourth, to end the raids in NJ TRANSIT's capital budget and to truly dedicate clean energy fund transfers to bus electrification.

Mr. O'Malley said he understood that these matters should be handled at the Legislative level and not NJ TRANSIT Board of Directors, but obviously what NJ TRANSIT was provided in funding by the Legislature was of paramount importance. He said so much so that the Board green lighted \$6.7 million to North Highland for consultants to look at a doomsday scenario of what would happen if there was not enough funding for NJ TRANSIT.

Mr. O'Malley said the way to save NJ TRANSIT was not by providing \$600 million in cuts, but instead for New Jersey Legislature and Governor Murphy to provide dedicated funding. He said the doomsday scenario was real, and if NJ TRANSIT was not given this money, they were looking at a true Hunger Games situation, where lines and bus service would be cut. Mr. O'Malley said they would be moving to a full-time Saturday schedule and less profitable lines would be eradicated. He said they could not afford to wait until next year, and now was the time for the Legislature to provide the dedicated funding and get behind Governor Murphy's corporate transit tax. Lastly, they needed to make sure they had true equity for transportation in the state.

Adam Reich asked Board Member Narra for an update on the Customer Advocate position and the future of the Customer Advisory Board that had been on hold because of the Customer Advocate vacancy. Mr. Reich asked if the public comment period for public committee meetings could be extended from two minutes to three minutes. He said NJ TRANSIT staff did not give an account of customer complaints at the Operation and Customer Service Committee meetings although Board members have asked for this in the past. Mr. Reich said they could not improve if they did not know what areas customers were asking for improvements in. He said they showcased informational posts but did not share customer feedback.

Mr. Reich said with the increase in fares, a lot of riders were upset that the tickets they were told would not expire were expiring. He said this amounted to a bait and switch, if not an outright fraud. Mr. Reich said there were riders like himself who bought tickets in good faith that their tickets would not expire. He said as a result of this, a secondary market was created, and tickets were being sold online. Mr. Reich said this put their crews at risk by changing their fare collection policies. He said if they were not going to honor fares that they told people would not expire, they were going to have disgruntled customers and a real risk of assault on NJ TRANSIT employees. Mr. Reich believed they should reconsider the policy without delay and the unions should push back on the matter. He said it was bad will and that NJ TRANSIT should honor its contractual obligations and give riders a break considering the fare increase was set to begin in July.

Mr. Reich said there was an Academy Bus Line contract award on the agenda, and he hoped given their previous fraud issues, the Board would use the same judgement used previously and reject an award to Academy Bus Line. He said he reached out to Justin Davis, Senior Vice President of Regulatory & Government Affairs and Chief of Staff, about concerns he had about NJ TRANSIT employees leveraging their influence over Railway Historical Society groups to create pressure involving policies they did not like. Mr. Reich said if no action was taken on this issue, it would give the appearance that the behavior was condoned.

Jason Anthony, member of the Long Island Railroad Americans with Disabilities Act (ADA) Task Force, said nobody was talking about the 18 percent that NJ TRANSIT and its subsidiaries would have to pay over the next two years. Mr. Anthony said this was more than four times the amount the Metropolitan Transportation Authority (MTA) used to raise their fares. He asked why Board members were offered a virtual option to

participate and be seen at Board meetings, but not the riding public. Mr. Anthony said NJ TRANSIT was stuck in the 20th century and that the MTA was in the 21st century. He asked why NJ TRANSIT had not had a Customer Advocate for the past four years. Mr. Anthony said the MTA and Washington Metro both had Customer Advocates on their staff and NJ TRANSIT was not in compliance with ADA law.

James Crawford, resident of Hawthorne, thanked NJ TRANSIT. He said he had been using the NJ TRANSIT system for a quarter of a century. Mr. Crawford said he thought the bipartisan solutions needed to change. He encouraged the Board to halt the 15 percent fare increase and repurpose the funds designated for the unneeded and unwarranted turnpike expansion to public transit. Mr. Crawford said expanding the Fiscal Year 2025 budget, with Governor Murphy's proposal for the Corporate Tax to provide \$800 million in dedicated funding for mass transit to avoid a fiscal cliff, sounded like a great idea. He said it sounded to him like the system was being used as a toll booth for those who were not paying, and that it was no fault of NJ TRANSIT. Mr. Crawford was glad the public was given an opportunity to speak and thanked the Board for taking public comments.

Tian Zhong said he was a concerned resident of New Jersey and loyal rider of NJ TRANSIT. Mr. Zhong said his comments represented the hard-working people of the tri-state area that relied on NJ TRANSIT to commute to and from work. He said the recent changes made to the expiration of previous purchased tickets to expire on July 31, 2024, was a failure of leadership and gross violation of the Board's fiduciary responsibility to its customers and the residents of New Jersey. Mr. Zhong said NJ TRANSIT made a unilateral decision to essentially expire all previously purchased tickets on July 31st, regardless of situation or condition. Customers in possession of previously purchased tickets would be voided with less than 60 days' notice. He said his pre-purchased tickets, along with the tens of thousands of tickets currently in possession by the loyal customers of NJ TRANSIT, purchased with hard earned money, would become worthless in less than two months. Mr. Zhong said he and other riders purchased tickets for future use in the form of an interest-free loan to NJ TRANSIT and an investment in its future because they were told the tickets would not expire. He said in return they were given a mere 60 days to use them or forfeit the entire value of their investment.

Mr. Zhong said this kind of policy and decision making was unacceptable and carried no regard or consideration for their loyal transit customers and constituents. He said it was also grounds for a class action lawsuit for misrepresentation of a specified and implied contract during the purchase of the ticket. Mr. Zhong urged the Board to overhaul the approach towards the policy change, and at minimum provide a one-year grace period or offer refunds to the customers impacted by the change.

Holly Cox, 25-year resident of Montville, said she was calling to urge the Board to halt the 15 percent NJ TRANSIT fare increase, repurpose the funds designated for the unnecessary turnpike expansion, support Governor Murphy's Fiscal Year 2025 budget proposal for a corporate transit fee to provide \$800 million in dedicated funding to mass transit, end the raid on NJ TRANSIT's capital to operating fund, and dedicate the clean energy fund transfer

to bus electrification. Ms. Cox said Governor Murphy approved a 15 percent fare increase and annual three percent increases that was unfair, and the NJ TRANSIT Board voted for this at the last Board meeting. She said riders were being asked to pay more, while receiving less, and the burden fell disproportionately on low- and middle-income riders who depended on NJ TRANSIT.

Ms. Cox said the entire state, which was already in a climate emergency, would be harmed if riders stopped using NJ TRANSIT and got back in their cars. She said there would be an increase in traffic, carbon emissions, and other pollutants in the state. Ms. Cox said cities like Boston and the District of Washington have eliminated fares and provided free public transit for economic, environmental, and equity reasons. She said NJ TRANSIT should be moving towards this model, not hiking fares on those least able to pay.

Ms. Cox said this year's operating deficit paled in comparison with next year's fiscal cliff, where NJ TRANSIT faced a \$700 million to \$1 billion deficit. She said Governor Murphy's corporate transit fee proposal would avoid a transportation disaster in Fiscal Year 2026, where there otherwise would be unprecedented levels of service cuts and more fare hikes leading to a death spiral for the ages.

Ms. Cox said unfortunately, the Murphy Administration was aggressively pushing forward with the \$10.7 billion turnpike expansion project, which would be an economic, health, and environmental disaster. She said the Jersey City Council, Hoboken Council, and many others strongly opposed the expansion project. Ms. Cox said this year, they would spend \$109 million on the design of the expansion, which was \$3 million more than would be raised by the fare increase. She said the entire turnpike expansion project should be halted until the Legislature used its oversight power to make a reasonable determination on whether this was the best way to spend \$10.7 billion of their money, when they have other compelling transportation needs.

Ms. Cox asked the Board to use their authority over the state's budget and significant oversight powers over state agencies to work to ensure that they solved their transportation crisis and made rational use of their transportation dollars. She said their economy, environment, and health depended on reliable and affordable mass transit.

Charlie Kratovil, resident of New Brunswick and editor of New Brunswick Today, asked how many people work in the media relations department at NJ TRANSIT. Brian Wilton, Senior Vice President of the Office of General Counsel and Chief Legal Officer, said this portion of the meeting was for public comment only. All questions should be submitted to Customer Service.

Mr. Kratovil said he had spoken once before and received the same response, that he would receive a callback but never did. He said he reached out to the NJ TRANSIT Public Information email address to ask about incidents that happened at Edison Train Station. Mr. Kratovil referenced a *New Brunswick Today's* website about comments and said there was no comment from NJ TRANSIT in the articles because they were still working on getting answers to his questions. He wanted to know how many people worked in the Media

Relations department because he sent questions on May 1, 2024, and was told on May 3, 2024, that he could expect answers to his questions this week but had not received a response as of May 8, 2024. He hoped he was not being ignored by the Media Relations departments and that someone would get back to him with answers soon.

Mr. Kratovil said he sympathized with the people who have questioned the honor of the Board with respect to the proposal to not honor the tickets that they sold to the public. He said they were now raising the fare in perpetuity and rendering the tickets that people had invalid. Mr. Kratovil said Board Member Narra, in her capacity as Commissioner, received his article and he hoped she would comment on the matter that took place at the Edison Train Station. He hoped the Board would look into the incidents at Edison Station and start to speak up, instead of being silent.

Tim Sevener, resident of the Transit Village of Mount Taber and Board member of the New Jersey Association of Rail Passengers, said they testified against the fare increase and the egregious expiration of tickets. Mr. Sevener said he personally brought tickets in advance because unfortunately he could not count on the ticket vending machine (TVM) at the Mount Tabor train station to be in service. He said it was illegal for NJ TRANSIT to expire tickets that were bought as a no-interest loan to support NJ TRANSIT. Mr. Sevener said the public was not given proper notice of the change in policy or an opportunity for a refund.

Mr. Sevener said regarding sustainability, he did not see any mention of electrifying rail in the Sustainability Report. He guessed if NJ TRANSIT did not have any money, \$330 million had to be reallocated from the capital budget to the operate the train, then they could not afford to electrify. Mr. Sevener said electrification would be a good investment of the rail to save money because of fossil fuel and diesel fuel costs. He said electric trains were more reliable and would improve service. Mr. Sevener said an example of improvements in sustainability would be to electrify the rail from Montclair State University to Denville, which would provide decent service past 9:00 a.m., coming from Denville on the Montclair-Boonton Line. He urged rail electrification as part of the sustainability plan.

Delvin Bradford, resident of Philadelphia, asked where the money went to that NJ TRANSIT received from the COVID pandemic, and where would the money go that they would receive from the fare increase. Mr. Bradford said 30 days was not enough time for people to use their pre-purchased tickets. He said riders should have been given more notice of the change in policy.

Public Comments Submitted In lieu of Speaking

Bill Beren, Chair of the Sierra Club, submitted comments on Board Item #2405-24 regarding Contracting Out Passaic County Local Bus Service. He said as a reminder to the Board for the past year, NJ TRANSIT has failed to fully restore the bus service previously provided by DeCamp between Essex County and Manhattan. In place of the seven-days a week service from 6:00 a.m. to midnight, Montclair commuters only had four runs in each direction, and only during the rush hour. There was no off-peak or weekend service. The Montclair-Boonton Line only provides service to a small portion of

DeCamp's ridership. Mr. Beren stated if NJ TRANSIT could not only cover the full service of other failed bus companies in Hudson County and between Newark and its suburbs, but to add service, it should be able to at least cover all the previous service provided by DeCamp. Mr. Beren also asked if DeCamp was allowed to keep the buses they leased for \$1.00 from NJ TRANSIT. He believed those buses should be returned to NJ TRANSIT so that full service could be restored.

Board Operations and Customer Service Committee Report

Board Member Creuz presented the report for the Operations and Customer Service Committee. The Operations and Customer Service Committee received an update on trends, analysis, and actions for rail, bus, light rail, and Access Link. The Committee also received an update on the Cost of Service.

Board Administration Committee Report

Board Member Maroko presented the report for the Administration Committee. The Administration Committee received a Financial Update. This included a summary of operating results compared to previous year's comparable period and Fiscal Year 2024 Budget, 12-month farebox revenue compared to pre-COVID, major balance sheet items and Federal COVID-19 relief grant drawdown summary. Additional information was provided as part of the agenda materials, including the cost-of-service key performance indicators, 12-month farebox recovery, history of vacancies, attrition and hires, ridership and revenue, and a monthly budget-to-actual comparison for March 2024.

Board Capital Planning, Policy, and Privatization Committee Report

Board Member Weiss presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy, and Privatization Committee reviewed the Board Items for the: Contracting Out – Passaic County Local Bus Service; Purchase of Mobile Command Bus; and Newark Penn Station Modernization Project: Complete Master Plan, Design Services, and Construction Support Services Contract Amendment.

Action Items

2405-24 CONTRACTING OUT – PASSAIC COUNTY LOCAL BUS SERVICE

President & CEO Corbett introduced Michael Kilcoyne, Senior Vice President, Surface Transit and General Manager, Bus Operations, to present Action Item #2405-24. Michael Kilcoyne presented for approval Action Item #2405-24: Contracting Out – Passaic County Local Bus Service.

Board Member Richard A. Maroko made a motion, Board Member Michael Kanef seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2405-25: PURCHASE OF MOBILE COMMAND BUS

President & CEO Corbett introduced Michael Kilcoyne, Senior Vice President, Surface Transit and General Manager, Bus Operations, to present Action Item #2405-25. Michael Kilcoyne presented for approval Action Item #2405-25: Purchase of Mobile Command Bus.

Board Member Richard A. Maroko made a motion, Board Member Shanti Narra seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2405-26: REGULATIONS: INITIATION OF THE RULEMAKING PROCESS FOR N.J.A.C. 16:75 BUS ALLOCATION GUIDELINES AND PROCEDURES

President & CEO Corbett introduced Michael Kilcoyne, Senior Vice President, Surface Transit and General Manager, Bus Operations, to present Action Item #2405-26. Michael Kilcoyne presented for approval Action Item #2405-26: Regulations: Initiation of the Rulemaking Process for N.J.A.C. 16:75 Bus Allocation Guidelines and Procedures.

Board Member Shanti Narra made a motion, Board Member Richard A. Maroko seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2405-27: NEWARK PENN STATION MODERNIZATION PROJECT: COMPLETE MASTER PLAN, DESIGN SERVICES, AND CONSTRUCTION SUPPORT SERVICES CONTRACT AMENDMENT

President & CEO Corbett introduced Richard Schaefer, Senior Vice President, Capital Programs, to present Action Item #2405-27. Richard Schaefer presented for approval Action Item #2405-27: Newark Penn Station Modernization Project: Complete Master Plan, Design Services, and Construction Support Services Contract Amendment.

Board Member Richard A. Maroko made a motion, Board Member Michael Kanef seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2405-28: REGULATIONS: INITIATION OF THE RULE-MAKING PROCESS FOR READOPTION OF N.J.A.C. 16:87 PROOF OF PAYMENT

President & CEO Corbett introduced Christopher Trucillo, Senior Vice President, Chief of Police and Office of Emergency Management, to present Action Item #2405-28. Christopher Trucillo presented for approval Action Item #2405-28: Regulations: Initiation of the Rule-Making Process for Readoption of N.J.A.C. 16:87 Proof of Payment.

Board Member Shanti Narra made a motion, Board Member Richard A. Maroko seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Board Secretary Umukoro noted Board Members Brown and Thomas were recused from Items #2405-29 and #2405-30 and would not comment on the items.

2405-29: PERSONAL INJURY CLAIM OF THOMAS DOUGAN

President & CEO Corbett introduced Jacqueline Stamford, Acting Senior Vice President, Chief Financial Officer and Treasurer to present Action Item #2405-29. Jacqueline Stamford presented for approval Action Item #2405-29: Personal Injury Claim of Thomas Dougan.

Board Member Richard A. Maroko made a motion, Board Member Shanti Narra seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2405-30: PERSONAL INJURY CLAIM OF KHALILAH RAYBON

President & CEO Corbett introduced Jacqueline Stamford, Acting Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2405-30. Jacqueline Stamford presented for approval Action Item #2405-30: Personal Injury Claim of Khalilah Raybon.

Board Member Richard A. Maroko made a motion, Board Member Shanti Narra seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2405-31: FUNDING AGREEMENT BETWEEN NJ TRANSIT AND AMTRAK FOR THE EAST RIVER TUNNEL REHABILITATION PROJECT

President & CEO Corbett introduced Richard Schaefer, Senior Vice President, Capital Programs, to present Action Item #2405-31. Richard Schaefer presented for approval Action Item #2405-31: Funding Agreement Between NJ TRANSIT and Amtrak for the East River Tunnel Rehabilitation Project.

Board Member Richard A. Maroko made a motion, Board Member Shanti Narra seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Board Secretary Umukoro noted Vice Chair Carson was recused from Item #2405-32 and would not comment on the item.

2405-32: ANNUAL NOTICE OF MEETINGS AND DESIGNATIONS

Chair O'Connor recommended approval of Item 2405-32: Annual Notice of Meetings and Designations. This action item was to adopt the Annual Notice of Meetings for all the Board of Directors' meetings during Fiscal Year 2025, designate Kiabi D. Carson as Vice Chairperson of the NJ TRANSIT Board of Directors and its subsidiaries, and designate Meghan Clark Umukoro as Board Secretary of NJ TRANSIT and its subsidiaries.

Board Member Shanti Narra made a motion, Board Member Michael Kanef seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Recused	Yes

Executive Session Authorization

Chair O'Connor noted they would adjourn to Executive Session, would return only to adjourn the meetings, and no further business would be conducted. Chair O'Connor asked for a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including but not limited to, the Corporate Insurance Program Annual Renewal.

Board Member Richard A. Maroko made a motion, Board Member Michael Kanef seconded the motion, and it was adopted. At approximately 7:34 p.m., the Board adjourned to Executive Session.

Roll Call Vote:

Abrantes	Maroko	Medina	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Return to Open Session

Chair O'Connor reconvened Open Session at 8:01 p.m. Board Secretary Umukoro conducted Roll Call. All Board Members returned to Open Session, except Board Members Brown and Narra.

Adjournment

Since there was no further business, a motion to adjourn was made by Board Member Richard A. Maroko, seconded by Board Member Michael Kanef, and the motion was adopted.

The meetings were adjourned at approximately 8:02 p.m.

**NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
BOARD OF DIRECTORS' MEETINGS**

MAY 8, 2024

MINUTES

PAGE

➤ CALL TO ORDER	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	67928
➤ PRESIDENT & CEO'S MONTHLY REPORT	67929
➤ ADVISORY COMMITTEE REPORT	-
➤ PUBLIC COMMENTS	-
➤ BOARD COMMITTEE REPORTS	-

ACTION ITEMS

2405-24	CONTRACTING OUT – PASSAIC COUNTY LOCAL BUS SERVICE –	67952
	Authorization to enter into contract number 0000031 with Academy Express, LLC of Hoboken, New Jersey, to operate the Passaic County Local Bus Service for a 60-month base contract period of September 1, 2024 through August 25, 2029, at a cost not to exceed \$81,101,074, plus five percent for contingencies, for a total contract authorization of \$85,156,128, subject to the availability of funds and Board approval of NJ TRANSIT's Operating Budget.	
2405-25	PURCHASE OF MOBILE COMMAND BUS –	67953
	Authorization to enter into a Cooperative Purchasing Agreement with the Houston-Galveston Area Council of Governments (HGAC) competitively bid contract AM10-20 for the purchase of a 45-foot mobile command bus equipped with various electronic, communications, and security equipment to be utilized as an emergency backup garage or forward command location, at a total cost of \$1,433,479, plus 10 percent for contingencies, subject to the availability of funds.	
2405-26	REGULATIONS: INITIATION OF THE RULEMAKING PROCESS FOR N.J.A.C. 16:75 BUS ALLOCATION GUIDELINES AND PROCEDURES –	67954
	Authorization to take all actions necessary to initiate the rulemaking process to adopt N.J.A.C. 16:75 et seq., consistent with this Board item and corresponding Exhibit.	

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
BOARD OF DIRECTORS' MEETINGS
MAY 8, 2024
MINUTES
PAGE 2

- 2405-27 NEWARK PENN STATION MODERNIZATION PROJECT: COMPLETE MASTER PLAN, DESIGN SERVICES, AND CONSTRUCTION SUPPORT SERVICES CONTRACT AMENDMENT** – Authorization to enter into a contract amendment for NJ TRANSIT Contract No. 21-060 with Parsons Transportation Group to provide design services for completion of Master Plan, Design Services, and Construction Support Services and funding for Phase 1 (Master Planning through 10 percent Concept Design) of the Newark Penn Station Modernization Project, in an amount up to \$3,300,000, subject to the availability of funds. **67975**
- 2405-28 REGULATIONS: INITIATION OF THE RULEMAKING PROCESS FOR READOPTION OF N.J.A.C. 16:87 PROOF OF PAYMENT** – Authorization to take all actions necessary to initiate the rulemaking process for re adoption of N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and corresponding Exhibits. **67976**
- 2405-29 PERSONAL INJURY CLAIM OF THOMAS DOUGAN** – Authorization to settle the claim of Thomas Dougan through his attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds. **67990**
- 2405-30 PERSONAL INJURY CLAIM OF KHALILAH RAYBON** – Authorization to settle the claim of Khalilah Raybon through her attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds. **67991**
- 2405-31 FUNDING AGREEMENT BETWEEN NJ TRANSIT AND AMTRAK FOR THE EAST RIVER TUNNEL REHABILITATION PROJECT** – Authorization to use funds to satisfy NJ TRANSIT’s support of Amtrak’s East River Tunnel Project. **67992**
- Authorization to enter into an agreement, any amendments, and any supporting agreements with Amtrak and other involved parties to facilitate the purposes of the project.
- 2405-32 ANNUAL NOTICE OF MEETINGS AND DESIGNATIONS** – Authorization to adopt the Annual Notice of Meetings for all of the Board of Directors’ meetings during Fiscal Year 2025, designate Kiabi D. Carson as Vice Chairperson of the NJ TRANSIT Board of Directors and its subsidiaries, and designate Meghan Clark Umukoro as Board Secretary of NJ TRANSIT and its subsidiaries. **67993**
- **EXECUTIVE SESSION AUTHORIZATION** **67995**
- **ADJOURNMENT**

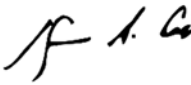
APPROVAL OF MINUTES

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., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, 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 April 10, 2024 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on April 15, 2024 and;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the April 10, 2024 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT
DATE: MAY 8, 2024
SUBJECT: PRESIDENT & CEO'S REPORT – MAY 2024



Beginning this month with a service update that signals summer is approaching, we are pleased to announce the resumption of rail service to the Monmouth Park Racetrack. Service to Monmouth Park Station will resume on our North Jersey Coast Line on May 11th for the start of the live racing season, and will continue on days when the track is open for live racing to the end of the season on September 15th. We are also offering a great discounted round-trip transportation package to the Racetrack, which includes general admission and an official racing program. For more information, please visit njtransit.com/MonmouthPark.

As we resume this seasonal service to Monmouth Park, which is often frequented by infrequent and first-time riders, I'd like to note an important update to our ticket policy, which we began communicating last week to provide customers with 90 days' notice. Effective July 1st, all printed and digital one-way and roundtrip tickets will be valid for 30 days, including the date of purchase. One way and roundtrip tickets purchased prior to July 1st will expire on July 30th, regardless of their original date of purchase. These tickets are non-refundable, so we're urging customers to avoid purchasing more tickets than they could use by before July 30th. In addition, the FLEXPASS pilot will sunset effective July 1st, so the last date to purchase a FLEXPASS will be June 30th. For more information on the updated policy, please visit njtransit.com/fares.

Another sign that summer is around the corner is the kick-off of the MetLife concert schedule. Just as we proved last year with concerts such as Beyoncé and Taylor Swift, NJ TRANSIT is looking forward to once again ensuring that the fan experience begins as soon as customers board their NJ TRANSIT train or bus. To that end, we are prepared with a service plan that will move customers conveniently and seamlessly to and from the stadium for concerts beginning with Morgan Wallen on May 17th and 18th, and includes future dates for the Rolling Stones, George Strait with Chris Stapleton & Little Brown, Luke Combs, and Kenny Chesney. MetLife will also host four international soccer matches this summer, including three Copa America Matches and a battle of soccer juggernauts – Real Madrid versus Barcelona.

As we prepare for another summer providing exceptional service to MetLife Stadium, we remain committed to our environmental responsibilities. This commitment is evident in our newly-released, first-ever Sustainability Plan, which marks a significant step forward in our efforts to enhance energy efficiency, improve air quality, and strengthen resilience across our operations. We fittingly released the plan on April 23rd during Earth Week. Much like our initial 5-year Capital Plan, our Sustainability Plan is an unconstrained plan, with greater details and associated budgets to be developed and shared as we work toward implementation.

Moving on to updates related to NJ TRANSIT's infrastructure, on April 17th I had the privilege of testifying before the U.S. House Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials in my role as both President & CEO of NJ TRANSIT and Co-chair of the Northeast Corridor Commission. There, I covered the significant impact of the Bipartisan Infrastructure Law, or IIJA, on the Northeast Corridor and commuter railroads nationwide. With increased formula funding and competitive grants available through IIJA, we will look to continue aggressively advancing safety innovations, infrastructure modernization, and other capital improvements to enhance service reliability for our customers. I concluded my testimony by noting that infrastructure has historically been a bipartisan issue in this country, and my hope to see this spirit of cooperation continue through the reauthorization process, enabling us to tackle our significant capital needs head-on.

As we continue to modernize our infrastructure – with more than 60 capital projects currently underway – we also recognize the importance of engaging the next generation of transit riders who will benefit from all of these transformational projects. Toward that end, and in celebration of "Take Your Children To Work Day", two children up to the age of 18 travelled free on our system on April 25th, with each fare-paying adult. We were pleased to participate in this national educational event, which promotes career exploration, and highlights the benefits of using transit to commute.

In conclusion, on May 10th I will have the privilege of joining New Jersey Transit Police Department Chief Chris Trucillo at a ceremony dedicating our Emergency Operations Center in Maplewood to the late NJTPD Inspector Robert Noble, who passed away last year in November, marking his significant contributions to the NJTPD over the course of an exemplary 28-year career. We are deeply grateful for Inspector Noble's lasting contributions to our community and transit system. This dedication will ensure that his impact and values continue to inspire future generations of NJTPD officers.



PRESIDENT & CEO'S MONTHLY REPORT

May 8, 2024

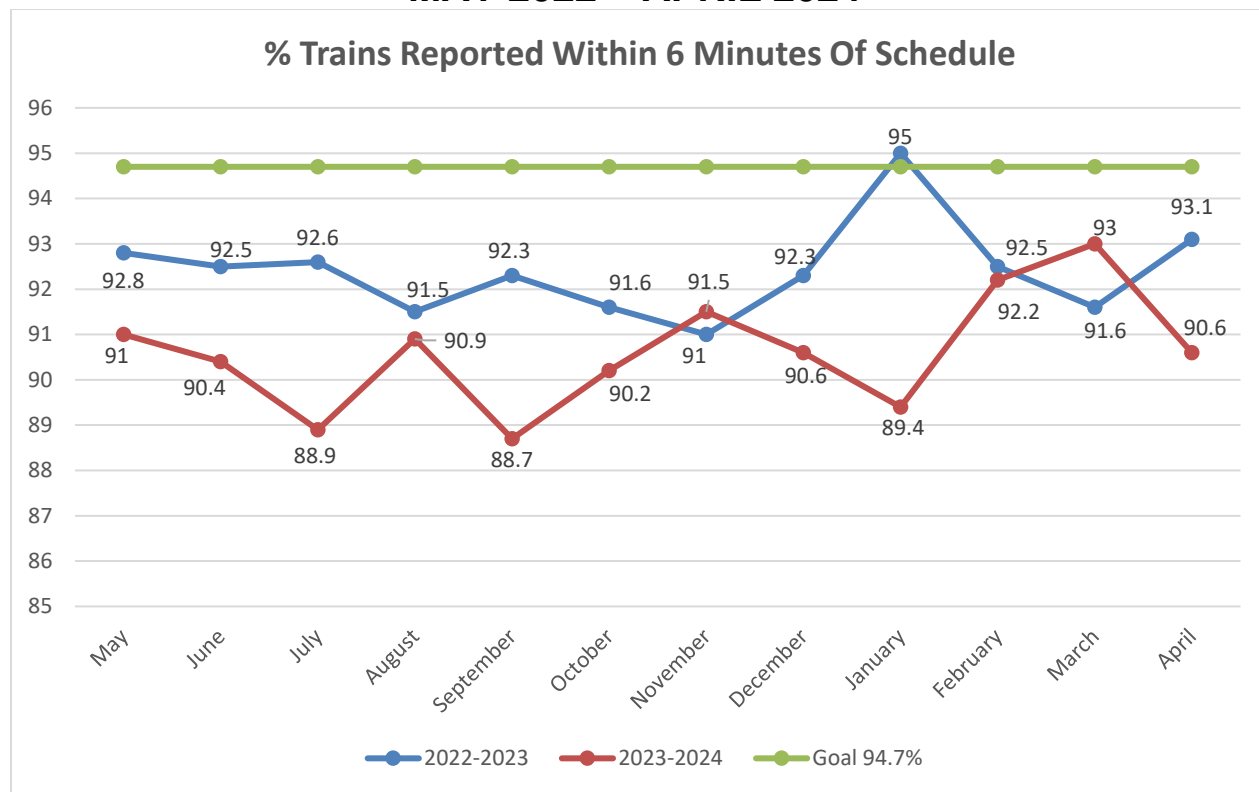
TABLE OF CONTENTS

May 8, 2024

- 1. PERFORMANCE MEASURES**
- 2. MEAN DISTANCE BETWEEN FAILURES**
- 3. DBE/SBE PROGRAM**
- 4. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL MAY 2022 – APRIL 2024



	<u>2023</u>	<u>2024</u>	<u>%Change</u>
Apr. Comparison	93.1%	90.6%	-2.5%
12-Month Average May. 2022 – Apr. 2024	92.4%	90.6%	-1.8%

Analysis:

Rail On-time Performance was 90.6% for the month of April 2024. Of the 18,202 trains scheduled to operate, 16,500 were on time, while 1,702 trains (or 9.4% were delayed).

Key Causes included:

- Amtrak catenary issues, programmed maintenance, NJT bridge strike, weather related catenary issues, electric locomotive, and Arrow MU issues contributed 168 delays on April 4.
- Amtrak weather related, Portal Bridge issue, programmed maintenance, bridge strike, PTC and Mechanical issues contributed 105 delays on April 5.
- Amtrak switch issue, catenary issue, pedestrian fatality and signal issues contributed 104 delays on April 15.

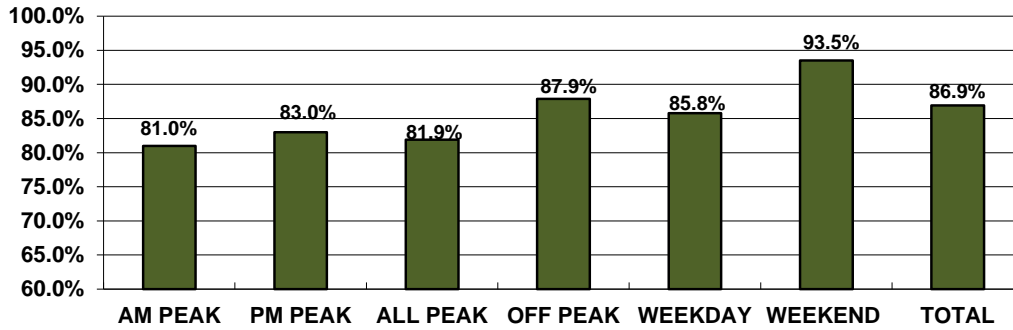
The 12-month Average for Rail On-Time Performance was 90.6%.

ON-TIME PERFORMANCE RAIL

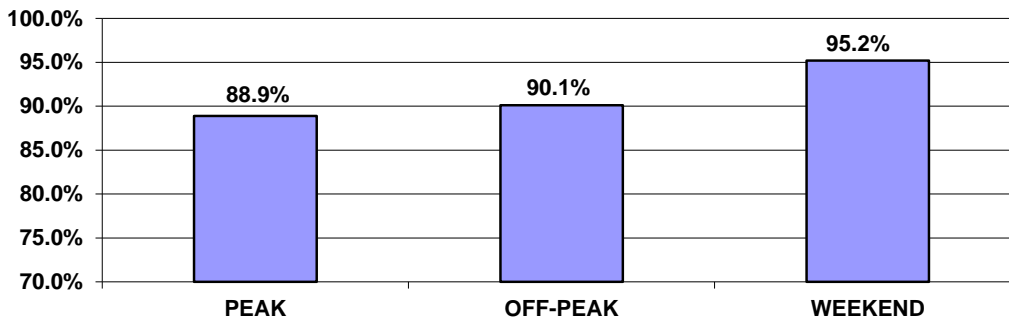
SUMMARY BY TIME PERIOD APRIL 2024

* NOTE: A train is reported late if it arrives at its final station stop more than 5:59 minutes later than the advertised schedule.

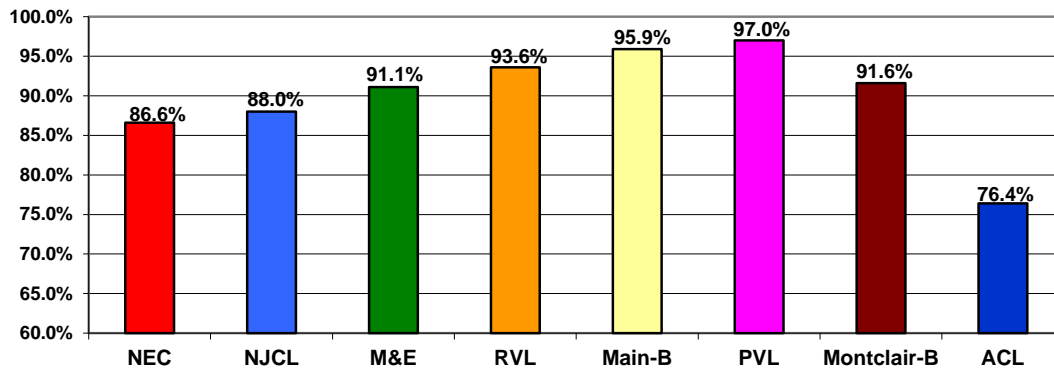
% NEW YORK PENN STATION Trains Reported On Time *



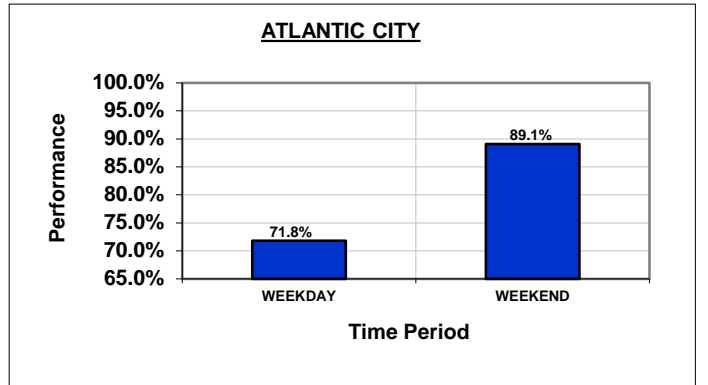
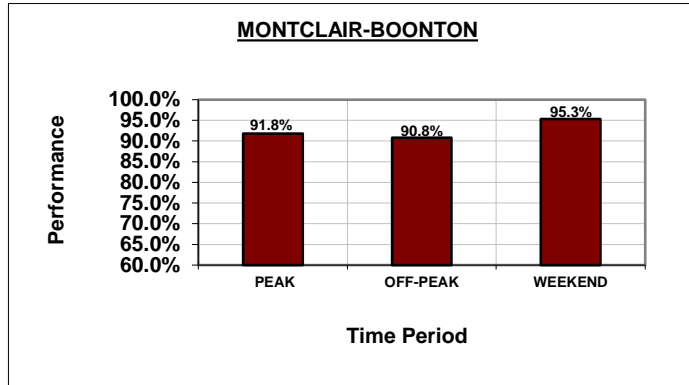
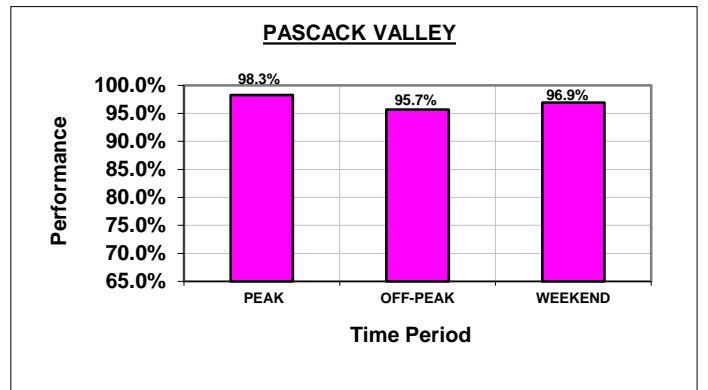
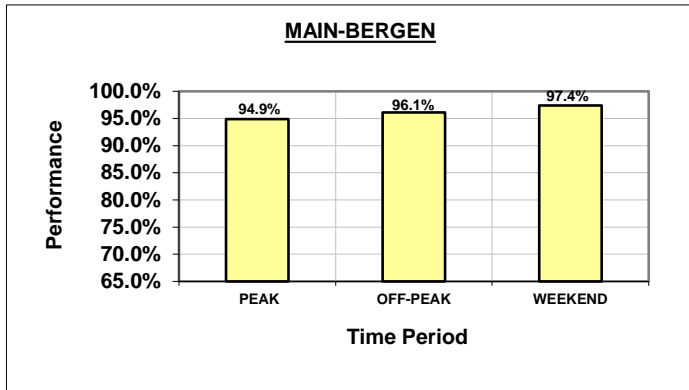
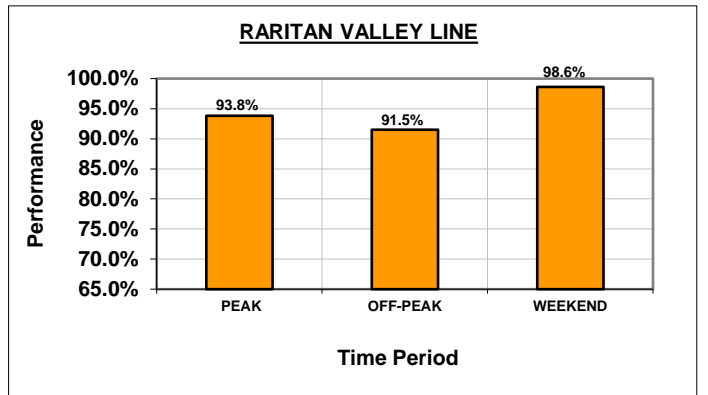
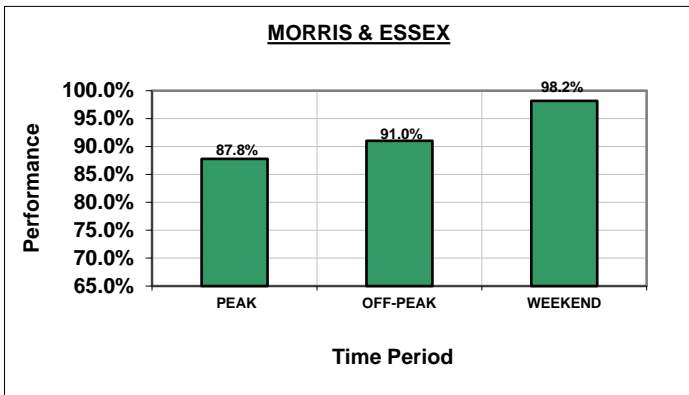
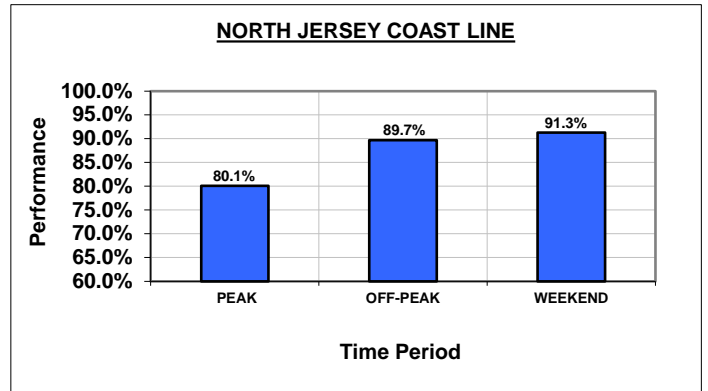
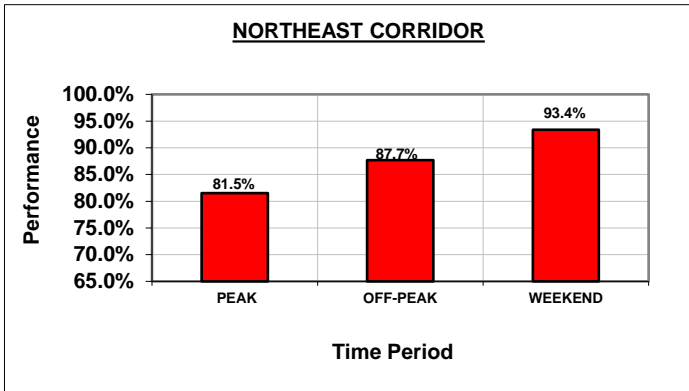
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time

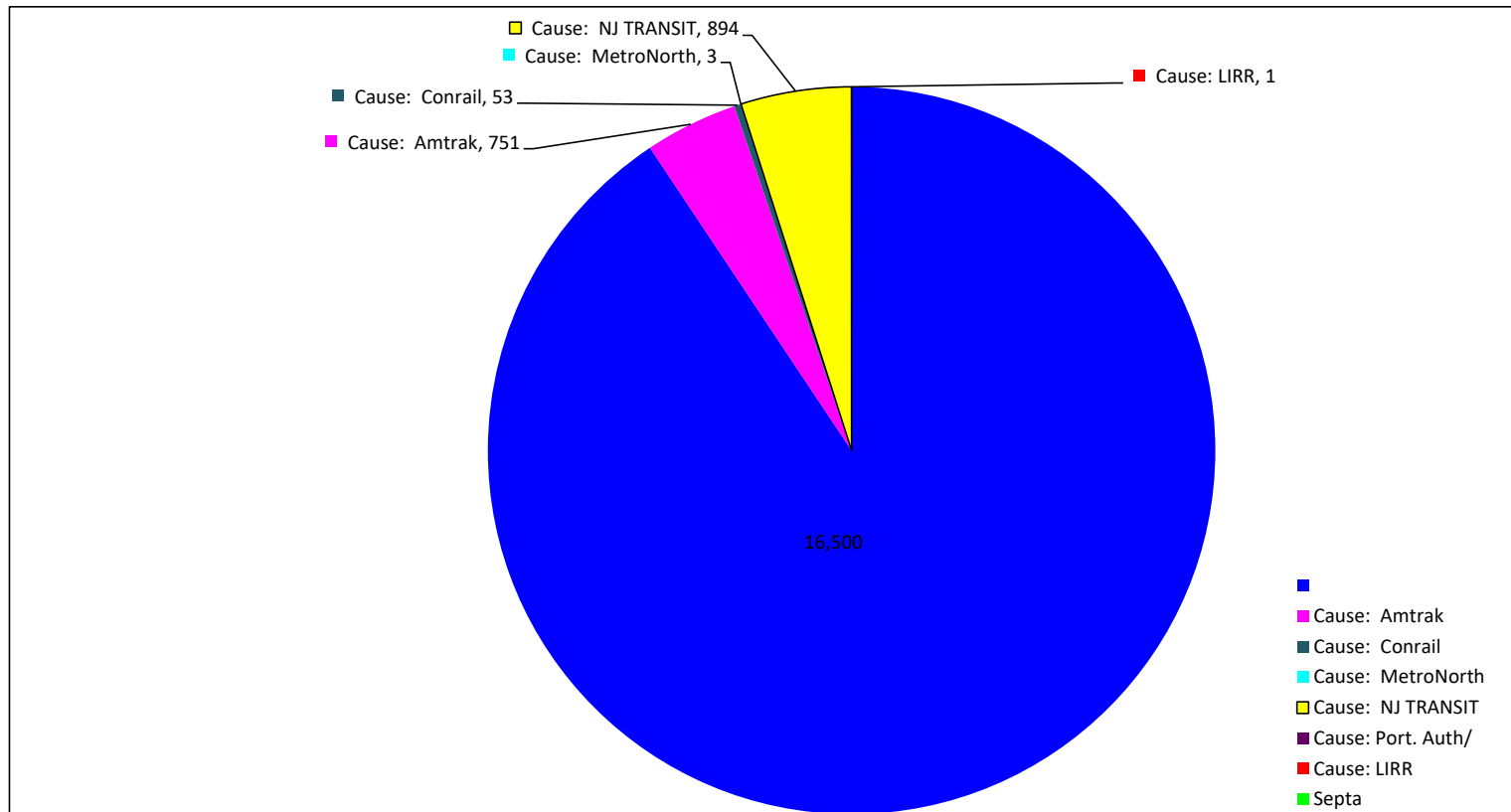


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD April 2024

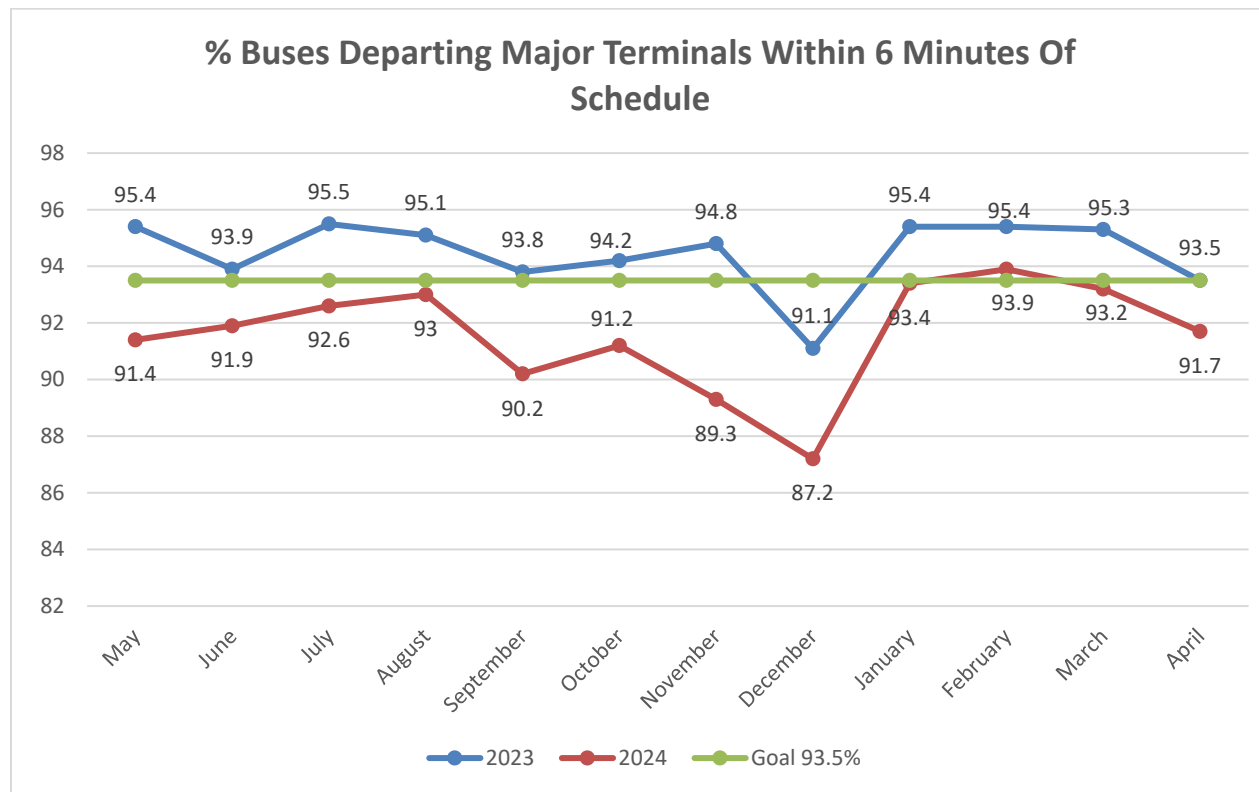


NJ TRANSIT Performance - April 2024 Late NJ TRANSIT Trains

		Cause: Amtrak	Cause: Conrail	Cause: MetroNorth	Cause: NJ TRANSIT	Cause: Port. Auth/	Cause: LIRR	Septa
# of Trains On Time	16,500	751	53	3	894		1	
# of Late Trains	1,702	4.13%	0.29%	0.02%	4.91%		0.01%	0.00%
Total # of Trains	18,202							
Percentage On Time	90.6%							



NJ TRANSIT ON-TIME PERFORMANCE BUS May 2022 – April 2024



	<u>2023</u>	<u>2024</u>	<u>%Change</u>
Apr Comparison	93.5%	91.7%	-1.8%
12-Month Average May 2023 – Apr 2024	94.5%	91.6%	-2.9%

Analysis:

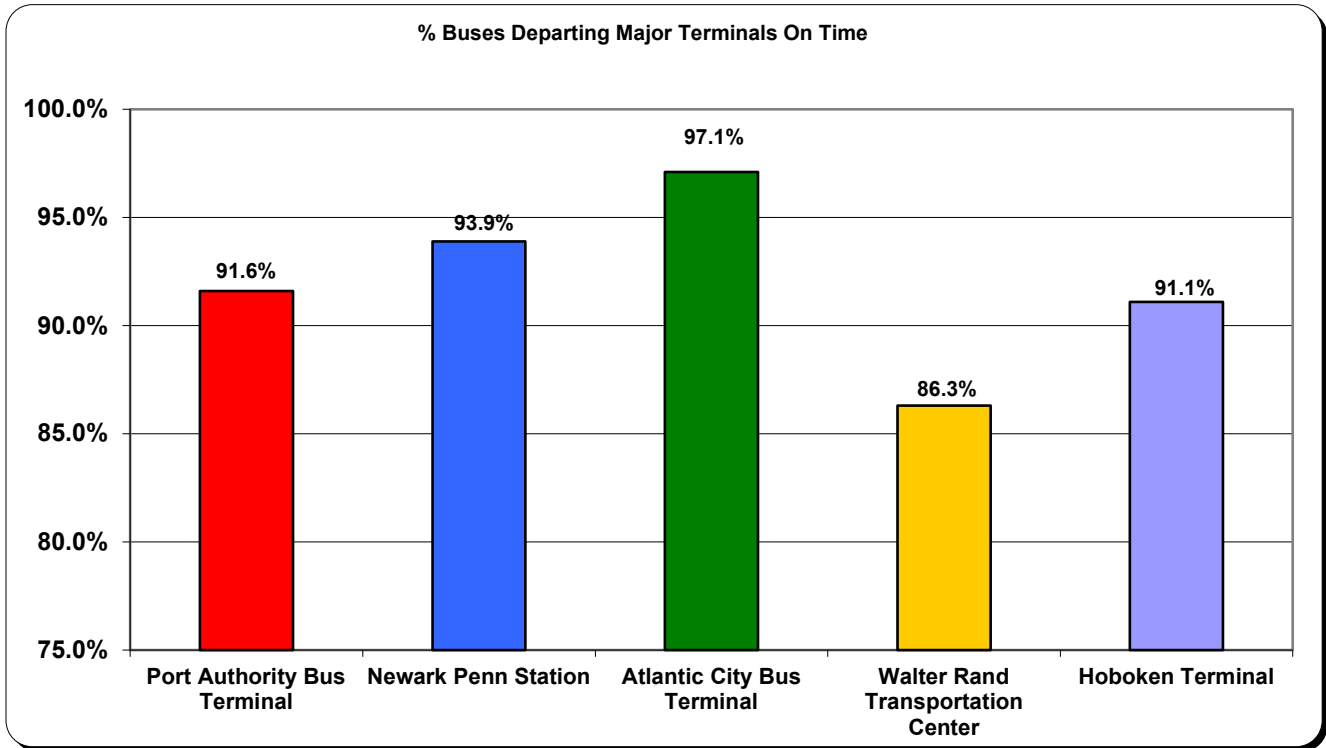
Bus On-Time Performance systemwide was 91.7% for the month of April 2024. Of the 46,984 monitored departures, 3,892 experienced delays.

Key Causes included:

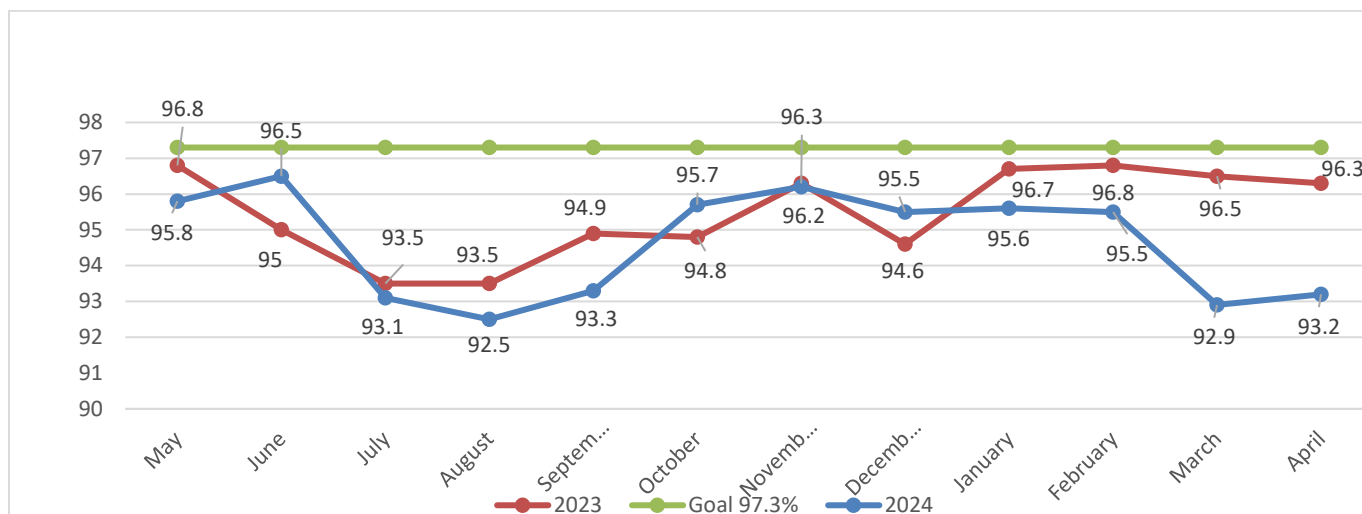
- At PABT, on the 2nd & 3rd, heavy rain caused delays . On the 5th, heavy traffic caused delays. On the 9th, heavy traffic, brush fire on Turnpike, and movie shoot in Paterson caused delays. On the 24th & 25th, accident on Turnpike, heavy traffic onto 495 caused delays. On the 26th, heavy traffic inbound and disabled bus caused delays.
- At Newark Penn, on the 16th , sick passenger, mechanical issues, road closures due to PSEG work caused significant traffic. On the 19th, passenger in need of medical assistance, mechanical issues, road closures due to construction and utility work, heavy traffic caused delays. On the 30th, police activity, mechanical issues, delays due to road closures due to construction, heavy traffic contributed to delays.
- For various other locations, minor delays were caused due to weather, detours, traffic, and road construction on various days.
- The 12-month average for Bus On-Time Performance was 91.6%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL May 2022 – April 2024



	<u>2023</u>	<u>2024</u>	<u>%Change</u>
April Comparison	96.3%	93.2%	-3.1%
12-Month Average May 2023 – April 2024	95.3%	94.7%	-0.6%

Analysis: Light Rail On-Time Performance system wide was 93.2% for the month of April. Of the 27,446 scheduled departures, 2,116 experienced delays.

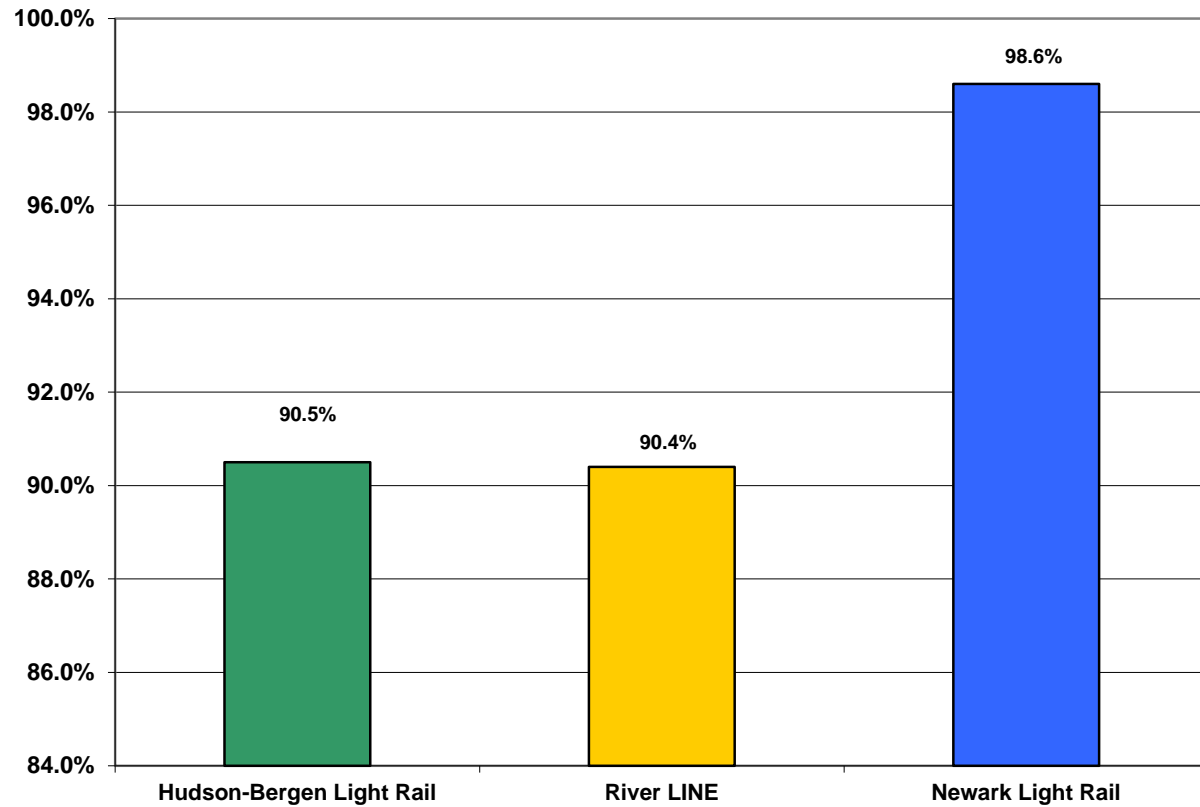
Key Causes included:

- **Newark Light Rail** – General maintenance for LRVs such as door, power, brake, and propulsion issues affecting service taking place throughout the month. Increase in manpower issues resulted in increased service disruptions throughout the month. Earthquake on 4/5 affected 13 trips.
- **River LINE** – Incidents affecting OTP involving general maintenance of LRV equipment taking place across multiple dates, including engine, door, signal, and brake issues. General increase in delays incurred throughout the month due to equipment availability. Police activity throughout the month resulted in 15 delays and 8 cancelled trains. External passenger incidents throughout the month resulted in 4 delays and 6 cancelled trains. Motor vehicles fouling tracks on 4/12, 4/22, and 4/26 resulted in 9 delays.
- **HBLR** – Incidents affecting OTP involving general maintenance of LRV taking place across multiple dates, including door malfunctions, power/propulsion issues, brakes, and other issues. General police activity throughout the month resulted in 198 affected trains. Motor vehicles fouling tracks on 4/2, 4/8, and 4/20 impacted 15 trains. LRV derailment on 4/23 and 4/24 resulted affected 715 trains; substitute bus service was provided to mitigate disruptions.
- The 12-month Average for Light Rail On-Time Performance is 94.7%

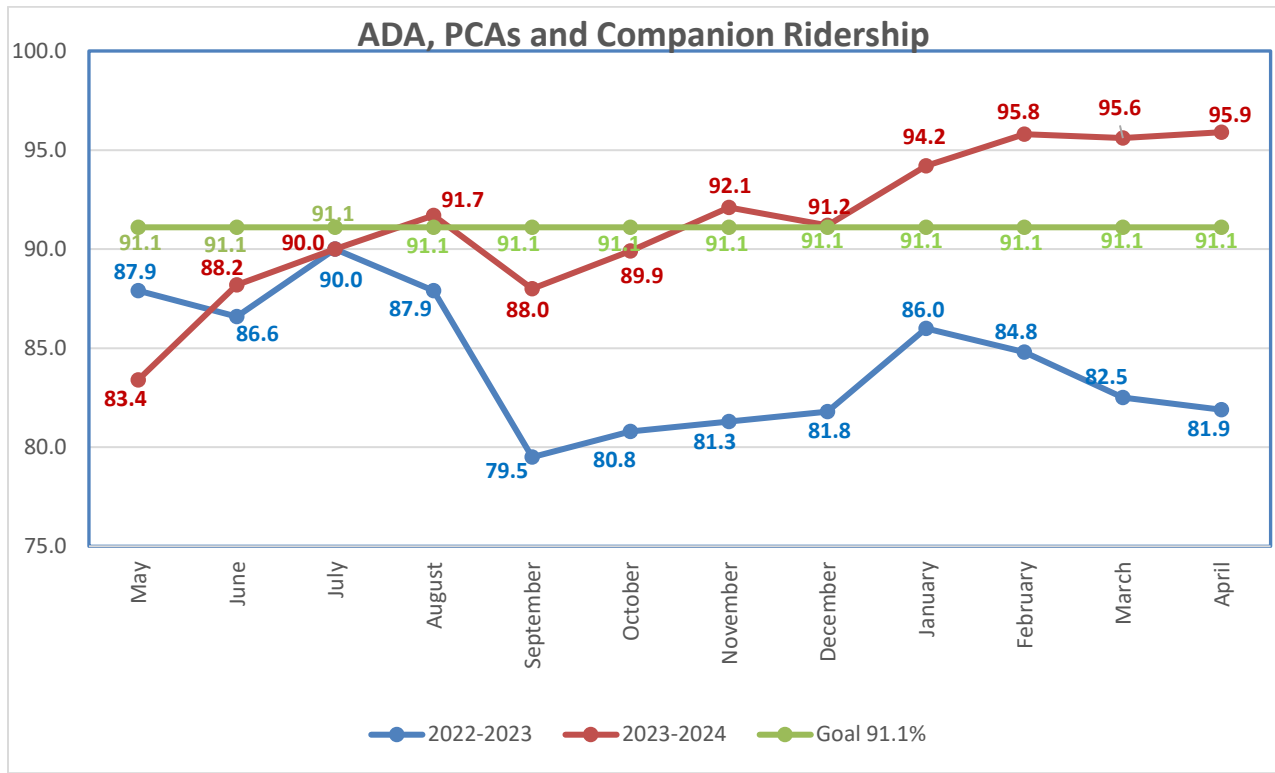
ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE April 2024

% Light Rail Trains Reported On Time



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK MAY 2022–APRIL 2024



	<u>2023</u>	<u>2024</u>	<u>% Change</u>
April Comparison	81.9%	95.9%	14.0%
April Ridership	113,069	138,110	25,041
12-Month Average May 2023–April 2024	84.3%	91.3%	7.0%

Analysis:

Access Link On-Time Performance was 95.9% for April 2024. In serving 152,078 total customers, for 138,110 ADA customers trips, 5,696 or (4.1%) experienced delays.

Key Causes included:

- Delays due to operator availability
- Customer cancellations and no-shows

The 12-month Average for Access Link On-Time Performance was 91.3%.

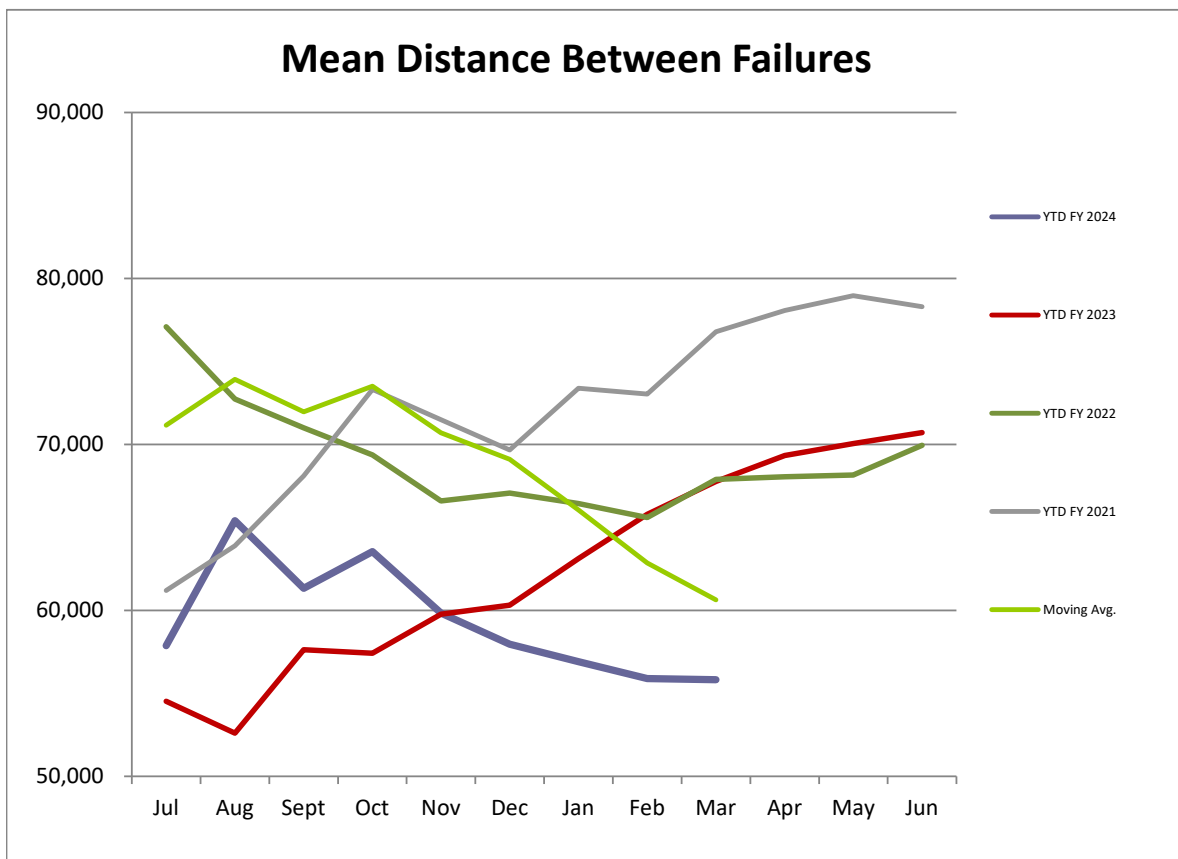
* Statistics comprise both dedicated and non-dedicated service.

MEAN DISTANCE BETWEEN FAILURES

March 2024

NJ TRANSIT Rail Operations
Mean Distance Between Failures

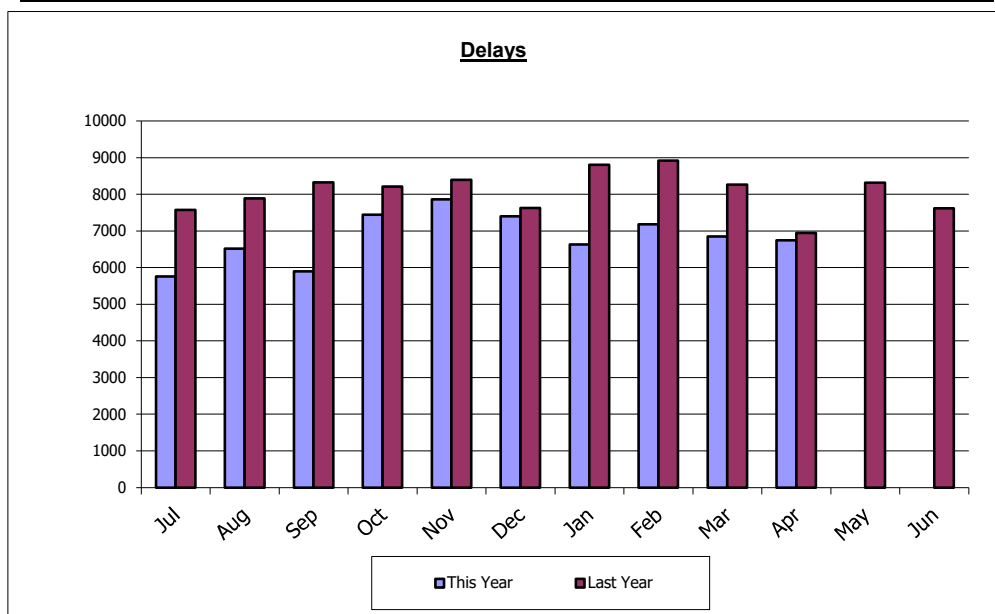
Month	YTD FY 2024	YTD FY 2023	YTD FY 2022	YTD FY 2021	12 Month Moving Avg.
Jul	57,875	54,531	77,087	61,198	71,148
Aug	65,403	52,602	72,743	63,891	73,920
Sept	61,324	57,623	71,005	68,109	71,966
Oct	63,539	57,410	69,368	73,320	73,504
Nov	59,844	59,761	66,597	71,498	70,708
Dec	57,968	60,315	67,060	69,664	69,102
Jan	56,904	63,121	66,433	73,392	66,050
Feb	55,888	65,780	65,594	73,030	62,852
Mar	55,822	67,778	67,894	76,790	60,634
Apr	-	69,327	68,050	78,072	-
May	-	70,045	68,153	78,962	-
Jun	-	70,712	69,949	78,300	-



Garage Performance Parameters

April 2024

Location	Miles Between In-Service Delays			
	FY2024 Goal	This Month	FY2024 YTD	FY2023 YTD
Fairview	6,500	5,843	6,485	7,576
Market Street	6,500	4,331	4,143	4,060
Meadowlands	8,500	3,260	3,582	5,202
Oradell	16,000	18,769	15,054	13,819
Wayne	12,000	12,471	9,019	10,413
WestWood	20,000	24,240	24,525	18,748
Northern Division	-	6,132	6,185	7,206
Big Tree	7,500	4,517	4,273	4,857
Greenville	6,000	3,312	4,869	6,221
Hilton	8,500	4,449	4,869	6,388
Howell	17,500	26,695	21,848	25,927
Ironbound	8,000	5,010	5,404	6,871
Orange	7,800	3,038	2,785	3,194
Morris	10,500	23,426	21,607	16,663
Central Division	-	5,673	5,646	6,917
Egg Harbor	12,000	12,821	12,180	11,840
Hamilton	9,000	8,048	8,160	9,116
Newton Avenue	11,000	9,172	9,262	11,659
Washington Twp.	16,000	13,108	13,731	16,895
Southern Division	-	11,253	11,268	12,595
Bus Operations	-	6,744	6,769	8,047

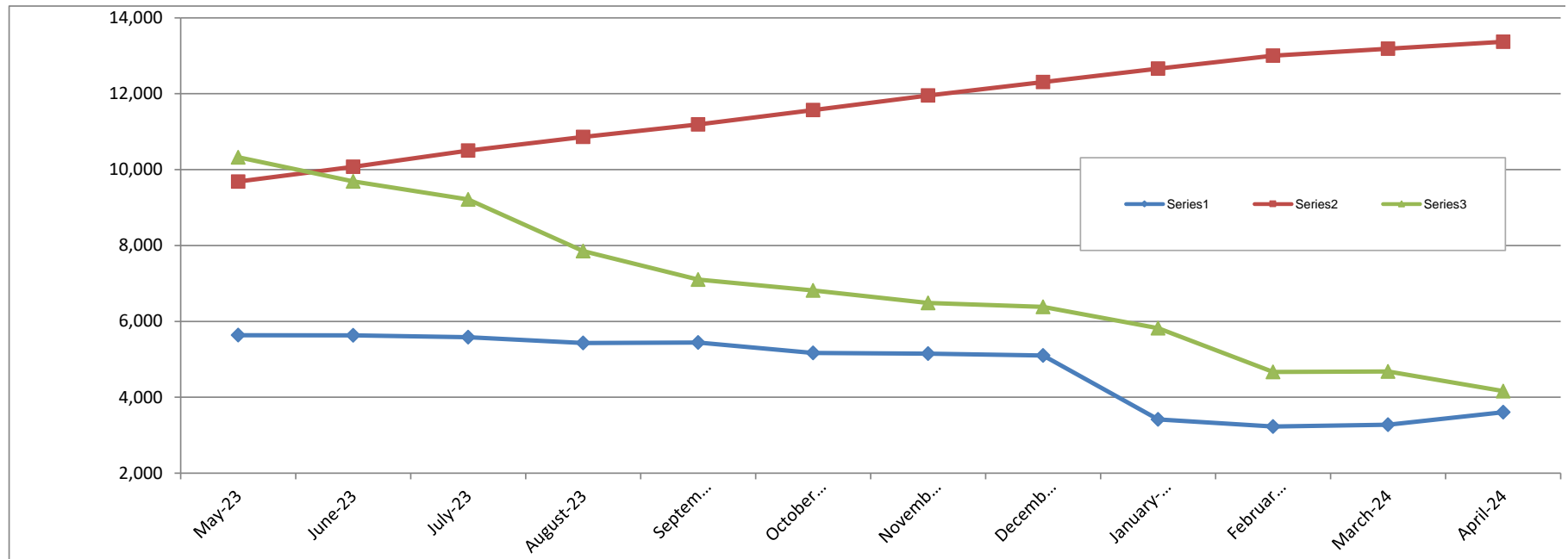


NJ TRANSIT - LIGHT RAIL, April 2024

Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF *	MDBSF *
	April 2024	March 2024
Newark Light Rail	3,608	3,274
Hudson Bergen	13,370	13,188
River LINE	4,164	4,679

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



DBE/SBE PROGRAM

NJ TRANSIT - DBE/SBE/DVOB Participation for April 2024

State Funded Contracts

State Fiscal Year 2024 - July 1, 2023, through June 30, 2024

During the month of April 2024, NJ TRANSIT awarded \$40,327,732.38 in state-funded contracts; of that total, Small Business Enterprises (SBE/DVOBs) received \$8,813,240.00 or 21.85%.

State Fiscal Year 2024 YTD (July 1, 2023, through June 30, 2024) NJ TRANSIT awarded \$1,075,576,154.98 in state-funded contracts. Of that total, SBE/DVOBs received \$35,149,001.44 or 3.27%.

Note: The above reflects the Procurement Report of Awards received on May 3, 2024.

SBE/DVOB Goal Attainment from July 1, 2023, through June 30, 2024 (SFY 2024)

Category 1 SBE/DVOBs	\$605,000.00	0.06%
Category 2 SBE/DVOBs	\$15,631,859.38	1.45%
Category 3 SBE/DVOBs	\$12,151,963.84	1.13%
Category 4 SBE/DVOBs	\$791,581.19	0.07%
Category 5 SBE/DVOBs	\$3,367,354.10	0.31%
Category 6 SBE/DVOBs	\$2,601,242.93	0.24%

FTA Funded Contracts (Updated on a quarterly basis– next update will occur July 2024)

Federal Fiscal Year (FFY) 2024 - October 1, 2023, through September 30, 2024

During the 2nd Quarter (January 1, 2024 – March 31, 2024), the FTA-funded share of NJ TRANSIT’s federal contracts awarded was \$5,611,869.00. Of that total, Disadvantaged Business Enterprises (DBEs) received \$305,380.00 or 5.44%.

FFY 2023 through FFY 2025 Q2 (October 1, 2023 – September 30, 2025) NJ TRANSIT awarded \$61,455,321.91** in federally funded contracts. Of that total, DBEs received \$22,776,853.08 or 37.06%.

*Numbers reflect federal share

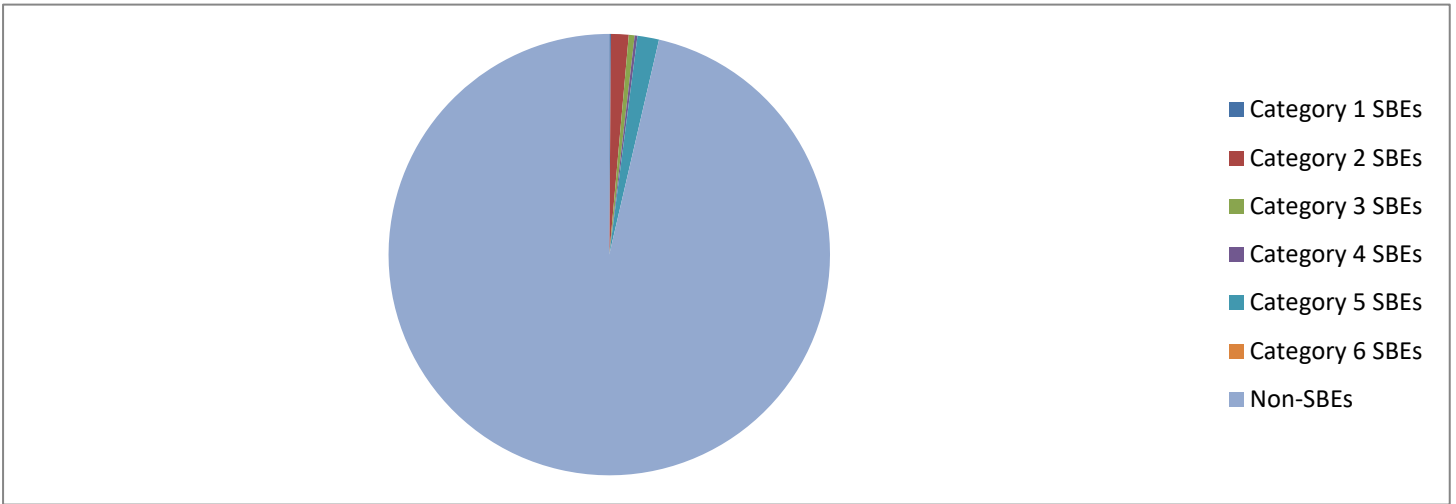
** Number includes subrecipient awards

Transit Vehicle Manufacturer (TVM)¹ Awards

¹ Transit Vehicle Manufacturers (TVMs) will be reported to the President and CEO on a quarterly basis in the same manner that FTA-funded contracts are currently reported. TVMs are manufacturers whose primary business purpose is to build vehicles specifically for public mass transportation. The “TVM” designation indicates that the intended contract recipient/awardee has submitted to the Federal Transit Administration a plan to utilize Disadvantaged Business Enterprises on their contracts. NJ TRANSIT does not place a separate goal on Transit Vehicle Manufacturers.

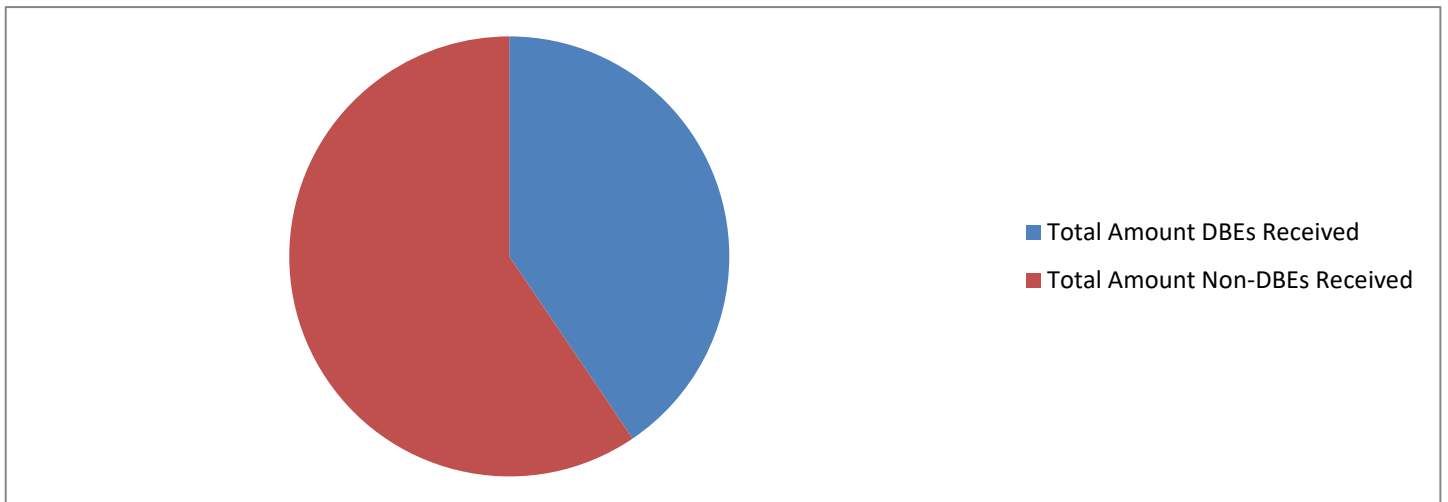
STATE CONTRACTS
STATE FYTD 2024

<i>Category 1 SBE/DVOBs</i>	\$605,000.00	0.06%
<i>Category 2 SBE/DVOBs</i>	\$15,631,859.38	1.45%
<i>Category 3 SBE/DVOBs</i>	\$12,151,963.84	1.13%
<i>Category 4 SBE/DVOBs</i>	\$791,581.19	0.07%
<i>Category 5 SBE/DVOBs</i>	\$3,367,354.10	0.31%
<i>Category 6 SBE/DVOBs</i>	\$2,601,242.93	0.24%
<i>Non-SBE/DVOBs</i>	\$1,040,427,153.54	96.73%



DBE PARTICIPATION
FEDERAL CONTRACTS
CUMULATIVE FEDERAL FY 2023-2025

Total Amount DBEs Received	\$22,776,853.08	37.06%
Total Amount Non-DBEs Received	\$38,678,468.83	62.94%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

19 NJ TRANSIT employees retired recently:

1. Roy Crawley, Operator -- Wayne -- 11 years
2. Arthur Currie, Repairman B -- Oradell -- 25 years
3. Mark Dawson, Operator -- Ironbound -- 25 years
4. Luis Gonzalez, Operator -- Westwood -- 12 years
5. Saintecy Jean-Pierre, Operator -- Orange -- 14 years
6. Stevenson Manning, Operator -- Howell -- 10 years
7. Elias Manzano, Operator -- Fairview -- 15 years
8. Maria McMurray, Operator -- Fairview -- 12 years
9. Raymond O'Reilly, Operator -- Hilton -- 13 years
10. Oceania Palma, Operator -- Fairview -- 15 years
11. Robert Struck, Mechanic A -- Hamilton -- 27 years
12. Tryone Bradshaw, Light Rail Operator -- Bloomfield -- 32 years
13. George Guaimano, Serviceman -- Howell -- 27 years
14. Gabriele Ibelli, Repairman A -- Fairview -- 23 years
15. Kenneth Lewis, Stock Clerk -- Orange -- 31 years
16. Rapheal Nkemuakonam, Operator -- Orange -- 23 years
17. Joao Roque, Elec Tech Bus -- Newark Bus -- 29 years
18. Hilda Serrano, Operator -- Wayne -- 17 years
19. Najib Chalet, Foreman Garage II -- Wayne -- 32 years

ACTION ITEMS

ITEM 2405-24: CONTRACTING OUT – PASSAIC COUNTY LOCAL BUS SERVICE

WHEREAS, staff has determined it is appropriate to provide local bus service in the Passaic County area; and

WHEREAS, a Request for Proposal (RFP 0000031) was issued to seek competitive proposals from private motorbus carriers to provide these services; and

WHEREAS, the NJ TRANSIT Office of Business Development assigned a DBE Race Conscious Goal of two percent on this contract; and

WHEREAS, NJ TRANSIT's Technical Evaluation Committee has reviewed and determined the Academy Express, LLC, proposal meets the requirements set forth in Request for Proposal No 0000031; and

WHEREAS, the cost proposal submitted by the proposer has been evaluated against another proposer and the benchmark cost submitted by NJ TRANSIT Bus Operations; and

WHEREAS, upon completion of the competitive procurement process, it was determined that Academy Express, LLC submitted a proposal that provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into contract number 0000031 with Academy Express, LLC of Hoboken, New Jersey, to operate the Passaic County Local Bus Service for a 60-month base contract period of September 1, 2024 through August 25, 2029, at a cost not to exceed \$81,101,074, plus five percent for contingencies, for a total contract authorization of \$85,156,128, subject to the availability of funds and Board approval of NJ TRANSIT's Operating Budget.

ITEM 2405-25: PURCHASE OF MOBILE COMMAND BUS

WHEREAS, NJ TRANSIT Bus Operations currently utilizes two converted buses to serve as mobile depot offices in the event a garage is temporarily out of service due to an emergency such as a power outage, flooding, etc.; and

WHEREAS, these buses are equipped with generators, computers, and Removeable Data Module (RDM) readers, allowing depot masters to perform dispatching functions remotely and operators to receive bus assignments even if a facility faces a short-term closure, ensuring that revenue service is not disrupted; and

WHEREAS, the existing 1994 model year mobile buses have long exceeded their useful life and have become unreliable; and

WHEREAS, NJ TRANSIT seeks to replace the aging buses with a new mobile command bus that will feature upgraded equipment, such as a telescoping camera, that will enable it to serve as both a mobile depot office for emergencies as well as a command center for major public events at MetLife Stadium and around the state; and

WHEREAS, the new bus will help ensure continuity of operations in emergency situations, as well as allow for incident management on site for planned and unplanned events; and

WHEREAS, NJ TRANSIT's enabling statute and procurement regulations permit the purchases of goods and services to support public transportation or transit operations through cooperative purchase agreements; and

WHEREAS, NJ TRANSIT can achieve a total savings of \$109,850 through an existing competitively bid cooperative purchasing agreement compared to the original cost;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into a Cooperative Purchasing Agreement with the Houston-Galveston Area Council of Governments (HGAC) competitively bid contract AM10-20 for the purchase of a 45-foot mobile command bus equipped with various electronic, communications, and security equipment to be utilized as an emergency backup garage or forward command location, at a total cost of \$1,433,479, plus 10 percent for contingencies, subject to the availability of funds.

ITEM 2405-26: REGULATION: INITIATION OF THE RULEMAKING PROCESS FOR N.J.A.C. 16:75 BUS ALLOCATION PROGRAM GUIDELINES AND PROCEDURES

WHEREAS, NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979 “the Act” (N.J.S.A. 27:25-1 et seq.) as the instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner; and

WHEREAS, in accordance with N.J.S.A. 27:25-5(e), (h) and (k) and N.J.S.A. 27:25-6(b), NJ TRANSIT has the statutory authority to promulgate rules and regulations; and

WHEREAS, N.J.A.C. 16:75, Bus Allocation Program Guidelines and Procedures, govern NJ TRANSIT’s leasing of buses to private motorbus carriers for the sole purpose of operating regular route bus services, which were initially effective September 6, 1983; and

WHEREAS, N.J.A.C. 16:75, Bus Allocation Program Guidelines and Procedures, govern NJ TRANSIT’s leasing of buses to private motorbus carriers for the sole purpose of operating regular route bus services; and

WHEREAS, authorization to initiate the rulemaking process for N.J.A.C. 16:75, Bus Allocation Program Guidelines and Procedures, will advance efforts to enhance the guidelines and procedures; and

WHEREAS, staff reviewed the proposed rules, and determined that the rules are necessary, adequate, reasonable, efficient, and responsible to the purposes for which they shall be promulgated, and should be adopted as new rules;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO, or the appropriate designee, is hereby authorized to take all actions necessary to initiate the rulemaking process to adopt N.J.A.C. 16:75 et seq., consistent with this Board item and corresponding Exhibit.

EXHIBIT A

TRANSPORTATION

NEW JERSEY TRANSIT CORPORATION

Bus Allocation Program Guidelines and Procedures

Proposed New Rules: N.J.A.C. 16:75

Authorized By: New Jersey Transit Corporation, Kevin S. Corbett, President and Chief Executive Officer

Authority: N.J.S.A. 27:25-5.e, h, and k; and 27:25-6.b.

Calendar Reference: See summary below for explanation of exception to calendar requirement.

Proposal Number: PRN ____-____.

Submit comments by _____, to:

Compliance Department

New Jersey Transit Corporation

One Penn Plaza East, 8th Floor

Newark, NJ 07105-2246

Email: commentsbusallocationrules@njtransit.com

The agency proposal follows:

Summary

The proposed new rules repromulgate expired rules governing the leasing of buses to private motorbus carriers for the operation of regular route bus service. In accordance with N.J.S.A. 52:14B-5.1, N.J.A.C. 16:75 expired on February 4, 2007, and, therefore, New Jersey Transit Corporation (NJ TRANSIT) proposes this chapter as new rules.

NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979, N.J.S.A. 27:25-1 et seq., as the instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner. One of the programs by which NJ TRANSIT fulfills this

EXHIBIT A

responsibility is through the leasing of buses to private motorbus carriers for the sole purpose of operating regular route bus service.

N.J.A.C 16:75 is designed to provide guidelines and procedures governing the allocation and lease of buses to carriers pursuant to N.J.S.A. 27:25-5.h and k. Subchapter 1 describes the purpose of this chapter and the applicable definitions. Subchapter 2 sets forth the guidelines and criteria to be followed in determining the eligibility of private bus carriers and the regular route bus services operated by the carriers for the allocation of buses, the procedure to be used to handle the request of a carrier for a determination of eligibility, and guidelines regarding the retirement of buses and disposal procedures. Subchapter 3 sets forth the procedures to be used to determine the allocation of buses to carriers. Subchapter 4 describes the requirements for an agreement between NJ TRANSIT and the carrier for the lease of buses, compliance requirements, and conditions regarding the use of the equipment leased to the carrier.

NJ TRANSIT has determined that the comment period for this notice of proposal shall be 60 days; therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, this notice is excepted from the rulemaking calendar requirement.

Social Impact

The proposed new rules provide reasonable standards for the allocation of buses to private motorbus carriers. The general purpose of NJ TRANSIT's procurement of buses is to replace overaged buses utilized to provide regular route bus service for State of New Jersey residents with newer equipment that will provide improved and more reliable mass transit service to the public. The proposed new rules are designed to allocate buses to carriers,

EXHIBIT A

generally based on the age of buses presently in use, so that the buses are made available to those riders who will benefit the most from new buses. NJ TRANSIT will consider the capabilities and responsibility of carriers requesting buses and whether the leasing of buses to specific carriers is consistent with the provision of an efficient, effective, coordinated, and coherent public transportation system. There may be some situations where overaged buses of some carriers may not be replaced because the lease of buses to such carriers is not consistent with sound transportation policy. The rules provide guidelines to be followed when private motorbus carriers apply for the receipt of buses to replace existing buses in their fleet and for requests for additional buses for new or expanded regular route services. The public benefit from the replacement of overaged buses is significant. The procedures delineated in the rules will provide protection for the interests of the riding public, for the taxpayers who subsidize such services, and for the individual motorbus carriers who apply for the receipt of buses.

Economic Impact

The primary economic impact of the proposed new rules is on the riding public by sustaining the availability of affordable mass transit service. By reducing the need for private motorbus carriers to use financial resources for capital requirements and by making mass transit more attractive, the buses provided may serve to hold down fares for the private carriers and contribute to increasing ridership.

NJ TRANSIT presently provides approximately 326 buses, at a cost of \$102,463,169, to private motorbus carriers to provide regular route bus services on various routes throughout

EXHIBIT A

the State. These leased buses range in age from three to 14 years; most of these buses will become overage before the expiration of the proposed new rules.

Federal Standards Statement

The proposed new rules are not subject to any Federal standards and, therefore, a Federal standards analysis is not required.

Jobs Impact

NJ TRANSIT does not anticipate that implementation of the proposed new rules will result in the generation or loss of jobs in the State.

Agriculture Industry Impact

The proposed new rules have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed new rules apply to persons and entities who wish to apply for the receipt of buses from NJ TRANSIT for use in the operation of regular route bus services. Some of these entities may be small businesses as the term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

The proposed new rules impose recordkeeping and reporting requirements. The rules require that such requests be submitted in a specified manner. The proposed new rules provide for the allocation of buses to eligible private carriers, thereby offering economic support to the private carriers for the benefit of the riding public. The rules contain general requirements for retaining and providing access to basic accounting and vehicle maintenance records demonstrating compliance with the requirements of funding and regulatory agencies. All bus companies maintain these basic records as a necessary condition of operating a

EXHIBIT A

commercial enterprise regulated by Federal, State, and local jurisdictions. Accordingly, the rules do not establish differential reporting requirements.

These rules impose no additional costs on small businesses, nor will small businesses incur any additional expenditures for professional services for reporting, recordkeeping, or compliance purposes. The rules provide for economic support to all eligible private carriers, therefore, there is a positive economic impact on small businesses. No different treatment has been provided for small businesses. The rules provide for equal treatment of businesses in the process, whether large or small, in the interests of public safety and fairness to all carriers.

Housing Affordability Impact Analysis

NJ TRANSIT does not anticipate any impact on the affordability of housing as a result of the proposed new rules. The proposed new rules govern the allocation of buses to private motorbus carriers for the operation of regular bus service. As such, the proposed new rules will have no effect on housing units or on the average costs of housing.

Smart Growth Development Impact Analysis

NJ TRANSIT does not anticipate any impact upon smart growth or the implementation of the State Development and Redevelopment Plan as a result of the proposed new rules. The proposed new rules govern the allocation of buses to private motorbus carriers for the operation of regular bus service. The proposed new rules will have no effect on housing production within Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan. By establishing and providing for the operation and improvement of a coherent public transportation system in the most efficient and effective

EXHIBIT A

manner, the proposed new rules will increase transportation options and transit availability and reduce automobile traffic and dependency.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

NJ TRANSIT has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposed new rules follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

CHAPTER 75

BUS ALLOCATION PROGRAM GUIDELINES AND PROCEDURES

SUBCHAPTER 1. GENERAL PROVISIONS

16:75-1.1 Purpose

The purpose of NJ TRANSIT's Bus Allocation Program is to improve the reliability of mass transit services in the State of New Jersey by assisting in the renewal of the bus fleet operated by private public bus carriers in the State. In so doing, public transit in the State will become more reliable, safe, efficient, and user-friendly for the State's public transit users. Through this program, NJ TRANSIT will be assisting the State's economy to prosper and reduce traffic congestion and pollution in the New York-New Jersey-Pennsylvania tri-state region. In addition, by way of this program, NJ TRANSIT will assist private carriers in the State to rationalize their service and avoid destructive competition with other carriers.

16:75-1.2 Definitions

EXHIBIT A

The following words and terms, as used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Affiliate" means any individual, company, proprietorship, corporation, agency, trust, or partnership where, by reason of the relationship of such entity with the carrier (whether by reason of the method of, or circumstances surrounding organization or operation, or whether established through common directors, officers, stockholders, a voting trust or trusts, a holding or investment company or companies, family relationships, or any other direct or indirect means), there is a reason to believe that the affairs of the carrier may be managed in the interest of such individual, company, proprietorship, corporation, agency, trust, or partnership.

"AM/PM trippers" means bus service that represents one round trip or one-way trip only and not part of local all-day service.

"Board" means the Board of Directors of NJ TRANSIT.

"Carrier" means any individual, partnership, association, corporation, limited liability company, joint stock company, trustee or receiver, or any other private entity operating or controlling regular route peak bus service on established routes within the State or between points in this State and points in adjacent states.

"Cruiser-type buses" means buses used for long-haul intrastate or interstate services.

"Estimated useful life" means the period over which services are expected to be rendered by an asset, such as a bus.

"Extra" means additional bus service to cover anticipated increases in passengers but not part of regular all day scheduled service.

"FTA" means the Federal Transit Administration.

EXHIBIT A

"Lease" means a lease or sublease agreement, as appropriate.

"NJ TRANSIT" means the New Jersey Transit Corporation and its operating subsidiaries.

"Peak period" means the weekday morning period of 6:00 A.M. through 9:30 A.M. or the weekday evening period of 4:00 P.M. through 7:00 P.M. representing the period of the day during which the carrier simultaneously operates the highest number of buses in revenue service and serves the highest passenger volumes in its regular route bus service.

"Planned fleet" means the specific buses designated by the carriers and approved by NJ TRANSIT that are needed to meet the peak period service needs (including up to 15 percent spares) for all eligible services and carriers.

"President and Chief Executive Officer" means the President and Chief Executive Officer of NJ TRANSIT, or his or her designee.

"Public transit" means all regular route peak bus service operated by a private carrier.

"Regular route bus service" means the operation of any motor bus or motor buses on streets, public highways or other facilities, over a fixed route and between fixed termini on a regular schedule for the purpose of carrying passengers for hire, in this State or between points in this State and points in other states. Services that are exclusionary or personal in nature, or are to special purpose areas, such as to casinos or special events, are not included within this definition.

"Split assignments" means bus service representing a split trip and not part of regular all-day service.

EXHIBIT A

"Transit-type buses" means buses used for local urban services and include suburban type buses.

SUBCHAPTER 2. BUS ALLOCATION GUIDELINES AND PROCEDURES

16:75-2.1 Replacement of buses

(a) Carriers have no right to the receipt of buses or to the receipt of replacement buses pursuant to the bus leasing programs. The purchase and receipt of buses shall always be at the discretion of NJ TRANSIT.

1. After NJ TRANSIT has determined eligibility and made a bus allocation, if a carrier chooses not to accept all buses allocated (for example, accepts nine buses instead of the allocated 10), NJ TRANSIT will reduce the number of buses within a carrier's planned fleet. NJ TRANSIT may also decrease a carrier's planned fleet if the carrier has reduced and/or canceled regular route service. This reduction will be permanent (that is, the carrier will only be eligible to replace nine buses in the future). NJ TRANSIT will reallocate buses not accepted by a carrier or decreased due to a reduction and/or cancellation of regular route service to another carrier based on the factors set forth in (b) below.

2. For new buses, a minimum of a 14-year useful life for cruiser type buses and a minimum of a 12-year useful life for transit type buses shall be assumed for determining fleet composition.

3. For rehabilitated buses, where an engine and/or transmission receives a complete overhaul/rebuild, a five-year useful life period is presumed, and for refurbished buses, representing the purchase of a complete engine and/or transmission, a 10-year useful life period is presumed; provided the buses were originally purchased by NJ TRANSIT for regular

EXHIBIT A

route service. The determination by NJ TRANSIT of whether a bus is to be rehabilitated or refurbished will be based on the scope and manner of work required, but generally a refurbished bus is one that can be restored to the original equipment manufacturer's condition because of low mileage or use.

(b) Except as provided in (j) below, the allocation of buses shall be based on NJ TRANSIT's analysis and review of the carrier's need to replace buses that have reached, or will reach, their useful life as set forth in (a) above or which are needed to meet a carrier's peak period vehicle requirements for its eligible regular route peak bus services or planned fleet. In reviewing and analyzing the carrier's fleet and need for buses, NJ TRANSIT shall utilize its expertise and experience in the field of public transit services and such analysis shall be conclusive for purposes of a carrier's vehicle need assessment.

(c) The planned fleet will be reviewed as of June 30 of each year. Unchanged, existing services are considered eligible for replacement and will continue to be eligible. New services and major modifications of existing services are also considered eligible for inclusion in the planned fleet. In all cases, the regular route peak bus services shall continue to meet the eligibility criteria in (b) above and (i) below.

(d) The planned fleet shall include all publicly owned buses leased to a carrier, and all buses owned by a private carrier, or leased from a private entity by the carrier, that are designated to meet a carrier's eligible peak hour bus requirement. The planned fleet also includes up to 15 percent spares.

1. The planned fleet will be based on data submitted by eligible carriers as verified by NJ TRANSIT and updated each year. All participating carriers are required to submit

EXHIBIT A

documentation as to their peak needs. NJ TRANSIT shall have the right to ask the carrier for any information and verified documents necessary for its analysis; failure of a carrier to fully cooperate with NJ TRANSIT shall disqualify a carrier from participation under the Bus Allocation Program.

2. Based upon verified documentation under (d)1 above, each participating carrier must identify specific buses to be included in the planned fleet. Buses identified shall be the newest buses from the carrier's fleet (excluding buses not regularly used in the carrier's eligible service) and are to be of the type used for the services provided. In no event will a privately owned vehicle be eligible for replacement in the planned fleet with a bus of greater age.

(e) Bus allocations will generally not be made for spare vehicles until the peak period requirements of all eligible carriers are met. When NJ TRANSIT bus purchases are not sufficient to replace all of the qualified overaged buses in the planned fleet, the bus allocations are generally made on a percentage basis. The percentage basis is determined by the relative need each qualified carrier demonstrates to replace its overage buses in its allocation of the planned fleet as compared to the total need of all qualified carriers to replace all overage buses in the planned fleet. This percentage will be calculated for each bus procurement and will be the basis for the allocation of the planned fleet.

(f) Buses will be allocated for different types of services according to service-based characteristics. Generally, transit-type buses will be used for local urban services and cruiser-type buses will be used for long-haul intrastate or interstate services. Generally, suburban-type buses will be allocated for shorter distance interstate service and longer distance intrastate

EXHIBIT A

service. Cruiser-type buses will be allocated for commuter services that meet one of the following criteria:

1. The trips originate at a minimum of 12 miles from the major point of destination and express service is offered for at least the last four miles to the point of destination;
2. The route to major point of destination requires substantial under floor baggage capacity; or
3. The major point of destination for the trips (and routes) must be a major trip generator, such as a bus or rail terminal.

(g) Carriers shall ensure that allocated buses are first used in all day services before they are used for other types of services, such as AM/PM trippers, split assignments, and extras. The purpose for this requirement is to ensure that allocated assets are utilized to their maximum potential. This shall be done to the extent that it makes practical operating sense and does not interfere with the scheduling of maintenance for the bus.

(h) Buses for a major modification of existing services or for new services will be eligible for inclusion in the planned fleet only after a determination by NJ TRANSIT that such services are an integral part of the State transportation system based on the eligibility criteria in (b) above, the public need, coordination, competition, and other relevant factors, including the carrier having obtained the full authority to make such modification from the appropriate State or Federal regulatory agency. Nothing in this determination will relate to the carrier's right to operate such service, but only to its right to obtain buses for such service. Carriers who initiate new services or major modifications of services and apply for buses for those services shall be

EXHIBIT A

required to submit to NJ TRANSIT, any information required by NJ TRANSIT to conduct its review regarding such services prior to any subsequent reallocation of buses.

(i) Information provided by a carrier to NJ TRANSIT with regard to a request for a determination of eligibility pursuant to (h) above shall be confidential to the extent permitted by the Open Public Records Act, N.J.S.A. 47:1A-1 et seq. In the event NJ TRANSIT approves the request for eligibility and a carrier initiates the approved service, NJ TRANSIT or other carriers contracting with NJ TRANSIT pursuant to Section 6 of the New Jersey Public Transportation Act of 1979, N.J.S.A. 27:25-6, to the extent that such operation by contract carriers is within the control of NJ TRANSIT, shall not initiate and operate substantially similar, competitive service, so long as the carrier continues to provide the service and is not in default under any agreements with NJ TRANSIT.

(j) The bus industry in New Jersey is diverse and includes local transit and commuter services, long-haul commuter services, intercity services, and services to special areas, such as airports and sports centers. The carriers who provide these services are also diverse and include small, closely held corporations operating one bus to large multi-corporate holding companies operating large fleets of buses from numerous operating locations. In order to deal with the diverse nature of the industry, there may be extenuating circumstances where, in the public interest, it is appropriate to lease buses to a carrier or carriers who may not otherwise qualify on age-based criteria.

16:75-2.2 Disposal of buses

(a) For each bus that a carrier receives under this program, the carrier shall take one of its overage buses leased by NJ TRANSIT to the carrier out-of-service.

EXHIBIT A

- (b) An NJ TRANSIT bus taken out-of-service shall be returned to NJ TRANSIT for disposition.
- (c) Only with NJ TRANSIT's prior written approval may a carrier elect to use an overage bus that is taken out-of-service for parts requirements for its regular route services. In such cases, the carrier shall officially notify the Office of Regulatory Affairs of the New Jersey Motor Vehicle Commission that the buses that will be used for spare parts are being scrapped and request that the Certificate of Operation for the vehicle be revoked. A carrier may request, and NJ TRANSIT may so approve in its discretion, that the vehicle be set aside in an active reserve fleet for emergency purposes, in which event the vehicle may only be used for such purposes.
- (d) In each and every instance where a carrier disposes of a bus, the carrier shall submit a written plan for any such disposition to NJ TRANSIT for its approval. If a bus to be replaced is leased, then the lessor must agree in writing that the vehicle will be taken out of regular route peak services to/from the State of New Jersey. In such cases, the lessor may keep the proceeds of a disposed vehicle for its use.

16:75-2.3 Other requirements

- (a) A carrier shall enter into a written lease agreement as prescribed by NJ TRANSIT for each and every bus received by the carrier through this program. At any time, a bus subject to the Bus Allocation Program may be repossessed at NJ TRANSIT's discretion, if a lease agreement has not been fully executed by the carrier, including any amendments to such a lease agreement.

EXHIBIT A

(b) As a precondition to accepting buses from NJ TRANSIT, a carrier shall agree to abide by all requirements of NJ TRANSIT in force at the time the lease is executed, and all requirements of any third-party owner/lessor of the equipment. In addition, a carrier shall agree to abide by all requirements of the FTA, including, but not limited to, the FTA's Charter Service Regulations, in force at the time the lease is executed or implemented at any time during the life of the lease. Of particular note are maintenance and insurance requirements, tolls, platform, and departure fees, as may be applicable.

(c) The carrier is prohibited from using any equipment leased to the carrier by NJ TRANSIT to initiate, continue, or in any way, directly or indirectly, engage in motorbus competition against NJ TRANSIT that NJ TRANSIT has determined to be injurious to NJ TRANSIT or the State's interest. Upon a determination by NJ TRANSIT that a participating carrier has engaged in such prohibited activity, NJ TRANSIT may unilaterally amend the lease to reduce the number of buses leased to the carrier by the number of buses determined by NJ TRANSIT to have been utilized on any such service, or at its discretion NJ TRANSIT may terminate the lease.

1. The carrier is prohibited from using any equipment leased to the carrier by NJ TRANSIT to initiate, continue, or in any way, engage in direct or indirect motorbus competition against a contracted carrier operating service for NJ TRANSIT or against any other private or public carrier operating equipment leased from NJ TRANSIT on any specific route or combined routes in a given market or area. To determine whether a participating carrier has engaged in carrier-against-carrier competition, NJ TRANSIT shall utilize its expertise and experience in the field of public transit services in conjunction with a complete review and

EXHIBIT A

analysis of the carrier's fleet and need for buses. In the event that NJ TRANSIT determines that a participating carrier has engaged in carrier-against-carrier competition, NJ TRANSIT shall unilaterally amend the lease to reduce the number of buses leased to the carrier by the number of buses determined by NJ TRANSIT to have been utilized on any such service, or at its discretion NJ TRANSIT may terminate the lease in its entirety.

(d) Based on past actions of the carrier and/or affiliates of the carrier, or based on specific circumstances brought to NJ TRANSIT's attention about past activities of the carrier or its affiliates, the lease agreement may be conditioned on, or may be amended so that, the carrier shall agree that it, or any present or future affiliate, shall not provide additional regular route services with NJ TRANSIT buses leased to the carrier without the prior written approval of NJ TRANSIT.

(e) Existing route motorbus service that pre-dates (effective date of new rules), the effective date of this chapter, and/or which was first operated by the private carrier shall be exempt from the requirement of (c) above.

(f) To be consistent with the provision of operating an efficient, effective, coordinated, and coherent public transportation system, the carriers and the affiliates of the carriers operating leased equipment shall cooperate fully with NJ TRANSIT in the coordination of bus traffic in and out of key bus terminals and depots shared by NJ TRANSIT and/or other carriers operating NJ TRANSIT's leased equipment.

SUBCHAPTER 3. ELIGIBILITY AND INELIGIBILITY

16:75-3.1 Eligibility

EXHIBIT A

(a) The following shall be considered in determining the eligibility of a carrier in the Bus Allocation Program:

1. A carrier shall provide certification that it, and its affiliates, are current in any and all accounts it has with NJ TRANSIT, as well as with the State of New Jersey and all of its agencies. If the carrier is unable to certify to such, it will be included in appropriate allocations, but will not be able to receive any buses until such time as any outstanding sums are paid;

2. Consideration will be given to the adequacy of performance by the carrier or any of its affiliates under current and prior vehicle leasing or other contractual arrangements with NJ TRANSIT. If a carrier or any of its affiliates have demonstrated a negative performance in the past, it may not be considered eligible for participation under this program;

3. Consideration will also be given to a carrier's ability to maintain and operate technologically complex types of buses that require sophisticated and expensive maintenance systems. Carriers may not be considered eligible for the receipt of such buses based on their apparent inability to maintain and operate such equipment;

4. A carrier may not be eligible under this program if NJ TRANSIT determines that the lease of buses or the continued lease of buses to the carrier is inconsistent with NJ TRANSIT's statutory obligation to provide an efficient, effective, coordinated, and coherent State public transportation system;

5. Eligibility in this program is contingent upon the inclusion by NJ TRANSIT and acceptance by the FTA of a carrier's annual revenue mileage pursuant to the carrier's proper submission of a National Transit Database Report (see 49 U.S.C. § 5335(a)). NJ TRANSIT will not withhold private carrier annual revenue mileage data from the FTA, but the

EXHIBIT A

responsibility for providing accurate data in a format acceptable to the FTA is solely that of the private carrier;

6. The impact of the service operated by the carrier or an affiliate of the carrier on other carriers, including NJ TRANSIT, the riding public, and the taxpayers of the State; and

7. The ability of the carrier to remain financially stable.

(b) To be considered for eligibility and participation in the Bus Allocation Program, a carrier must have authorization to provide regular route peak bus service by the New Jersey Department of Transportation, New Jersey Motor Vehicle Commission, the United States Department of Transportation, a municipality, or any other duly authorized regulatory body. To be eligible to participate in the Bus Allocation Program, the carrier's service must be provided on a regular and continuing basis and may not be exclusionary or personal in nature. Service to special purpose areas or that which is exclusionary in nature, such as to casinos or special events, is not eligible. In order to be eligible, regular route peak bus services shall be between an origin and destination, both of which are within the boundaries of the State of New Jersey. Services that, due to geographic locations or routing, operate in a state other than New Jersey in providing services to passengers that have origins and destinations in New Jersey, are included provided that the primary reason for operating outside New Jersey is to transport New Jersey residents to and from their New Jersey origins and destinations, and transport others to and back from New Jersey, where such transportation services aid in the growth and development of the economy of the State of New Jersey.

SUBCHAPTER 4. PROCESS FOR DECLARATION OF INELIGIBILITY

16:75-4.1 Notification and dispute process

EXHIBIT A

(a) Upon the request of a carrier for a determination of eligibility, when NJ TRANSIT contemplates finding that a carrier, or any of the buses, services, or routes proposed by the carrier for inclusion in the planned fleet, are not eligible under the Bus Allocation Program, the Senior Director, Private Carrier Affairs shall notify the carrier in writing of the preliminary decision, and the reasons therefor, and allow the carrier the opportunity to respond. The carrier may base its response only on the factors utilized by NJ TRANSIT to determine its eligibility and whether these factors were interpreted in error by NJ TRANSIT. The carrier shall submit its written response to such communication within 15 business days of the date the communication was received by the carrier. The carrier shall respond with particularity and detail to each and every assertion made by the initial communication. The carrier may submit any document with its response, which may be relevant to the carrier's position.

1. Absent a request from a carrier for a determination of eligibility, NJ TRANSIT has no affirmative responsibility to notify carriers of their ineligibility. Under no circumstances is a carrier that fails to meet the criteria set forth in N.J.A.C. 16:75-2.1(b) and (c) entitled to unsolicited notice from NJ TRANSIT of its ineligibility.

2. The Senior Director, Private Carrier Affairs shall consider the carrier's response on the papers submitted by the carrier and all other relevant material, including the applicable provisions of N.J.S.A. 27:25-1 et seq., and any other applicable law and shall render a decision within 30 days of the receipt of the carrier's written response.

i. Where the Senior Director, Private Carrier Affairs finds it necessary to request additional information, the carrier shall respond accordingly. The Senior Director, Private

EXHIBIT A

Carrier Affairs shall render a decision based on the facts, the law, and any relevant considerations of public policy.

(b) A carrier may seek a review of such decision by the Chief, Light Rail and Contract Service by filing a notice of such intention within 10 days after receipt of the decision by the Senior Director, Private Carrier Affairs. The Chief, Contracted Service shall then establish a schedule for the filing of papers in connection with the carrier's appeal. Upon receipt of a decision by the Chief, Contracted Service, a carrier may, appeal that decision to the President & Chief Executive Officer of NJ TRANSIT, or his or her designee by filing an additional notice of intention, within 10 days, with the Office of Private Carrier Affairs. A decision by the President & Chief Executive Officer of NJ TRANSIT, or his or her designee shall constitute a final agency determination of NJ TRANSIT appealable in the Appellate Division of the Superior Court of New Jersey as provided by applicable law.

(c) No final action shall be taken by NJ TRANSIT regarding a carrier's eligibility to receive buses until the carrier has had the opportunity to exhaust its right to respond to the preliminary decision described in (a) above or seek review of that decision as described in (b) above.

(d) Where a carrier may be in breach of its obligations under any lease or other contract between NJ TRANSIT and the carrier, any recourse or remedy for such breach shall be resolved and determined under the terms and conditions of the lease or contract and applicable law.

ITEM 2405-27: NEWARK PENN STATION MODERNIZATION PROJECT: COMPLETE MASTER PLAN, DESIGN SERVICES, AND CONSTRUCTION SUPPORT SERVICES CONTRACT AMENDMENT

WHEREAS, NJ TRANSIT's Newark Penn Station is the busiest intermodal transportation station in New Jersey and an important connection point on the Northeast Corridor and within the City of Newark, Essex County, New Jersey; and

WHEREAS, the Newark Penn Station Modernization Project (Project) is meant to restore and modernize Newark Penn Station and ensure that it features amenities and functions that meet modern-day expectations of both customers, residents, and businesses; and

WHEREAS, the Project will highlight preservation and celebrate the station's historic features in a way that will also re-affirm its role as a driving economic asset to the City of Newark and to New Jersey; and

WHEREAS, the level of improvements to Newark Penn Station require additional professional design services to develop a comprehensive station Master Plan and draft architectural, engineering, structural, mechanical, electrical, plumbing, and other plans necessary to construct a state-of-the-art transportation facility; and

WHEREAS, the authorization of this contract amendment will enable the development of a detailed passenger flow model that considers peak demand during AM, PM, and special events at Newark Penn, master planning, and two conceptual designs that integrate ongoing external planning and development surrounding the station; and

WHEREAS, it will also provide additional project management support for stakeholder meetings, pedestrian flow modeling for special events at Prudential Center, and additional master planning activities, including funding strategy development, real estate investigations, and assessments of retail and market opportunities; and

WHEREAS, a 20 percent Race Conscious Disadvantaged Business Enterprise (DBE) goal was established for this contract; and

WHEREAS, the Federal Transit Administration (FTA), Transportation Trust Fund (TTF), and the State of New Jersey Debt Defeasance Fund are the anticipated sources of funding;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or President & CEO is authorized to enter into a contract amendment for NJ TRANSIT Contract No. 21-060 with Parsons Transportation Group to provide design services for completion of Master Plan, Design Services, and Construction Support Services and funding for Phase 1 (Master Planning through 10 percent Concept Design) of the Newark Penn Station Modernization Project, in an amount up to \$3,300,000, subject to the availability of funds.

ITEM 2405-28: REGULATIONS: INITIATION OF THE RULEMAKING PROCESS FOR READOPTION OF N.J.A.C. 16:87 PROOF OF PAYMENT

WHEREAS, the New Jersey Transit Corporation (“NJ TRANSIT”) was established by the New Jersey Public Transportation Act of 1979 “the Act” (N.J.S.A. 27:25-1 et seq.) as an instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner, including setting and collecting fares; and

WHEREAS, in order to provide NJ TRANSIT with an effective method of ensuring fares are paid by riders, “Proof of Payment” legislation, P.L. 1997, c.357, (N.J.S.A. 27:25-5.6 et. seq.) established a statutory framework for dealing with fare evasion on rail passenger services operated or under contract with NJ TRANSIT; and

WHEREAS, N.J.S.A. 27:25-5.14 authorized NJ TRANSIT to promulgate rules effectuating the goals of the Proof of Payment law; and

WHEREAS, NJ TRANSIT first adopted Proof of Payment Rules in 1998, and such rules were most recently readopted by NJ TRANSIT on September 18, 2017; and

WHEREAS, N.J.A.C. 16:87 et seq., Proof of Payment expires on September 18, 2024 and must be readopted to ensure continuous fare enforcement; and

WHEREAS, staff reviewed the current regulations and determined the rules are necessary, adequate, reasonable, efficient, understandable, and responsive to the purposes for which they were originally promulgated, and should be readopted;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is hereby authorized to take all actions necessary to initiate the rulemaking process for readoption of N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and corresponding Exhibits.

TRANSPORTATION

NEW JERSEY TRANSIT CORPORATION

Proof of Payment

Proposed Readoption: N.J.A.C. 16:87

Authorized By: New Jersey Transit Corporation, Kevin S. Corbett, President and Chief Executive Officer

Authority: N.J.S.A. 27:24-5(e) and (n); 27:25-15.1 and 15.1(a); and N.J.S.A. 27:25-5.14.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2024-____.

Submit comments by _____, to:

Compliance Department

New Jersey Transit Corporation

One Penn Plaza East, 8th Floor

Newark, NJ 07105-2246

E-mail: proofofpaymentrules@njtransit.com

The agency proposal follows:

Summary

In October 1998, the New Jersey Transit Corporation (NJ TRANSIT) adopted rules on proof of payment. NJ TRANSIT, pursuant to N.J.S.A. 27:25-5(n), is authorized to set and collect fares for the services it or its contractors provide to the riding public. NJ TRANSIT Fare Enforcement Officers have been issuing citations since December 20, 1999. These rules are scheduled to expire on September 18, 2024, pursuant to N.J.S.A. 52:14B-5.1c. NJ TRANSIT has reviewed these rules and has determined that they are

necessary, reasonable, adequate, efficient, understandable and responsive to the purpose for which they were originally promulgated.

A summary review of each of the subchapters of N.J.A.C. 16:87 follows:

Subchapter 1 contains the purpose of the rules and sets forth definitions of terms used in the rules.

Subchapter 2 contains the process of payment of fares and violations.

Subchapter 3 contains the description of penalties, which includes civil penalties, and suspension of driving privileges.

Subchapter 4 contains a description of venue.

Social Impact

The rules proposed for readoption provide an effective and efficient way for NJ TRANSIT to ensure that all of its users are paying the correct fare for the transportation provided. This system treats users appropriately and provides incentives (fines, court costs, contempt, arrest, loss of driver's license) to purchase the appropriate ticket for the correct price. Only persons who choose to use rail service without paying the appropriate fare feel the negative impacts of the rules.

Economic Impact

The rules proposed for readoption will not increase the fares of users of rail passenger services. Therefore, there will be no economic impact on NJ TRANSIT users who pay the appropriate fare. There will be a negative economic impact on persons who choose not to pay their fares prior to or upon boarding certain rail services. Because of increased activity in certain municipal courts, their cost of operation may be increased. However, NJ TRANSIT estimates that court costs and the municipality's share of the revenue from the fines (50 percent) should be more than adequate to defray any additional costs.

Federal Standards Statement

The rules proposed for readoption with amendments is not subject to any Federal standards and, therefore, a Federal standards analysis is not required for this rulemaking.

Jobs Impact

The rules proposed for readoption will not affect the creation or loss of jobs.

Agriculture Industry Impact

The rules proposed for readoption have no impact on the agriculture industry.

Regulatory Flexibility Analysis

A regulatory flexibility analysis is not required because the rules proposed for readoption with amendments do not impose reporting, recordkeeping or other compliance requirements on small businesses as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules affect NJ TRANSIT, subject individuals and courts and will not apply to any small businesses.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments will have an insignificant impact on affordable housing in New Jersey and there is an extreme unlikelihood that the rules would evoke a change in the average costs associated with housing because the rules pertain to proof of payment for NJ TRANSIT.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments will have an insignificant impact on smart growth and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2 or within designated centers under the State Development and Redevelopment Plan in New Jersey because the rules pertain to proof of payment for NJ TRANSIT.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 16:87.

[N.J.A.C. 16:87](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT

Title 16, Chapter 87 -- Chapter Notes

Statutory Authority

CHAPTER AUTHORITY:

[N.J.S.A. 27:25-5](#).e and n and 27:25-15.1, specifically 15.1(a).

History

CHAPTER SOURCE AND EFFECTIVE DATE:

R.2017 d.168, effective September 18, 2017.

See: [49 N.J.R. 327\(a\)](#), [49 N.J.R. 3235\(a\)](#).

CHAPTER HISTORICAL NOTE:

Chapter 87, Proof of Payment, was adopted as R.1998 d.508, effective October 19, 1998. See: [30 N.J.R. 2605\(a\)](#), [30 N.J.R. 3854\(a\)](#). Chapter 87, Proof of Payment, expired on October 19, 2003.

Chapter 87, Proof of Payment, was adopted as new rules by R.2004 d.274, effective July 19, 2004. See: [36 N.J.R. 617\(c\)](#), [36 N.J.R. 3412\(a\)](#).

Chapter 87, Proof of Payment, was readopted as R.2010 d.014, effective December 11, 2014. See: [41 N.J.R. 3038\(a\)](#), [42 N.J.R. 521\(a\)](#).

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 87, Proof of Payment, expired on December 11, 2016. See: [43 N.J.R. 1203\(a\)](#).

Chapter 87, Proof of Payment, was adopted as new rules by R.2017 d.168, effective September 18, 2017. See: Source and Effective Date. See, also, section annotations.

[N.J.A.C. 16:87-1.1](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 1. GENERAL PROVISIONS

§ 16:87-1.1 Purpose

The New Jersey Transit Corporation (NJ TRANSIT) and its subsidiaries are responsible for the provision of rail and bus services in the State of New Jersey. NJ TRANSIT, pursuant to [N.J.S.A. 27:25-5\(n\)](#), is authorized to set and collect fares for the services it or its contractors provide to the riding public. Prior to the enactment of [N.J.S.A. 27:25-5.6](#) et seq., and promulgation of this chapter, if a rider refused to pay the proper fare, NJ TRANSIT's only recourse was to eject the person from the rail car and/or file a municipal court complaint alleging theft of services in violation of Title 2C of the New Jersey Criminal Code. That process was expensive and time consuming; it required the arresting officer and/or the conductor to appear in court over a dispute involving a small amount of money. In order to provide NJ TRANSIT with a more effective and efficient way of ensuring that NJ TRANSIT fares are paid by its rail service riders, P.L. 1997, c. 357 ([N.J.S.A. 27:25-5.6](#) et seq.) was signed into law on January 15, 1998 by Governor Whitman. That statute establishes a specific legal framework for dealing with fare evasion on rail passenger services operated by or under contract with NJ TRANSIT. The purpose of this chapter is to effectuate the purposes of said statute.

History

HISTORY:

Amended by R.2010 d.014, effective January 19, 2010.

See: [41 N.J.R. 3038\(a\)](#), [42 N.J.R. 521\(a\)](#).

Rewrote the section.

NEW JERSEY ADMINISTRATIVE CODE
Copyright © 2024 by the New Jersey Office of Administrative Law

[N.J.A.C. 16:87-1.2](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 1. GENERAL PROVISIONS

§ 16:87-1.2 Definitions

The following words and terms as used in this chapter shall have the following meanings:

"Act" means the provisions of P.L. 1997, c.357 ([N.J.S.A. 27:25-5.6](#) et seq.).

"Authorized employee" means an employee of a provider of rail passenger service authorized by the provider of rail passenger service to request and inspect proof of payment of the prescribed fare from persons using rail passenger service.

"Fare enforcement officer" means an employee of NJ TRANSIT, appointed pursuant to section 7 of the Act ([N.J.S.A. 27:25-5.12](#)), who is authorized to enforce the provisions of the Act and this chapter by requesting and inspecting proof of payment of the prescribed fare from the persons using rail passenger services when proof of payment is required, and by signing and issuing a complaint and a summons to any person for a violation of the provisions of the Act, or this chapter, regardless of whether the rail passenger service is operated by NJ TRANSIT or by a public or private entity under contract to NJ TRANSIT. A fare enforcement officer shall include a transit or other police officer, or a conductor or trainman so authorized.

"NJ TRANSIT" means the New Jersey Transit Corporation.

"Pre-paid fare area" means an area designated by a provider of rail passenger service where payment of the prescribed fare is required before entering the area.

"Proof of payment" means a ticket, pass, receipt or other article designated by a provider of rail passenger service to indicate that a passenger has paid for the use of rail passenger service.

"Provider of rail passenger service" means NJ TRANSIT or a public or private entity under contract to NJ TRANSIT to provide rail passenger service.

"Rail passenger service" means and includes the operations of a railroad, subway, street, traction or electric railway for the purpose of carrying passengers in New Jersey or between points in New Jersey and points in other states.

"Single use ticket" means all one-way full and reduced fare tickets.

"Use of rail passenger service" means the boarding, occupying, riding in, or otherwise utilizing rail passenger service for conveyance.

"Validate" means having a single use ticket electronically time-stamped by an appropriately designated machine.

History

HISTORY:

Amended by R.2010 d.014, effective January 19, 2010.

See: [41 N.J.R. 3038\(a\)](#), [42 N.J.R. 521\(a\)](#).

In definition "Fare enforcement officer", inserted "who is" and substituted the second occurrence of "NJ TRANSIT" for "the corporation".

NEW JERSEY ADMINISTRATIVE CODE
Copyright © 2024 by the New Jersey Office of Administrative Law

End of Document

[N.J.A.C. 16:87-2.1](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 2. PAYMENT OF FARE AND VIOLATIONS

§ 16:87-2.1 Payment of fare

The use of a rail passenger service by a person shall constitute an agreement by the person to pay the prescribed fare for the service. A person who has paid the prescribed fare for a rail passenger service and who has been issued proof of payment therefor shall retain that proof of payment while in a pre-paid fare area or in or on designated rail passenger facilities or vehicles. In addition, single use tickets and transfers must be properly validated in order to constitute proof of payment. Validated tickets are good until the expiration of the time imprinted on them by the validator. Single use tickets which have not been validated, have an improper date, or are time expired do not constitute proof of payment.

History

HISTORY:

Amended by R.2017 d.168, effective September 18, 2017.

See: [49 N.J.R. 327\(a\)](#), [49 N.J.R. 3235\(a\)](#).

Inserted the second occurrence of "or".

NEW JERSEY ADMINISTRATIVE CODE
Copyright © 2024 by the New Jersey Office of Administrative Law

[N.J.A.C. 16:87-2.2](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 2. PAYMENT OF FARE AND VIOLATIONS

§ 16:87-2.2 Violations

(a) It shall be a violation of the Act and this chapter for any person to use or attempt to use rail passenger service or enter a pre-paid fare area and to:

1. Fail or refuse to pay the prescribed fare;
2. Fail to properly validate the proof of payment receipt by date and time-stamping any single use ticket;
3. Evade or attempt to evade payment of the prescribed fare;
4. Fail to display proof of fare payment immediately upon request of an authorized employee or fare enforcement officer; or
5. Fail to cooperate, when a fare enforcement officer issues or attempts to issue a Special Complaint Summons, by failing or refusing to do such things, as providing the person's name and address, as well as written verification thereof. The following forms of written identification are acceptable: driver's license, student identification card, passport, military identification card, birth certificate or Medicare card.

(b) A person who uses rail transportation service for which payment is required in advance or who enters a pre-paid fare area and who fails to exhibit proof of fare payment upon request shall be in violation of the Act and this chapter and shall be subject to the issuance of a Special Complaint Summons.

History

HISTORY:

Amended by R.2010 d.014, effective January 19, 2010.

See: [41 N.J.R. 3038\(a\)](#), [42 N.J.R. 521\(a\)](#).

In (a)5, substituted ", when a fare enforcement officer issues or attempts to issue" for "in the issuance of", inserted a comma following "Summons" and "address", and inserted "failing or refusing to do such things, as"; and in (b), substituted "rail" for "public" and deleted "by a fare enforcement officer" following "Summons".

[N.J.A.C. 16:87-3.1](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 3. PENALTIES

§ 16:87-3.1 Civil penalties

A violation of the provisions of the Act or this chapter shall be punishable by a civil penalty not exceeding \$ 100.00, in addition to court costs, enforced in a summary proceeding pursuant to "the penalty enforcement law," [N.J.S.A. 2A:58-1](#) et seq. The Rules Governing the Courts of the State of New Jersey shall govern the practice and procedure in such proceedings. Notwithstanding any other law to the contrary, the court shall remit 50 percent of any civil penalty imposed to NJ TRANSIT for use in furtherance of any of the purposes of the Act and 50 percent shall be forwarded to the proper financial officer of the local government entity in which the municipal or central court has been established to be used by the local government entity to defray the cost of operating the court and for general government use.

NEW JERSEY ADMINISTRATIVE CODE
Copyright © 2024 by the New Jersey Office of Administrative Law

End of Document

[N.J.A.C. 16:87-3.2](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 3. PENALTIES

§ 16:87-3.2 Suspension of driving privileges

Any person who is charged with a violation of the provisions of the Act or this chapter and who fails to appear at any scheduled court proceeding after written notice has been given to said person pursuant to the Rules Governing the Courts of the State of New Jersey, may have his or her driving privileges suspended to the extent prescribed by [N.J.S.A. 2B:12-31](#).

History

HISTORY:

Amended by R.2010 d.014, effective January 19, 2010.

See: [41 N.J.R. 3038\(a\)](#), [42 N.J.R. 521\(a\)](#).

Substituted "is charged with a violation of" for "violates".

NEW JERSEY ADMINISTRATIVE CODE
Copyright © 2024 by the New Jersey Office of Administrative Law

End of Document

[N.J.A.C. 16:87-4.1](#)

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 56 No. 5, March 4, 2024

NJ - New Jersey Administrative Code > TITLE 16. TRANSPORTATION > CHAPTER 87. PROOF OF PAYMENT > SUBCHAPTER 4. VENUE

§ 16:87-4.1 Venue

A complaint for a violation of any of the provisions of the Act or this chapter may be filed with a court having jurisdiction, at any time within one year after the commission of the violation. When a person has been charged with a violation of the Act or this chapter and summoned to appear, upon failure to appear, in addition to any other provisions of law or the Rules Governing the Courts of the State of New Jersey, a warrant for the arrest of the person may be issued. All proceedings shall be venued before a municipal or central municipal court having jurisdiction in the municipality in which it is alleged that the violation occurred, but when a violation occurs on a moving conveyance operated by NJ TRANSIT or one of its contractors through two or more municipalities, then the proceeding may be brought before the court having jurisdiction in any one of the municipalities through which the conveyance has traversed.

NEW JERSEY ADMINISTRATIVE CODE
Copyright © 2024 by the New Jersey Office of Administrative Law

End of Document

ITEM 2405-29: PERSONAL INJURY CLAIM OF THOMAS DOUGAN

WHEREAS, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

WHEREAS, Thomas Dougan has presented a claim with a probable settlement cost greater than \$500,000; and

WHEREAS, staff has reviewed the claim and recommends settling this case out of court;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to settle the claim of Thomas Dougan through his attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 2405-30: PERSONAL INJURY CLAIM OF KHALILAH RAYBON

WHEREAS, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

WHEREAS, Khalilah Raybon has presented a claim with a probable settlement cost greater than \$500,000; and

WHEREAS, staff has reviewed the claim and recommends settling this case out of court;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to settle the claim of Khalilah Raybon through her attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 2405-31: FUNDING AGREEMENT BETWEEN NJ TRANSIT AND AMTRAK FOR THE EAST RIVER TUNNEL REHABILITATION PROJECT

WHEREAS, the existing East River Tunnels (“ERT”) are a vital component of railroad infrastructure that consists of four single-track, electrified rail tubes (“Lines”) along the Northeast Corridor that extend from the eastern end of New York Penn Station and cross the East River to Long Island City; and

WHEREAS, constructed in 1909, the ERT sustained extensive damage to its electrical and mechanical systems as well as structural components during Superstorm Sandy in 2012. Despite ongoing repair efforts, the condition of the tunnels has continued to deteriorate, causing maintenance related delays and now require significant upgrades and rehabilitation to achieve a state of good repair; and

WHEREAS, the ERT Rehabilitation Project (“Project”) is an Amtrak led project that will restore Line 1 and Line 2 of the ERT to maintain operational continuity and reliability of existing Amtrak, LIRR, and NJ TRANSIT rail service; and

WHEREAS, in March 2022, Amtrak, with the support of NJ TRANSIT, applied to the Federal Railroad Administration (“FRA”) for a grant through the FY2021 Federal-State Partnership for State-of-Good-Repair Program (“FY21 FSP Grant”) to fund the first phase of the Project; and

WHEREAS, the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) requires NJ TRANSIT to fund portions of shared capital investments such as Amtrak’s ERT Project; and

WHEREAS, NJ TRANSIT’s PRIIA obligation to support Amtrak’s ERT Project is \$88,400,000.00;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to use funds to satisfy NJ TRANSIT’s support of Amtrak’s East River Tunnel Project; and

BE IT FURTHER RESOLVED that the Chair or President & CEO is authorized to enter into an agreement, any amendments, and any supporting agreements with Amtrak and other involved parties to facilitate the purposes of the Project.

ITEM 2405-32: ANNUAL NOTICE OF MEETINGS AND DESIGNATIONS

WHEREAS, the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. have regular meetings of the Board of Directors; and

WHEREAS, pursuant to the Open Public Meetings Law, P.L. 1975, c.231, an annual notice of regular meetings of the Board of Directors must be disseminated; and

WHEREAS, Public Law 2018, chapter 162 requires the Board to hold a minimum of 10 public Board meetings per year and one-half of the total number of meetings shall be held in the evening; and

WHEREAS, the Annual Notice of Meetings must be prominently posted in one public place reserved for announcements of this type, transmitted to newspapers, filed with the Secretary of State, and transmitted to any person who requests notice of meetings; and

WHEREAS, Public Law 2018, chapter 162 requires the annual designation of a Vice Chairperson of the NJ TRANSIT Board of Directors and an annual designation of a Board Secretary by the NJ TRANSIT Board of Directors;

NOW, THEREFORE, BE IT RESOLVED that the Annual Notice of Meetings, Exhibit A, for all of the Board of Directors' meetings during Fiscal Year 2025 is adopted; and

BE IT FURTHER RESOLVED that the Annual Notice of Meetings shall be disseminated in accordance with the provisions of the Open Public Meetings Act, P.L. 1975, c.231 and Public Law 2018, chapter 162; and

BE IT FURTHER RESOLVED that Kiabi D. Carson is designated as Vice Chairperson of the NJ TRANSIT Board of Directors and its subsidiaries; and

BE IT FURTHER RESOLVED that Meghan Clark Umukoro is designated as Board Secretary of NJ TRANSIT and its subsidiaries.

EXHIBIT A

ANNUAL NOTICE OF MEETINGS: FISCAL YEAR 2025

**NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.**

In accordance with the "Open Public Meetings Act," P.L. 1975, c.231 and Public Law 2018, chapter 162 the above organizations will hold regular meetings, open to the public, on the second Wednesday of the month for the period July 1, 2024 through June 30, 2025, except as noted below. The Board shall hold a minimum of 10 public board meetings per year. One-half of the total number of meetings of the Board shall be held in the evening.

Unless otherwise indicated, meetings will be held at NJ TRANSIT's Corporate Headquarters in Newark, New Jersey. The meetings will convene in the Board Room at NJ TRANSIT's Headquarters, One Penn Plaza East, Ninth Floor, Newark, New Jersey.

The specific dates and times are as follows:

July 24, 2024 (4 th Wednesday)	6:00 p.m. Evening
<i>August 2024</i>	<i>NO MEETING</i>
September 18, 2024 (3 rd Wednesday)	10:00 a.m.
October 10, 2024 (2 nd Thursday)	6:00 p.m. Evening
November 13, 2024	6:00 p.m. Evening
December 11, 2024	10:00 a.m.
<i>January 2025</i>	<i>NO MEETING</i>
February 12, 2025	6:00 p.m. Evening
March 11, 2025 (2 nd Tuesday)	10:00 a.m.
April 9, 2025	10:00 a.m.
May 14, 2025	6:00 p.m. Evening
June 11, 2025	10:00 a.m.

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 personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including, but not limited to the Corporate Insurance Program Annual Renewal; 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.