

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Jamie Fox, Board Chairman
Veronique Hakim, Executive Director

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

October 19, 2015

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Wednesday, October 14, 2015.

Sincerely,

Original Signed By

Joyce J. Zuczek
Acting Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, October 14, 2015.

Present

Jamie Fox, Chairman, (Absent)
Bruce M. Meisel, Vice Chairman
Amy Herbold, Governor's Representative
Anthony Longo, Treasurer's Representative
Myron P. Shevell, Board Member
James C. Finkle, Jr., Board Member
Flora M. Castillo, Board Member
Raymond W. Greaves, Board Member (Non-Voting)

Also Present

Veronique Hakim, Executive Director
Dennis Martin, Vice President/General Manager, Bus Operations
James Sincaglia, Deputy General Manager of Transportation, Rail Operations
John Squitieri, Chief, Light Rail and Contract Services
Laura Hester, Acting Deputy Chief of Investigations
Frank Savino, Acting Auditor General
Warren Hersh, Acting Chief Financial Officer & Treasurer
Karen Giordano, Director of Transportation Systems, Information Services
Penelope Bassett, Assistant Executive Director, Communications & Customer Service
Steve Santoro, Assistant Executive Director, Capital Planning & Programs
Alma Scott-Buczak, Assistant Executive Director, Succession Planning & Workforce Dev.
Gardner Tabon, Chief, Office of System Safety
Michael Gonnella, Deputy Attorney General
Joyce J. Zuczek, Acting Board Secretary

Vice Chairman Meisel convened the Open Session at 9:00 a.m. in accordance with the Open Public Meetings Act. James Luke, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Acting Board Secretary Zuczek conducted a Roll Call.

Acting Board Secretary Zuczek announced that adequate notice of the regularly scheduled 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. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L. 1975, and the meetings were occurring concurrently. Notices were mailed to newspapers of general distribution, forwarded to the Secretary of State, Trenton, New Jersey, and sent to each individual, agency and organization that requested such notice. In addition, notices of the

meetings were posted in the main lobby of NJ TRANSIT's Headquarters in Newark, New Jersey. Acting Board Secretary Zuczek announced that the Board Meeting was being video recorded.

Vice Chairman Meisel asked for a motion to adopt the minutes of the September 9, 2015 Board meetings. A motion was made by Board Member Myron P. Shevell, seconded by Board Member James C. Finkle, Jr. and unanimously adopted.

Public Comments on Agenda Items and Other Matters

There were five public comments. Acting Board Secretary Zuczek announced the public comments would be limited to five minutes in order to give everyone an opportunity to be heard.

Jack May expressed support for NJ TRANSIT's efforts with regards to Board Item 1510-42 for the Hudson Tunnel Environmental Analysis and Documentation. He asked whether NJ TRANSIT has a comprehensive emergency plan for operations in case a catastrophe makes one of the existing tubes inoperable before the new tunnels can be completed.

Vice Chairman Meisel noted this was not just an NJ TRANSIT problem and was not limited to New Jersey. He said it affects the entire Northeast Region and other agencies, including Amtrak, have a big stake and are deeply involved.

Joseph Clift believes the tunnels are necessary now and expressed support for the board item. He complained that there were no quiet car signs or announcements in the easternmost car on his train 3825. Mr. Clift wants the Capital Planning, Policy, and Privatization Committee meetings open to the public.

Mr. Clift complained that the service adjustments resulted in five trains disappearing from the schedule without prior notice. He said the public hearing notice did not state anything about the Title VI two-hour criteria. Mr. Clift believes that based on comments at the Customer Service Committee meeting, the Board Members did not know about these adjustments in advance and that they should be involved in these decisions.

Orrin Getz, a resident of Rockland County, expressed support for Board Item 1510-42 for the Environmental Impact Statement for the Hudson Tunnels and commended NJ TRANSIT for its initiative. He wants NJ TRANSIT to reach out to Ed Day, Rockland County Executive, the only voting member of the New York Metropolitan Transportation Council (NYMTC) west of the Hudson River, because NYMTC does not have a comprehensive plan to move people across the Hudson River.

Mr. Getz wants NJ TRANSIT to improve service on the Pascack Valley Line by renegotiating the Memorandum of Understandings with the nine communities so the Golf Siding in Oradell and Vale Siding in Park Ridge can be added. He also wants information regarding the status of NJ TRANSIT Positive Train Control implementation.

Murray Bodin thanked NJ TRANSIT for its assistance and guidance in teaching him. He has supported the Tunnel project since ARC. Mr. Bodin wants the red flashing railroad lights at grade crossings changed to traffic signals like those used by cars and light rail.

David Peter Alan complained that rail service adjustments were made without notice. Mr. Alan argued that these were a “substantial curtailment or abandonment” of service for people like him who depend on NJ TRANSIT because their mobility was curtailed. He believes that NJ TRANSIT withheld vital information and that it was a material omission. Mr. Alan requested the Board order the trains be reinstated immediately.

Vice Chairman Meisel said it bothers him when assumptions are made regarding whether the Board has been told or not told about certain NJ TRANSIT matters. Vice Chairman Meisel said the Board is not paid and serves the public. His experience chairing the CP-3 Committee and dealing with management has been that the Board is kept extremely well informed and management deals with them in an open and good faith manner.

Vice Chairman Meisel serves on public and private boards and deals with management regularly. He believes Executive Director Hakim sets one of the most remarkable tones for the organization that he has ever experienced as a businessperson. Vice Chairman Meisel said the staff tries to serve the public in the best way possible and some matters are out of their control. He noted the legislature controls the budget. Vice Chairman Meisel has not seen any nefarious actions going on at NJ TRANSIT.

Advisory Committee Report

There was no Advisory Committee Report at this meeting.

Board Customer Service Committee Report

Board Member Flora M. Castillo presented the report for the Customer Service Committee. The Customer Service Committee was provided an update on NJ TRANSIT's efforts to prepare for the Papal visit to New York and Philadelphia. The Committee also received an update regarding the new NJ TRANSIT Mobile App. Additionally, the Committee received a Customer Service update and a report on the Social Media Dashboard for the month of August.

Board Administration Committee Report

Board Member Myron P. Shevell presented the report for the Administration Committee. The Administration Committee was provided a Financial Update for July, which included an analysis of ridership trends.

Board Capital Planning, Policy, and Privatization Committee Report

Vice Chairman Bruce M. Meisel presented the report for the Capital Planning, Policy and Privatization Committee. The Capital Planning, Policy and Privatization

Committee discussed the Interagency Memorandum of Agreement to Conduct the Hudson Tunnel Project Environmental Analysis and Documentation board item. Additionally, the Committee discussed the Superstorm Sandy Raritan River Draw Bridge Pier Repairs Construction Contract Award and the Lease of Additional Office space at Two Penn Plaza East.

Executive Director's Monthly Report

Executive Director Hakim started by acknowledging the work by Commissioner Fox as Chair for NJ TRANSIT as well as Commissioner of Transportation. She noted he has worked tirelessly, often behind the scenes, to advance NJ TRANSIT's needs. He advocated for funding the Transportation Trust Fund, worked directly on behalf of NJ TRANSIT, joining Executive Director Hakim at a public hearing last spring, working to secure a better, safer rail crossing for Elmwood Park, getting transit related bridge work advanced, and supporting the critical need for new trans-Hudson tunnels. He has been a personal friend to Executive Director Hakim, recognizes the critical role of NJ TRANSIT employees in meeting their challenges, and has been a tireless advocate on behalf of NJ TRANSIT customers.

Last month Executive Director Hakim mentioned that NJ TRANSIT had some exciting weeks ahead leading up to the Papal Visit, UN General Assembly Week, a free concert in Central Park with Beyoncé and a couple of football games. All that and preparation for a Nor'easter and Hurricane Joaquin were thrown in for good measure.

NJ TRANSIT and its employees were organized, well-prepared and ready to meet each challenge. Staff from each business line worked tirelessly around the clock whether on the front lines, in the Emergency Operations Center or serving as one of hundreds of NJ TRANSIT Ambassadors or moving NJ TRANSIT's equipment out of harm's way in advance of the approaching Nor'easter. The team regardless of their title or business line put forth a tremendous effort on behalf of the people of the agency and Executive Director Hakim appreciates their efforts and the work and leadership they showed during these events.

One of NJ TRANSIT's primary goals is to provide a safe, pleasant, and efficient transportation experience for its customers and they have a part in that too. As a way to partner with NJ TRANSIT customers, NJ TRANSIT kicked-off NJ TRANSIT's Customer Courtesy Campaign aimed at reminding everyone that manners matter when they use NJ TRANSIT's service. NJ TRANSIT has creative messaging, social media, on-board postcards, posters and digital displays system-wide going up to remind customers to be courteous to their fellow commuters. This campaign was designed in-house.

In an effort to continue to provide NJ TRANSIT customers with impactful amenities that enhance their commutes, such as Wi-Fi and the MyTix app expansion, last week, NJ TRANSIT installed six charging kiosks at two major transit hubs – Newark Penn Station and the Secaucus Junction Station. This initiative was a direct result of customer feedback on the Scorecard survey where they indicated that technological amenities were among the most desired amenities NJ TRANSIT can provide. At the end of this three-month pilot

program, NJ TRANSIT will evaluate the feedback from customers and consider its next steps for the program.

Action Items:

1510-40: SUPERSTORM SANDY DISASTER RECOVERY AND RESILIENCE PROGRAM – RARITAN RIVER DRAW BRIDGE PIER REPAIRS: CONSTRUCTION CONTRACT AWARD

Executive Director Hakim introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1510-40 for approval.

Steve Santoro recommended approval of Item #1510-40, Superstorm Sandy Disaster Recovery and Resilience Program for the Raritan River Draw Bridge Pier Repairs Construction Contract Award. Approval was requested to enter into a contract with Sparwick Contracting, Inc. of Lafayette, New Jersey, to perform pier repairs on the existing Raritan River Draw, Undergrade Bridge, Perth Amboy, Middlesex County at a cost not to exceed \$3,091,000.00, plus five percent for contingencies, subject to the availability of funds.

Board Member Myron P. Shevell moved the resolution, Board Member Flora M. Castillo seconded it, and it was unanimously adopted.

Roll Call Vote:

Fox	Meisel	Herbold	Longo	Shevell	Castillo	Finkle	Greaves
Absent	Yes	Yes	Yes	Yes	Yes	Yes	Non-Voting Member

1510-41: LEASE OF ADDITIONAL OFFICE SPACE AT TWO PENN PLAZA EAST

Executive Director Hakim introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1510-41 for approval.

Steve Santoro recommended approval of Item #1510-41, Lease of Additional Office Space at Two Penn Plaza East. Approval was requested to execute a lease with II Penn Plaza East Management Corporation of Secaucus, New Jersey, for up to 35,538 square feet of office space at Two Penn Plaza East (Tenth Floor) for a three-year term for \$2,284,027 plus two one-year options (\$792,142 for Year 1 and \$807,779 for Year 2), plus operating expenses of up to \$308,900 per year, subject to operating expense adjustments and the availability of funds.

Approval was also requested to amend the existing Amended Restated Purchase Option and Right of First Refusal Agreement to replace NJ TRANSIT’s purchase option for the twelfth floor with a purchase option for the tenth floor (the tenth floor is presently appraised at a market value less than the twelfth floor), all other terms and conditions of the Agreement remaining the same.

Board Member James C. Finkle, Jr. moved the resolution and Board Member Flora M. Castillo seconded it. Vice Chairman Meisel noted they had a pretty vigorous discussion regarding the item at the Capital Planning, Policy, and Privatization Committee meeting and he believes this is a very thoughtful and intelligent move by NJ TRANSIT. The resolution was unanimously adopted.

Roll Call Vote:

Fox	Meisel	Herbold	Longo	Shevell	Castillo	Finkle	Greaves
Absent	Yes	Yes	Yes	Yes	Yes	Yes	Non-Voting Member

1510-42: INTERAGENCY MEMORANDUM OF AGREEMENT TO CONDUCT THE HUDSON TUNNEL PROJECT ENVIRONMENTAL ANALYSIS AND DOCUMENTATION

Executive Director Hakim introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1510-42 for approval.

Steve Santoro recommended approval of Item #1510-42, Interagency Memorandum of Agreement to Conduct the Hudson Tunnel Project Environmental Analysis and Documentation. Approval was requested to negotiate and subsequently enter into a Memorandum of Agreement with the National Passenger Railroad Corporation, otherwise known as Amtrak, to conduct the environmental analysis and documentation as required by the National Environmental Policy Act of 1970, also known as NEPA, in support of the Hudson Tunnel Project.

Board Member Flora M. Castillo moved the resolution and Myron P. Shevell seconded it. Vice Chairman Meisel noted the tunnel started with ARC, which was a project that had a problematic financing structure. He believes that it is the responsibility of advocates and the Board to try to raise the subject wherever they can. Vice Chairman Meisel said it is an important project for the region. NJ TRANSIT is taking the lead by starting the environmental studies, which are a precondition to moving the project forward, and a step in the right direction. The Governors of New Jersey and New York support it. Vice Chairman Meisel believes it is an incredibly important long term project and NJ TRANSIT taking the lead is a nice first step. The resolution was unanimously adopted.

Roll Call Vote:

Fox	Meisel	Herbold	Longo	Shevell	Castillo	Finkle	Greaves
Absent	Yes	Yes	Yes	Yes	Yes	Yes	Non-Voting Member

Adjournment

Since there were no further comments or business, Vice Chairman Meisel called for adjournment and a motion to adjourn was made by Board Member Myron P. Shevell, seconded by Board Member James C. Finkle, Jr. and unanimously adopted. The meeting was adjourned at approximately 9:43 a.m.

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

OCTOBER 14, 2015

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➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	48366
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➤ BOARD COMMITTEE REPORTS	-
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*Administration Committee	
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ACTION ITEMS

1510-40	SUPERSTORM SANDY DISASTER RECOVERY AND RESILIENCE PROGRAM – RARITAN RIVER DRAW BRIDGE PIER REPAIRS: CONSTRUCTION CONTRACT AWARD	48388
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Authorization to enter into NJ TRANSIT Contract No. 15-046X with Sparwick Contracting, Inc. of Lafayette, New Jersey, to perform pier repairs on the existing Raritan River Draw, Undergrade Bridge 0.39, Perth Amboy, Middlesex County at a cost not to exceed \$3,091,000.00, plus five percent for contingencies, subject to the availability of funds.

1510-41	LEASE OF ADDITIONAL OFFICE SPACE AT TWO PENN PLAZA EAST	48392
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Authorization is requested to execute a lease with II Penn Plaza East Management Corporation of Secaucus, New Jersey, for up to 35,538 square feet of office space at Two Penn Plaza East (Tenth Floor) for a three-year term for \$2,284,027 plus two one-year options (\$792,142 Year 1 and \$807,779 Year 2),

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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plus operating expenses of up to \$308,900 per year, subject to operating expense adjustments and the availability of funds.

Authorization is also requested to amend the existing *Amended Restated Purchase Option and Right of First Refusal Agreement* to replace NJ TRANSIT's purchase option for the twelfth floor with a purchase option for the tenth floor, (the tenth floor is presently appraised at a market value less than the twelfth floor) all other terms and conditions of the *Agreement* remaining the same.

1510-42 INTERAGENCY MEMORANDUM OF AGREEMENT TO CONDUCT THE HUDSON TUNNEL PROJECT ENVIRONMENTAL ANALYSIS AND DOCUMENTATION 48397

Authorization to negotiate and subsequently enter into a Memorandum of Agreement with the National Passenger Railroad Corporation (Amtrak) to conduct the environmental analysis and documentation as required by the National Environmental Policy Act (NEPA) of 1970 in support of the Hudson Tunnel Project.

➤ **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 July 15, 2015 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 July 22, 2015;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the July 15, 2015 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.

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Jamie Fox, Board Chairman
Veronique Hakim, Executive Director



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

TO: BOARD OF DIRECTORS
FROM: VERONIQUE "RONNIE" HAKIM *RH*
DATE: OCTOBER 14, 2015
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – OCTOBER, 2015

Last month, I mentioned that we had some exciting weeks ahead of us leading up to the Papal Visit, UN General Assembly Week, a free concert in Central Park headlined by Beyoncé and a few professional football games. All that and Hurricane Joaquin thrown in for good measure.

With the visit of Pope Francis and the forecasted landfall of a Nor'easter and Hurricane Joaquin, NJ TRANSIT and its employees were organized, well-prepared and ready to meet each challenge head on. Staff from each business line worked tirelessly around the clock whether on the front lines in the Emergency Operations Center or serving in one of the 700+ NJ TRANSIT Ambassadors shifts or moving our equipment out of harm's way in advance of the approaching Nor'easter. Special mention should be made of the NJ TRANSIT Police Department's Office of Emergency Management team who coordinated all our efforts around both events. Under OEM's guidance, all the interdepartmental planning and execution of work was performed seamlessly and the training they provided our staff was evident. Quite simply, our team, regardless of title or business line, put forth a tremendous effort on behalf of the people of this agency and I for one could not be more proud of them and the leadership they showed during these events.

As you know, one of our primary goals is to provide a safe and efficient transportation experience for our customers. While we shoulder that responsibility willingly, we also look to all who ride our system to help contribute to the overall quality of their trips.

As a way to partner with customers, today is the kickoff of our Customer Courtesy Campaign aimed at reminding everyone that manners always matter when using our service. Creative messaging, which will remind customers to be courteous to fellow commuters, is ready to be placed on social media, on-board postcards and digital displays.

In an effort to continue to provide our customers with amenities that enhance their commutes, such as Wi-Fi and the MyTix app expansion, this month we installed six cell phone charging kiosks at two major transit hubs -- Newark Penn Station and Secaucus Junction. This initiative was the direct result of customer feedback on our Scorecard survey where customers indicated that technological support amenities are desired. Working with most cell phones on the market, these kiosks have the capability of charging dozens of phones at the same time.

The NJ TRANSIT mobile app launched about a month ago and we have already seen tremendous growth and interest in this amenity. A recent survey indicated that 98% of customers own a smart phone so this app was a definite want. Monthly ticket sales through the app continue to increase month to month and I want to share some impressive data: From August to September, the increase of monthly sales made with the app is 5%. MyTix mobile app downloads has also grown, with the increase from August to September being 38%. And when we compare January to September, the increase in app downloads is a whopping 86%.

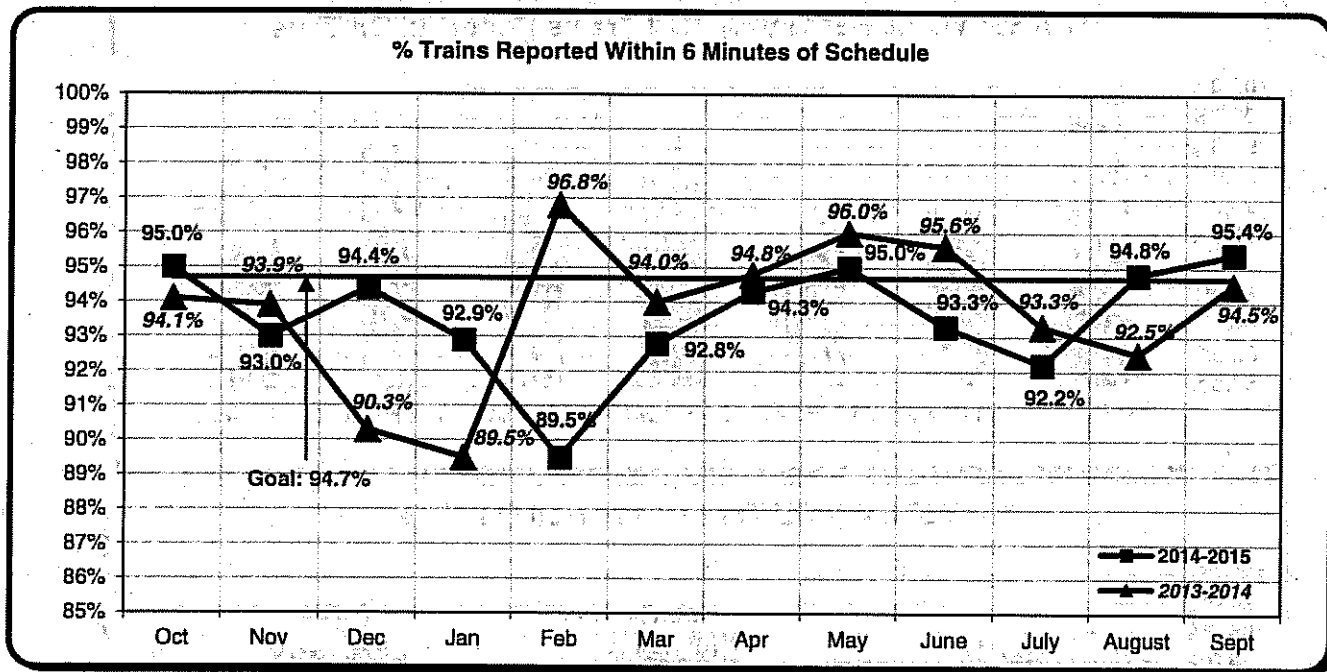
Feedback on the new app has proved positive, with customers welcoming the convenience.

EXECUTIVE DIRECTOR'S MONTHLY REPORT OCTOBER 2015

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL OCTOBER 2013 - SEPTEMBER 2015



	2014	2015	# Change
September Comparison	94.5%	95.4%	0.9%

	2013-2014	2014-2015	# Change
12-Month Average October-September	93.8%	93.6%	-0.2%

Analysis:

Rail On-Time Performance was 95.4% for September 2015. Of the 17,930 trains scheduled to operate, 17,105 were on time, while 825 trains (or 4.6%) were delayed. Key causes included:

- NJT catenary failure and Amtrak Acela preference caused 45 delays for a total of 91.4% OTP on September 14.
- Amtrak catenary failure, NJT equipment problems and NJT trespasser fatality caused 106 delays for a total of 84.2% OTP on September 17.
- Amtrak equipment problem, Amtrak signal failure and Conrail bridge opening caused 69 delays for a total of 89.5% OTP on September 22.

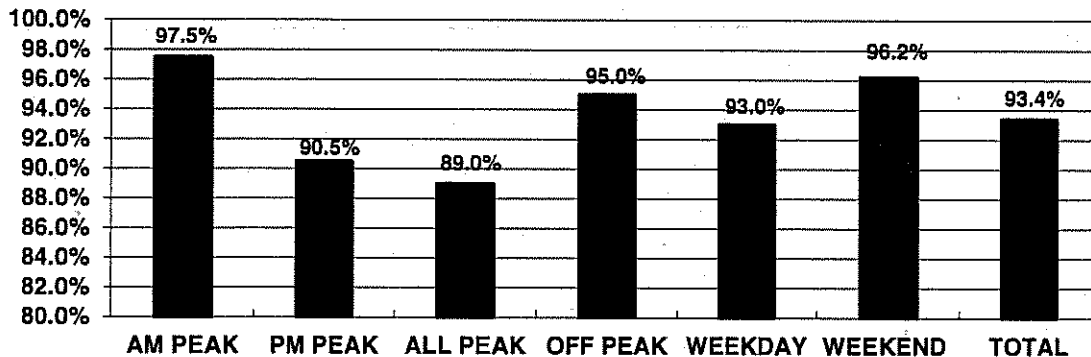
The 12-month average for Rail On-Time Performance for October 2013-September 2015 was 93.7%.

ON-TIME PERFORMANCE RAIL

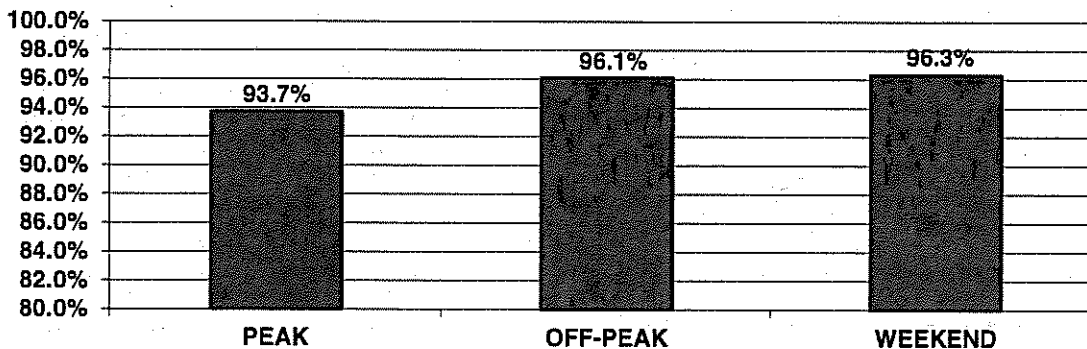
SUMMARY BY TIME PERIOD SEPTEMBER 2015

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

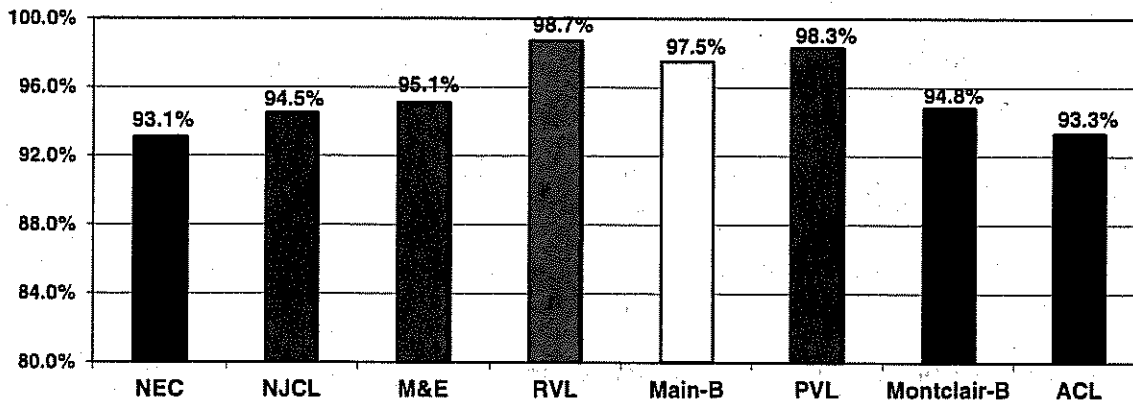
% NEW YORK PENN STATION Trains Reported On Time *



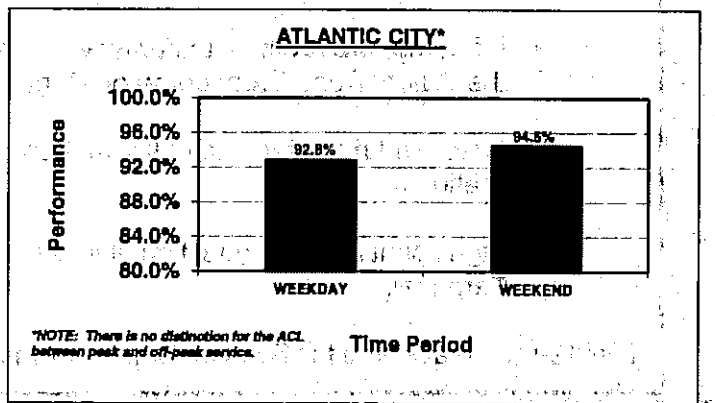
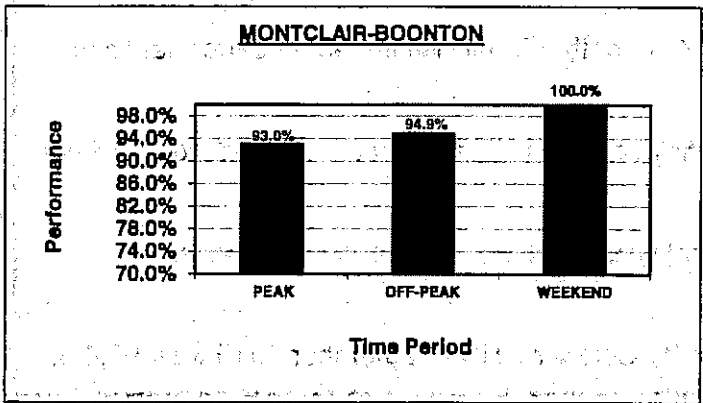
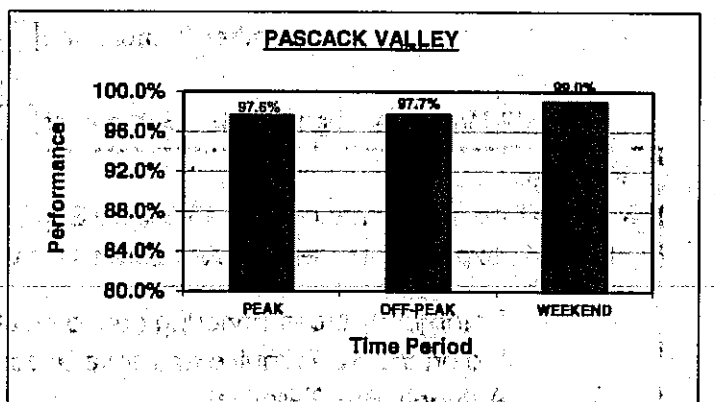
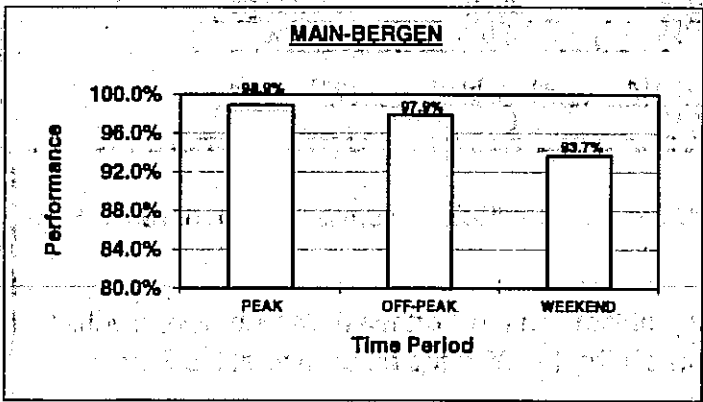
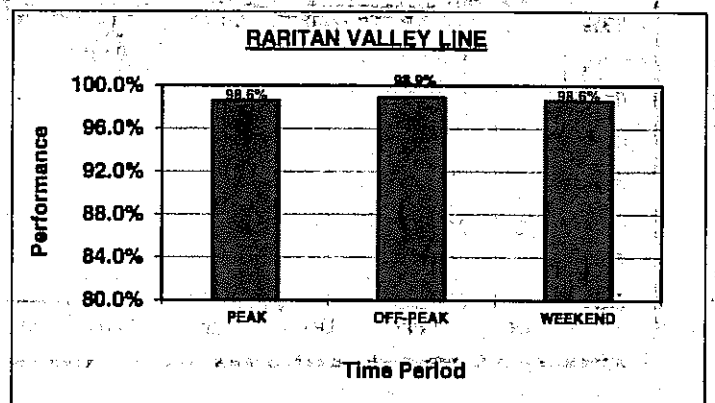
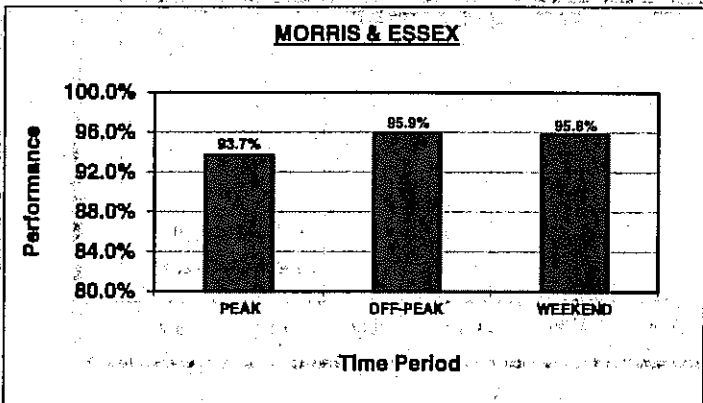
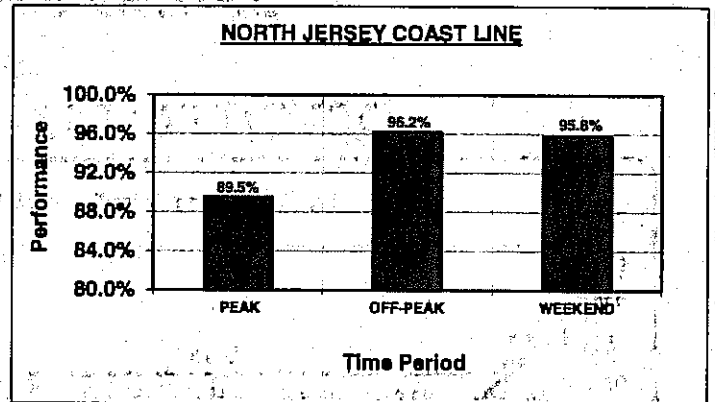
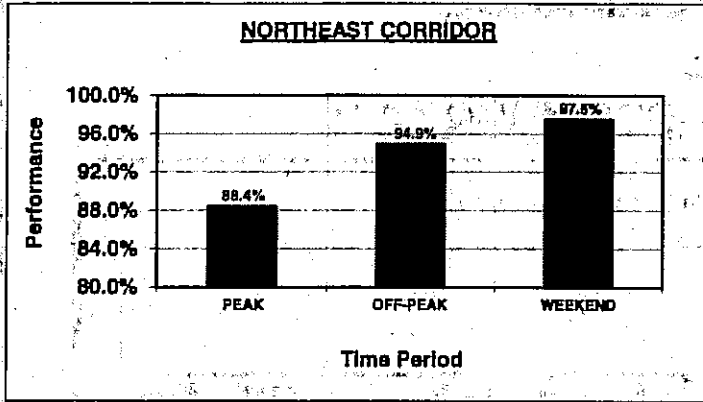
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time

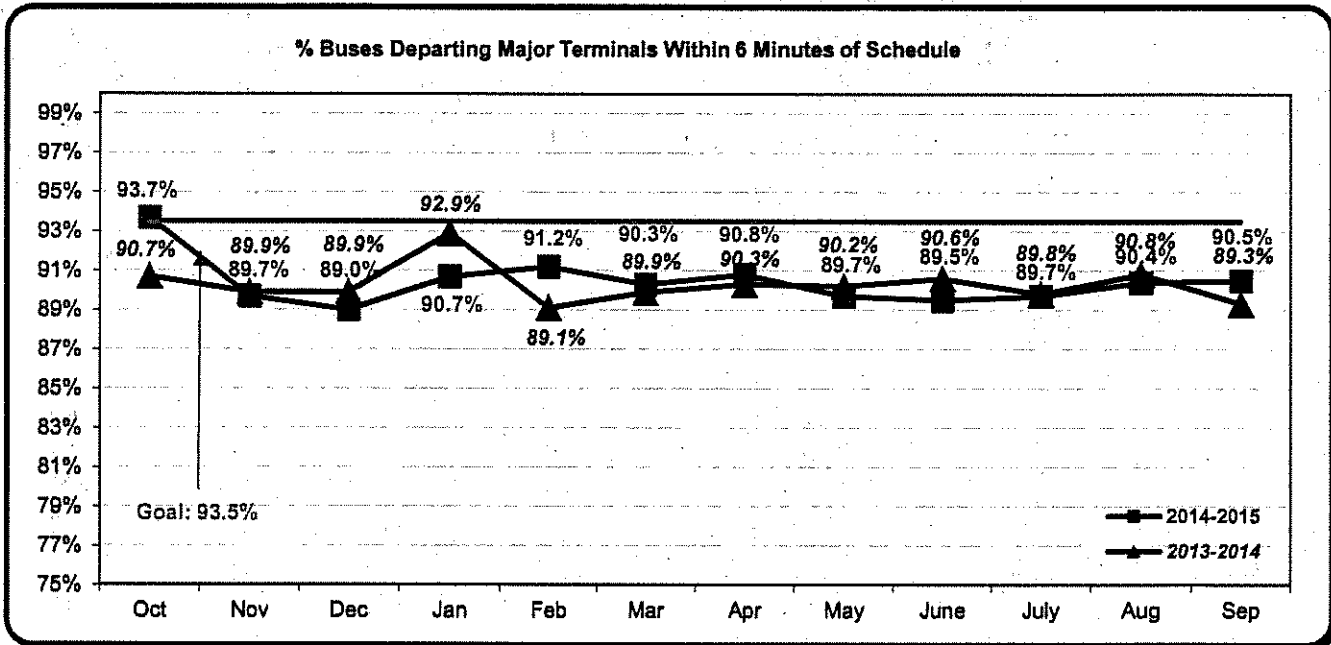


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD SEPTEMBER 2015



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

NJ TRANSIT ON-TIME PERFORMANCE BUS OCTOBER 2013 - SEPTEMBER 2015



	2014	2015	% Change
September Comparison	89.3%	90.5%	1.2%

	2013-2014	2014-2015	% Change
12-Month Average October-September	90.3%	90.4%	0.1%

Analysis:

Bus On-Time Performance was 90.5% for September 2015. Of the 40,505 monitored departures, 3,863 (or 9.5%) experienced delays. Key causes included:

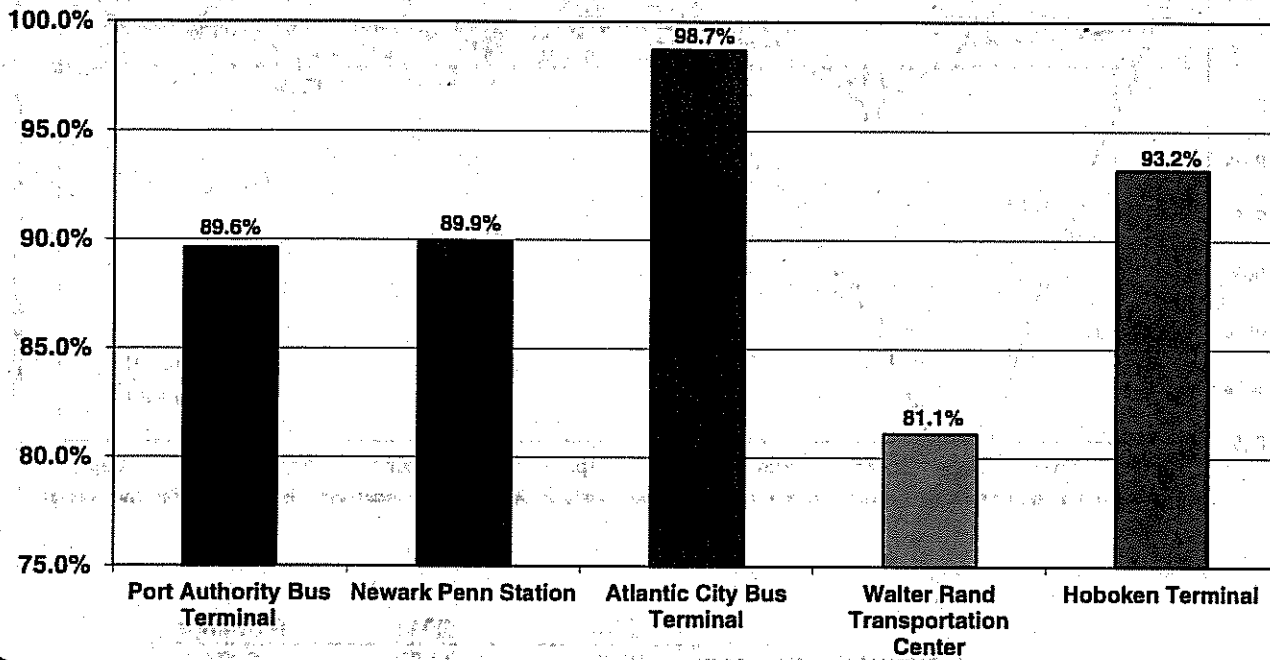
- Emergency cross-honoring due to electrical problems on the Northeast Corridor line, a vehicle fire on the NJ Turnpike and several accidents on Route 495 affected service at the Port Authority Bus Terminal.
- Infrastructure projects under way in preparation for the Papal visit impacted performance at the Walter Rand Transportation Center.
- Increased ridership and extra vehicular traffic due to school reopenings affected Newark Penn Station service.
- Significant traffic congestion due to the Papal visit affected performance at Hoboken Terminal.

The 12-month average for Bus On-Time Performance for October 2013 - September 2015 was 90.4%.

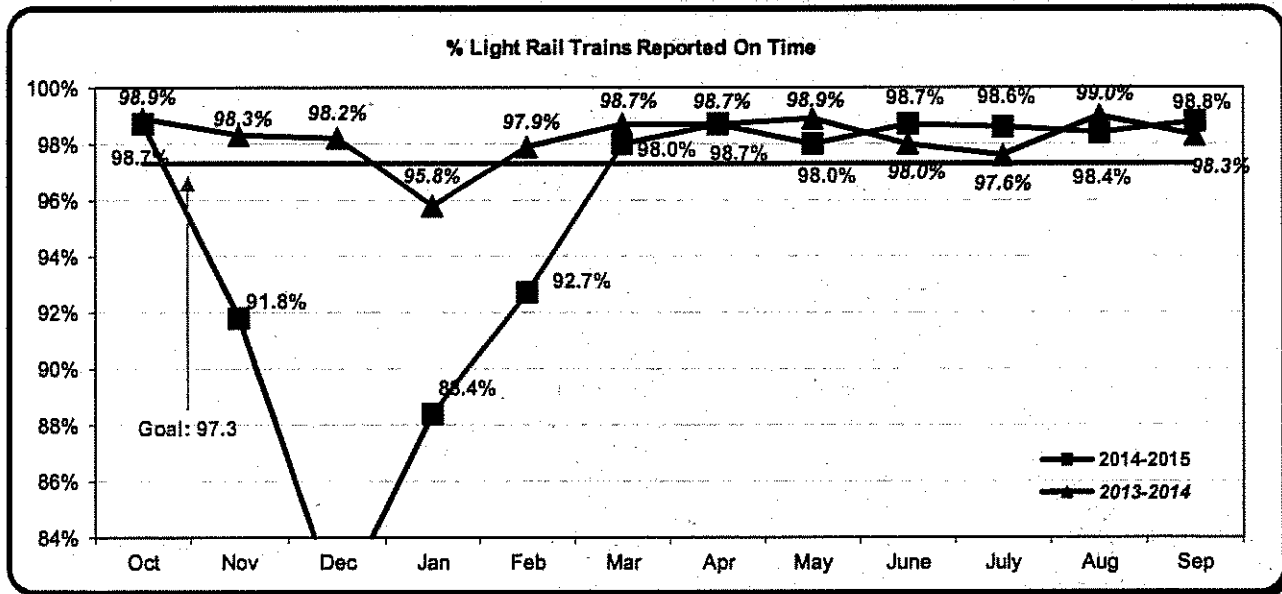
ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL SEPTEMBER 2015

% Buses Departing Major Terminals On Time



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL OCTOBER 2013 - SEPTEMBER 2015



	2014	2015	# Change
August Comparison	98.3%	98.8%	0.5%

	2013-2014	2014-2015	# Change
12-Month Average September-August	98.2%	95.2%	-3.0%

Analysis:

Light Rail On-Time Performance systemwide was 98.8% for the month of September 2015. Of the 26,148 monitored departures, 314 (or 1.2%) experienced delays. Key causes included:

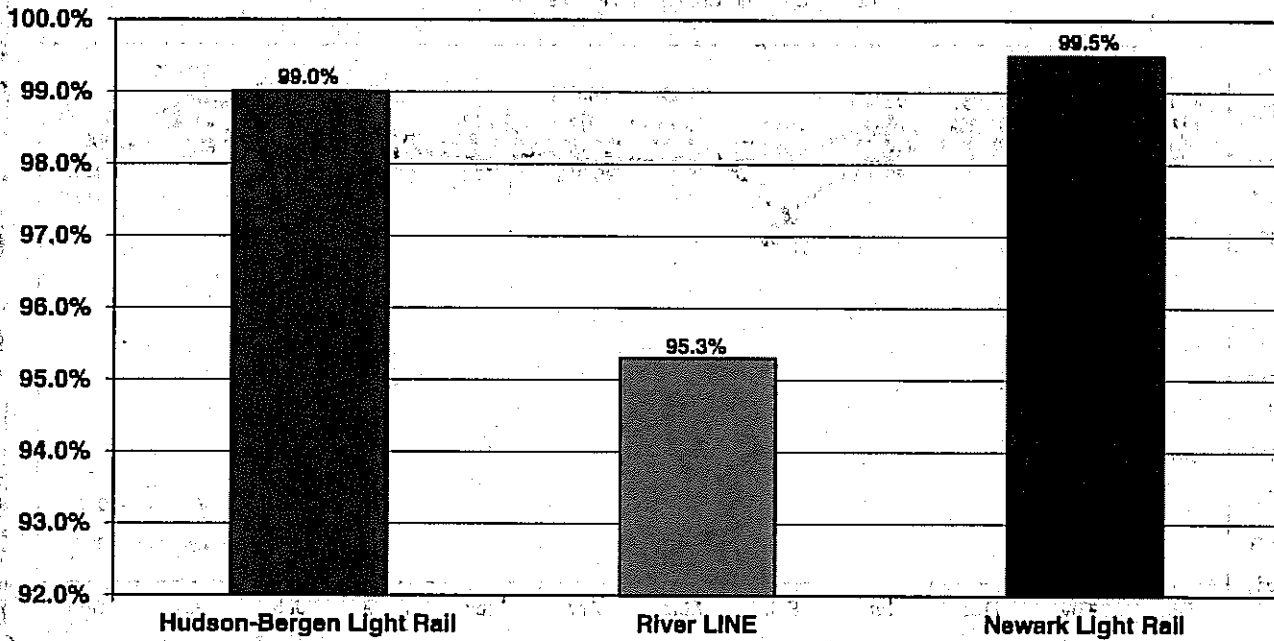
- A bicyclist colliding with a light rail vehicle at 6th Street in Jersey City delayed 36 Hudson-Bergen Light Rail trains on September 29.
- Flooding in downtown Camden delayed 19 River Line trains on September 10.
- A mechanical problem with a light rail vehicle delayed 17 Newark Light Rail trains on September 22.

The 12-month average for Light Rail On-Time Performance for October 2013 - September 2015 was 96.7%.

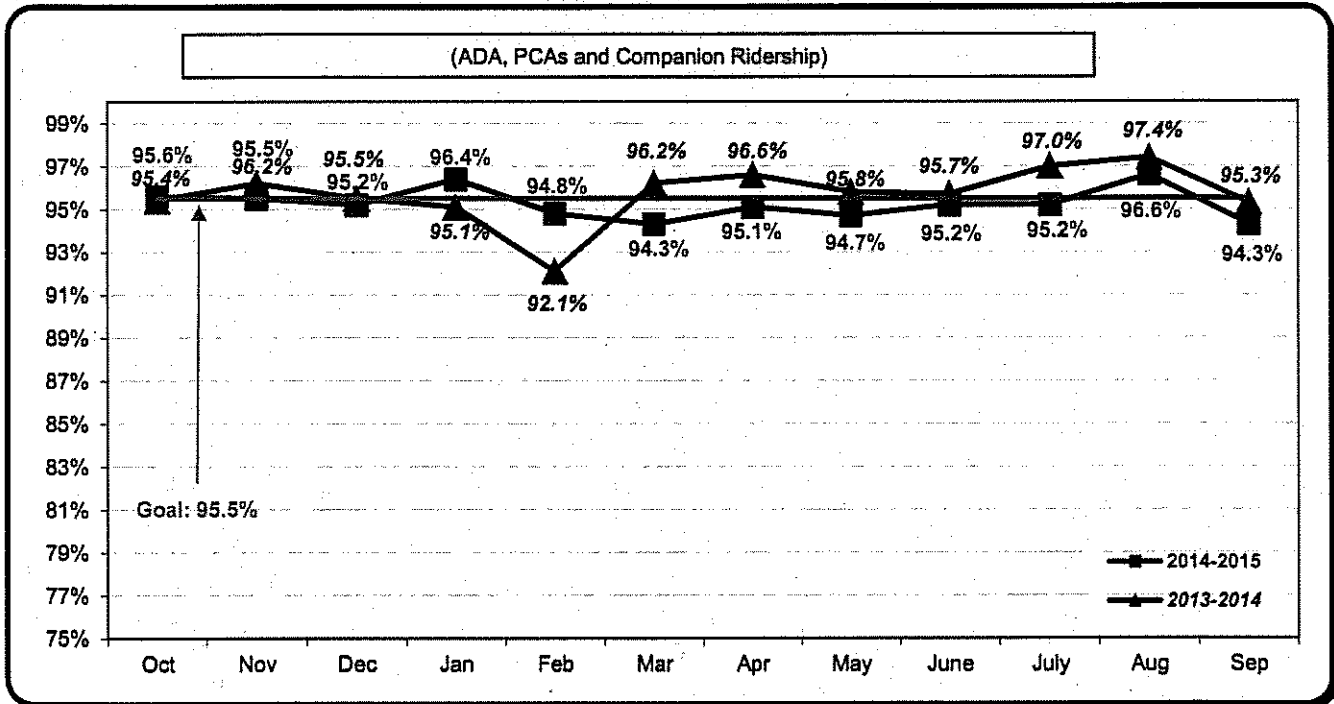
ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE SEPTEMBER 2015

% Light Rail Trains Reported On Time



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK OCTOBER 2013 - SEPTEMBER 2015



	2014	2015	% Change
September Comparison	95.3%	94.3%	-1.0%

	2014	2015	Difference
September Ridership	105,680	115,753	10,073

	2013-2014	2014-2015	% Change
12-Month Average October - September	95.7%	95.2%	-0.5%

Analysis:

Access Link On-Time Performance was 94.3% for September 2015. Of the 115,753 total trips, 6,601, or 5.7% experienced delays. Key causes include:

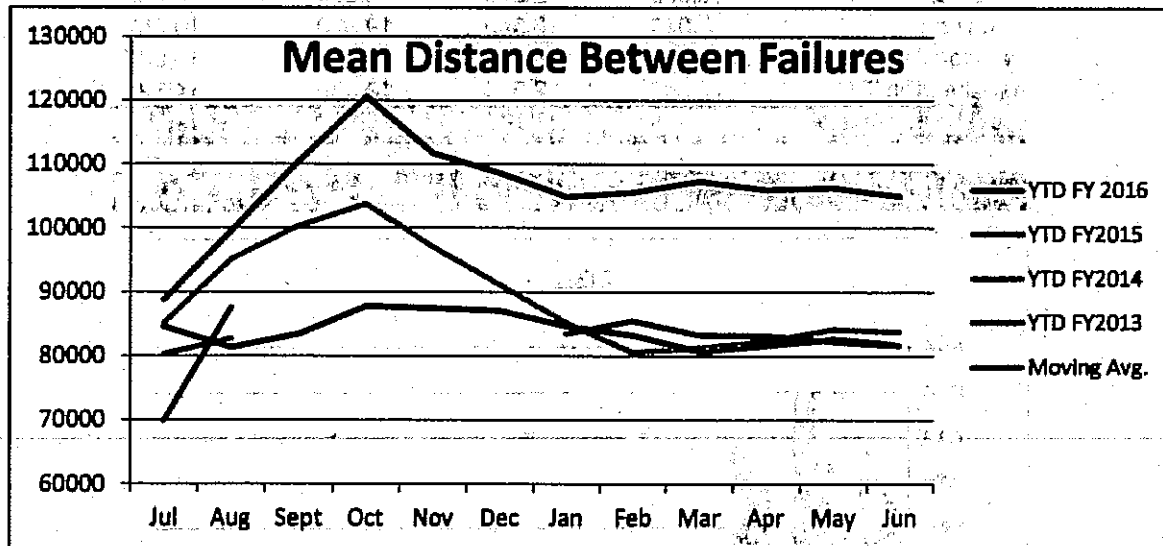
- Traffic congestion.
- Cancellations and customer no-shows.
- High volume of cancellations due to Papal visit.

The 12-month average for Access Link On-Time Performance for October 2013 - September 2015 was 95.5%.

MEAN DISTANCE BETWEEN FAILURES

NJ Transit Rail
Mean Distance Between Failures

Month	YTD FY2016	YTD FY2015	YTD FY2014	YTD FY2013	12 Month Moving Avg.
Jul	69,926	84,508	85,097	88,735	80,305
Aug	87,565	81,319	95,116	99,585	82,718
Sept	-	83,368	100,341	110,530	-
Oct	-	87,750	103,813	120,591	-
Nov	-	87,434	97,112	111,758	-
Dec	-	87,042	91,128	108,579	-
Jan	-	84,607	85,161	104,917	83,493
Feb	-	83,179	80,639	105,580	85,552
Mar	-	80,659	81,229	107,335	83,308
Apr	-	81,649	82,293	106,048	83,222
May	-	82,566	84,237	106,287	82,285
Jun	-	81,704	83,798	104,975	81,704

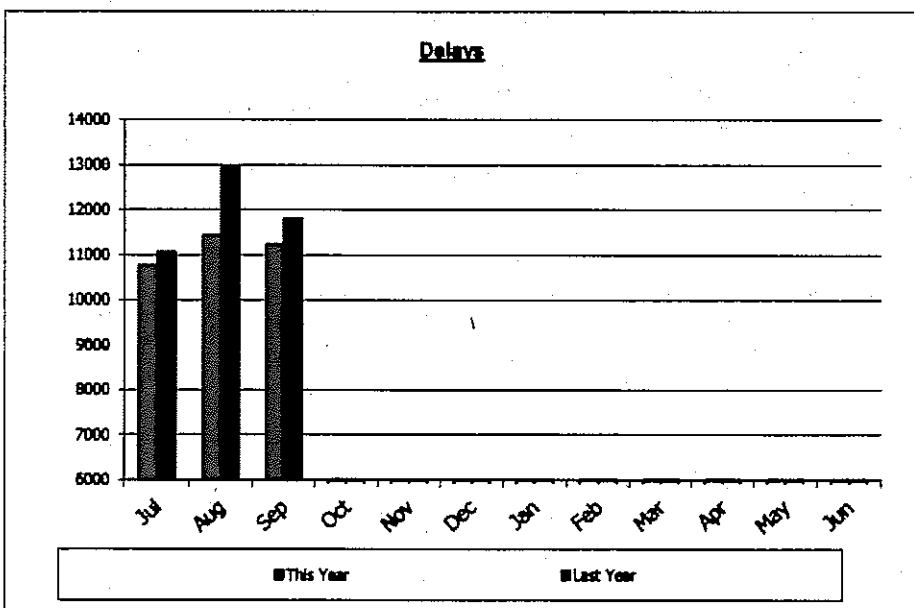


Garage Performance Parameters

September 2015

Location	Miles Between In-Service Delays			
	FY2016 Goal	This Month	FY2016 YTD	FY2015 YTD
Fairview	7,000	6,527	5,233	7,222
Greenville	9,900	6,583	7,912	7,997
Market Street	9,500	7,730	7,379	10,530
Meadowlands	11,500	7,246	7,314	8,213
Oradell	13,500	9,023	9,422	9,945
Wayne	12,500	11,706	11,025	11,335
Northern Division	-	8,452	8,254	9,497
Big Tree	9,600	6,984	7,522	9,144
Hilton	10,500	11,083	10,990	11,614
Howell	16,750	36,529	39,325	20,374
Ironbound	9,800	12,508	9,651	10,374
Orange	10,200	8,393	8,187	11,627
Morris	10,500	48,023	50,207	76,502
Central Division	-	13,435	12,610	13,025
Egg Harbor	15,500	12,379	15,074	16,632
Hamilton	19,000	16,049	19,628	19,053
Newton Avenue	15,700	19,582	18,271	14,637
Washington Twp.	14,500	12,308	12,959	14,622
Southern Division	-	13,705	15,196	14,649

Big Orange	-	11,227	11,124	11,881
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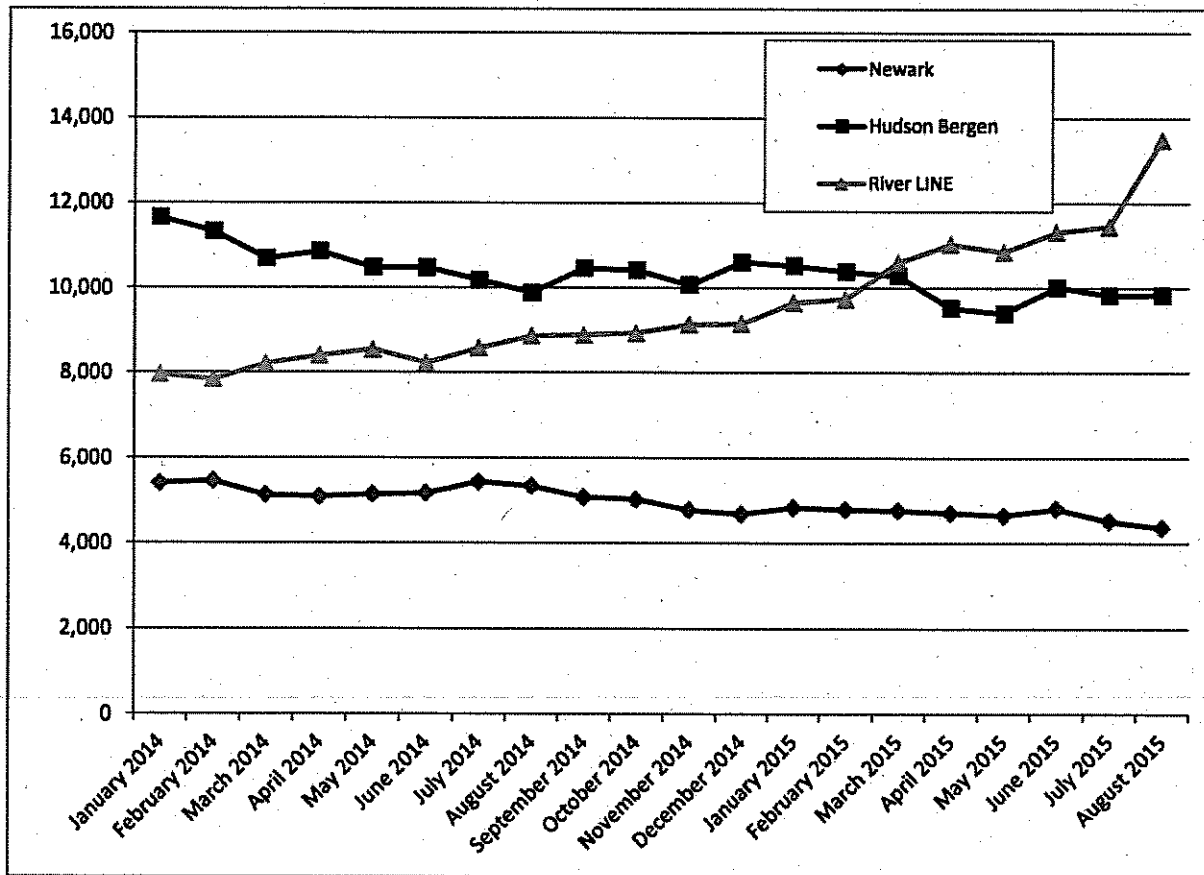


NJ TRANSIT - LIGHT RAIL, August 2015

Miles Between In-Service Delays (Mechanical Failures)

Light Rail System	August 2015 (Current Month)	12 Month Moving Average (Mean)
Newark Light Rail	4,619	4,367
Hudson Bergen	8,451	9,833
River LINE	36,721	13,485

MEAN DISTANCE MILES BETWEEN IN-SERVICE DELAYS (DELAYED TRAINS)



Notes: Newark Light Rail's totals are impacted by the short 5 mile alignment distance and single car consists.

DBE/MBE PROGRAM

State Funded Contracts

During the month of September 2015, NJ TRANSIT awarded \$810,638.15 in state funded contracts. Of that total, Small Business Enterprises (SBEs) received \$0.00 or 0.00%.

During the State Fiscal Year 2016 (July 1, 2015 through June 30, 2016) NJ TRANSIT awarded \$87,185,427.88* in state funded contracts. Of that total, SBEs received \$25,709,957.51 or 29.49%.

*Correction: The amount of \$8,908.00 was previously reported; however, it is not a NJ TRANSIT Procurement and, therefore, has been removed.

SBE Goal Attainment from July 1, 2015 through June 30, 2016 (FY 2015)

Category 1 SBEs received	\$371,606.00	or 0.43%
Category 2 SBEs received	\$129,750.00	or 0.15%
Category 3 SBEs received	\$24,122,463.51	or 27.67%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$1,086,138.00	or 1.25%
Category 6 SBEs received	\$0.00	or 0.00%

FTA Funded Contracts (updated Quarterly – next update will occur January 2015)

During the 4th Quarter (July 1, 2015 – September 30, 2015) of Federal Fiscal Year 2015 (October 1, 2014 through September 30, 2015), the FTA funded share of NJ TRANSIT's federal contracts awarded was \$3,601,934.00. Of that total, Disadvantaged Business Enterprises (DBEs) received \$707,307.00 or 19.64%.

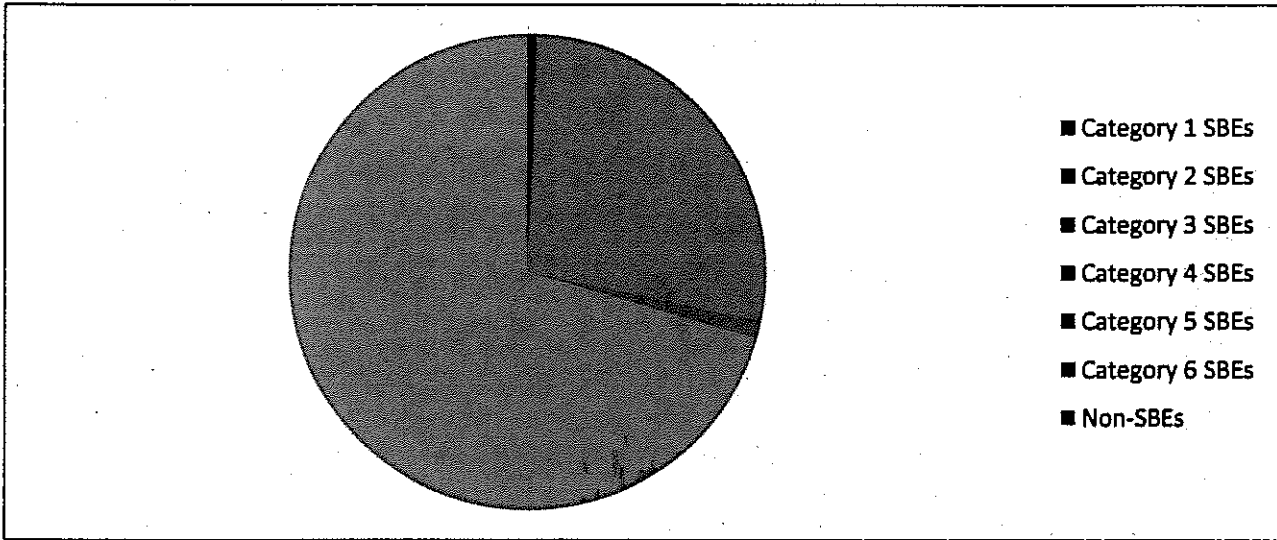
DBE Goal Attainment from October 1, 2013 (FFY 2014) - September 30, 2016 (FFY 2016)*

Contracts awarded	\$25,914,589.65
DBEs received	\$ 4,942,003.34 or 19.07%

*Numbers reflect federal share.

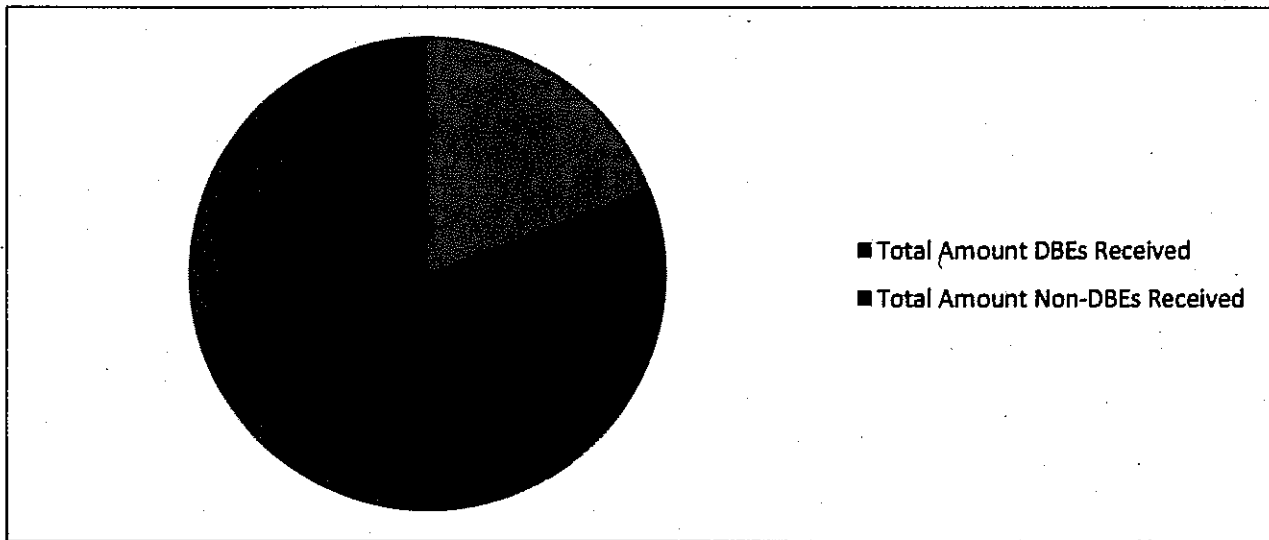
SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2016

<i>Category 1 SBEs</i>	\$371,606.00	0.43%
<i>Category 2 SBEs</i>	\$129,750.00	0.15%
<i>Category 3 SBEs</i>	\$24,122,463.51	27.67%
<i>Category 4 SBEs</i>	\$0.00	0.00%
<i>Category 5 SBEs</i>	\$1,086,138.00	1.25%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$61,475,470.37	82.29%



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$4,942,003.34	19.07%
Total Amount Non-DBEs Received	\$20,972,586.30	80.93%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

32 NJ TRANSIT employees retired in August and September with careers ranging from 12 to 41 years of service:

1. Dominic Tarpeh, Bus Operator – Greenville – 15 years
2. Dailey Thomas Jr., Bus Operator – Oradell – 22 years
3. Paul Dougherty, Bus Operator – Newton Ave – 24 years
4. Robert Guilfoyle, Maintainer Class "N" – Newark – 34 years
5. Nelson Hearn, Bus Operator – Ironbound – 36 years
6. Kenvin Hoppel, Bus Operator – Howell – 20 years
7. Serge Riviere, Bus Operator – Market St. – 25 years
8. Theresa Rossy, Ticket Agent – Port Authority Bus Terminal – 30 years
9. Carolyn Lane, Depot Clerk – Greenville – 24 years
10. Gilbert Penalver, Bus Operator – Howell – 12 years
11. Bernard Shabazz, Bus Operator – Orange – 12 years
12. Cecilia Dziegielewska, CP&P Equipment Project Manager – Penn Plaza - 28 years
13. Doris Leverett-Davis, Pension Specialist – Maplewood – 26 years
14. Sheila McKoy, Director Transit Arts Program – Penn Plaza – 29 years
15. Angel Soto, Deputy General Manager Transportation – Penn Plaza – 38 years
16. Bernard Taylor, Foreman – Market St. – 29 years
17. Robert Cowan, Warranty Administrator - Penn Plaza – 31 years
18. Lawrence Lee, Trackman – Red Bank – 24 years
19. James Donnelly, Foreman – Red Bank – 39 years
20. Arthur Revenell, Class II Rail Operator – Various – 20 years
21. James Johnson, Maintainer – South Amboy – 36 years
22. Collen Micah, Lead Clerk – Maplewood – 31 years
23. Marcellous White, Accounting Clerk – Maplewood – 22 years
24. Anthony Shamis, Accounting Clerk – Penn Plaza – 38 years
25. Ernest Terry, Technician – MMC – 41 years
26. Alexander Arva, Locomotive Engineer – Newark – 31 years
27. Jorge Feliciano, Conductor – Newark – 41 years
28. Barbara Maybank, Conductor – Newark – 28 years
29. Paul Fitzgerald, Acting DGM Transportation – Penn Plaza – 25 years
30. John DiSarro, Director Rail Service Planning – Penn Plaza – 29 years
31. Michael MacDonald, Manager Equipment Administration – Penn Plaza – 40 years
32. Rebecca Armstrong, Conductor – East Orange – 31 years

ACTION ITEMS

ITEM 1510-40: SUPERSTORM SANDY DISASTER RECOVERY AND RESILIENCE PROGRAM – RARITAN RIVER DRAW BRIDGE PIER REPAIRS: CONSTRUCTION CONTRACT AWARD

BENEFITS

NJ TRANSIT's North Jersey Coast Line (NJCL) provides 23,000 average weekday passenger trips in Middlesex, Monmouth, and Ocean Counties. The Raritan River Draw Bridge is a movable span across the Raritan River between Perth Amboy and South Amboy, connecting the lower portion of the North Jersey Coast Line, including Long Branch and Bay Head Yards, to points north extending as far as New York City. The bridge is the sole rail link for 17 of the 20 NJCL stations to the major job centers of Newark, Jersey City and Manhattan.

On October 29, 2012, Superstorm Sandy caused serious damage to the Raritan River Draw Bridge. The storm surge caused the bearings to unseat, resulting in serious misalignment of the superstructure and extensive damage to the pier caps that support the bearings. Emergency repairs were completed in order to quickly restore rail service.

Post-event inspections revealed that other damaged piers are vulnerable to lateral forces that would be incurred during an extreme weather event. Due to the inherent vulnerabilities of the substructure, NJ TRANSIT has prioritized repairs to piers on Raritan River Draw Bridge. These repairs will maintain public safety and reliable train service until a Federal Transit Administration bridge replacement project can be completed.

ACTION (Scorecard: Safety and Security, Corporate Accountability)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 15-046X with Sparwick Contracting, Inc. of Lafayette, New Jersey, to perform pier repairs on the existing Raritan River Draw, Undergrade Bridge 0.39, Perth Amboy, Middlesex County at a cost not to exceed \$3,091,000.00, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

Authorization of this contract will permit the repair of damaged supporting piers along the eastern approach spans of the existing Raritan River Draw. The repairs involve lifting the bridge, forming new reinforced concrete pier caps in place of the damaged stone pier caps, installing steel strapping, and pointing and grouting the pier masonry. These repairs will secure the structure of the existing bridge and enable the continuation of commuter and freight rail services until a new bridge can be designed and constructed.

BACKGROUND

The existing Raritan River Draw Bridge, built in 1908, carries rolling stock on the North Jersey Coast Line (NJCL) at Milepost 0.39 over the Raritan River between Perth Amboy and South Amboy, New Jersey. The bridge is a two-track, 30-span open deck structure that consists of 28 simply-supported 100-foot and 88-foot approach spans and a main swing span over the navigable channel. The approach spans are comprised of riveted steel built-up girders supported on unreinforced masonry abutments and piers. The 327-foot main swing span consists of two riveted steel built-up through trusses on an unreinforced masonry center pier.

During Superstorm Sandy, the Raritan River Draw Bridge was out of service for three weeks as a result of the extensive damage to the structure due to the impact of storm surge and high winds. The resulting damage sustained to the girders, bearings, and piers required NJTRANSIT personnel to jack the girders back into alignment and reset them on the bearings, and install steel strapping around other pier caps to prevent any movement of the masonry stone blocks. The affected piers were grouted to fill in voids created from washouts.

Further investigations and analysis identified six other piers that require repairs in order to reduce the risk of significant damage should another extreme weather event occur in the near term.

In November 2014, the Federal Transit Administration, through a 13-state competition, selected NJ TRANSIT for a competitive resilience grant in the amount of \$446,312,465 to fund the design and construction of a permanent replacement for the Raritan River Draw Bridge. While that project is being designed and constructed, and environmental approvals secured, it is necessary to make the intermediate repairs contemplated in this authorization in order to secure continued reliable and safe commuter and freight rail services on the bridge during the pendency of construction of the new bridge.

Procurement

The Office of Business Development assigned a 14 percent Disadvantaged Business Enterprise (DBE) goal for this contract.

The Invitation for Bid (IFB) for Pier Repairs on the Raritan River Draw Bridge, Undergrade Bridge 0.39, on the North Jersey Coast Line, Middlesex County, was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *The Trenton Times* on June 10, 2015. A Pre-Bid Conference was held on June 24, 2015, at NJ TRANSIT Headquarters in Newark; a site visit to Raritan River Draw Bridge followed the Pre-Bid Conference. Bids were received electronically and opened on August 18, 2015 at 2:00 p.m. at NJ TRANSIT Headquarters.

E-BID 15-046X RESULTS

Company	Total Bid Price
Sparwick Contracting, Inc. Lafayette, New Jersey	\$ 3,091,000.00
IEW Construction Group, Inc. Trenton, New Jersey	\$ 3,567,264.92

This item was reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACT

Requested Contract Authorization:	\$ 3,091,000.00 + 5% contingency
Past Authorizations:	None
Expenditures to Date:	\$0
Total Project Cost:	Part of the Superstorm Sandy Disaster Recovery and Resilience Program
Projected Date of Completion:	December 2016
Capital Program Amount:	\$ 5,700,000
Operating Budget Amount:	\$0
Anticipated Source of Funds:	Transportation Trust Fund Insurance proceeds
PRINTS ID Number:	NJT00776
DBE/SBE Goal:	14% DBE
<i>NJ Build</i> Amount:	\$ 15,455
Future/Related Authorization:	Design services, construction, and construction assistance services to support completion of Raritan River Draw Bridge Replacement Project
Impact on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT's North Jersey Coast Line (NJCL) provides 23,000 average weekday passenger trips in Middlesex, Monmouth, & Ocean Counties; and

WHEREAS, Superstorm Sandy caused serious damage to several piers on the east side of Raritan River Draw Bridge, which carries the NJCL over the Raritan River; and

WHEREAS, the pier repairs on Raritan River Draw Bridge will enable NJ TRANSIT to maintain both critical passenger commuter rail and freight rail services until a new bridge can be designed and built; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Sparwick Contracting, Inc. submitted the lowest responsive responsible bid;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 15-046X with Sparwick Contracting, Inc. of Lafayette, New Jersey, to perform pier repairs on the existing Raritan River Draw, Undergrade Bridge 0.39, Perth Amboy, Middlesex County at a cost not to exceed \$3,091,000.00, plus five percent for contingencies, subject to the availability of funds.

ITEM 1510-41: LEASE OF ADDITIONAL OFFICE SPACE AT TWO PENN PLAZA EAST

BENEFITS

In the aftermath of Superstorm Sandy, NJ TRANSIT's Capital Planning and Programs Department created a new unit to coordinate the repair of damaged assets. With the award of an additional \$1.276 billion in Federal Transit Administration Emergency Relief Program funding to support the design and construction of five resilience projects, the Superstorm Sandy Disaster Recovery and Resilience Program unit as well as Construction and Project Management units require additional staff to manage these efforts. Capital Planning and Programs is now also responsible for the implementation of the Passenger Rail Investment and Improvement Act (PRIIA) and Asset Management programs, which also require additional staff. In total, approximately 65 staff positions will be added to Capital Planning and Programs over the next three years.

The creation of the Office of System Safety, which is responsible for managing NJ TRANSIT's safety programs and for executing security measures at NJ TRANSIT facilities, also anticipates expanding staff. This expansion of staff will provide for an increased focus on system-wide safety and security programs. Over the next three years, the Office of System Safety will add 35 staff positions.

In 2014, the Office of Procurement and Support Services undertook a survey of all NJ TRANSIT Departments to assess future facility needs. The Departments identified a potential need for additional employees in addition to the needs of the Office of System Safety and Capital Planning and Programs.

Several options to house the additional staff were considered over the past 10 years, including moving staff to the Maplewood office building (known as the GOB) and to the NJ TRANSIT complex on Ferry Street in Newark. The GOB will now house a new Operations Center, a Light Rail central control room, and the Bus Management Center for the Smart Bus program; construction of these facilities is already underway. As a result, relocating Headquarters staff to the GOB is not a viable alternative. The Ferry Street complex is not suitable for extensive office space and cannot accommodate the relocation of staff from the Headquarters building.

Additionally, consultants for the Superstorm Sandy program are currently leasing office space in nearby buildings. As NJ TRANSIT staff is increased to manage the overall Superstorm Sandy program, the use of these consultants will decrease but will not be entirely eliminated. It has been determined that locating the remaining consultants (approximately 10 to 15 individuals) in the Headquarters building would be more cost-effective for NJ TRANSIT.

Finally, the lease of additional space will allow for incremental retrofit of existing Headquarters space to conform to current workstation space standards. These standards, adopted in 2008, have been implemented on an ad hoc basis when major organizational

changes were introduced, due to the disruption related to re-configuring existing occupied space. Costs associated with re-configuring office space when that space is occupied are generally twice that of re-configuring empty space.

ACTION (Scorecard: Corporate Accountability, Financial Performance, Safety and Security)

Staff seeks authorization to execute a lease with II Penn Plaza East Management Corporation of Secaucus, New Jersey, for up to 35,538 square feet of office space at Two Penn Plaza East (Tenth Floor) for a three-year term for \$2,284,027 plus two one-year options (\$792,142 Year 1 and \$807,779 Year 2), plus operating expenses of up to \$308,900 per year, subject to operating expense adjustments and the availability of funds.

Staff also seeks authorization to amend the existing *Amended Restated Purchase Option and Right of First Refusal Agreement* to replace NJ TRANSIT's purchase option for the twelfth floor with a purchase option for the tenth floor, (the tenth floor is presently appraised at a market value less than the twelfth floor), all other terms and conditions of the *Agreement* remaining the same.

PURPOSE

This action will provide for the lease of an additional floor in the One/Two Penn Plaza East building above the current NJ TRANSIT Headquarters floors. The additional space will provide business offices required for the expansion of several departments within NJ TRANSIT, including Capital Planning and Programs and the Office of System Safety.

BACKGROUND

History

In 1989, NJ TRANSIT contracted with Hartz Mountain Industries to build NJ TRANSIT's Headquarters building on the east side of Newark Penn Station via an amended and restated net lease. NJ TRANSIT's space now consists of the first nine floors of the building known as One Penn Plaza East, the ground floor lobby area, and 115 parking spaces on the ground level of the parking garage. Currently, 970 employees are housed in the building yielding an occupancy rate of approximately 90 percent. Additionally, 315 employees are housed in the GOB in Maplewood.

In September 2016, the ownership of NJ TRANSIT's current rented space will pass to NJ TRANSIT. Additionally, NJ TRANSIT currently has the option to purchase the twelfth floor. The option expires in September 2017. A portion of the twelfth floor had previously been subleased by NJ TRANSIT from the then existing tenant for offices primarily related to the construction of the Hudson-Bergen Light Rail and River Line Light Rail systems for the New Light Rail Department. New Light Rail staff was re-located from the twelfth floor to the eighth floor in 2005 and NJ TRANSIT vacated the twelfth floor entirely in 2007. Although located in the same building, access to the twelfth floor is through a separate entrance (known as Two Penn Plaza East). Amending the option to include the tenth floor

instead of the twelfth floor will be more convenient since the floor can be accessed by stairs from the ninth floor.

Lease Terms

In addition to the rental rates previously cited, which staff has determined to be fair and reasonable, the following terms are included in the proposed lease:

- NJ TRANSIT will be responsible for the tenth floor’s proportionate share of operating expenses.
- NJ TRANSIT will be provided with 30 parking spaces within One/Two Penn Plaza at no cost.
- Landlord will deliver fit-out and furnishings of the tenth floor in “As Is” condition.
- NJ TRANSIT and Landlord agree to amend the existing *Amended Restated Purchase Option and Right of First Refusal Agreement* to replace NJ TRANSIT’s purchase option for the twelfth floor with a purchase option for the tenth floor, all other terms and conditions of the *Agreement* remaining the same.

NJ TRANSIT is subject to the proportional share of real estate taxes for the remaining months of Calendar Year 2015, a one-time payment of \$25,015. Beginning January 1, 2016, the space is exempt from real estate taxes in accordance with N.J.S.A. 54:4-3.3b.

This item was reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorizations:	Initial 3-year Term	\$ 2,284,027
	First Option	\$ 792,142
	Second Option	\$ 807,779
	Operating Expenses	<u>\$ 1,544,500</u> plus adjustment
	Total Authorization	\$ 5,428,448 plus adjustment

Past Authorizations: None

Expenditures to Date: \$0

Total Project Cost:	\$ 3,883,948	(lease payments)
	\$ 1,544,500	(operating expenses plus adjustment)
	<u>\$ 1,000,000</u>	(estimated fit-out costs)
	\$ 6,428,448	plus adjustment

Capital Program Amount:	\$ 3,883,948	(lease payments)
	<u>\$ 1,000,000</u>	(fit-out costs)
	\$ 4,883,948	

Operating Budget Amount: \$ 1,544,500 plus adjustment (operating expenses)

Projected Date of Completion: November 2020 (expiration of lease)

Anticipated Source of Funds: Transportation Trust Fund
Operating Budget

PRINTS ID Number: TBD

DBE/SBE Goal: NA

***NJ Build* Amount:** NA

Related/Future Authorizations: None

**Impact on Subsequent
Operating Budgets:** \$ 1,544,500 plus adjustment (operating expenses)

RESOLUTION

WHEREAS, NJ TRANSIT Departments have identified the need for an additional 100 employees over the next three years; and

WHEREAS, current excess space in NJ TRANSIT's Headquarters building at One Penn Plaza East is insufficient to accommodate the projected need; and

WHEREAS, the tenth floor of the building known as Two Penn Plaza East is currently unoccupied and available for lease; and

WHEREAS, office space that is contiguous to NJ TRANSIT's existing premises is available at a fair and reasonable rate;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to execute a lease with II Penn Plaza East Management Corporation of Secaucus, New Jersey, for up to 35,538 square feet of office space at Two Penn Plaza East (Tenth Floor) for a three-year term for \$2,284,027 plus two one-year options (\$792,142 Year 1 and \$807,779 Year 2), plus operating expenses of up to \$308,900 per year, subject to operating expense adjustments and the availability of funds; and

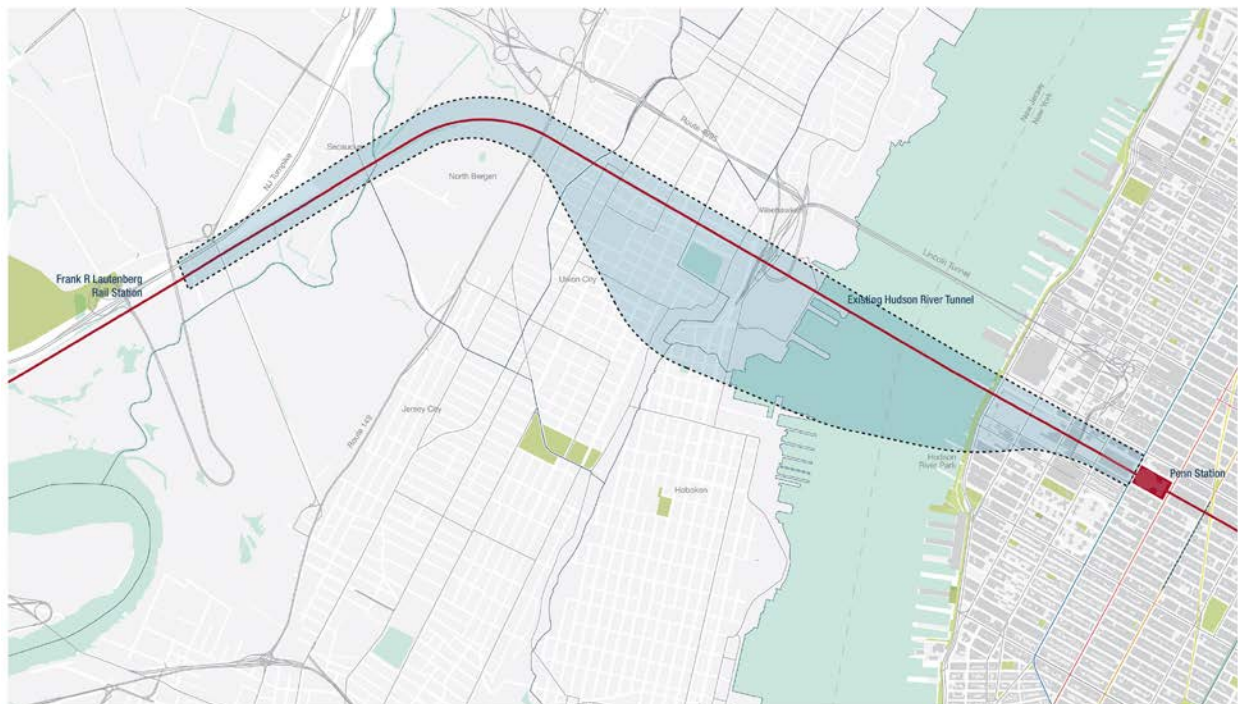
BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the existing *Amended Restated Purchase Option and Right of First Refusal Agreement* to replace NJ TRANSIT's purchase option for the twelfth floor with a purchase option for the tenth floor, (the tenth floor is presently appraised at a market value less than the twelfth floor), all other terms and conditions of the *Agreement* remaining the same.

ITEM 1510-42: INTERAGENCY MEMORANDUM OF AGREEMENT TO CONDUCT THE HUDSON TUNNEL PROJECT ENVIRONMENTAL ANALYSIS AND DOCUMENTATION

BENEFITS

The Hudson Tunnel Project is focused on preserving the existing trans-Hudson rail capacity provided by the Northeast Corridor's Hudson River (or North River) tunnels which connect New Jersey to New York Penn Station in Midtown Manhattan. Because of their age, over 100-years old, inadequate level of investment in maintenance over the years and the inundation of the tunnels caused by Superstorm Sandy, it is now apparent that the existing tunnels need to be rehabilitated. This cannot effectively occur without removing them from service. In order to maintain capacity for Amtrak's intercity and NJ TRANSIT's train services, it is necessary to construct two new tunnels from New Jersey to New York Penn Station. Once these new trans-Hudson rail tunnels are completed, the existing tunnels can be removed from service and rehabilitated, a process which will take several years to accomplish.

Taking the necessary steps to advance the prerequisite environmental analysis and review as required under the National Environmental Policy Act (NEPA) of 1970 is an important action to avoid these diversions and the level of impact they bring to trans-Hudson travelers. The proposed study area will be "Railroad East" of NJ TRANSIT's Lautenberg Station to a point of connection to the existing New York Penn Station Ladder Tracks.



PRELIMINARY STUDY AREA

ACTION (Scorecard: Customer Experience, Corporate Accountability, Financial Performance, Safety and Security)

Staff seeks authorization to negotiate and subsequently enter into a Memorandum of Agreement with the National Passenger Railroad Corporation (Amtrak) to conduct the environmental analysis and documentation as required by the National Environmental Policy Act (NEPA) of 1970 in support of the Hudson Tunnel Project.

PURPOSE

For Federal transportation projects, state and other government transportation agencies may prepare the NEPA document on behalf of a Federal agency. Since NJ TRANSIT has extensive experience in the preparation of NEPA documents and has previously performed the NEPA analysis for Access to the Region's Core (ARC) project as well as the Amtrak "Raceway Project" and the Portal Bridge Replacement Project, for which the FRA was the designated lead Federal agency, discussions among NJ TRANSIT, Amtrak and FRA have concluded that NJ TRANSIT is best situated to be the lead agency in the preparation of the NEPA document for the Hudson Tunnel Project.

Authorization to negotiate and subsequently enter into this Memorandum of Agreement will allow NJ TRANSIT to undertake the necessary environmental analysis and documentation to address the requirements of the National Environmental Policy Act of 1970 and obtain a Record of Decision from the FRA. NJ TRANSIT will retain the services of a consultant to collect the data and perform the necessary analysis, as well as to support the preparation of the Environmental Impact Statement document.

BACKGROUND

History

Built by the Pennsylvania Railroad between 1904 and 1908, the Hudson River Tunnels (also known as the North River Tunnels) provided improved railroad access to Manhattan at Pennsylvania Station. The tunnels opened for service in 1910. The Pennsylvania Railroad merged into Penn Central Transportation (Penn Central) in 1968, which filed for bankruptcy in 1970. All the property of the Penn Central was conveyed to Amtrak on April 1, 1976 when Conrail's system was formed. The Hudson River Tunnels are now part of Amtrak's Northeast Corridor; NJ TRANSIT and the Long Island Rail Road use the tracks to reach New York Penn Station.

Amtrak's most recent focus on trans-Hudson redundancy has advanced through a Feasibility Study undertaken in 2012-2013. The Feasibility Study concluded that a tunnel alignment just south of the existing Hudson River Tunnels to New York Penn Station is feasible. Multiple horizontal and vertical alignments were developed and reviewed as part of the conceptual engineering effort.

In March 2015, Amtrak completed a System Level Design document that advances the concept of the Gateway Project. Within that document is an analysis of the Hudson Tunnel Project and its relationship to the larger Gateway Project.

The opportunity to connect a new tunnel into New York Penn Station has been preserved through construction of a right-of-way under the West Side Yards development in Manhattan. Construction is substantially complete on an 825-foot-long concrete casing within the East Rail Yard of the Long Island Rail Road’s West Side Yards, in coordination with the Hudson Yards project. Construction has also begun on an extension to the concrete casing beneath the Eleventh Avenue Viaduct and design has begun for the next extension within the West Rail Yard.

Agency Roles

Under the terms of the Memorandum of Agreement, NJ TRANSIT staff will manage the preparation of both the Draft and Final Environmental Impact Statements utilizing a consultant team to be selected through a future NJ TRANSIT competitive procurement process. NJ TRANSIT will develop the Request for Proposal for this procurement in accordance with FRA requirements. Amtrak staff will manage the preliminary engineering required to inform the NEPA process and will produce detailed documentation project definition, capital costs, and means of construction. Any consultants needed for the preliminary engineering effort will be procured and managed by Amtrak staff.

Funding

Funding for the environmental analysis and documentation consultant will be provided by Amtrak. NJ TRANSIT will fund staff time for the management of the consultant effort.

Schedule

It is anticipated that the NEPA process will take approximately 36 months from the time a Notice to Proceed is given to the selected consultant team to complete and receive a Record of Decision from the FRA.

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

FISCAL IMPACTS

Requested Authorizations:	Authorization to enter into an Interagency Agreement with Amtrak
Past Authorizations:	None
Expenditures to Date:	\$0

Total Project Cost: TBD

Capital Program Amount: TBD

Operating Budget Amount: \$0

Projected Date of Completion: September 2018 (NEPA Effort)

Anticipated Source of Funds: Transportation Trust Fund (NJ TRANSIT staff time)
Amtrak (Environmental Consultant costs)

PRINTS ID Number: NA

DBE/SBE Goal: NA

***NJ Build* Amount:** NA

Related/Future Authorizations: Consultant services for the Hudson Tunnel Project
NEPA Project

Impact on Subsequent Operating Budgets: None

RESOLUTION

WHEREAS, the existing two 100-year-old single-track tunnels under the Hudson River, connecting New Jersey and New York City, are currently in a deteriorated condition which threatens their ability to remain functioning and provide the only available trans-Hudson intercity and commuter capacity; and

WHEREAS, the Hudson River (North River) Tunnels experience reliability issues due to their age and the intensity of current use, which results in significant delays when problems arise; and;

WHEREAS, as a key part of its planning for future service to and from New York City, Amtrak developed a conceptual plan for addressing this deteriorated physical infrastructure which includes providing new trans-Hudson rail tunnels from New Jersey to New York Penn Station; and

WHEREAS, the Hudson Tunnel Project will address the deterioration and risk associated with the existing Hudson River (North River) Tunnels as well as the future capacity needs; and

WHEREAS, NJ TRANSIT staff have extensive experience in the preparation of NEPA documents and have previously successfully performed the NEPA analysis for the Access to the Region's Core (ARC) Project as well as the Amtrak "Raceway Project" and the Portal Bridge Replacement Project; and

WHEREAS, discussions among NJ TRANSIT, Amtrak and FRA have concluded that NJ TRANSIT is best situated to be the lead agency in the preparation of the NEPA document for the Hudson Tunnel Project;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to negotiate and subsequently enter into a Memorandum of Agreement with the National Passenger Railroad Corporation (Amtrak) to conduct the environmental analysis and documentation as required by the National Environmental Policy Act (NEPA) of 1970 in support of the Hudson Tunnel Project.