

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

George D. Warrington
Executive Director

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



August 4, 2006

Dear Governor Corzine:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc. Board of Directors held on Tuesday, August 1, 2006.

Sincerely,

Gwen A. Watson
Board Secretary

Enclosures

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

(NJT BOARD –08/01/2006)

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Tuesday, August 1, 2006.

Present:

Kris Kolluri, Esq., Chairman
Myron P. Shevell, Vice Chairman
A. Matthew Boxer, Governor's Representative
Flora Castillo
Patrick W. Parkinson
Kenneth E. Pringle
Robert Smartt, Treasurer's Representative

George D. Warrington, Executive Director
Lynn Bowersox, Assistant Executive Director, Corporate Commun. & External Affairs
James Gigantino, Acting Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Kenneth Worton, Deputy Attorney General
Vincent Soleo, Assistant Executive Director, Procurement & Support Services
James Redeker, Assistant Executive Director, Policy, Technology & Customer Services
Richard Sarles, Assistant Executive Director, Capital Planning and Programs
H. Charles Wedel, Chief Financial Officer & Treasurer
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Gwen A. Watson, Board Secretary
Robert Guarneri, Auditor General

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

Chairman Kris Kolluri reconvened the Open Session at 10:10 am and asked for a motion to adopt the minutes of the June 19, 2006 meeting. A motion was made by Patrick W. Parkinson, seconded by Kenneth E. Pringle and unanimously adopted.

Executive Director George Warrington highlighted the following from his monthly business report.

Two weeks ago, Executive Director Warrington joined Chairman Kolluri, Governor Corzine, Mayor Booker and a host of other dignitaries for the start of Newark light rail service, connecting Newark Penn Station to Broad Street Station. Already serving about 2,000 passenger trips on weekdays, the one-mile connector gives customers convenient access to the City's business district, universities and to destinations like Bears Stadium, the Newark Museum and NJ Performing Arts Center.

(NJT BOARD –08/01/2006)

He said ridership is expected to grow to nearly 4,000 trips, consistent with local economic development, beginning this fall when customers from the Morris & Essex, Montclair-Boonton, and Northeast Corridor lines return to work and school.

Executive Director Warrington appreciates Chairman Kolluri's tireless work and Governor Corzine's unwavering leadership to replenish the Transportation Trust Fund and to provide an increase in operating support for Fiscal Year 2007. He said thanks to the Governor's efforts, NJ TRANSIT is seeking the Board's approval of an operating budget that does not include a fare increase this year, and a capital program that makes historic investments in system reliability and capacity.

Executive Director Warrington said the \$1.5 billion operating budget achieves multiple objectives. While running nearly three million more miles of transit service over last year on bus, rail and light rail services, ridership is expected to grow by four percent this fiscal year to more than 860,000 customer trips a day, more than a nine percent increase over two years.

He said this budget provides an increase in state support of \$22 million more than Fiscal Year 2006, while again freezing the level of capital to operating transfer at last year's level.

This budget includes another \$30 million in business efficiencies and revenue enhancements, in addition to the nearly \$60 million in efficiencies achieved since Fiscal Year 2003.

Executive Director Warrington said those savings include eliminating vacant positions and additional headcount through attrition, tightening of materials management and parts inventories, cutting back on third-party professional services and reducing administrative and overhead expenses throughout the company, including cutting 35 cars from the non-revenue fleet.

NJ TRANSIT continued to make smart business decisions that take advantage of scheduling efficiencies to maximize equipment utilization, including consolidating or eliminating frequencies where necessary and continuing to ensure bus and rail service levels are appropriate to meet demand.

Executive Director Warrington said NJ TRANSIT continued to aggressively pursue increases in non-fare box revenue including the sale of excess property, additional leveraged lease revenue and increased advertising revenue, among other commercial income streams.

Despite the continuing pressure of extraordinary fuel and electric cost increases, and substantial service growth to support record ridership levels, NJ TRANSIT has contained total expense growth to 7.5 percent and managed to keep core service expense growth to three percent.

(NJT BOARD –08/01/2006)

These business actions, combined with the Governor's leadership on increased state assistance, have enabled NJ TRANSIT to balance the Fiscal Year 2007 budget without a fare increase.

It is important to note that there are continuing pressures on the operating budget, the volatility of fuel costs, in particular.

The budget also assumes aggressive four percent passenger revenue growth based in part on higher fuel prices.

Executive Director Warrington said NJ TRANSIT has projected that fuel will cost \$22 million or 45 percent more in Fiscal Year 2007 than budgeted in Fiscal Year 2006 which consumes all of the increase in state support NJ TRANSIT received. He said every penny increase in diesel fuel price means an additional \$350,000 annual cost burden.

Executive Director Warrington will continue to closely monitor and refine both cost and revenue assumptions based on actual results as the fiscal year progresses and come back to the Board if any adjustments become necessary.

Executive Director Warrington said the companion \$1.3 billion capital program invests \$521 million in basic capital improvements needed to maintain and improve a transit system of this size and magnitude including basic safety and reliability investments including track, bridge, and equipment improvements on the railroad, particularly the Northeast Corridor; and beginning the replacement of every transit style bus in the 1,171 fleet that are primarily used for local service.

He said the program calls for initiating the replacement or overhaul of almost 230 electric rail cars (Arrow III's) and 148 coaches; station improvements at 14 locations including New York Penn Station, Trenton and Metro Park; and park-ride expansions at South Amboy and Route 23 Park & Ride in Wayne with an overall increase in parking of 4,000 new spaces for commuters.

Executive Director Warrington said looking toward capacity expansions, this budget allows NJ TRANSIT to advance Northern Branch service Passaic-Bergen rail service, Middlesex-Ocean-Monmouth (MOM) and the Lackawanna Cut-off, to name a few significant projects.

The capital program also advances THE Tunnel project which achieved two significant milestones. The Port Authority committed up to \$2 billion to fund the project, which positions NJ TRANSIT for federal funding and the Federal Transit Administration announced it will approve preliminary engineering for the project. Following its independent and exhaustive review, as part of the new starts funding process, the Federal Transit Administration evaluated transportation benefits, environmental benefits and impacts, operating plans and the project's cost effectiveness and determined that the project should move forward.

(NJT BOARD –08/01/2006)

Executive Director Warrington said there are two significant items in the capital program, the preliminary engineering contract for THE Tunnel and a contract to launch the formal environmental process to replace Portal Bridge.

Both of these items represent NJ TRANSIT's determination to advance two projects that will address regional commuter rail demand for a generation or more.

Executive Director Warrington said THE Tunnel has received terrific bi-state and bi-partisan support in the region. Both governors, all four senators, and countless elected officials have joined community, business, environmental, labor, transportation and planning leaders in support of this project. Not only is it about critically needed reliability and expansion improvements, but also about security, redundancy, safety, congestion relief, jobs and economic growth.

The Portal Bridge is equally important to commuter rail reliability and capacity expansion. To overcome the operating constraints and reliability issues with the Portal Bridge, Board approval is needed to begin environmental and related engineering work to replace the bridge by 2016. NJ TRANSIT has taken the lead in a formal partnership with the Federal Railroad Administration, the Federal Transit Administration, and Amtrak on this project.

Executive Director Warrington said the operating budget and capital program together represent an ambitious and achievable business plan and thanked the Chairman and the Governor for their unparalleled leadership as well as the Board for its support to execute this plan.

Executive Director Warrington reported on the effort to provide capacity to match and anticipate growing commuter rail demand with the introduction of new multi-level vehicles. Currently, six cars are on the system and production of the rest of the 234 cars is underway.

NJ TRANSIT completed systems and reliability testing on the Federal Railroad Administration test track in Colorado and has started dynamic testing on its system. The extensive shakedown testing undertaken with the manufacturer is designed to ensure that the equipment meets all contract standards.

Executive Director Warrington said that later this month, NJ TRANSIT expects to have a demonstration of the new equipment as testing continues. NJ TRANSIT remains on track to put the first multi-level train in service later this year.

Executive Director Warrington thanked the Port Authority for its support in this effort, particularly Chairman Coscia, who has demonstrated regional leadership and a commitment to investment in transportation projects that keep New Jersey's economy growing.

(NJT BOARD –08/01/2006)

Suzanne Mack presented the Advisory Committee report to the Board. Ms. Mack thanked NJ TRANSIT for allowing her to join the event for the Newark-Elizabeth subway project. She has a long history with the project and was pleased that it is completed. She said the Advisory Committee would meet in about a month.

There were 10 public comments on agenda items.

Rose Heck on behalf of the New Jersey Association of Railroad Passengers thanked everyone for the work on the Newark Light Rail extension and said it was an exciting day. Ms. Heck was pleased with the approvals received on THE Tunnel project and said it is a tremendous amount of work. Ms. Heck said she is the Government Affairs Director with the New Jersey Association of Railroad Passengers. She said one concern is the capital program and whether or not the Northern Branch will get into the Tunnel. Ms. Heck distributed a chart to the Board depicting the number of peak hour trains on all rail lines going into New York Penn Station in 2006 and 2020. She also distributed a questionnaire to the Board requesting NJ TRANSIT's best estimate of operating plans for the year 2020 with regard to volumes of trains and passengers entering New York City from New Jersey, divided among the various rail lines. Ms. Heck discussed the Northern Branch project and the use of the diesel multiple unit (DMU) vehicles. Ms. Heck asked if the capital program line item could be revised to reflect Northern Branch/DMU/HBLRT since she has not yet seen proof that the DMU vehicles would better serve the people of Bergen County. Ms. Heck asked the Board to review the materials she submitted and asked the Board to do a value assessment of DMU vs. light rail vehicles. She also said she would be willing to debate Executive Director Warrington on the issue of DMU vehicles vs. light rail for Bergen County. Ms. Heck discussed the successes and benefits of light rail vehicles. Ms. Heck asked the Board not to exclude the possibility of light rail for Bergen County until there is an opportunity to review both sides of the issue. Ms. Heck said she has experts and information to prove that light rail is the way to go. She said APTA provided information showing that ridership was considerably higher on light rail because it is attractive and barrier free and asked if Bergen County could also enjoy this benefit that Hudson County already has. Ms. Heck said she appreciated meeting with Chairman Kolluri on this issue but she did not finish her presentation and requested another meeting.

Chairman Kolluri thanked Ms. Heck for her tireless advocacy and heartfelt comments on this issue. He said although there is a difference of opinion, he assured Ms. Heck that their goals are the same - to provide efficient, reliable service to the people of Bergen County. Chairman Kolluri believes the DMU vehicle is the way to do that. Chairman Kolluri agreed to meet again with Ms. Heck to further discuss this issue.

Ms. Heck asked the Board to review the comparison chart (DMU vs. light rail). Ms. Heck said she has done the research and truly believes light rail is the way to go for Bergen County. She said ridership would be higher on light rail not only now but also

(NJT BOARD –08/01/2006)

looking toward the future. Ms. Heck requested NJ TRANSIT update its numbers and she, along with other panel members, would be ready, willing and able to meet with Chairman Kolluri and Executive Director Warrington.

Jack May, on behalf of the New Jersey Association of Railroad Passengers, commented on the capital program and what it means to the Northern Branch in Bergen County. Mr. May said after what he has heard today, he is optimistic that common sense will prevail and light rail still has a chance in Bergen County. Mr. May discussed the ridership benefits for using light rail – high patronage and attracting new riders. He also said light rail would be more cost efficient with the high price of diesel fuel that would be used for the diesel multiple unit vehicles. Mr. May congratulated NJ TRANSIT on moving forward with THE Tunnel project.

Philip Craig, on behalf of the New Jersey Association of Railroad Passengers, said he strongly supports THE Tunnel project. Mr. Craig congratulated the Governor, the Board and NJ TRANSIT staff for planning this project. Mr. Craig discussed the Northern Branch project using the diesel multiple unit vehicles. Mr. Craig cited several other light rail lines around the country. Mr. Craig said with the use of temporal separation, light rail vehicles would be successful.

Thurman Barnes on behalf of Assemblyman Wisniewski commented on his support of THE Tunnel project. He said Assemblyman Wisniewski appreciates the Port Authority's assistance with this critical project. He said it would benefit current and future riders especially with the expected population growth in the region. Mr. Barnes also expressed support of the Northern Branch project and said the diesel multiple unit vehicles are the only option to benefit Bergen County.

David Peter Alan on behalf of the Lackawanna Coalition said he was delighted to hear that the Fiscal Year 2007 operating budget does not include a fare increase. Mr. Alan expressed the Coalition's opinion regarding the expansion of capacity west of Secaucus. He said if THE Tunnel project is to produce any benefits for the Morris & Essex and Montclair-Boonton Line riders, it must be coupled with increased capacity west of Secaucus Station. Mr. Alan said the application for funding THE Tunnel project is being made to the Federal Transit Administration and the application for funding for expanded capacity on Amtrak's line is being made to the Federal Railroad Administration with no linkage of the two projects. Mr. Alan expressed his concern that these applications are separate and not linked and that will have dire consequences for the riders. He said without the added capacity west of Secaucus, only Northeast Corridor and North Jersey Coast Line trains would be assured access to New York's Penn Station during peak hours and the Morris & Essex and Montclair-Boonton trains would be routed toward Hoboken, loop around Secaucus Station and then to Manhattan adding an additional ten minutes of commuting time. Mr. Alan expressed concern that the Morris & Essex and Montclair-Boonton trains would terminate at 34th and Sixth Avenue some distance from the existing Penn Station. He said safety and security are an issue in a tunnel so deep. Mr. Alan said NJ TRANSIT acknowledges that it will take the average rider six minutes to get to street level after departing the train which is three

minutes longer than the current exit time. He said it is unfair to impose additional commuting time on the riders who pay ever-increasing fares for their transportation. Mr. Alan requested that the application for funding for expanded capacity and the application for funding THE Tunnel be officially linked.

John Del Colle commented on the item, Ridgewood Station Accessibility Improvements: Preliminary and Final Design. Mr. Del Colle said he has been working for many years to make the Ridgewood Train Station accessible and applauded NJ TRANSIT staff for moving this project forward. He said he was disappointed to learn the projected date for final design is in the spring of 2008 and projected completion is the winter of 2012. As a resident of New Jersey, Mr. Del Colle said it annoys him that the projected cost estimate is \$30 million and several years ago it was \$23 to \$24 million. Mr. Del Colle said the Town of Ridgewood has been a barrier to this station's accessibility. Mr. Del Colle expressed his frustration that the Town put up roadblocks for many years. However, he commended Executive Director Warrington and his staff for fast tracking this project. Mr. Del Colle asked NJ TRANSIT's assistance in moving this project along for a faster completion date.

Al Cafiero, on behalf of Senator Cardinale, distributed an aerial view of the Northern Branch Connection with the Hudson-Bergen Light Rail in North Bergen. He described the original proposal to extend the electric light rail to run to Tenafly and pointed out the proposed path of the diesel multiple unit vehicles from Tenafly to reach a two level transfer station. Mr. Cafiero asked the total projected costs for this connection with the two level stations. Mr. Cafiero said the location chosen for the transfer station is undesirable and it would be more logical to place the transfer station further north since it would save riders one half mile of unnecessary travel by eliminating backtracking. Mr. Cafiero requested an itemized cost of light rail vs. diesel multiple unit as well as a complete cost of all the options.

Jim Kirkos, Meadowlands Chamber of Commerce, appreciated the opportunity to express the Chamber's views to the Board. He said he has a 25-year history in transportation advocacy in Bergen and Hudson counties. He said the Meadowlands Chamber of Commerce represents approximately 700 businesses and supports transportation infrastructure improvements. Mr. Kirkos said the Chamber is supportive of THE Tunnel project and it must begin as soon as possible. Mr. Kirkos said the Chamber is also supportive of using diesel multiple unit technology to the Northern Branch. He said the cost of light rail would be prohibitive and would push construction too far in the future. Mr. Kirkos encouraged NJ TRANSIT to move forward in implementing the diesel multiple unit vehicles to the Northern Branch since it would be cost effective and efficient and would improve the quality of life for the residents of Bergen County.

Farouk Ahmed on behalf of Bergen County thanked Chairman Kolluri for advancing THE Tunnel project. He said THE Tunnel is the future. Mr. Ahmed said the county and residents of Bergen County support the current program for the Northern Branch using the diesel multiple unit system. He said the diesel multiple unit vehicles are the only

(NJT BOARD –08/01/2006)

alternative to advance this project. It is time to take action now and move forward. Mr. Ahmed said the project is cost efficient and effective. He said the County Executive and the residents of Bergen County appreciate NJ TRANSIT's efforts toward this project.

Jeff Zupan, Senior Fellow for Transportation, on behalf of the Regional Plan Association, supported the action recommended to the Board of Directors to move forward with THE Tunnel project and to move ahead to bring diesel multiple unit electric commuter rail service to the Northern Branch line in eastern Bergen County. He said the Regional Plan Association's decision to support the Northern Branch came after considerable thought. For a long while, the Regional Plan Association supported bringing light rail service to the corridor, but circumstances have changed. Mr. Zupan said today the choice is to move forward with the diesel multiple unit service on a fast pace, taking advantage of progress exemplified by the proposed implementation of THE Tunnel, which will bring direct commuter rail service to midtown Manhattan, rather than continue to promote the light rail alternative, with its uncertainties regarding federal funding.

Mr. Zupan said the Regional Plan Association's reasoning is because in the long run, the two-phased DMU commuter rail alternative will accrue higher ridership and more travel benefits than the light rail alternative. He said the diesel multiple unit alternative will create a one-seat ride to Manhattan in eastern Bergen County when THE Tunnel is in place, giving Bergen County three lines covering the entire county with that highly desirable feature. The diesel multiple unit alternative will provide access to the Hudson River waterfront with an easy transfer to the high frequency light rail line service, giving eastern Bergen excellent access to this fast growing area. The diesel multiple unit commuter rail alternative will be able to serve the growth areas near the Penn Station area much better. The diesel multiple unit alternative will more directly connect eastern Bergen County to the rest of the regional rail system at Penn Station, including the Long Island Railroad and Amtrak. The diesel multiple unit commuter rail alternative will remove more autos from the George Washington Bridge and Lincoln Tunnel and from Manhattan streets with its direct rail service. The light rail alternative will require overhead wires through the towns it passes, while the diesel multiple units will not. Both will have a similar low impact from a noise or visual perspective. The placement of maintenance and storage yards for the light rail alternative will be an issue in the communities through which it will pass, while the diesel multiple unit alternative will be able to store its vehicles to the south in an area of North Bergen where it will have little impact. The likelihood of being able to fund the diesel multiple unit commuter rail alternative is greater. The diesel multiple unit first phase funding is almost in place, while the light rail alternatives still faces years in quest of scarce federal "new starts" funding, making its eventually construction problematic.

Mr. Zupan said for all those reasons, the Regional Plan Association favors moving forward with this decision to give eastern Bergen County, which has suffered from poor transit access to Manhattan for too long, the transit service it deserves.

(NJT BOARD –08/01/2006)

Executive Director Warrington presented the following Action Items for approval:

0608-40: FISCAL YEAR 2007 CAPITAL PROGRAM

The Fiscal Year 2007 Capital Program totals \$1.3 billion. It is almost two thirds of the budget dedicated to continued investment in the state's transit infrastructure to improve the overall state of good repair, as well as investments in capacity improvements. This capital budget funds THE Tunnel project through preliminary engineering and begins replacing 230 Arrow III rail cars and 1200 transit and suburban buses. The budget also provides money to advance system expansion projects such as the Northern Branch, Hudson Bergen 8th Street Extension and Secaucus extension, Lackawanna Cutoff, the Passaic Bergen project, and Middlesex-Monmouth-Ocean (MOM). NJ TRANSIT targeted \$54 million for systemwide technology upgrades to improve efficiency and reduce annual operating costs and another \$51 million for bus and light rail infrastructure and equipment improvements. More than \$35 million will be used for rail station improvements to include New York Penn Station and Metropark. Another \$4 million is targeted for park and ride expansions at South Amboy and Wayne's Route. 23 lots. Authorization is requested to approve the Fiscal Year 2007 Capital Program, the first capital program under the five-year Transportation Trust Fund reauthorization championed and recently signed by Governor Jon Corzine.

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

0608-41: FISCAL YEAR 2007 OPERATING BUDGET

The \$1.5 billion Fiscal Year 2007 Operating Budget will allow NJ TRANSIT to maintain fares at current levels through the end of the year. The budget accounts for service growth in core rail and bus service, including the first full year of Hudson Bergen light rail to Tonnelles Avenue and operation of the new light rail connector between Newark's Broad Street and Penn Station. The proposed budget includes a \$22 million increase in state operating support and reflects \$30 million in business efficiencies and revenue enhancements. Core expense growth has been contained to three percent, excluding service growth and extraordinary increases in fuel prices, electricity and other costs.

Patrick W. Parkinson moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

0608-42: THE TUNNEL PRELIMINARY ENGINEERING: CONTRACT AWARD

The TransHudson Express Tunnel—THE Tunnel—continues to gain momentum and support on both sides of the Hudson River. An important milestone has been reached after an exhaustive nine-month process to select the most qualified firm to begin preliminary engineering on this critical project. The Federal Transit Administration approved the preliminary engineering stage following a comprehensive cost benefit analysis and funding review. After an extensive international solicitation, authorization is sought to contract with THE Partnership in an amount not to exceed \$82,493,869 plus five percent for contingencies. THE Partnership is made up of Parsons Brinkerhoff, STV and DMJM Harris/AECOM. Together, these firms have designed over 1200 miles of tunnels. They have substantial experience in designing deep-cavern structures such as the one that will be constructed under 34th Street. THE Partnership consortium currently works on numerous regional transportation projects including the Second Avenue Subway and Number 7 Line projects as well as the East Side Access project. The firms have a long and successful history of doing work for NJ TRANSIT, and they offer the best combination of experience and talent for this project.

Before the Board acted on this item, Chairman Kolluri acknowledged the leadership of several people who made this day possible. Chairman Kolluri commended Governor Jon Corzine, whose leadership in both the United States Senate and now in the Statehouse was central to this project getting off the ground. He thanked the Governor for his commitment to replenish and grow the Transportation Trust Fund and the decision to invest nearly half of that capital program in mass transit, the State of New Jersey was able to deliver the foundation investment (\$500 million) for this project.

Chairman Kolluri also commended the Congressional delegation who have championed this project in Washington and with the United States Department of Transportation. He especially recognized Senators Lautenberg and Menendez for their tireless efforts.

Chairman Kolluri also commended Chairman Tony Coscia and the Port Authority, which is not only committed to investing in this project, but is also partnering with NJ TRANSIT in the work, including dedicating unique expertise to ensure the project's success.

Chairman Kolluri said taking this important step to begin engineering THE Tunnel project is a commitment by the Board to build for current commuters and for decades of commuters to come, to enhance mobility and to keep the regional economy growing. He said it is an historic, once in a generation opportunity to make an important investment in the

(NJT BOARD –08/01/2006)

transportation system and said it is a privilege to ask for a motion to move this item.

Chairman Kolluri moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

0608-43: PORTAL BRIDGE CAPACITY PROJECT – DRAFT ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AWARD

Amtrak's Portal Bridge on the Northeast Corridor is a two-track railroad bridge over the Hackensack River constructed in 1911 as part of the original development of rail service to midtown Manhattan. Decades of use and increased service to New York over the bridge have seen malfunctions and delays that will be eliminated as a consequence of a project to examine expanded rail capacity east of Newark Penn Station and ensure that there is sufficient capacity to accommodate future train operations. It is critically important that NJ TRANSIT, with Amtrak, the Federal Railroad Administration and the Federal Transit Administration progress this study on a parallel track with THE Tunnel project in order to realize the full potential of THE Tunnel and assure a more reliable and unconstrained service going forward. Authorization is requested to contract with AKRF, Inc. to prepare a Draft Environmental Impact Statement for Portal Bridge Capacity. This DEIS is an early requirement to qualify for federal funding on major transportation projects and will examine options for providing additional track capacity and improved reliability over the Hackensack River, including the potential replacement of the bridge with a new span as well as the need for additional track capacity on the Northeast Corridor east of Newark to support twice the number of trains. AKRF Inc. has played a significant role performing environmental work for projects such as the Moynihan Station/Farley Post office project, Second Avenue Subway and West Side Access projects, World Trade Center Permanent PATH Terminal and Amtrak's Sunnyside Yard. The contract for the preparation of the DEIS will not exceed \$3,319,545 plus five percent for contingencies.

Patrick W. Parkinson moved the resolution, Myron P. Shevell seconded it and it was unanimously adopted.

0608-44: RIDGEWOOD STATION ACCESSIBILITY IMPROVEMENTS: PRELIMINARY AND FINAL DESIGN

NJ TRANSIT's Ridgewood Station is the Main Line's largest station, serving over 1300 daily customers and was one of 35 stations identified for accessibility upgrades in compliance with the Americans with Disabilities Act. Authorization is requested to contract with Vollmer Associates for preliminary and final design services to encompass two

(NJT BOARD –08/01/2006)

high level platforms with canopies serving three tracks, new elevators, upgraded underpasses and reconstruction of the station restrooms and ticket office. This design contract will not exceed \$1.9 million plus five percent for contingencies and is expected to be complete by early 2008.

A. Matthew Boxer moved the resolution, Robert Smartt seconded it and it was unanimously adopted.

0608-45: HUMAN RESOUCCE MANAGEMENT SYSTEM (HRMS)

NJ TRANSIT's existing human resources and payroll system is over 20 years old, limited in scope and capability and not integrated with other business processes. Authorization is requested to purchase a new Human Resource Management System to replace outdated systems such as manual inputting and to bring operational efficiencies, cost savings and business benefits. The new HRMS system will improve the process for recruiting and skill matching analysis, improve customer service responsiveness, reduce IT complexity relative to disparate customized applications and enhance data reporting and query capabilities for end users. Authorization is requested to contract with High Line Corporation Vendor Team for software and related services to implement and support this new HRMS system at a cost not to exceed \$3,333,000 plus five percent for contingencies.

Myron P. Shevell moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0608-46: CAPITAL PLANNING & PROGRAMS – TASK ORDER CONTRACT

NJ TRANSIT has, for many years, had success utilizing a system of Task Order Contracts for consultant services in a number of specialized fields such as environmental services, architecture and engineering design, construction management, bridge and railway engineering, general site planning and transit friendly planning. To maintain these resources in-house is costly and impractical as the needs increase and decrease in response to workloads. The task order contracts provide expert services as required to support the capital program and handle short term and specialized work. Authorization is requested to contract with the 23 firms listed in Exhibit A for task orders based on the items mentioned earlier. The total for all contracts will not exceed \$23 million with no single contract exceeding \$5 million. The per task limit for architectural, engineering, construction management, general site planning and bridge and railway engineering will be \$500,000 and the remaining specialties all have \$350,000 per task limit. The contract period will be for three years.

(NJT BOARD –08/01/2006)

Chairman Kolluri recused himself from voting on item #0608-46, Capital Planning and Programs – Task Order Contract.

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

0608-47: TRAIN MANAGEMENT AND CONTROL (TMAC) SOFTWARE UPGRADE

NJ TRANSIT utilizes a system known as TMAC, or Train Management and Control, to monitor and control the movements of trains, to direct the distribution of high voltage traction power and to remotely operate the moveable span bridges. NJ TRANSIT holds licenses with ARINC Incorporated for this software, and is in need of upgrades to absorb substantial and important new train tracking territory on the Northeast Corridor including New York Penn Station and to provide real time data on operation from Sunnyside Yard to the North River tunnels. Also being incorporated into this upgrade is Conrail's Lehigh Valley Line between the Northeast Corridor and Raritan Valley Line and expansion at the Morrisville Yard. Authorization is requested for a procurement by exception with ARINC not to exceed \$1,940,000 plus five percent for contingencies.

Flora Castillo moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0608-48: TRENTON RAIL STATION REHABILITATION – AMENDMENTS TO CONSTRUCTION MANAGEMENT SERVICES AND CONSTRUCTION ASSISTANCE SERVICES CONTRACTS

The rehabilitation of the Trenton Train Station is well underway and, when complete next year, will provide many new customer comforts and amenities such as expanded waiting areas and better circulation, greatly improved ticketing capability, enhanced retail areas, accessible restrooms and a redesigned plaza area around the station with better connections to the River Line and the downtown business district. The initial contracts for the station rehabilitation approved by this Board in May of 2004 were for foundations and utility relocations. During the early stages of the work, excavators encountered unforeseen site conditions including some remains from a previous station building and other obstructions. These findings necessitated additional and unanticipated design and construction assistance as well as construction management oversight. Authorization is requested to amend a contract with Michael Baker Corporation for construction management services in the amount of \$2,244,000 and with

(NJT BOARD –08/01/2006)

diDomenico & Partners LLP for additional design and construction assistance in the amount of \$949,000.

A. Matthew Boxer moved the resolution, Robert Smartt seconded it and it was unanimously adopted.

0608-49: WHEEL TRUE FACILITY AT HOBOKEN TERMINAL: DESIGN SERVICES CONTRACT AMENDMENT

With the continued growth of the rail fleet, the need for a fully operational wheel truing facility at Hoboken Terminal is urgent. Wheel truing machines reshape the profile of a train wheel to correct flat spots or other wheel defects that can decrease both operating speeds and reliability, and the machines require a facility and location that is efficient and well situated relative to terminal operations. The wheel truing facility at Hoboken is an old and small structure that is not efficient for maintenance purposes and its distant location from the other maintenance activities renders it inefficient. Authorization is requested to amend a contract with STV Inc., a general design firm that is already under contract with NJ TRANSIT for a broad range of improvements at the Terminal, in the amount of \$1,308,029 plus five percent for contingencies to design a new 220 ft. long wheel true facility north of the existing facility. At a later date, Board approval will be requested to fund a new wheel-truing machine to replace the 53-year-old machine now in use. .

Patrick W. Parkinson moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

0608-50: COMPRESSED NATURAL GAS CRUISER BUS OVERHAUL: PURCHASE OF MATERIALS

In 1999 and 2000, NJ TRANSIT purchased 76 Compressed Natural Gas cruisers that have now accumulated an average of 400,000 miles, and a mid life overhaul is necessary. Authorization is requested for an in house rebuild of these buses so that major components and subsystems are upgraded to the latest industry standards and to manufacturer's recommendations. The improvements will include an improved fire suppression system, new and improved operator's seat, redesigned engine turbocharger and suspension systems, and brighter, more legible destination signage. The per bus overhaul including labor and material is \$125,000 while the cost of a new Compressed Natural Gas cruiser bus is \$550,000. Authorization is requested for a sole source procurement by exception and competitively bid contracts with original equipment

(NJT BOARD –08/01/2006)

manufacturers to acquire these parts at a cost not to exceed \$6,840,000 plus five percent for contingencies.

Myron P. Shevell moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0608-51: NEWARK LIGHT RAIL BROAD STREET EXTENSION: AMENDMENT OF CONSTRUCTION ASSISTANCE SERVICES

Initial planning for the Newark Light Rail Broad Street Extension, which opened just two weeks ago, called for NJ TRANSIT operating forces to be responsible for a comprehensive review, testing and certification of light rail systems and safety protocols prior to the start of revenue service. This specialized work was assigned instead to our design consultant, a joint venture of BRW Inc/Parsons Brinkerhoff, which possessed the specific experience in light rail system activation. The work was completed within the original project budget and within prior Board authorized funding. Authorization is requested to amend the existing contract with the joint venture for additional construction assistance at a cost not to exceed \$450,000.

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

Executive Director Warrington presented the following Consent Item for approval:

0608-52: KRONOS TIME AND ATTENDANCE SYSTEM TIMECLOCKS, SOFTWARE LICENSES AND SOFTWARE MAINTENANCE

Authorization to contract, on a single source of supply, procurement-by-exception basis, with KRONOS, Inc. of Chelmsford, Massachusetts for the purchase of 75 timeclocks, 470 software licenses and software maintenance at a total cost not to exceed \$347,467, plus five percent for contingencies.

The Consent Calendar was moved in its entirety by Flora Castillo, seconded by Patrick W. Parkinson and unanimously adopted.

There were three public comments on non-agenda items.

Margarite Petrillo said at last month's meeting, she requested a copy of the specifications for the Penn Station Renovation project. She said she received a letter stating that due to security concerns, she could view the documents on-site since the specifications contained drawings and diagrams of police facilities. Ms. Petrillo complained about staff and a number of issues that allegedly happened under previous Administrations.

(NJT BOARD –08/01/2006)

Rose Heck confirmed that Chairman Kolluri would meet with her again to discuss the Northern Branch project, light rail vs. diesel multiple unit issue.

David Peter Alan on behalf of the Lackawanna Coalition complimented Sallie Morris for arranging the successful Newark Light Rail Line event. Mr. Alan also complimented Joe North, Joyce Gallagher and Neil Fitzsimmons for their willingness to work with the Coalition to improve the schedules on the new line. Mr. Alan made suggestions for shortening the running time on the line as well as for a new weekday schedule that will improve connectivity between the Morris & Essex and Montclair-Boonton Lines and the Newark Division lines at Penn Station. Mr. Alan was disappointed in the opening ceremony for the Newark Light Rail line since the Lackawanna Coalition and the Association of Railroad Passengers have supported and fought for this project for many years yet there was no recognition of their efforts acknowledged at the opening ceremony and hopes that does not happen again. He said although they were excluded from making remarks at the opening ceremony, they are delighted that management has taken them seriously about scheduling issues.

Since there were no further comments or business, the Chairman called for adjournment and a motion to adjourn was made by Myron P. Shevell, seconded by Patrick W. Parkinson and unanimously adopted.

The meeting was adjourned at approximately 12:10 pm.

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

AUGUST 1, 2006

MINUTES

	<u>PAGE</u>
➤ EXECUTIVE SESSION AUTHORIZATION	37578
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	37579
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	-
➤ ADVISORY COMMITTEE REPORTS	-
➤ PUBLIC COMMENTS ON AGENDA ITEMS	-

ACTION ITEMS

0608-40	FISCAL YEAR 2007 CAPITAL PROGRAM	37604
	Adoption of the proposed Fiscal Year 2007 Capital Program totaling \$1.31 billion and authorization to take whatever actions are necessary to seek and secure the funds envisioned by this program, to transfer funding sources and amounts among programmed projects as circumstances require, and make application, execute contracts and to take whatever other actions are necessary to seek and secure unanticipated funds, consistent with the basic intent of this program, which may become available subsequent to its adoption.	
0608-41	FISCAL YEAR 2007 OPERATING BUDGET	37619
	Adoption of the proposed Fiscal Year 2007 operating budget as detailed in the item and on the attached exhibits.	
0608-42	THE TUNNEL PRELIMINARY ENGINEERING: CONTRACT AWARD	37627
	Authorization to contract (No. 06-046) with THE PARTNERSHIP, a joint venture between, Parsons	

NEW JERSEY TRANSIT CORPORATION
 NJ TRANSIT BUS OPERATIONS INC.
 NJ TRANSIT RAIL OPERATIONS INC.
 NJ TRANSIT MERCER INC.
 REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
 AUGUST 1, 2006
 MINUTES
 PAGE 2

Brinckerhoff, Inc., STV Inc., and DMJM Harris, Inc., of Newark, NJ, for professional services for preliminary engineering for THE Tunnel Project at a cost not to exceed \$82,493,869, plus five percent for contingencies.

0608-43 PORTAL BRIDGE CAPACITY PROJECT – DRAFT ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AWARD 37630

Authorization to contract (No. 06-097) with AKRF, Inc. of Marlton, New Jersey for preparation of the Draft Environmental Impact Statement for the Portal Bridge Capacity Project at a cost not to exceed \$3,319,545, plus five percent for contingencies.

0608-44 RIDGEWOOD STATION ACCESSIBILITY IMPROVEMENTS: PRELIMINARY AND FINAL DESIGN 37633

Authorization to contract (No. 06-083) with Vollmer Associates of Newark, New Jersey for preliminary and final design services for accessibility improvements at Ridgewood Station on the Main Line in the Village of Ridgewood, Bergen County, at a cost not to exceed \$1,900,000 plus five percent for contingencies.

0608-45 HUMAN RESOURCE MANAGEMENT SYSTEM (HRMS) 37636

Authorization to contract (No. 06-006) with the High Line Corporation Vendor Team of Markham, Ontario Canada for software and related services to implement and support a new Human Resources and Payroll solution for NJ TRANSIT, at a cost not to exceed \$3,333,000, plus five percent for contingencies, subject to the availability of funds.

0608-46 CAPITAL PLANNING & PROGRAMS – TASK ORDER CONTRACT 37639

Authorization to contract (Nos. 06-030, 06-031, 06-042 and 06-062 through 06-065) with the firms listed in Exhibit A for engineering and planning support services on a task order basis in seven disciplines: Construction Management, Architectural & Engineering Design, Bridge & Railway

NEW JERSEY TRANSIT CORPORATION
 NJ TRANSIT BUS OPERATIONS INC.
 NJ TRANSIT RAIL OPERATIONS INC.
 NJ TRANSIT MERCER INC.
 REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
 AUGUST 1, 2006
 MINUTES
 PAGE 3

Engineering Design, General Site Planning, Transit-Friendly Planning, Public Transit Planning and Environmental Services, at a total cost across all 23 contracts not to exceed \$23,000,000. Each contract will extend over three years and shall be limited to a maximum value of \$5,000,000. The task limit for Architectural and Engineering, Construction Management, General Site Planning and Bridge and Railway Engineering contracts will be \$500,000; the task limit for the other disciplines will be \$350,000. The firms selected as most responsive to the solicitation are listed in Exhibit A.

0608-47 TRAIN MANAGEMENT AND CONTROL (TMAC) 37643
 SOFTWARE UPGRADE

Authorization to enter into a single source of supply, procurement-by-exception contract with ARINC Incorporated of Annapolis, Maryland to provide software and services to upgrade NJ TRANSIT's TMAC software at a cost not to exceed \$1,940,000 plus five percent for contingencies, subject to the availability of funds.

0608-48 TRENTON RAIL STATION REHABILITATION – 37646
 AMENDMENTS TO CONSTRUCTION MANAGEMENT
 SERVICES AND CONSTRUCTION ASSISTANCE
 SERVICES CONTRACTS

Authorization to amend professional services contract (No. 04-078) with Michael Baker Corporation of Princeton, NJ for additional construction management services in the amount of \$2,244,000, plus five percent for contingencies, for a total contract authorization of \$5,401,200; and

Authorization to amend professional services contract (No. CM045) with di Domenico + Partners, LLP of New York, NY, for additional design and construction assistance services related to the Trenton Station Rehabilitation in the amount of \$949,000 plus five percent for contingencies for a total contract authorization of \$7,635,440, including previous design services.

NEW JERSEY TRANSIT CORPORATION
 NJ TRANSIT BUS OPERATIONS INC.
 NJ TRANSIT RAIL OPERATIONS INC.
 NJ TRANSIT MERCER INC.
 REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
 AUGUST 1, 2006
 MINUTES
 PAGE 4

- 0608-49 WHEEL TRUE FACILITY AT HOBOKEN TERMINAL: 37649
 DESIGN SERVICES CONTRACT AMENDMENT

Authorization to amend professional services contract (No. 94CA035) with STV, Inc. of New York, New York, for design services to complete final design on the new wheel true facility at Hoboken Terminal in the amount of \$1,308,029, plus five percent for contingencies for a total contract authorization of \$24,211,851.

- 0608-50 COMPRESSED NATURAL GAS CRUISER BUS 37652
 OVERHAUL: PURCHASE OF MATERIALS

Authorization to enter into sole source, procurement-by-exception, and competitively bid contracts with the original equipment manufacturers (OEM's) or other sources of supply for the procurement of various MCI bus components required to be used in an in-house overhaul of 76 MCI Compressed Natural Gas cruiser buses during Fiscal Years 2007 through 2008, at a cost not to exceed \$6,840,000, plus five percent for contingencies. Samples of the components required are presented in Exhibit A.

- 0608-51 NEWARK LIGHT RAIL BROAD STREET EXTENSION: 37656
 AMENDMENT OF CONSTRUCTION ASSISTANCE SERVICES

Authorization to amend professional services contract (No. 98CJ046) with the joint venture of BRW Inc. and Parsons Brinkerhoff Quade & Douglas of Newark, NJ for additional construction assistance to complete the Newark Light Rail Broad Street extension at a cost not to exceed \$450,000 for a total contract amount of \$27,343,755.

CONSENT CALENDAR

- 0608-52 KRONOS TIME AND ATTENDANCE SYSTEM 37660
 TIMECLOCKS, SOFTWARE LICENSES AND SOFTWARE MAINTENANCE

Authorization to contract, on a single source of supply, procurement-by-exception basis, with KRONOS, Inc. of Chelmsford, Massachusetts for the purchase of 75

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS INC.
NJ TRANSIT RAIL OPERATIONS INC.
NJ TRANSIT MERCER INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
AUGUST 1, 2006
MINUTES
PAGE 5

timeclocks, 470 software licenses and software maintenance at a total cost not to exceed \$347,467, plus five percent for contingencies.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

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 litigation matters and contract negotiations; 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.

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the June 19, 2006 Board meeting of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on June 21, 2006;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the June 19, 2006 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors' meetings are hereby approved.

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

George D. Warrington
Executive Director



TO: BOARD OF DIRECTORS
 FROM: GEORGE D. WARRINGTON
 DATE: AUGUST 1, 2006
 SUBJECT: EXECUTIVE DIRECTOR'S REPORT – AUGUST 2006

The Trans-Hudson Express (THE) Tunnel, which will double commuter rail capacity between New Jersey and New York, has made major strides in the past two weeks: On July 19, the Federal Transit Administration notified Congress that it will formally approve preliminary engineering of THE Tunnel project. And last week, the Port Authority of New York and New Jersey committed up to \$2 billion to fund construction, positioning us for federal funding.

I would like to thank the Port Authority for their support in this effort, particularly Chairman Anthony Coscia, who has demonstrated regional leadership and a commitment to investing in transportation projects that keep our economy growing.

As a result of these milestones, there are two items on today's Board agenda that represent a generational commitment to mass transit in New Jersey and the region. First, our Board will be asked to move THE Tunnel project into preliminary engineering. With this action, we go beyond decades of planning and discussion and into engineering of a project that will create a new two-track tunnel under the Hudson and a new station at 34th Street, and will create new one-seat rides for tens of thousands of customers.

Second, the Board will consider partnering with Amtrak, the Federal Railroad Administration and the Federal Transit Administration to advance into the environmental study phase a project to improve reliability and expand rail capacity at Portal Draw Bridge over the Hackensack River. The rehabilitation of this critical but aging asset is vital for today's commuters as well as to meet future demand. Before the Board today is a contract to launch the environmental process and related engineering work needed to prepare the federal DEIS for this project.

As you know, our near-term effort to provide capacity to match and anticipate growing commuter rail demand includes the introduction of new multi-level vehicles. Later this month, we expect to have a demonstration of the new equipment and provide more details on the progress in the testing and production schedules. I am pleased to report that we remain on track to put the first multi-level train in service later this year.

Finally, thanks to Governor Corzine's leadership, the Board will consider approval of a capital program that makes historic investments in system reliability and capacity, and an operating budget that will keep fares at their current level—thanks to a \$22 million increase in state support over Fiscal Year 2006—while providing for three million more miles of bus and rail service than last year to support anticipated record ridership of more than 860,000 passenger trips daily.

The \$1.5 billion operating budget includes \$30 million in business efficiencies and revenue enhancements for FY07, in addition to nearly \$60 million in efficiencies achieved since FY03. The FY07 operating budget provides additional funding for rail/bus maintenance, including maintenance of the new multi-level rail cars, as well as increases in Bus, Access Link and HBLR contract service costs.

The \$1.3 billion capital program not only advances THE Tunnel project, but as we look toward other capacity expansions, it allows us to advance Northern Branch service, the Passaic-Bergen rail project, MOM and the Lackawanna Cutoff. In addition, it invests \$521 million in basic capital improvements needed to maintain and improve a transit system of this size and magnitude, including basic safety and reliability investments such as track, bridge and equipment improvements on the railroad—particularly the Northeast Corridor—and the replacement of every transit style bus in our fleet—1,171 buses that are primarily used for local service. The capital program also calls for the replacement or overhaul of almost 230 rail cars and 148 coaches; station improvements at 14 locations; and park-ride expansions at South Amboy and Route 23 Park & Ride in Wayne.

EXECUTIVE DIRECTOR'S MONTHLY REPORT AUGUST 2006

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

HIGHLIGHTS

Newark Light Rail opens to support city's economic revitalization

On July 17, Governor Jon S. Corzine celebrated the next step of economic revitalization for the State's largest city with the opening of Newark Light Rail, which connects two of NJ TRANSIT's busiest train stations—Newark Penn Station and Newark Broad Street Station—to the downtown district.

The new line includes five new stations that serve the city's downtown business district and recreational destinations, including the New Jersey Performing Arts Center (NJPAC), Newark Bears & Eagles



Riverfront Stadium, The Newark Museum and the Broad Street commercial corridor. Passenger service began at the conclusion of the opening ceremony, where the Governor was joined by Senator Frank R. Lautenberg, Senator Robert Menendez, Newark Mayor Cory Booker, Transportation Commissioner Kris Kolluri and other local, state and federal officials.

Construction on the \$207.7 million Newark Light Rail project began in 2002. The Federal Transit Administration provided \$166 million for the project under a full-funding grant agreement. The remaining \$41 million was provided by New Jersey's Transportation Trust Fund.

Newark Light Rail offers customers an opportunity to make convenient connections to six of NJ TRANSIT's commuter rail lines, Amtrak and PATH trains and NJ TRANSIT bus service from several downtown employment centers and entertainment destinations. The one-mile line is projected to carry 4,000 average weekday trips after one year, growing to about 7,000 trips in 2010.

During the ceremony, NJ TRANSIT Executive Director George D. Warrington welcomed several area employees who plan to ride Newark Light Rail to work and points beyond.

After the speaking program, guests were invited to take an inaugural tour of the light rail system. At each new station, NJ TRANSIT's downtown business partners were on hand to showcase the destinations that are now accessible to thousands of NJ TRANSIT customers. At the NJPAC/Center Street Station, for example, the students of NJPAC's Arts Education training programs performed vocal and keyboard arrangements. The Newark Museum brought zoo animals to Washington Park Station to highlight its summer program, and the Newark Bears mascot gave away free items at the Riverfront Stadium Station.

Service Information

NJ TRANSIT customers can ride Newark Light Rail at no additional charge with a valid monthly or weekly rail pass valued at \$45 or greater. Bus customers may purchase a Newark Light Rail monthly pass, which is valid for one zone of travel at no additional charge on NJ TRANSIT buses, NJ TRANSIT contract carriers and local bus routes operated by private carriers accepting an NJ TRANSIT Bus Card.

A Newark Light Rail single-trip adult ticket is \$1.25, valid for 60 minutes. Reduced fare tickets (60 cents) are available for seniors, customers with disabilities and children ages 5-11. Discounted monthly passes are available for \$45.

On weekdays, Newark Light Rail provides service every 10 minutes during peak hours and every 15 minutes during off-peak hours. On weekends, the light rail service operates every 30 minutes with departures timed for convenient connections with arriving trains at Broad Street Station. Like the Newark City Subway, the new light rail line provides service from 5 a.m. to midnight seven days a week. NJ TRANSIT will work closely with entertainment venues to coordinate service on event days.

At Newark Penn Station, Newark Light Rail customers are able to make cross-platform transfers with the Newark City Subway, which today provides 18,300 weekday trips at 12 stations between Newark Penn Station and Grove Street Station in Bloomfield. Customers can transfer from the subway to Newark Light Rail at no charge using the same valid ticket.

NJ TRANSIT and Metro-North enter new seven-year agreement

Under a new seven-year agreement approved on June 19 by NJ TRANSIT's Board of Directors, NJ TRANSIT will continue to provide commuter rail service on behalf of Metro-North Railroad to nearly 5,400 New York State riders each day on the Port Jervis and Pascack Valley lines.

Metro-North and NJ TRANSIT negotiated a new contract to reflect increases in Metro-North services and ridership since the time that the previous agreement was reached. In addition, this contract reflects more accurately NJ TRANSIT's current cost structure for operating the service and allows for adjustments when that cost structure changes in the future. The parties also reached agreement on improving train service to the new Ramsey Route 17 Station and adding services on the Port Jervis Line in the future.

Since January 1, 1983, NJ TRANSIT has operated service on the Port Jervis and Pascack Valley lines in New York State under contract with Metro-North, receiving reimbursement for operating costs from Metro-North. The most recent agreement between the two agencies covered the period through June 30, 2005.

Today, NJ TRANSIT operates 26 weekday Port Jervis Line trains, 14 Port Jervis Line trains each on Saturday and Sunday, and 23 weekday Pascack Valley Line trains.

As with previous contracts, Metro-North will establish the fares and continue to receive all revenues from Metro-North stations and will continue to be involved in the scheduling of Port Jervis and Pascack Valley Line trains.

NJ TRANSIT Board approves New York – Atlantic City express rail service

In a move that expands the reach of the state's tourism market, the NJ TRANSIT Board of Directors on June 19 approved a special three-year demonstration rail service between New York Penn Station and Atlantic City, under contract with the Casino Reinvestment Development Authority (CRDA) and Atlantic City Express Service, LLC (ACES), a partnership of Atlantic City hotels.

Under the agreement, CRDA and ACES will work with NJ TRANSIT to operate 18 express trains on weekends (Friday afternoon through Sunday night) between New York Penn Station and the Atlantic City Rail Terminal. The trains will provide customers with a one-seat ride between New York and Atlantic City, with one or more stops in New Jersey, based on market demand. The service is expected to provide roundtrip transportation for approximately 1,100 people or 2,200 trips, each weekend.

As part of the agreement with ACES, NJ TRANSIT will purchase eight additional multi-level rail cars for the service and lease four diesel locomotives from Amtrak.

The terms also include full reimbursement for all capital equipment and operating costs by ACES and CRDA. ACES will work with NJ TRANSIT on schedule design, pricing, stopping patterns, reservations, on board services and marketing promotions.

Service is expected to begin in late 2007.

CUSTOMER AND COMMUNITY INITIATIVES

Safety upgrades on the way for 33 rail stations

On July 27, NJ TRANSIT Board member and Belmar Mayor Kenneth E. Pringle joined Vice President & General Manager of Rail Operations Bill Duggan at Belmar Station to highlight a number of recently installed upgrades to enhance pedestrian safety at the station.

Rail Operations installed new pedestrian fencing at Belmar to channel pedestrians in front of the crossing protection (gates and flashing lights) before crossing the tracks. In addition, several signs were installed that warn against crossing the tracks when the gates are down, and rail crews have begun making public address announcements with a similar message at stations, like Belmar, that have a crossing adjacent to the platform.

Belmar Station is one of 33 rail stations that will undergo safety enhancements in the coming months.

NJ TRANSIT hosts open house on Ridgewood Station reconstruction

NJ TRANSIT hosted an open house on plans for the reconstruction of the Ridgewood Rail Station on Wednesday, June 28, 2006 at the Ridgewood Village Hall.

NJ TRANSIT staff members were on hand to provide information on the project, outline the benefits and speak one-on-one with attendees to obtain feedback.

The proposed reconstruction, which will include high-level platforms, two elevators at Franklin Avenue and upgraded bathrooms, will make the station compliant with the American with Disabilities Act.

Service expanded on selected bus routes effective June 24

NJ TRANSIT adjusted bus routes on June 24 for the summer months, restoring seasonal service to a number of routes and offering Friday early getaway service on many lines leaving the Port Authority Bus Terminal. School trips have been discontinued for the summer, and regular summer reductions occurred on routes that experience lower ridership this time of year.

In addition, more peak hour service was added on selected routes to address increased demand due to high gas prices, with service on other routes modified to accommodate the changes. Expanded midday and late evening service is also being offered on a number of lines.

The adjustments were part of a scheduled system-wide bus timetable change.

NJ TRANSIT offers extra trains, buses for July 4th holiday weekend

NJ TRANSIT offered “early getaway” bus service on Friday, June 30 and “early getaway” rail service on both Friday, June 30 and Monday, July 3 for the benefit of customers leaving work early for the July 4th holiday.

Extra outbound trains operated on the Northeast Corridor, North Jersey Coast, Raritan Valley and Morris & Essex lines, and extra buses operated on select routes from the Port Authority Bus Terminal.

On Tuesday, July 4, NJ TRANSIT operated special shuttle trains between five stops in Montclair in the evening to support the town's Fourth of July festivities. From approximately 6:30 p.m. until 11 p.m., trains shuttled passengers between Bay Street and Mountain Avenue stations, making intermediate stops at Walnut Street, Watchung Avenue and Upper Montclair stations.

NJ TRANSIT provided extra bus service on July 4 to the Port Authority Bus Terminal (between 5 p.m. and 7:30 p.m.) and from the Port Authority Bus Terminal (between 10:30 p.m. and 12 a.m.) to accommodate customers attending holiday festivities in New York.

In addition, NJ TRANSIT's Family Super Saver Fare, which allows up to two children 11 and under to travel free with each fare-paying adult, remained in effect from 7 p.m. Friday, June 30 until 6 a.m. Wednesday, July 5.

EMPLOYEE RECOGNITION

Rail Operations honors Employee-of-the-Month award recipients

Rail Operations hosted a luncheon on June 23 to honor their Employee-of-the-Month award recipients from October 2005 through April 2006. The Employee-of-the-Month award recognizes employees who exemplify NJ TRANSIT's mission of putting the customer first, whether internally or externally. Every month, one employee each from the Transportation, Infrastructure Engineering, and Mechanical departments is chosen for the award by a selection committee, based on a set of criteria the employee must meet.

The recipients from October through April are as follows:

	<u>Transportation</u>	<u>Infrastructure Engineering</u>	<u>Mechanical</u>
October	Michelle Hogan Ticket Agent	Charles Szymanski Foreman	David Blanding Car Inspector
November	Michael Toth Block Operator	George Flynn Signal Inspector	Edward Henderson Machinist
December	William Flynn Conductor	Christopher Faschan Class A Lineman	Salvatore Leto Car Inspector
January	Theonita Crawford Revenue Supervisor	Herman Van De Putte Truck Driver	John McCoog Car Inspector
February	Joseph English Conductor	Anthony Lee Assistant Signal Supervisor	Albert Littlejohn Lead Electrical Technician
March	Thomas Hartman Train Dispatcher	John Dull Track Inspector	Thomas Dietze Pipefitter
April	James Hawkins Lead Stationary Engineer	Joseph Robinson Supervisor Track	John Costigan Car Appearance Maintainer

In addition, Rail Operations recognized the train crews of Train 3818 and Train 3822—two trains that were rescued from a tunnel on May 25 as a result of Amtrak's power outage. These crew members rose to the occasion during an immensely challenging situation. They are:

Train 3818

- Engineer Raymond Stefencavage
- Conductor Benjamin Tramo
- Asst. Conductor Thomas Shuffler

Train 3822

- Engineer Robert Vallochi
- Conductor Michael Pillitteri
- Asst. Conductor Michael Davis

NJ TRANSIT employee receives special recognition

Rich Kerr, Director of Innovation Service Planning and Implementation, was recently selected by the Hunterdon Area Resources for Transportation (HART, the transportation management association in Hunterdon County) to receive their Linda P. Yenzler Memorial Award. Rich was presented with the award on July 27 at their annual breakfast meeting. This award is presented to an individual who has shown determination and innovation along with a commitment to the transportation needs of the community.

NJ TRANSIT employees bid farewell after outstanding careers

Fourteen NJ TRANSIT employees retired in July with careers ranging from 10 to 33 years of service:

1. Donald W. Blatt (Newton) Hilton Garage Bus Operator – 33 years
2. Joseph Hroncich (Palisades Park) MMC Asst. Manager/Mechanic Dept. – 33 years
3. Michael Magdziak (Succasunna) Jersey City AGM/Light Rail – 29 years
4. Craig H. Thoman (Trenton) Ferry Street Instructor – 29 years
5. Judith A. Dempsey (Bayonne) Penn Plaza Administrator – 28 years
6. Francis J. Pinte, Jr. (Brooklyn, NY) Port Authority Terminal Supervisor – 28 years
7. Roberto A. Gonzalez (Lodi) General Office Building Regional Supervisor – 26 years
8. Michael Gracia (Bellmawr) Washington Township Garage Bus Operator – 25 years
9. Hector M. Velez (Plainfield) Hilton Garage Mechanic "A" – 24 years
10. Thomas B. Grant (Jamesburg) Rail Tech Services Director QA/QC – 19 years
11. Luis Boada (North Bergen) Wayne Garage Bus Operator – 16 years
12. John R. Coon (Bayonne) Greenville Garage Bus Operator – 12 years
13. Joseph A. Savarese (Toms River) Howell Garage Serviceman – 11 years
14. George Avignon (Brooklyn, NY) Greenville Garage Cleaner – 10 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$176,398,148 in federal funds was awarded during October thru July of FY 06*. Disadvantaged Business Enterprises (DBEs) were awarded \$37,783,790 or 21.4 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$87,663,666 in state-funded contract dollars was awarded during July FY 07. ** Of that total, Small Business Enterprises (SBEs) received \$1,675,119 or 1.9 percent. Category 1 SBEs received \$296,238 or 0.3 percent. Category 2 SBEs received \$734,046 or 0.8 percent. Category 4 SBEs received \$644,835 or 0.7 percent. ***

Federal & State Contracts Total

\$264,061,814 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$39,458,909 or 14.9 percent of federal and state contract dollars was won by DBEs and SBEs.

Hudson-Bergen Light Rail Transit System Project

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

*Fiscal year beginning October 1, 2005

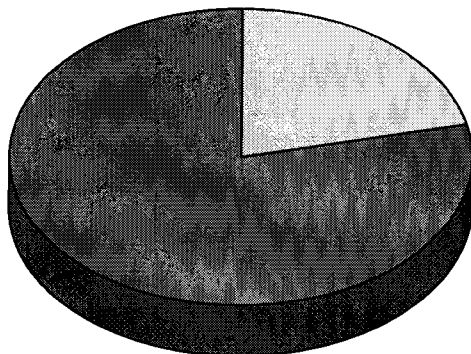
**Fiscal year beginning July 1, 2006

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

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

**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THRU JULY 2006)**

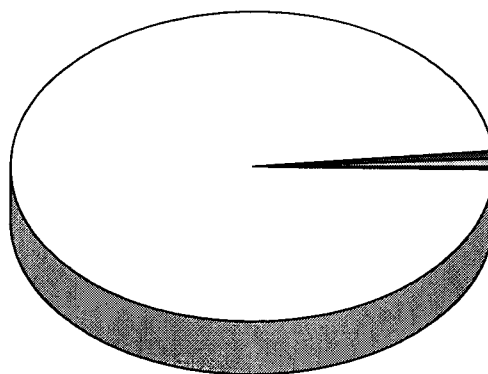
NON-DBE
FEDERAL
\$138,614,358
78.6%



DBE RACE
NEUTRAL &
RACE
CONSCIOUS
\$37,783,790
21.4%

**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THRU JULY 2006)****

NON-SBE STATE
\$85,988,547
98.1%



SBE-4
\$644,835
0.7%

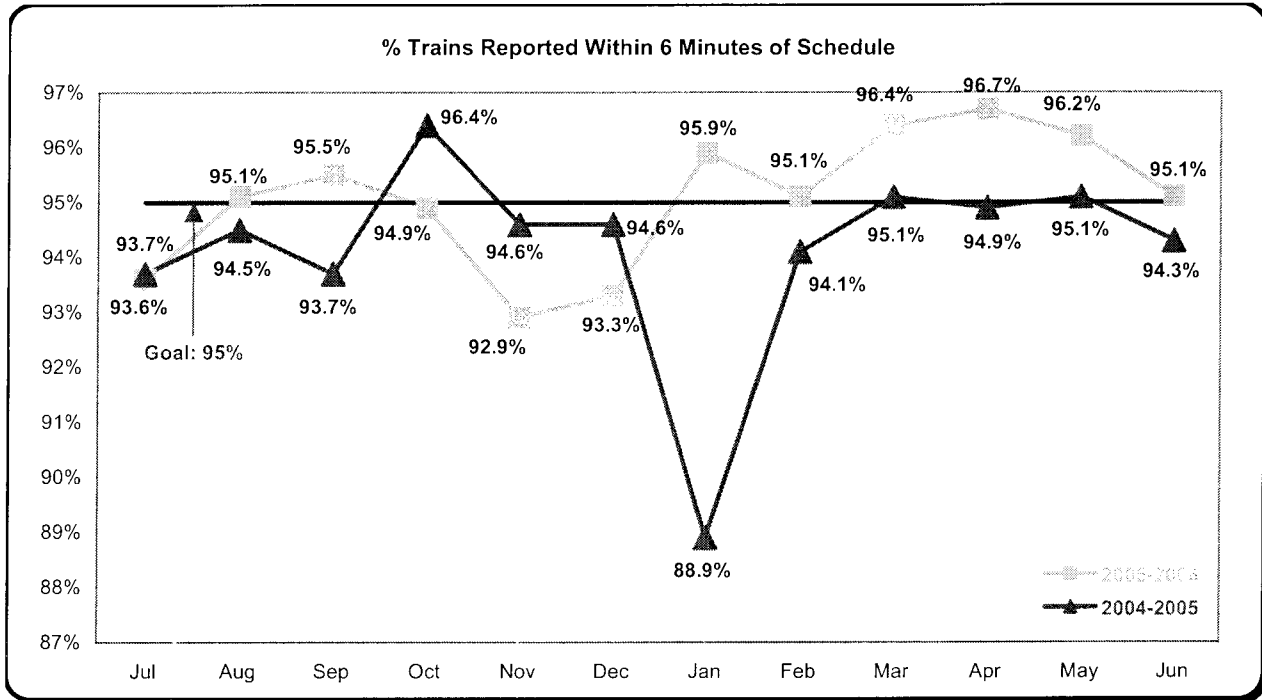
SBE-2
\$734,046
0.8%

SBE-1
\$296,238
0.3%

****FISCAL YEAR BEGINNING JULY 1, 2006**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JULY 2004 - JUNE 2006



	2005	2006	# Change
June Comparison	94.3%	95.1%	0.8%
12-Month Average July - June	94.2%	95.1%	0.9%

Analysis:

Rail On-Time Performance for June 2006 was 95.1%, above the goal of 95.0%. Of the 19,032 trains that were scheduled to operate, 18,094 were on time, while 938 trains (or 4.9%) were delayed. Causes of delay included:

A weather-related power failure experienced by Amtrak and high water conditions in Sunnyside Yard on June 2nd;

Two separate instances of equipment failure on June 19th;

Amtrak's loss of power to overhead wires on June 21st;

An equipment failure in the tunnel leading out of New York on June 27th; and

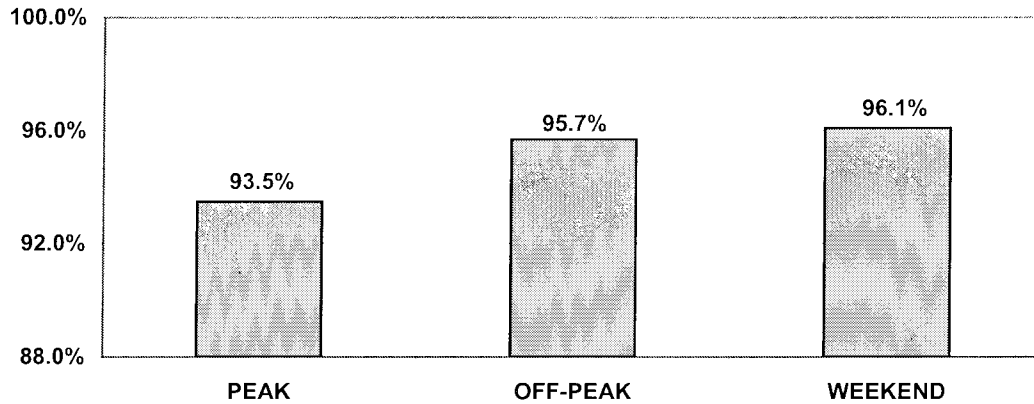
High water conditions in the tunnel leading to New York resulting in a signal failure on June 28th.

The 12-month average for Rail On-Time Performance systemwide for July 2005 - June 2006 was 95.1%, above the average for the previous 12-month period.

ON-TIME PERFORMANCE RAIL

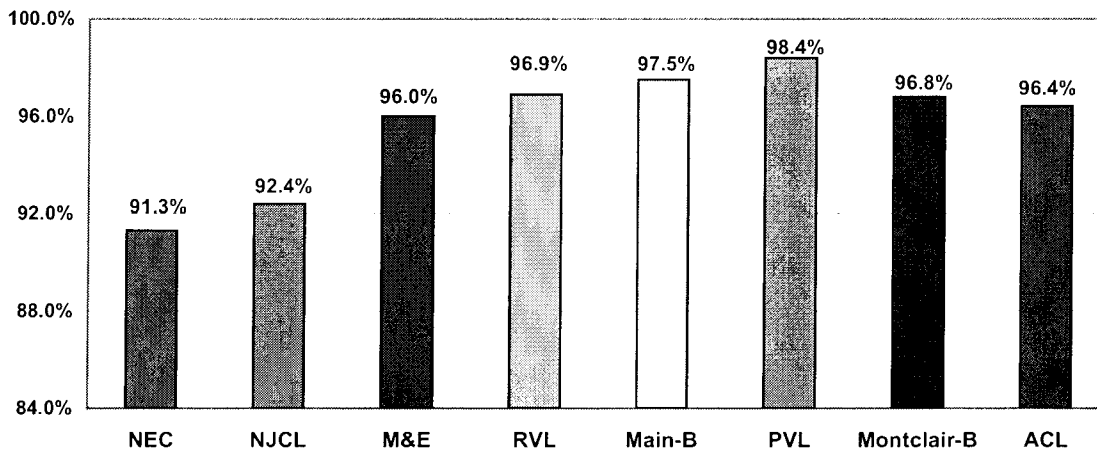
SUMMARY BY TIME PERIOD JUNE 2006

% Trains Reported On Time



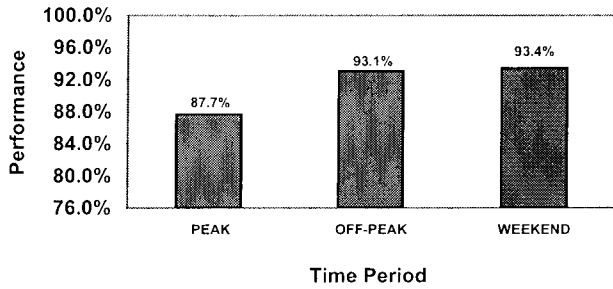
SUMMARY BY LINE JUNE 2006

% Trains Reported On Time

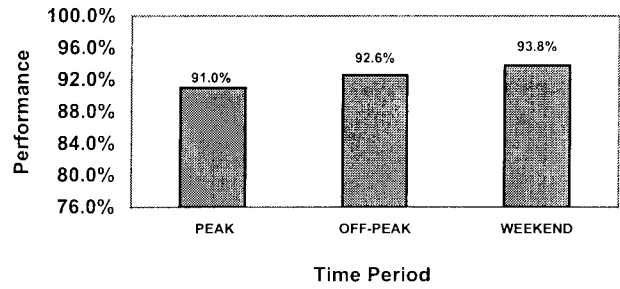


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD JUNE 2006

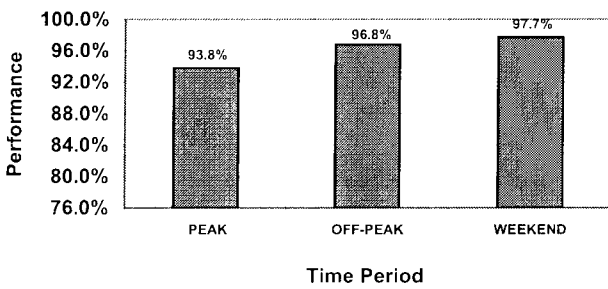
NORTHEAST CORRIDOR



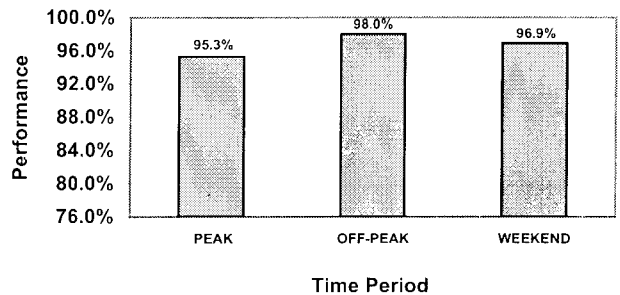
NORTH JERSEY COAST LINE



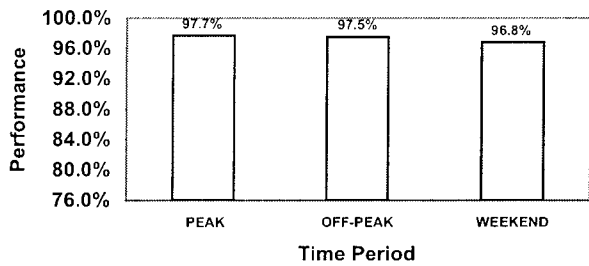
MORRIS & ESSEX



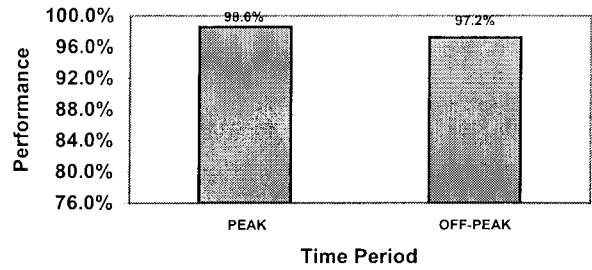
RARITAN VALLEY LINE



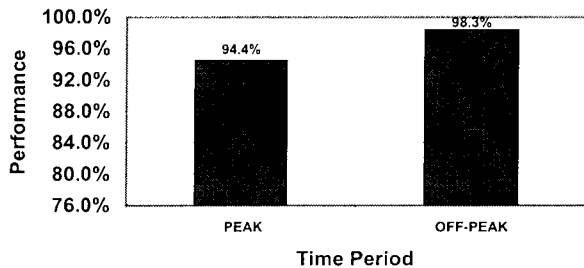
MAIN-BERGEN



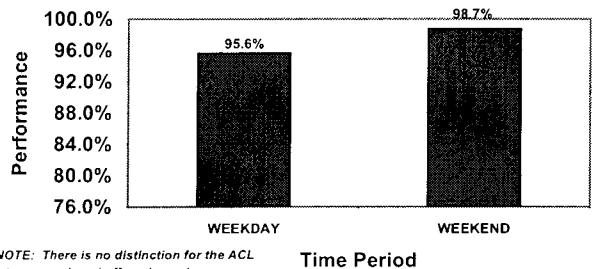
PASCACK VALLEY



MONTCLAIR-BOONTON

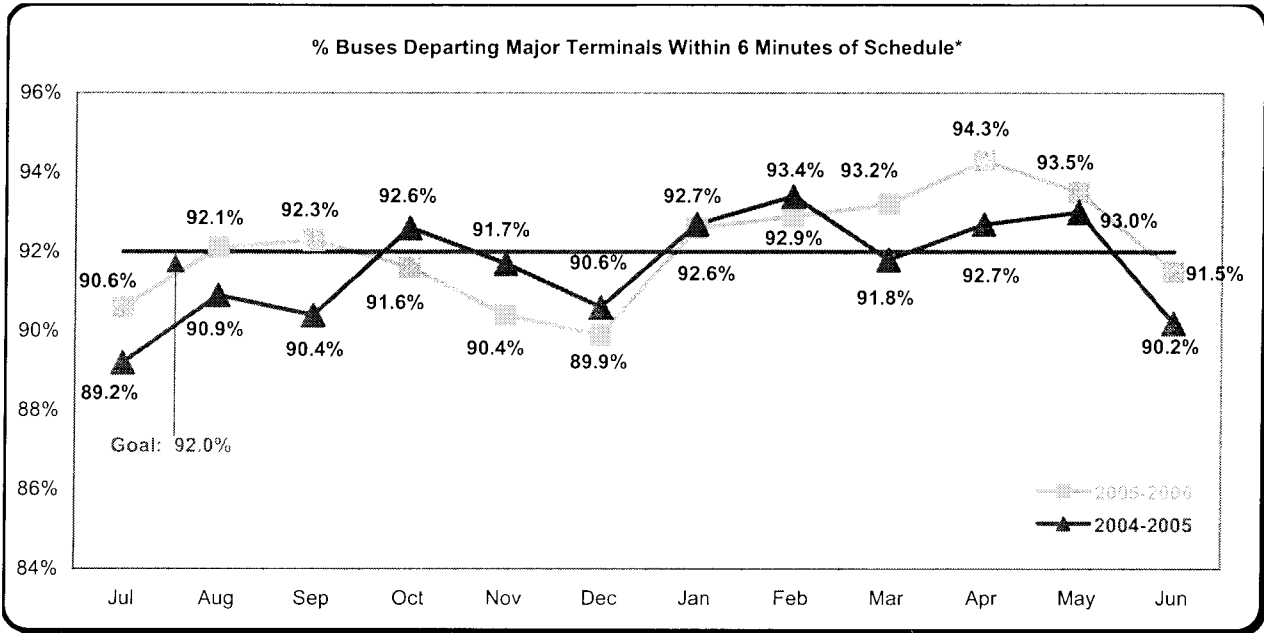


ATLANTIC CITY*



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

NJ TRANSIT ON-TIME PERFORMANCE BUS JULY 2004 - JUNE 2006



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

	2005	2006	# Change
June Comparison	90.2%	91.5%	1.3%

	2004-2005	2005-2006	# Change
12-Month Average July - June	91.6%	92.1%	0.5%

Analysis:

Bus On-Time Performance for June 2006 was 91.5%. Of the 31,995 monitored departures, 2,724 (or 8.5%) experienced delays. Key sources of delay included:

Seasonal traffic on the Garden State Parkway and Atlantic City Expressway throughout the month;

Heavy traffic on the Ben Franklin Bridge and in Deptford Township near the Walter Rand Transportation Center on June 5th;

Heavy rains and flooded roads during the morning rush hour near the Walter Rand Transportation Center on June 26th, 28th, and 29th; and

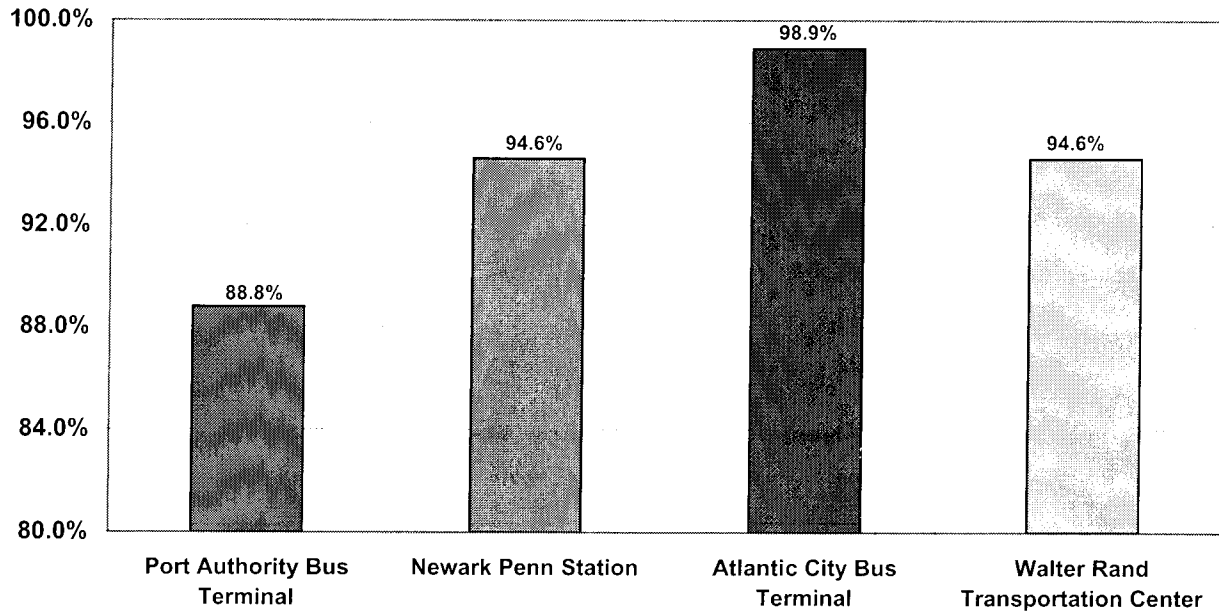
Heavy traffic on Route 495 in the Eastbound direction and gridlock conditions in the Port Authority Bus Terminal during the rush hours on June 28th.

The 12-month average for Bus On-Time Performance for July 2005 - June 2006 was 92.1%, surpassing the performance goal of 92.0%.

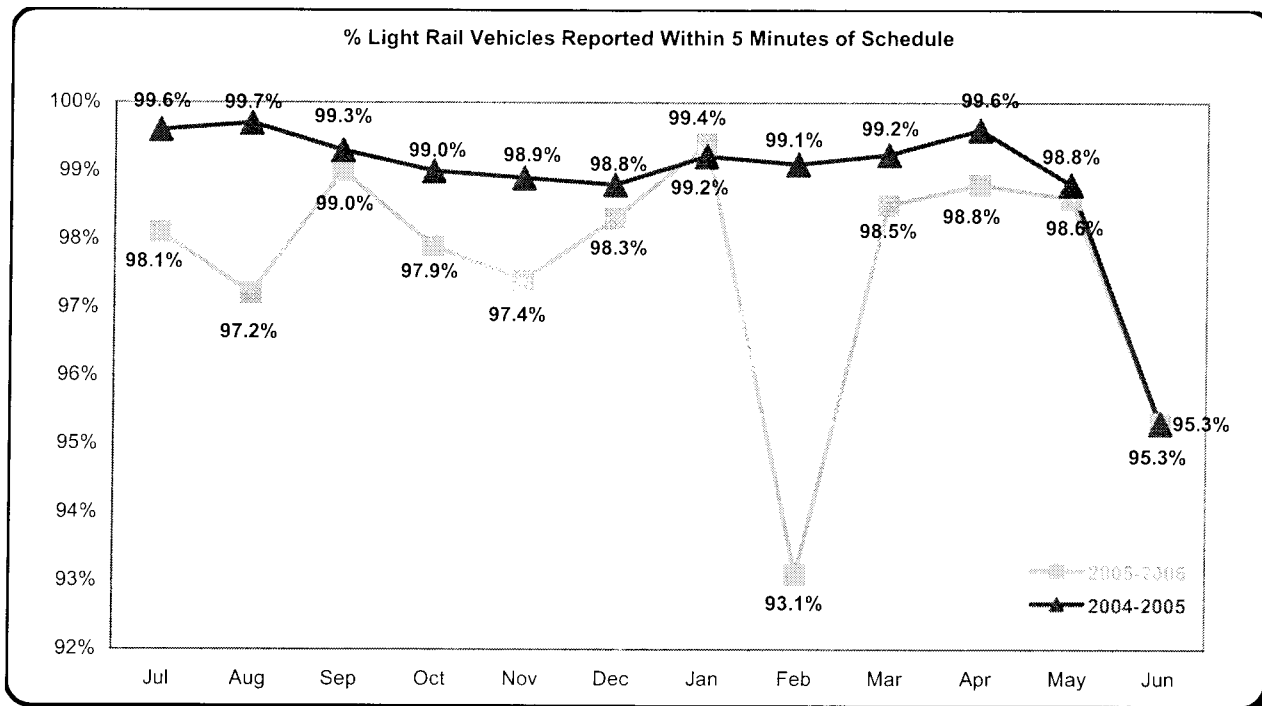
ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL JUNE 2006

% Buses Departing Major Terminals On Time



NJ TRANSIT ON-TIME PERFORMANCE HUDSON-BERGEN LIGHT RAIL JULY 2004 - JUNE 2006



	2005	2006	# Change
June Comparison	95.3%	95.3%	0.0%

	2004-2005	2005-2006	# Change
12-Month Average July - June	98.9%	97.6%	-1.3

Analysis:

Hudson-Bergen Light Rail (HBLR) On-Time Performance for June 2006 was 95.3%. Of the 16,886 scheduled trips for the month, 799 (or 4.7%) were delayed. Causes of delay included:

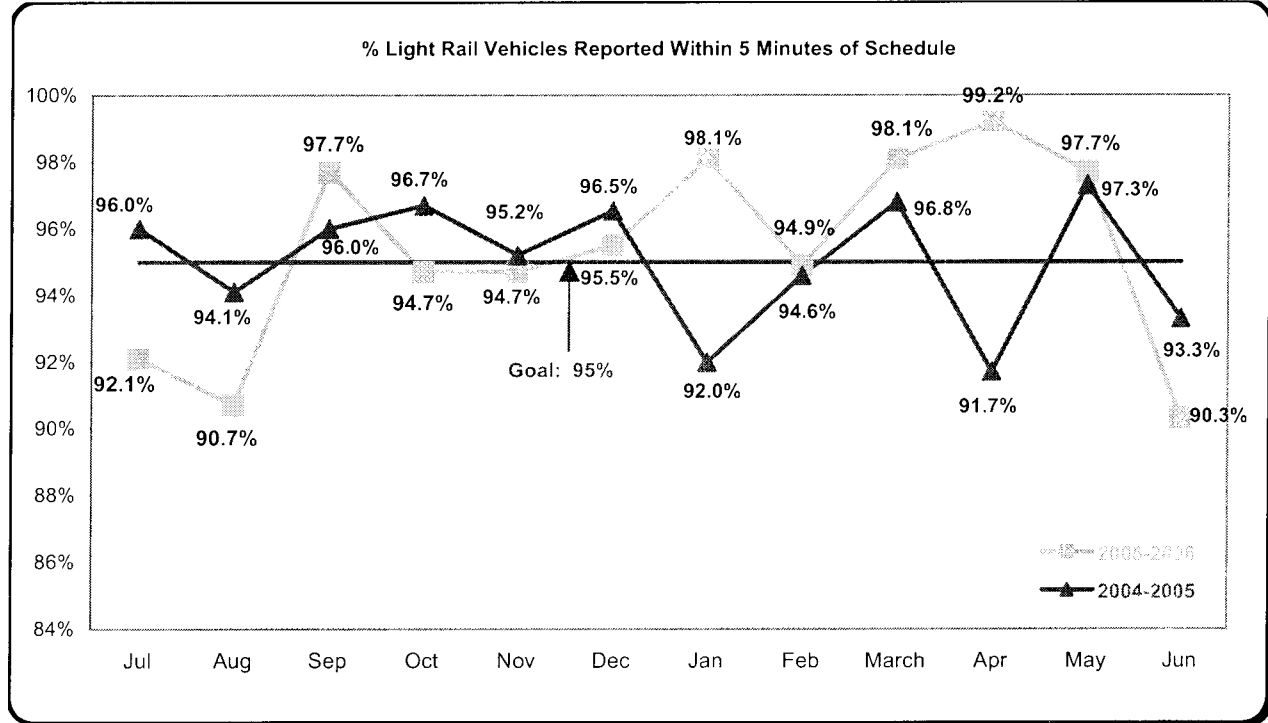
Scheduled maintenance on June 4th, 11th, 23rd, and 30th;

A catenary power outage at the Bergenline Avenue Station on June 19th; and

Two separate instances of overhead wire failure on June 15th and 28th.

The 12-month average for HBLR On-Time Performance for July 2005 - June 2006 was 97.6%, 1.3 percentage points below the average of the previous 12-month period.

NJ TRANSIT ON-TIME PERFORMANCE River LINE JULY 2004 - JUNE 2006



	2005	2006	# Change
June Comparison	93.3%	90.3%	-3.0%

	2004-2005	2005-2006	# Change
12-Month Average July - June	95.0%	95.3%	0.3%

Analysis:

River LINE On-Time Performance for June 2006 was 90.3%, slightly below the performance achieved during the same month one year previously. Of the 2,926 trips scheduled for the month, 284 (or 9.7%) were delayed. Causes of delay included:

Signal problems on June 9th and 13th; and

Track flooding due to adverse weather conditions on June 28th, 29th, and 30th.

The 12-month average for River LINE On-Time Performance for July 2005 - June 2006 was 95.3%, an increase from the performance of the previous 12-month period.

ACTION ITEMS

ITEM 0608-40: FISCAL YEAR 2007 CAPITAL PROGRAM**BENEFITS**

NJ TRANSIT's \$1.31 billion Fiscal Year 2007 Capital Program is the first program under the five-year Transportation Trust Fund (TTF) reauthorization signed into law by Governor Corzine. Consistent with NJ TRANSIT's Capital Investment Strategy, the Fiscal Year 2007 Capital Program foremost calls for continued investment in the state's transit infrastructure in order to improve the overall state-of-good repair of the system. This improves reliability and safety of the transit system and ensures continued satisfaction of existing customers. The Fiscal Year 2007 Capital Program also includes projects that expand capacity of the existing system. The Capital Program continues to fund the advancement of THE Tunnel project, which will double trans-Hudson rail capacity. The Fiscal Year 2007 program provides over \$105 million to implement this top priority. Finally, the Fiscal Year 2007 Capital Program advances selective service expansions that work with and complement prior investments.

Anticipated resources of \$1.31 billion are estimated to be available from federal, state and other sources in Fiscal Year 2007. A summary of the Fiscal Year 2007 Sources of Funds is presented in **Attachment 1**.

Attachments 2 and 3 summarize funds and percent of the total program by category. Over 60 percent of the Fiscal Year 2007 Capital Program – \$789 million – is dedicated to fixed expenses, including Capital Maintenance, Debt Service and Pass-throughs of earmarked funds. In Fiscal Year 2007,

- \$356 million will be spent to pay for eligible federal and TTF eligible operating expenses, including \$332 million in critical Capital Maintenance funds for both rail and bus and \$18 million for operating assistance for startup of new services;
- \$338 million will be spent on debt service related to the acquisition of buses, trains, locomotives and the construction of light rail projects for Debt Service; and
- \$95 million will be spent using funds mandated for a specific use including the federal rural transit program, the federal JARC program and other earmarks secured by the New Jersey Congressional Delegation.

Approximately 40 percent of the Fiscal Year 2007 program – or \$521 million – funds the basic capital program improvements needed to maintain and improve a transit system. In Fiscal Year 2007,

- \$158 million will be invested in rail infrastructure improvement needs including \$80 million to fund track, bridge improvements including \$29.0 million for Newark Drawbridge Rehabilitation, and electric traction and signal improvements on the railroad, \$1.2 million to fund engineering for the replacement of 230 Arrow III rail

cars, \$3.0 million for the engineering of 148 Comet III/IV overhauls to maintain fleet reliability, \$7.0 million for yard improvements to accommodate future multilevel rail cars, and \$45 million to fund state-of-good repair needs on the Northeast Corridor;

- \$51 million in bus and light rail infrastructure improvements including \$7 million for Mid-Life Overhaul of Nova B transit buses, \$4.75 million for rehabilitation of CNG Cruiser buses, \$16.50 million for Bus on-board Fare Collection System improvements, \$6.755 million for Newark City Subway infrastructure improvements, \$7.2 million for an additional 73 Cruiser buses and initiation for replacement of 1,171 Transit style buses over the next six years.
- \$54 million in system-wide improvements, including \$8.8 million for technology upgrades that both improve efficiency and reduces annual operating costs; and
- \$35 million in rail station improvements at 31st Penn Station New York, Trenton and Metropark Stations among others; and
- \$4 million for park & ride expansion including expansion in parking at South Amboy and Route 23 Wayne Park and Ride.
- \$219M for targeted new starts including \$105M for ARC local share and funding for planning, preliminary engineering and construction work for many expansion projects under consideration including: ARC Early Action, Northern Branch DMU, HBLRT 8th Street Extension, Passaic-Bergen Rail Project, HBLRT Extension to Secaucus, MOM, and Lackawanna Cutoff.

PURPOSE

The annual capital program is formulated to guide NJ TRANSIT's capital investment plans for the coming year. The authority embodied in the Board's approval of this Capital Program permits staff to take the necessary steps to secure funds from various sources and initiate individual capital projects (subject to subsequent contract authorization as required by the NJ TRANSIT By-Laws.) The program is submitted to various Metropolitan Planning Organizations (MPOs) throughout the State whose approvals are required as a prerequisite to Federal grant awards, and the State Legislature as part of that body's annual appropriation process and is consistent with the Capital Investment Strategy submitted to the Legislature.

ACTION

Staff seeks the Board's adoption of the proposed Fiscal Year 2007 Capital Program totaling \$1.31 billion and authorization to take whatever actions are necessary to seek and secure the funds envisioned by this program, to transfer funding sources and amounts among programmed projects as circumstances require, and make application, execute contracts and to take whatever other actions are necessary to seek and secure unanticipated funds, consistent with the basic intent of this program, which may become

available subsequent to its adoption.

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

FISCAL IMPACTS

Anticipated Source of Funds: Federal transit and highway funds; Transportation Trust Funds; Port Authority of New York and New Jersey funds; other capital sources

DBE Goal: Included in individual contracts

Related Authorizations: N/A

Impacts on Subsequent Operating Budgets: N/A

RESOLUTION

WHEREAS, each year NJ TRANSIT's Board of Directors adopts a Capital Program for the upcoming year to enable staff to take the actions necessary to seek and secure capital funding which advances established priorities; and

WHEREAS, the Fiscal Year 2007 Capital Program will address system reliability and safety through state of good repair investments, address pressing system capacity demands, and invest in planned system expansion; and

WHEREAS, in Fiscal Year 2007, the Capital Program will be consistent with the Annual Capital Investment Strategy submitted to the State Legislature; and

WHEREAS, the Fiscal Year 2007 Capital Program is submitted to various Metropolitan Planning Organizations throughout the state whose approvals are required as a prerequisite to Federal grant awards; and

WHEREAS, the Fiscal Year 2007 Capital Program is submitted to the State Legislature for consideration as part of its annual budget appropriation process;

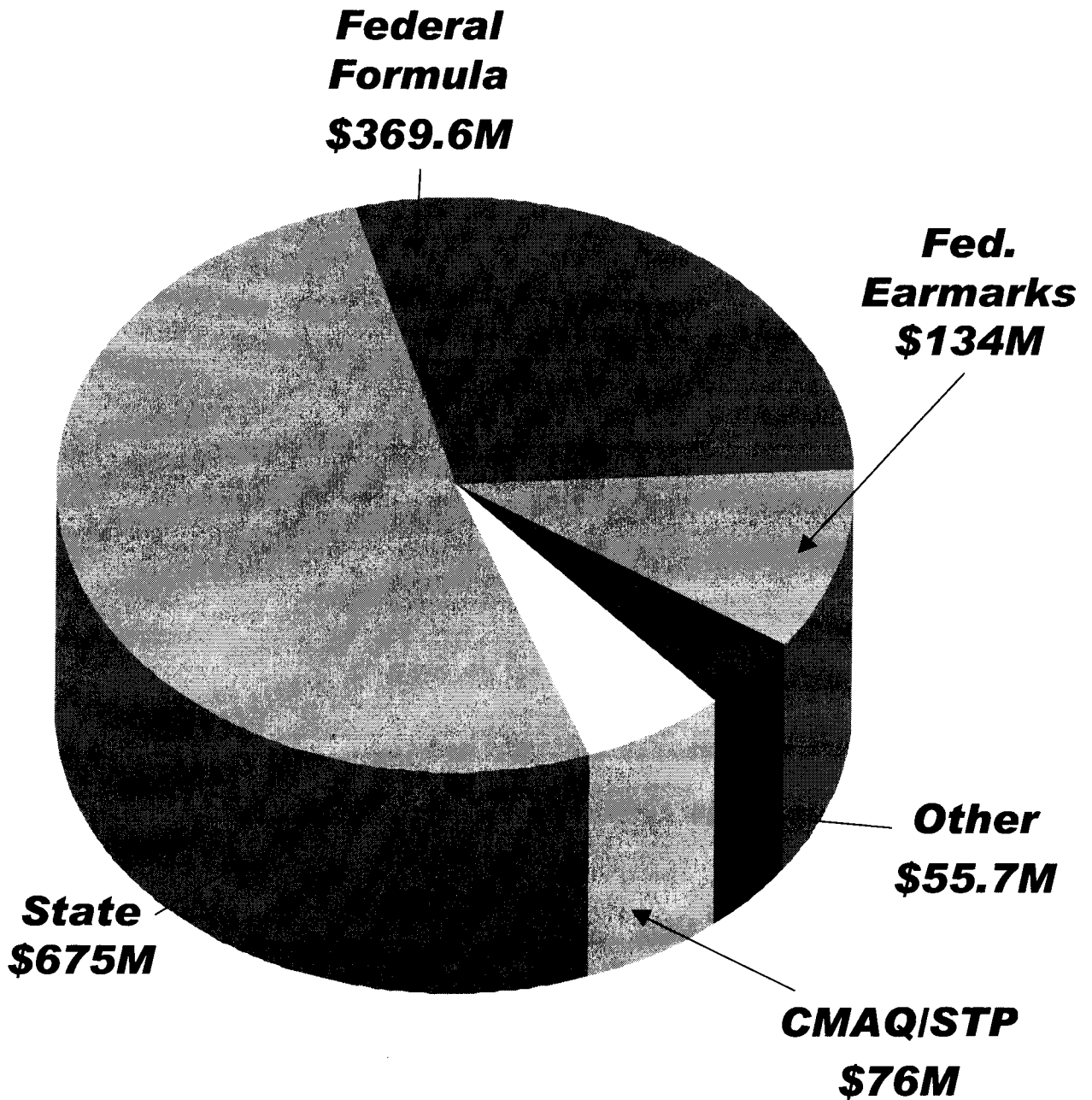
NOW, THEREFORE, BE IT RESOLVED that the NJ TRANSIT Board of Directors adopts the Fiscal Year 2007 Capital Program in the amount of \$1.31 billion, as described; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to take whatever actions are necessary to seek and secure the funds envisioned by this program; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to transfer funding sources and amounts among programmed projects as circumstances require; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to make application, execute contracts and to take whatever other actions are necessary to seek and secure unanticipated funds, consistent with the basic intent of this program, which may become available subsequent to its adoption.

ATTACHMENT 1
NJ TRANSIT
FY07 CAPITAL PROGRAM
Sources of Funds
\$1.310 Billion



**ATTACHMENT 2
NJ TRANSIT FY07 CAPITAL PROGRAM
SUMMARY**

(\$ in millions)

CATEGORY	AMOUNT	PERCENT
CAPITAL MAINTENANCE	\$355.995	27.17%
DEBT SERVICE	\$338.384	25.83%
PASS-THROUGH	\$95.09	7.3%
RAIL INFRASTRUCTURE IMPROVEMENTS	\$158.305	12.08%
RAIL STATION IMPROVEMENTS	\$34.97	2.67%
PARK & RIDE IMPROVEMENTS	\$4.095	.31%
BUS/LIGHT RAIL IMPROVEMENTS	\$50.969	3.89%
SYSTEMWIDE IMPROVEMENTS	\$53.909	4.11%
SYSTEM EXPANSION	\$218.55	16.68%
TOTAL	\$1,310.267	100%

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> 5307	<u>FIXED</u> <u>GUIDEWAY</u> 5309	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
Capital Maintenance												
RAIL												
Capital Maintenance	37.880	105.240	0.000	0.000	0.000	0.000	0.000	0.000	63.900	0.000	207.020	
RAIL SUBTOTAL	37.880	105.240	0.000	0.000	0.000	0.000	0.000	0.000	63.900	0.000	207.020	15.8%
=====												
BUS/LRT												
Capital Maintenance	91.675	0.000	0.000	0.000	0.000	0.000	0.000	0.000	33.600	0.000	125.275	
BUS/LRT SUBTOTAL	91.675	0.000	0.000	0.000	0.000	0.000	0.000	0.000	33.600	0.000	125.275	9.6%
=====												
NEW INITIATIVES												
Operating Assistance Start-Up New Transit Services	0.000	0.000	0.000	0.000	0.000	0.000	18.000	0.000	0.000	0.000	18.000	
NEW INITIATIVES SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	18.000	0.000	0.000	0.000	18.000	1.4%
=====												
SYSTEMWIDE												
Building Leases	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.700	0.000	5.700	
SYSTEMWIDE SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.700	0.000	5.700	0.4%
=====												
Capital Maintenance TOTAL	129.555	105.240	0.000	0.000	0.000	0.000	18.000	0.000	103.200	0.000	355.995	27.2%

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> <u>5307</u>	<u>FIXED</u> <u>GUIDEWAY</u> <u>5309</u>	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
--	-----------------------------	--	----------------------------------	---	----------------	-------------	-------------	--------------------------	--------------	--------------	--------------	--

Debt Service

RAIL

Rolling Stock-Rail	22.482	0.000	0.000	0.000	0.000	0.000	0.000	0.000	13.585	0.000	36.067	
<u>RAIL SUBTOTAL</u>	22.482	0.000	0.000	0.000	0.000	0.000	0.000	0.000	13.585	0.000	36.067	2.8%

BUS/LRT

NERL MOS I	0.466	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.912	0.000	1.378	
Newark City Subway	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.356	0.000	5.356	
Rolling Stock-Bus	93.401	0.000	0.000	0.000	0.000	0.000	0.000	0.000	14.719	0.000	108.120	
<u>BUS/LRT SUBTOTAL</u>	93.867	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.987	0.000	114.854	8.8%

NEW INITIATIVES

Hudson/Bergen LRT MOS I	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.059	0.000	10.059	
Hudson/Bergen LRT MOS II	5.866	0.000	0.000	0.000	0.000	100.000	0.000	0.000	19.400	0.000	125.266	
NERL LRT MOS I	0.947	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.947	
River Line LRT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	51.191	0.000	51.191	
<u>NEW INITIATIVES SUBTOTAL</u>	6.813	0.000	0.000	0.000	0.000	100.000	0.000	0.000	80.650	0.000	187.463	14.3%

Debt Service TOTAL

	123.162	0.000	0.000	0.000	0.000	100.000	0.000	0.000	115.222	0.000	338.384	25.8%
--	----------------	--------------	--------------	--------------	--------------	----------------	--------------	--------------	----------------	--------------	----------------	--------------

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> <u>5307</u>	<u>FIXED</u> <u>GUIDEWAY</u> <u>5309</u>	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
Pass-through												
RAIL												
Hoboken Ferry Terminal Rehabilitation	0.000	0.000	0.000	0.000	0.762	0.000	0.000	0.000	0.000	0.000	0.762	
Metro North Joint Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.500	0.500	
Morristown Station Rehabilitation	0.000	0.000	0.000	0.000	0.201	0.000	0.000	0.000	0.000	0.000	0.201	
Newark Penn Station	0.000	0.000	0.000	0.000	0.201	0.000	0.000	0.000	0.000	0.000	0.201	
South Amboy Rail Station Reconstruction	0.000	0.000	0.000	1.247	1.605	0.000	0.000	0.000	0.000	1.510	4.362	
Trenton Train Station	0.000	0.000	0.000	0.000	6.156	0.000	0.000	0.000	0.000	0.000	6.156	
RAIL SUBTOTAL	0.000	0.000	0.000	1.247	8.925	0.000	0.000	0.000	0.000	2.010	12.182	0.9%
BUS/LRT												
Burlington County Vehicles and Equipment	0.000	0.000	0.000	0.000	0.803	0.000	0.000	0.000	0.000	0.000	0.803	
Community & Local Shuttles	0.000	0.000	0.000	0.000	0.850	0.000	0.000	0.000	0.000	0.000	0.850	
Cumberland County Bus Program	0.980	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.980	
East Windsor Community Shuttle	0.100	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.100	
Freehold Township Bus Facility	0.000	0.000	0.000	0.000	0.401	0.000	0.000	0.000	0.000	0.000	0.401	
Lakewood Bus Service and Passenger Facility	0.000	0.000	0.000	0.000	0.602	0.000	0.000	0.000	0.000	0.000	0.602	
Non-Regular Rte./Special Services	0.000	0.000	8.290	0.000	0.000	0.000	0.000	0.000	0.780	4.590	13.660	
Passenger Facilities	0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.500	
South Brunswick Transit System	0.000	0.000	0.000	0.000	1.000	0.000	0.000	0.000	0.000	0.000	1.000	
BUS/LRT SUBTOTAL	1.580	0.000	8.290	0.000	3.656	0.000	0.000	0.000	0.780	4.590	18.896	1.4%
NEW INITIATIVES												
Access to Region's Core	0.000	0.000	0.000	0.000	4.000	0.000	0.000	0.000	0.000	0.000	4.000	
Monmouth-Ocean-Middlesex DEIS	0.000	0.000	0.000	0.000	1.250	0.000	0.000	0.000	0.000	0.000	1.250	
Passaic/Bergen County DMU	0.000	0.000	0.000	0.000	4.921	0.000	0.000	0.000	0.000	0.000	4.921	
River Line LRT	0.000	0.000	0.000	0.000	0.201	0.000	0.000	0.000	0.000	0.000	0.201	
Transit Rail Initiatives	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	12.300	12.300	
NEW INITIATIVES SUBTOTAL	0.000	0.000	0.000	0.000	10.372	0.000	0.000	0.000	0.000	12.300	22.672	1.7%
SYSTEMWIDE												
Casino Revenue Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	32.840	32.840	
Job Access and Reverse Commute Program	0.000	0.000	0.000	0.000	4.000	0.000	0.000	0.000	0.000	4.000	8.000	
New Freedom Program (Southern N.J.)	0.000	0.000	0.000	0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.500	
SYSTEMWIDE SUBTOTAL	0.000	0.000	0.000	0.500	4.000	0.000	0.000	0.000	0.000	36.840	41.340	3.2%
Pass-through TOTAL	1.580	0.000	8.290	1.747	26.953	0.000	0.000	0.000	0.780	55.740	95.090	7.3%

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> 5307	<u>FIXED</u> <u>GUIDEWAY</u> 5309	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	EARMARK	FFGA	CMAQ	STP- TE	STATE	OTHER	TOTAL	Percentage of Total Program
Rail Infrastructure Improvements												
RAIL												
Arrow III Replacement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.200	0.000	1.200	
Bridges	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	27.658	0.000	27.658	
Fleet Overhauls	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	12.167	0.000	12.167	
FRA Mandates	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	0.000	1.000	
Meadows Maintenance Complex Improvements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.513	0.000	5.513	
Morrisville Yard Expansion - Phase 2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.550	0.000	5.550	
NEC Joint Benefit Program	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42.500	0.000	42.500	
Newark Drawbridge Rehabilitation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	29.000	0.000	29.000	
ROW Fencing	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	0.000	1.000	
Signals&Communication/Electric Traction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.381	0.000	4.381	
Track	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	23.016	0.000	23.016	
Yards/Facilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.500	0.000	1.500	
RAIL SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	154.485	0.000	154.485	11.8%
=====												
SYSTEMWIDE												
Emergency Response Rail	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.000	0.000	3.000	
Non-Revenue Rolling Stock	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.819	0.000	0.819	
SYSTEMWIDE SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.819	0.000	3.819	0.3%
=====												
Rail Infrastructure Improvements TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	158.304	0.000	158.304	12.1%

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> <u>5307</u>	<u>FIXED</u> <u>GUIDEWAY</u> <u>5309</u>	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
--	-----------------------------	--	----------------------------------	---	----------------	-------------	-------------	--------------------------	--------------	--------------	--------------	--

Rail Station Improvements

	<u>URBAN</u> <u>5307</u>	<u>FIXED</u> <u>GUIDEWAY</u> <u>5309</u>	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
RAIL												
Edison Station Platform Extension	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.500	0.000	0.500	
Elizabeth Station Platform Rehabilitation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.060	0.000	0.060	
Emerson Station Roof Replacement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.438	0.000	0.438	
Mahwah Station Roof Repairs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.479	0.000	0.479	
Metropark Platform Replacement	0.000	0.000	0.000	0.000	0.000	0.000	5.000	0.000	0.000	0.000	5.000	
Newark Penn Station	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	2.000	0.000	3.000	
Passaic Station SOGR Improvements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.797	0.000	0.797	
PSNY 31st Entrance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8.400	0.000	8.400	
Stars Program	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.000	0.000	2.000	
Station/Facilities Inspections/Repairs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.472	0.000	5.472	
Watchung Avenue Station Restoration	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.530	0.000	2.530	
Westwood Station SOGR Improvements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.514	0.000	0.514	
Whitehouse Station Roof Replacement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.780	0.000	0.780	
Wood-Ridge Station Construction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.000	0.000	5.000	
RAIL SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	5.000	1.000	28.970	0.000	34.970	2.7%
=====												
Rail Station Improvements TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	5.000	1.000	28.970	0.000	34.970	2.7%

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> <u>5307</u>	<u>FIXED</u> <u>GUIDEWAY</u> <u>5309</u>	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
Park & Ride Improvements												
<u>RAIL</u>												
South Amboy Parking Deck	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500	0.000	2.500	
<u>RAIL SUBTOTAL</u>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500	0.000	2.500	<u>0.2%</u>
=====												
<u>BUS/LRT</u>												
Rt. 23 Wayne Park and Ride	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.595	0.000	1.595	
<u>BUS/LRT SUBTOTAL</u>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.595	0.000	1.595	<u>0.1%</u>
=====												
Park & Ride Improvements TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.095	0.000	4.095	<u>0.3%</u>

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

<u>URBAN</u> 5307	<u>FIXED</u> <u>GUIDEWAY</u> 5309	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
----------------------	---	----------------------------------	---	----------------	-------------	-------------	--------------------------	--------------	--------------	--------------	--

Bus/Light Rail Improvements

BUS/LRT

Bus Facilities Midlife Rehabilitation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.800	0.000	0.800	
Bus On-Board Fare Collection System	0.000	0.000	0.000	0.000	0.000	0.000	0.000	16.500	0.000	16.500	
Bus Operations Support Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	0.000	1.000	
Bus Passenger Facilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.500	0.000	0.500	
Cruiser Bus Lease (20 buses)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.201	0.000	1.201	
Cruiser Bus Purchase (53 buses)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.000	0.000	1.000	
Cruiser CNG Rehabilitation (76 buses)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.750	0.000	4.750	
Emergency Response Bus Facilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.000	0.000	2.000	
Newark City Subway	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.755	0.000	6.755	
Passenger Facilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.250	0.000	0.250	
Private Carrier Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.100	0.000	2.100	
Support Facilities/Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.430	0.000	0.430	
Transit Bus Midlife Overhaul	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.044	0.000	7.044	
Transit Bus Replacement (1171 buses)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000	0.000	4.000	
<u>BUS/LRT SUBTOTAL</u>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	48.330	0.000	48.330	<u>3.7%</u>

NEW INITIATIVES

Hudson/Bergen LRT MOS I	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.639	0.000	2.639	
<u>NEW INITIATIVES SUBTOTAL</u>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.639	0.000	2.639	<u>0.2%</u>

Bus/Light Rail Improvements TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.969	0.000	50.969	<u>3.9%</u>
--	--------------	--------------	--------------	--------------	--------------	--------------	--------------	---------------	--------------	---------------	--------------------

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> 5307	<u>FIXED</u> <u>GUIDEWAY</u> 5309	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
Systemwide Improvements												
SYSTEMWIDE												
Capital Program Implementation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	18.810	0.000	18.810	
Claims Support	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.000	0.000	2.000	
Emergency Response Capital Planning & Programs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.163	0.000	7.163	
Emergency Response Headquarters	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.900	0.000	5.900	
Environmental Compliance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500	0.000	2.500	
Non-Regular Rte./Special Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.600	0.000	0.600	
Non-Revenue Rolling Stock	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.210	0.000	0.210	
Photocopy Equipment Lease	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.750	0.000	0.750	
Physical Plant	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.200	0.000	1.200	
Security Improvements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.590	0.000	1.590	
Study & Development	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.486	0.000	3.486	
Vanpool Sponsorship Program	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.400	0.000	0.400	
Vital Records	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.501	0.000	0.501	
SYSTEMWIDE SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	45.110	0.000	45.110	3.4%
TECHNOLOGY/CUSTOMER SERVICE												
Technology Improvements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8.800	0.000	8.800	
TECHNOLOGY/CUSTOMER SERVICE SUBTOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8.800	0.000	8.800	0.7%
Systemwide Improvements TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	53.910	0.000	53.910	4.1%

Attachment 3 NJ TRANSIT FY07 CAPITAL PROGRAM (\$ in Millions)

----- FEDERAL FUNDING -----

	<u>URBAN</u> <u>5307</u>	<u>FIXED</u> <u>GUIDEWAY</u> <u>5309</u>	<u>RURAL/</u> <u>DISABLED</u>	<u>NEW</u> <u>FREE</u> <u>DOM</u>	<u>EARMARK</u>	<u>FFGA</u>	<u>CMAQ</u>	<u>STP-</u> <u>TE</u>	<u>STATE</u>	<u>OTHER</u>	<u>TOTAL</u>	<u>Percentage</u> <u>of Total</u> <u>Program</u>
System Expansion												
NEW INITIATIVES												
Access to Region's Core	0.000	0.000	0.000	0.000	0.000	0.000	37.000	0.000	64.550	0.000	101.550	
Funds to NJDOT for PATCO Extension	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.000	0.000	20.000	
Hudson Bergen Extension to Secaucus	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.000	0.000	5.000	
Hudson/Bergen LRT MOS III 8TH Street	0.000	0.000	0.000	0.000	0.000	0.000	15.000	0.000	0.000	0.000	15.000	
Lackawanna Cutoff	0.000	0.000	0.000	0.000	7.000	0.000	0.000	0.000	0.000	0.000	7.000	
Monmouth-Ocean-Middlesex	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.000	0.000	5.000	
Northern Branch DMU	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40.000	0.000	40.000	
Passaic/Bergen County DMU	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	25.000	0.000	25.000	
NEW INITIATIVES SUBTOTAL	0.000	0.000	0.000	0.000	7.000	0.000	52.000	0.000	159.550	0.000	218.550	16.7%
=====												
System Expansion TOTAL	0.000	0.000	0.000	0.000	7.000	0.000	52.000	0.000	159.550	0.000	218.550	16.7%
	254.297	105.240	8.290	1.747	33.953	100.000	75.000	1.000	675.000	55.740	1,310.267	

ITEM 0608-41: FISCAL YEAR 2007 OPERATING BUDGET**BENEFITS**

Staff seeks the Board's adoption of the Fiscal Year 2007 operating budget and authorization to continue to expend funds to meet obligations until the adoption of a Fiscal Year 2008 budget. The budget includes expenditures of \$1.5187 billion offset by \$769.3 million of passenger revenue and other system generated revenues, \$300.7 million in State operating assistance and \$448.7 million from other State and Federal reimbursements. Approval of this budget is necessary to direct resources to support the continued operation of NJ TRANSIT Bus, Rail and Light Rail services.

The proposed Fiscal Year 2007 Operating Budget assumes an increase in expenses of \$105.7 million compared to the Fiscal Year 2006 Budget. Approximately 73 percent of this growth is funded internally through passenger revenue growth from favorable ridership trends and increases in other commercial revenues. The proposed budget includes a \$22 million increase in State operating assistance to a total of \$300.7 million. The proposed budget assumes no change in capital program transfers to the operating budget, however, due to an increase in available Federal funds, the use of State TTF funds for operating costs has been reduced from last year's level.

PURPOSE

As required under Article II, Section 4(C) of the agency's By-Laws, staff is requesting that the Board of Directors adopt a final budget for NJ TRANSIT as detailed on the attached exhibits. This budget includes appropriations for public transportation contained in the State Budget adopted by the New Jersey legislature. With the approval of this item, the Board acknowledges and accepts its responsibility to set fares, administer a single, unified NJ TRANSIT budget and manage Federal Transit Administration assistance.

Approval of this item will also allow the execution of numerous agreements necessary to advance and continue its Private Carrier Capital Improvement Program, timetable distribution, debit and credit card processing and settlement services and marketing programs. It will also allow NJ TRANSIT to provide local share and other in-kind services or act as a pass-through agency for Federal or State capital or operating funds.

In addition to seeking approval of the Fiscal Year 2007 operating budget, staff is requesting authorization to continue to expend funds to meet NJ TRANSIT's obligations until the adoption of a Fiscal Year 2008 budget. NJ TRANSIT is required by its By-Laws to adopt a final budget at its annual meeting in June if the State of New Jersey has completed the process of appropriating funds for public transportation purposes or at the first meeting subsequent to action by the State. Since the State budget process is often not completed before NJ TRANSIT's annual meeting in June, staff may not be able to make final recommendations to the Board on the Fiscal Year 2008 budget prior to the start of the fiscal year. Therefore, authorization to expend funds to carry on NJ TRANSIT's day-to-day business is necessary.

ACTION

Staff recommends the Board's adoption of the proposed Fiscal Year 2007 operating budget as detailed in the item and on the attached exhibits.

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

FISCAL IMPACTS

Requested Authorization:	\$1.5187 billion
Total Project Cost:	N/A
Projected Date of Completion:	June 30, 2007
Anticipated Source of Funds:	Passenger and other revenues State operating assistance Other State and Federal reimbursements
DBE Goals/Participation:	N/A
Related/Future Authorizations:	N/A

Fiscal Year 2007 OPERATING BUDGET

RESOLUTION

WHEREAS, Article II, Section 4(C) of the By-Laws requires the Board of Directors to adopt a final budget for NJ TRANSIT after the State of New Jersey has completed the process of appropriating funds for public transportation purposes; and

WHEREAS, the New Jersey legislature has enacted a Fiscal Year 2007 State Budget which includes appropriations for public transportation purposes; and

WHEREAS, staff has recommended a proposed Fiscal Year 2007 operating budget for NJ TRANSIT as detailed in the item and Exhibits A, B and C attached hereto; and

WHEREAS, the proposed Fiscal Year 2007 budget recognizes State operating assistance of \$300.7 million; and

WHEREAS, it is also necessary for NJ TRANSIT to enter into numerous agreements in order to advance and continue its Private Carrier Capital Improvement Program, timetable distribution, debit and credit card processing and settlement services and marketing programs as described in the item attached hereto; and

WHEREAS, if the State's Fiscal Year 2008 Budget is not finalized prior to the June 2007 NJ TRANSIT Board meeting, the Board may defer adoption of the annual budget until the next special or regular Board meeting subsequent to the final actions by the State; and

WHEREAS, if the Board is unable to approve a Fiscal Year 2008 budget prior to July 2007, it will be necessary to expend funds after July 1, 2007, prior to the final adoption of the Fiscal Year 2008 budget;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors acknowledges and accepts its responsibility to set fares, administer a single, unified NJ TRANSIT operating

budget, and that the Board recognizes its responsibility to accept and manage State and Federal Transit Administration assistance; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is hereby authorized to continue or enter into any agreements and expend funds in order to continue NJ TRANSIT's Private Carrier Capital Improvement and Bus Rehabilitation Programs, timetable distribution, debit and credit card processing and settlement services and marketing programs as described in the item attached hereto subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to provide local share and other in-kind services or act as a pass-through agency for Federal or State capital or operating funds subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to expend, in the normal course of business, the funds necessary to meet NJ TRANSIT's obligations, essentially in accordance with this Fiscal Year 2007 operating budget item, resolution and attachments and until the adoption and approval of the Fiscal Year 2008 operating budget.

EXHIBIT A
PAGE 1 OF 1**Fiscal Year 2007**
OPERATING BUDGET
REVENUES**Overview**

NJ TRANSIT revenues are budgeted at \$1.5187 billion, an increase of \$105.7 million compared to the Fiscal Year 2006 Budget. Specific assumptions are described below:

Ridership/Passenger Revenue

The Fiscal Year 2007 Budget includes passenger revenue of \$666.0 million, an increase of \$42.9 million over the Fiscal Year 2006 Budget. This includes projected higher than budgeted revenues in Fiscal Year 2006 and additional anticipated growth in Fiscal Year 2007 from continuing favorable ridership trends and new service initiatives. NJ TRANSIT ridership has been favorably impacted by higher fuel prices, however, passenger revenue budget assumptions are very aggressive.

Other Commercial Revenue

Other commercial revenues are budgeted at \$103.3 million, an increase of \$38.8 million over the Fiscal Year 2006 Budget. The proposed budget includes a number of aggressive revenue enhancements including the sale of excess property, increases in leveraged lease revenues, increased parking fees, the renegotiation of the Metro North service contract, increases in advertising revenue and across-the-board growth of approximately 3 percent on other commercial revenues.

State Operating Assistance

Consistent with the State Budget proposed by the Governor and adopted by the Legislature, State operating assistance is budgeted at \$300.7 million in Fiscal Year 2007, a \$22.0 million increase over the Fiscal Year 2006 budgeted level.

Other State and Federal Reimbursements

Other State and Federal reimbursements are budgeted at \$448.7 million, an increase of \$2.0 million compared to the Fiscal Year 2006 Budget. This includes capital funding that is transferred to support eligible operating costs (maintenance, new service initiatives and facility leases) as well as support for county pass-through programs and reimbursable project costs. Overall capital program transfers to the operating budget are held constant at the prior year's level, however, the use of State TTF funds for operating costs is budgeted at a level below last year.

EXHIBIT B
PAGE 1 OF 2**FISCAL YEAR 2007 OPERATING BUDGET**
EXPENSES**Overview**

NJ TRANSIT expenses are budgeted at \$1.5187 billion, an increase of \$105.7 million compared to the Fiscal Year 2006 Budget. Specific assumptions are as described below:

Labor and Fringes

Labor and fringes are budgeted at \$904.2 million, an increase of \$38.4 million, or 4.4 percent, over the Fiscal Year 2006 Budget. The proposed budget includes average increases in wages and salaries for existing agreement and non-agreement employees of 3 percent. The growth in labor and fringe costs above 3 percent is primarily due to increases in Rail and Bus service levels. In addition, the fringe benefit budget reflects extraordinary increases in health benefit costs that are offset by reductions in pension costs due to changes in certain actuarial assumptions. Additional increases in labor costs related to new Rail equipment and facilities coming on line are essentially offset by the elimination of vacancies and headcount reductions through attrition.

Fuel, Power, Materials and Supplies

Fuel, power, materials and supplies costs are budgeted at \$230.0 million, an increase of \$37.3 million, or 19.4 percent, over the Fiscal Year 2006 Budget. Consistent with current market prices, the proposed budget reflects a 46 percent increase in the average price per gallon of diesel fuel (over Fiscal Year 2006 budgeted levels). The proposed Fiscal Year 2007 Budget assumes an average price per gallon for diesel fuel of \$2.10 vs. a Fiscal Year 2006 budgeted average price per gallon of \$1.44. Although the current price is slightly higher, the budget is consistent with the Fiscal Year 2006 average price. The proposed budget also funds an increase in the cost of electric propulsion power of approximately 20 percent as well as fuel, power and materials cost increases related to service growth. Fuel costs are very volatile as each \$.01 change in the price per gallon has an annual budget impact of approximately \$340,000. NJ TRANSIT will continue to closely monitor future market fluctuations in this at risk area of the budget.

Purchased Transportation

Purchased transportation expenses are budgeted at \$158.9 million, an increase of \$15.2 million, or 10.6 percent, over the Fiscal Year 2006 Budget. This includes funding for service growth including the first full year of extended Hudson Bergen Light Rail service to Tonnelles Avenue in North Bergen and expanded River LINE service. The proposed budget also funds increases in Contract Bus Program costs primarily due to higher fuel and insurance costs as well as increases in Access Link, Reduced Fare and Private Bus Card program expenses primarily due to increased ridership demand for these services.

EXHIBIT B
PAGE 2 OF 2

Fiscal Year 2007
OPERATING BUDGET
EXPENSES

Other Expenses

All other expenses are budgeted at \$225.6 million, an increase of \$14.8 million over the Fiscal Year 2006 Budget. This includes funding for outside services, utilities, claims and insurance, tolls, trackage fees and other miscellaneous costs. The budgeted increase in these expenses is primarily due to market increases in natural gas, electric and insurance costs as well as increases in tolls and trackage fees related to service growth.

EXHIBIT C
PAGE 1 OF 1

FISCAL YEAR 2007 OPERATING BUDGET

NEW JERSEY TRANSIT CONSOLIDATED OPERATIONS
Fiscal Year 2007 Proposed Operating Budget
(\$ in millions)

REVENUES

Passenger Revenue	\$666.0
Other Revenue	<u>103.3</u>

TOTAL REVENUE	\$769.3
---------------	---------

OPERATING ASSISTANCE

State Operating Assistance	\$300.7
Capital Transfers	356.0
Other Reimbursements	<u>92.7</u>

TOTAL OPERATING ASSISTANCE	\$749.4
----------------------------	---------

<u>TOTAL REVENUE & OPERATING ASSISTANCE</u>	<u>\$1,518.7</u>
--	-------------------------

EXPENSES

Labor and Fringes	\$904.2
Services	89.4
Fuel & Power	118.2
Materials & Supplies	111.8
Utilities	38.1
Claims & Insurance	26.1
Purchased Transportation	158.9
Tolls & Trackage Fees	46.8
Other	<u>25.2</u>

<u>TOTAL EXPENSES</u>	<u>\$1,518.7</u>
------------------------------	-------------------------

ITEM 0608-42: THE TUNNEL PRELIMINARY ENGINEERING: CONTRACT AWARD**BENEFITS**

Preliminary engineering is the next major milestone on the road to delivering Governor Corzine's commitment to begin construction on THE Tunnel project by 2009. The start of engineering follows years of planning and mounting public support for the project and submittal of the Draft Environmental Impact Statement to the Federal Transit Administration

When completed, THE Tunnel project will open new opportunities for direct rail service from the existing commuter rail system to Midtown Manhattan and build upon recent transit investments in New Jersey, including Secaucus Junction, MidTOWN DIRECT and the Montclair Connection. Raritan Valley, Main, Bergen County, and Pascack Valley Line commuters will all enjoy MidTOWN DIRECT Service and the project will provide the capacity to support other rail expansion projects in development.

Beyond the service benefits, THE Tunnel project is poised to become an economic engine for the region. The project will create 6,000 jobs during construction and 44,000 jobs within ten years after the project is completed. New Jersey's communities and the region will be the beneficiaries of an expanded transit system that will improve regional mobility, reduce roadway congestion and spur economic investment.

PURPOSE

NJ TRANSIT has taken interim steps to alleviate some of the overcrowding at Penn Station New York and limited train capacity in the existing Hudson River tunnels including the purchase of multi-level rail cars, a high-density signal system and addition of the 7th Avenue Concourse. While these short-term fixes provide some additional capacity, constraints will continue to exist until THE Tunnel project is completed.

THE Tunnel project will double commuter rail capacity between New Jersey and New York City by construction of two new single-track tunnels under the Hudson River, a new 34th Street station connected to Penn Station New York, a rail storage yard in Kearny and signal and track improvements along the Northeast Corridor. These capacity enhancements will relieve further Trans-Hudson congestion especially in the Hudson River tunnels and at Penn Station New York and spur economic growth on both sides of the river. The Federal Transit Administration recently notified Congress that it will approve the project for preliminary engineering.

ACTION

Staff seeks authorization to contract (No. 06-046) with THE PARTNERSHIP, a joint venture between, Parsons Brinckerhoff, Inc., STV Inc., and DMJM Harris, Inc., of Newark, NJ, for professional services for preliminary engineering for THE Tunnel Project at a cost not to exceed \$82,493,869, plus five percent for contingencies.

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

FISCAL IMPACTS

Requested Authorization: \$82,493,869 + 5% contingency

Total Project Cost: \$6,100,000,000 (2005 dollars)
\$7,200,000,000 (escalated dollars)

Projected Date of Completion: Preliminary Engineering – 2008
Project Completion – 2016

Anticipated Source of Funds: TTF, CMAQ

DBE Goal: 20%

Related/Future Authorizations: Authorizations will be sought for final design, construction management, construction and property acquisition.

RESOLUTION

WHEREAS, NJ TRANSIT seeks to double commuter rail capacity to New York City by construction of two new single-track tunnels under the Hudson River, a new 34th Street station connected to Penn Station New York, a rail storage yard in Kearny and signal and track improvements along and adjacent to the Northeast Corridor;

WHEREAS, THE Tunnel project will open new opportunities for direct and expanded rail service from the existing commuter rail system to Midtown Manhattan and build upon recent transit investments in New Jersey, including Secaucus Junction, MidTOWN DIRECT and Montclair Connection;

WHEREAS, THE Tunnel project will provide capacity to support other rail expansion projects in development;

WHEREAS, THE Tunnel project will improve regional mobility, reduce roadway congestion and spur economic investment;

WHEREAS, upon completion of a competitive procurement process, it was determined that THE PARTNERSHIP, a joint venture between, Parsons Brinckerhoff., STV, and DMJM Harris of Newark, NJ submitted the most advantageous proposal that provided the best value to NJ TRANSIT; and

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with THE PARTNERSHIP, a joint venture between, Parsons Brinckerhoff., STV, and DMJM Harris of Newark, NJ for professional services for preliminary engineering for THE Tunnel Project at a cost not to exceed \$82,493,869, plus five percent for contingencies, subject to the availability of funds.

**ITEM 0608-43: PORTAL BRIDGE CAPACITY PROJECT – DRAFT
ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT
CONTRACT AWARD**

BENEFITS

Portal Bridge is a two-track railroad bridge carrying the Northeast Corridor over the Hackensack River. The draft environmental impact statement will examine expanded rail capacity east of Newark Penn Station to Portal Bridge over the Hackensack River to improve the reliability of existing rail service and ensure that there is sufficient capacity to accommodate future train operations.

A few years ago, NJ TRANSIT began working with the United States Coast Guard and commercial maritime companies to limit Portal Bridge openings during peak railroad hours. The proposed project will evaluate a combination of higher bridge clearances and other public sector investments to further reduce bridge openings and the potential for rail service disruptions. NJ TRANSIT will accomplish this work in partnership with Amtrak, owner of the bridge, and the Federal Railroad Administration. Finally, NJ TRANSIT will also coordinate this work with THE Tunnel project to ensure its compatibility.

PURPOSE

NJ TRANSIT, Amtrak, the Federal Railroad Administration and Federal Transit Administration have developed a memorandum of understanding to collaborate on the environmental review for a new and expanded Portal Bridge crossing. NJ TRANSIT will be the lead for preparing environmental review of the project building on prior design concepts developed by Amtrak.

The professional services contractor will prepare a draft environmental impact statement for the Portal Bridge Capacity Project including an alternatives analysis for expanded Northeast Corridor capacity east of Newark Penn Station to Portal Bridge over the Hackensack River, concept planning and design, review of environmental impacts, development of capital and operating costs, and public hearings.

ACTION (Justification: Capacity)

Authorization to contract (No. 06-097) with AKRF, Inc. of Marlton, New Jersey for preparation of the Draft Environmental Impact Statement for the Portal Bridge Capacity Project at a cost not to exceed \$3,319,545, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization:	\$3,319,545 + 5% contingency
Total Project Cost:	TBD
Projected Date Of Completion:	October 2007
Anticipated Source Of Funds:	TTF
SBE Goal:	25%
Related/Future Authorization:	Authorization to complete the Final Environmental Impact Statement

RESOLUTION

WHEREAS, NJ TRANSIT seeks to expand the capacity and improve the reliability of rail service on the Northeast Corridor from east of Newark Penn Station to Portal Bridge over the Hackensack River; and

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

WHEREAS, NJ TRANSIT will coordinate this work with THE Tunnel project to ensure its compatibility; and

WHEREAS, upon completion of a competitive procurement process, it was determined that AKRF, Inc. of Marlton, New Jersey submitted the most advantageous proposal that provided the best value to NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 06-097) with AKRF, Inc. of Marlton, New Jersey for preparation of the Draft Environmental Impact Statement for the Portal Bridge Capacity Project at a cost not to exceed \$3,319,545, plus five percent for contingencies, subject to the availability of funds.

**ITEM 0608-44: RIDGEWOOD STATION ACCESSIBILITY IMPROVEMENTS:
PRELIMINARY AND FINAL DESIGN**

BENEFITS

In 1992, NJ TRANSIT adopted the Commuter Rail Accessibility Plan that identified 35 stations including Ridgewood Station for accessibility upgrades to comply with the Americans with Disabilities Act. The accessibility plan considered the number of riders, regional access to the station, and other factors. Ridgewood Station is the largest outlying station on NJ TRANSIT's Main Line, serving 1,300 customers every weekday. The station also has been listed on the State and National Registers of Historic Places.

The project includes two high-level platforms with canopies serving three tracks, new elevators, upgrades to the existing pedestrian underpasses and reconstruction of the station restrooms and ticket office. The proposed accessibility upgrades will make the station accessible to all customers and will respect the historic status of the station building and reflect substantial community input.

The concept plan is the product of substantial community input. The platform locations and design have been changed to address local concerns. The mayor and local elected officials have been briefed on the project and support the concept plan to be advanced to design.

PURPOSE

This contract will authorize preliminary and final design of high-level platforms, canopies, elevators, and related work to make Ridgewood Station fully accessible to customers with disabilities.

ACTION (Justification: ADA Mandate)

Staff seeks authorization to contract (No. 06-083) with Vollmer Associates of Newark, New Jersey for preliminary and final design services for accessibility improvements at Ridgewood Station on the Main Line in the Village of Ridgewood, Bergen County, at a cost not to exceed \$1,900,000 plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS:

Requested Authorization: \$1,900,000 + 5% contingency

Total Project Cost: \$30,000,000 (Design plus Construction)

Projected Date of Completion:	Spring 2008 (Final Design) Winter 2012 (Complete Construction)
Anticipated Source of Funds:	TTF / FTA
DBE Goal:	25% (Design Phase)
Future Related Authorizations:	Construction and Construction Assistance

RESOLUTION

WHEREAS, Ridgewood Station was previously identified as a “key” station for accessibility upgrades to comply with the Americans with Disabilities Act; and

WHEREAS, NJ TRANSIT seeks to design and construct accessibility upgrades at Ridgewood Station that are sympathetic to the historic station building and reflect community input; and

WHEREAS, the accessibility plan for Ridgewood Station is the product of substantial community input; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Vollmer Associates of Newark, New Jersey submitted the most advantageous proposal that provided the best value to NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with Vollmer Associates of Newark, New Jersey for preliminary and final design services for accessibility improvements at Ridgewood Station on the Main Line in the Village of Ridgewood, Bergen County, at a cost not to exceed \$1,900,000 plus five percent for contingencies, subject to the availability of funds.

ITEM 0608-45: HUMAN RESOURCE MANAGEMENT SYSTEM (HRMS)**BENEFITS**

In support of NJ TRANSIT's objective to improve the cost effectiveness and efficiency of its business operations, staff is recommending the purchase and deployment of software and services to expand and improve the capabilities of NJ TRANSIT's Human Resources (HR) and Payroll processes (also referred to as Human Capital Management – HCM). The implementation of new software and services will extend human capital management capabilities and enable a more comprehensive, efficient, and cost effective approach for the deployment, development, and management of candidates/applicants and employees throughout NJ TRANSIT.

PURPOSE

The new HRMS solution would replace the existing (over 20 years-old) HR and Payroll system (Geac/Extensity). NJ TRANSIT's current HR and Payroll related systems and tools are aging, limited in scope and capability, and not well integrated across HR, Payroll or other related business processes. The paper-driven, manually intensive, and sometimes disconnected nature of the current HR and Payroll processes and systems environment contributes to the creation of many business operational issues including:

- Dependency on manual and multiple data entry points (e.g. manual entry of HRM-1, Employee benefits selection/changes);
- Manual/paper intensive approval efforts (e.g., manual routing-workflow of forms for approval);
- Delays, errors, and reconciliation of information required across a broad range of HR and Payroll processes, systems and disparate data applications (i.e., exports to spreadsheets, databases, stand-alone applications) across various departments;
- Multiple sources of data yielding different reporting results that require significant effort to reconcile;
- Excessive coordination effort between various HR and Payroll and other business operational processes; and
- Limited resource capacity to provide other core HR and Payroll functions, and value-added strategic analysis and support.

The solution includes software licensing, software maintenance, solution implementation, hosted facility and hardware infrastructure, hardware maintenance, database backup, administration and support, business continuity, disaster recovery services for solution production and test environments, and Payroll tax services.

ACTION (Justification: Cost Efficiencies and Business Efficiencies)

Staff seeks authorization to contract (No. 06-006) with the High Line Corporation Vendor Team of Markham, Ontario Canada for software and related services to implement and support a new Human Resources and Payroll solution for NJ TRANSIT, at a cost not to exceed \$3,333,000, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS

Requested Authorization:	\$3,333,000 plus 5% for contingencies
Total Project Cost:	\$3,333,000 plus 5% for contingencies
Estimated Project Duration: Project Completion for Solution Implementation	18-24 months from NTP September 2008 Estimated
Anticipated Source of Funds:	TTF
SBE GOAL:	15%
DBE Goal:	0
Related/Future Authorizations:	None

RESOLUTION

WHEREAS, NJ TRANSIT seeks to replace its current manually intensive, limited scope and capability, aging, and disparate HR and Payroll support systems and operations; and

WHEREAS, a new human resource management solution will expand the current capabilities for managing human capital, and enable more cost-effective and efficient HR and Payroll processes, and

WHEREAS, significant cost savings can be realized and HR and Payroll operations can be significantly improved; and

WHEREAS, upon completion of a competitive procurement process, it was determined that the High Line Corporation Vendor Team has submitted the proposal that provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 06-006) with the High Line Corporation Vendor Team of Markham, Ontario Canada for software and related services to implement and support a new HR and Payroll solution for NJ TRANSIT, at a cost not to exceed \$3,333,000, plus five percent for contingencies, subject to the availability of funds.

ITEM 0608-46: CAPITAL PLANNING & PROGRAMS – TASK ORDER CONTRACTS

BENEFITS

NJ TRANSIT has an ongoing need for consultant services in the fields of environmental services, architecture and engineering design, construction management, bridge and railway engineering, general site planning, and transit-friendly planning. The volume of work increases and decreases in response to needs and available funding and, as a result, it is costly and impractical to retain an in-house work force sufficient to meet maximum workloads. Rather, it makes sense to maintain staff levels sufficient to meet routine work requirements and augment this with external consultant resources employed through task-order contracts.

Task order contracts also allow retention of specialized expertise that is rarely cost-effective to maintain in-house.

PURPOSE

The task-order contracts provide available labor as needed to support NJ TRANSIT's capital program, handle short-term and specialized work loads, address critical issues, ensure environmental compliance and engage special engineering and planning expertise not available in-house.

ACTION (Justification: Project Dependent)

Staff seeks authorization to contract (Nos. 06-030, 06-031, 06-042 and 06-062 through 06-065) with the firms listed in Exhibit A for engineering and planning support services on a task order basis in seven disciplines: Construction Management, Architectural & Engineering Design, Bridge & Railway Engineering Design, General Site Planning, Transit-Friendly Planning, Public Transit Planning and Environmental Services, at a total cost across all 23 contracts not to exceed \$23,000,000. Each contract will extend over three years and shall be limited to a maximum value of \$5,000,000. The task limit for Architectural and Engineering, Construction Management, General Site Planning and Bridge and Railway Engineering contracts will be \$500,000; the task limit for the other disciplines will be \$350,000. The firms selected as most responsive to the solicitation are listed in Exhibit A.

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

FISCAL IMPACTS

Requested Authorization: \$23,000,000 (Total – 23 three year contracts)

Total Project Cost: \$23,000,000

Projected Date of Completion: October 2009

Anticipated Source of Funds: FTA and TTF

DBE/SBE Goal: 25% DBE/SBE Category III overall program goal for Architectural/Engineering, Bridge & Railway Engineering, Environmental Engineering, General Site Planning, Transit Friendly Planning and Public Transit Planning; one Construction Management contract is a dedicated SBE Category III set aside.

Future Related Authorizations: Future TOC Contracts (2009, 2012 etc.)

RESOLUTION

WHEREAS, NJ TRANSIT seeks to improve and expand its transportation facilities; and

WHEREAS, NJ TRANSIT has a continuing need for consultant services in the fields of environmental services, architectural and engineering design, construction management, bridge and railway engineering design, general site planning, transit-friendly general planning, and public transit planning; and

WHEREAS, the availability of Task Order Consultants (TOCs) will be used on an as-needed basis to supplement in-house staff; and

WHEREAS, the availability of TOC services are needed to support NJ TRANSIT's capital program, address critical issues and ensure environmental compliance; and

WHEREAS, TOCs will supply specialized expertise which is rarely cost effective to maintain in-house; and

WHEREAS, following the completion of a competitive procurement process, it was determined that 23 firms submitted the most advantageous proposals for the seven disciplines;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to contract with the following firms for engineering and planning support services on a task order basis in seven disciplines: Construction Management, Architectural & Engineering Design, Bridge & Railway Engineering Design, General Site Planning, Transit-Friendly Planning, Public Transit Planning and Environmental Services, at a total cost across all 23 contracts not to exceed \$23,000,000, subject to the availability of funds. Each contract will extend over three years and shall be limited to a maximum value of \$5,000,000. The task limit for Architectural and Engineering, Construction Management, General Site Planning and Bridge and Railway Engineering contracts will be \$500,000; the task limit for the other disciplines will be \$350,000; subject to the availability of funds.

**EXHIBIT A
PAGE 1 OF 1**

CAPITAL PLANNING & PROGRAMS – TASK ORDER CONTRACTS

Architecture and Engineering Design Services (Contract No. 06-062) (4 firms)

Systra Consulting, Inc., Bloomfield, NJ
Earth Tech, New York, NY
STV Inc., Newark, NJ
Jacob Civil, Inc., Iselin, NJ

Environmental Engineering Services (Contract No. 06-064) (3 firms)

ROUX Associates, Inc., West Deptford, NJ
Dewberry-Goodkind, Inc., Parsippany, NJ
URS Corporation, Cranford, NJ

Construction Management Services (Contract No. 06-063) (4 firms, including 1 SBE set-aside)

Bovis Lend Lease, New York, NY
Gilbane Building Company, Lawrenceville, NJ
LiRo Program & Construction Management, Newark, NJ
JCMS, Mercerville, NJ

Bridge and Railway Engineering Design Services (Contract No. 06-065) (4 firms)

HNTB Corporation, Fairfield, NJ
Clough Harbour & Associates LLP, Parsippany, NJ
Bergmann Associates, Jersey City, NJ
Medina Consultants, Hackettstown, NJ

General Site Planning Services (Contract No. 06-030) (3 firms)

Christopher P. Statile, P.A., Oakland, NJ
Vollmer Associates, Newark, NJ
The Louis Berger Group, Inc., Florham Park, NJ

Transit-Friendly Planning Services (Contract No. 06-031) (2 firms)

Philips Preiss Shapiro & Associates, New York, NY
Streetworks LLC Development & Consulting, White Plains, NY

Public Transit Planning Services (Contract No. 06-042) (3 firms)

Transystems Corp., Boston, MA
AECOM Consult, Fairfax, VA
Booz/Allen/Hamilton, Inc., Newark, NJ

ITEM 0608-47: TRAIN MANAGEMENT AND CONTROL (TMAC) SOFTWARE UPGRADE

BENEFITS

NJ TRANSIT's Train Management and Control (TMAC) software was designed to allow upgrades to fully maximize its capabilities. These upgrades will increase the system's functionality and improve the flow of information to customers by providing real time train information.

PURPOSE

NJ TRANSIT holds licenses with ARINC Incorporated to operate the TMAC software that is used at the Rail Operations Center to monitor and control the movements of trains as well as control the distribution of high-voltage traction power and remote operation of our moveable-span bridges. The TMAC system will be absorbing large new requirements, including train tracking at Penn Station New York, the Northeast Corridor and a portion of Conrail's Lehigh Valley Line. Also, firewalls will be installed to protect the TMAC system from outside users, implementation of snow-melter control and TMAC network equipment improvements. The recommended improvements will enable NJ TRANSIT to maximize its ability to manage train and crew operations on territory currently not viewable by NJ TRANSIT. These improvements will greatly enhance the overall efficiency of Rail Operations.

ACTION (Justification: Customer Service and Business Efficiency)

Staff seeks authorization to enter into a single source of supply, procurement-by-exception contract with ARINC Incorporated of Annapolis, Maryland to provide software and services to upgrade NJ TRANSIT's TMAC software at a cost not to exceed \$1,940,000 plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization:	\$1,940,000 + 5% contingency
Total Project Cost:	\$1,940,000
Projected Date of Completion:	December 2007
Anticipated Source of Funds:	FY06 Capital FY07 Capital
DBE Goals:	None

Related/Future Authorization: None

**Impacts of Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, Rail Operations currently utilizes the Train Management and Control (TMAC) system to dispatch trains, as well as control its power system and moveable-span bridges; and

WHEREAS, TMAC was designed to improve overall operation of monitoring and controlling trains and power distribution as well as improving customer service announcements; and

WHEREAS, TMAC is designed to expand as Rail Operations requires it; and

WHEREAS, the TMAC vendor, ARINC, Incorporated offers to enhance its core functionality to maximize TMAC's utilization by providing security, expanding monitoring and reporting capability to NJ TRANSIT's most heavily traveled territory;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to enter into a single source of supply, procurement-by-exception contract for licensing and professional services to upgrade NJ TRANSIT's TMAC product with ARINC, Incorporated of Annapolis, Maryland at a total cost not to exceed \$1,940,000 plus five percent contingency, subject to the availability of funds.

ITEM 0608-48: TRENTON RAIL STATION REHABILITATION – AMENDMENTS TO CONSTRUCTION MANAGEMENT SERVICES AND CONSTRUCTION ASSISTANCE SERVICES CONTRACTS

BENEFITS

The rehabilitation and expansion of the Trenton Station on the Northeast Corridor will bring this facility, last renovated in 1972, to a state of good repair. This project will also improve access, circulation and customer comfort for the 5,900 daily passengers and accommodate future ridership growth.

When complete, the project will provide improved ticketing capability, expanded waiting areas and improved passenger amenities including enhanced retail areas and accessible restrooms. The project will also include a major redesign of the plaza areas around the station with emphasis on better connections to NJ TRANSIT's River LINE and bus services to Trenton's business district.

PURPOSE

The rehabilitation of Trenton Station began with an initial construction contract for foundations and utility relocations. In the early stages of the contract, excavators exposed intact walls and the foundation of the original station building and encountered other unforeseen site conditions. Additional design and construction assistance services were required to provide design solutions to address these conditions. This contributed in part to a longer project schedule, leading to the need for additional construction management services.

Authorization of additional fees for design, construction assistance and construction management services will allow for continued professional services for the design to address the unforeseen site conditions, design submittal review, responses to requests for information, resolution of design issues, as well as project oversight and inspection.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to amend professional services contract (No. 04-078) with Michael Baker Corporation of Princeton, NJ for additional construction management services in the amount of \$2,244,000, plus five percent for contingencies, for a total contract authorization of \$5,401,200.

Staff also seeks authorization to amend professional services contract (No. CM045) with di Domenico + Partners, LLP of New York, NY, for additional design and construction assistance services related to the Trenton Station Rehabilitation in the amount of \$949,000 plus five percent for contingencies for a total contract authorization of \$7,635,440, including previous design services.

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

FISCAL IMPACTS:

Requested Authorizations:	Construction Management: \$2,244,000 + 5% contingency for a total contract authorization of \$5,401,200 Construction Assistance: \$949,000 + 5% contingency for a total contract authorization of \$7,635,440
Total Project Cost:	\$76.122 million
Projected Date of Completion:	December 2007
Anticipated Source of Funds:	Federal earmarks; TTF
DBE Goal:	25%
Future Related Authorizations:	N/A

RESOLUTION

WHEREAS, the rehabilitation of Trenton Station is necessary to improve access, circulation and comfort for the existing 5,900 daily customers and to accommodate future ridership growth; and

WHEREAS, discovery of the original station building walls and foundations and other unforeseen site conditions have contributed to additional design effort and contributed in part to a longer project schedule; and

WHEREAS, additional construction management services are required to oversee and inspect project construction activities as a result of the longer project schedule; and

WHEREAS, additional design and construction assistance services are required to respond to contractor requests for information, review and approve shop drawings, and evaluate requests for use of alternate construction methods or materials and design solutions for unforeseen site conditions;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend the professional services contract (No. 04-078) with Michael Baker Jr. Inc. of Princeton, New Jersey for additional construction management services in the amount of \$2,244,000, plus five percent for contingencies, for a total authorization of \$5,401,200, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the professional services contract (No. CM045) with di Domenico + Partners, LLP of New York, New York, for additional construction assistance services related to the Trenton Station Rehabilitation in the amount of \$949,000, plus five percent for contingencies for a total contract authorization of \$7,635,440, subject to the availability of funds.

ITEM 0608-49: WHEEL TRUE FACILITY AT HOBOKEN TERMINAL: DESIGN SERVICES CONTRACT AMENDMENT

BENEFITS:

The new wheel true facility is one element in a series of recent projects to rehabilitate and upgrade Hoboken Terminal to support NJ TRANSIT's growing rail fleet and to maintain service reliability of trains.

From time to time, flat spots and other defects occur on train wheels that can decrease operating speeds and service reliability. Wheel true machines reshape the profile of train wheels to maintain optimum performance. The existing wheel true facility at Hoboken Terminal features a 53-year old machine housed in a small structure largely exposed to weather, and poorly situated relative to current terminal operations. The machine is also frequently out of service for maintenance.

STV, Inc. is the general design firm under contract for a broad range of improvements at Hoboken Terminal. Having already developed and evaluated concepts for the replacement wheel true facility, the firm is best positioned to complete final design work and maintain the project schedule.

PURPOSE:

This amendment to the Hoboken General Design Contract will authorize final design for the wheel true facility at Hoboken Terminal.

ACTION: (Justification: State of Good Repair)

Staff seeks authorization to amend professional services contract (No. 94CA035) with STV, Inc. of New York, New York, for design services to complete final design on the new wheel true facility at Hoboken Terminal in the amount of \$1,308,029, plus five percent for contingencies for a total contract authorization of \$24,211,851.

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

FISCAL IMPACTS:

Requested Amount: Final Design Services - \$1,308,029
+ 5% contingency for a total contract authorization
\$24,211,851 (STV)

Total Project Cost: \$15,099,000

Projected Date of Completion: Aug 2008

Anticipated Source of Funds: TTF

DBE Goal: STV, Inc.: 20%

Future/Related Authorizations: Purchase of wheel true machine, Construction, Construction Assistance and Construction Management (Hoboken Wheel True Facility)

RESOLUTION

WHEREAS, the replacement of the existing wheel true facility at Hoboken Terminal is another element in a series of projects to rehabilitate and upgrade the terminal complex; and

WHEREAS, the project will support NJ TRANSIT's growing rail fleet and maintain service reliability on trains; and

WHEREAS, NJ TRANSIT has a competitively procured general design contract with STV, Inc. for design and construction assistance for various projects at Hoboken Terminal;

NOW THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend professional services contract (No. 94CA035) with STV, Inc. of New York, New York, for design services to complete final design of the new wheel true facility at Hoboken Terminal in the amount of \$1,308,029, plus five percent for contingencies for a total contract authorization of \$24,211,851, subject to the availability of funds.

**ITEM 0608-50: COMPRESSED NATURAL GAS CRUISER BUS OVERHAUL:
PURCHASE OF MATERIALS****BENEFITS**

The Compressed Natural Gas (Compressed Natural Gas) MCI midlife overhaul of 76 Compressed Natural Gas MCI Cruiser buses will enhance the reliability, passenger comfort, and appearance of NJ TRANSIT's 1999 and 2000 Compressed Natural Gas MCI Cruiser buses. These buses have been in revenue service for seven years and have accumulated over 400,000 miles. This program will enhance vehicle reliability as well as update the equipment with new products that will produce a more reliable vehicle. This will be achieved by performing original equipment manufacturers recommended overhaul procedures. In comparison, a new Compressed Natural Gas powered cruiser bus is estimated to cost \$550,000 whereas this overhaul averages \$125,000 for labor and material per bus. NJ TRANSIT would perform an in-house mid-life overhaul of these buses so that major components and subsystems are remanufactured or upgraded to latest industry standards and manufacturer's recommendations.

PURPOSE

The Compressed Natural Gas MCI buses were purchased from MCI of Schaumburg, Illinois in 1999 and 2000 and are now completing their seventh year of operation. As part of the continued maintenance of the bus fleet, NJ TRANSIT would perform a mid-life overhaul of these buses so that major components and subsystems can be remanufactured or upgraded to latest industry standards to insure the continued reliable use of the bus fleet in revenue service.

The material for each bus is estimated to cost approximately \$90,000 for the major components and miscellaneous materials. Materials include major components and subassemblies such as the engine and transmission powertrain assemblies, air conditioning compressor, air system upgrades, wheelchair lift, suspension, exterior lighting, upgraded destination sign, improved fire suppression system and reupholstering the bus interior. It is NJ TRANSIT's intent to utilize the competitive bid process to procure material where available from more than one source of supply.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to enter into sole source, procurement-by-exception, and competitively bid contracts with the original equipment manufacturers (OEM's) or other sources of supply for the procurement of various MCI bus components required to be used in an in-house overhaul of 76 MCI Compressed Natural Gas cruiser buses during Fiscal Years 2007 through 2008, at a cost not to exceed \$6,840,000, plus five percent for contingencies. Samples of the components required are presented in Exhibit A.

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

FISCAL IMPACTS

Requested Authorization:	\$6,840,000 for various components + 5% contingency
Total Project Cost:	\$6,840,000
Projected Date of Completion:	June 2008
Anticipated Source of Funds:	\$3,420,000 Transportation Trust Fund FY '07 \$3,420,000 Transportation Trust Fund FY '08
DBE Goal:	N/A (Does not lend itself to DBE participation.)
Related/Future Authorizations:	N/A

RESOLUTION

WHEREAS, the Compressed Natural Gas MCI buses are now completing their seventh year of operation; and

WHEREAS, NJ TRANSIT would perform an in-house mid-life overhaul of these buses so that major components and subsystems are remanufactured or upgraded to latest industry standards and manufacturer's recommendations; and

WHEREAS, the purchase of these materials are required to overhaul the 76 buses which will enhance vehicle reliability and passenger comfort of these buses;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into sole source, procurement-by-exception and competitively procured bid contracts with the original equipment manufacturers and other sources of supply for the procurement of various Compressed Natural Gas MCI components to be used in the in-house overhaul of the Compressed Natural Gas MCI cruiser bus fleet at a cost not to exceed \$6,840,000 plus five percent for contingencies (samples of the components are presented in Exhibit A), subject to the availability of funds.

EXHIBIT A
PAGE 1 OF 1

COMPRESSED NATURAL GAS CRUISER BUS OVERHAUL: PURCHASE OF MATERIALS

SAMPLE ITEMS

SOLE SOURCE ITEMS				
Quantity	Description	Vendor	Est. Unit Cost	Est.Total Cost
76	Engine	Atlantic Detroit Diesel	\$30,000	\$2,280,000
	Miscellaneous OEM MCI Service Parts	MCI Service Parts		\$3,000,000

BID ITEMS				
Quantity	Description	Potential Vendors	Est. Unit Cost	Est. Total Cost
76	Operators Seat	USSC, MCI	\$1,531	\$116,356
76	Destination Sign Kits	Luminator, Twin Vision, AESYS	\$3,500	\$266,000
76	Air Conditioning Rebuild Kit	MCI Service Parts, ADDA, Carrier	\$1,000	\$76,000
76	Seat Upholstery	Holdsworth NA, American Seating, MCI	\$1,500	\$114,000
76	Seat Cushion Kits	GTI, MCI, American Seating	\$3,000	\$228,000
76	Amerex Fire Suppression Upgrade	Amerex, MCI, Prevost,	\$9,500	\$722,000
76	Air Dryer Upgrade Kits	Superior Distributors, Power Battery, MCI, Prevost	\$500	\$38,000

**ITEM 0608-51: NEWARK LIGHT RAIL BROAD STREET EXTENSION:
AMENDMENT OF CONSTRUCTION ASSISTANCE SERVICES**

BENEFITS

NJ TRANSIT's light rail extension to Broad Street Station required comprehensive review, testing and certification of light rail systems and safety protocols prior to the start of revenue service. Originally, this work was scheduled to be completed by NJ TRANSIT operating staff, but was later assigned to BRW Inc. and Parsons Brinckerhoff Quade & Douglas, a joint venture that possessed specific experience in the activation of other light rail systems including Hudson-Bergen Light Rail and River LINE.

The specialized nature of this work was more appropriately performed by the contractors and allowed staff to focus on day-to-day light rail operations and training for the service extension. The reassignment of work to the contractor does not impact the overall project budget and was completed within the prior Board-authorized contract amount. The requested authorization will allow for full completion of the project within the overall project budget amount.

PURPOSE

The contractor served as NJ TRANSIT's safety program coordinator, reviewed all safety submittals prepared by contractors, conducted audits of the construction contractor's safety programs, participated in fire and life safety program meetings and assisted in the planning of emergency drills. The systems integration work included a review of track, communications, signal, ventilation and power systems to satisfy all regulatory requirements.

ACTION (Justification: New System Extension)

Staff seeks authorization to amend professional services contract (No. 98CJ046) with the joint venture of BRW Inc. and Parsons Brinckerhoff Quade & Douglas of Newark, NJ for additional construction assistance to complete the Newark Light Rail Broad Street extension at a cost not to exceed \$450,000 for a total contract amount of \$27,398,250.

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

FISCAL IMPACTS

Requested Authorization:	\$450,000 (Amendment) \$27,398,250 (Total Contract)
Total Project Cost:	\$223,225,000
Projected Date of Completion:	June 2006
Anticipated Source of Funds:	TTF
DBE Goal:	30%
Related/Future Authorizations:	None anticipated at this time.

RESOLUTION

WHEREAS, the start of revenue service on the Newark Light Rail extension to Broad Street Station required systems integration testing and safety certification; and

WHEREAS, NJ TRANSIT previously contracted with the joint venture of BRW Inc. and Parsons Brinkerhoff Quade & Douglas, of Newark, NJ to provide construction assistance services for the project; and

WHEREAS, the joint venture has relevant experience in the activation of other light rail systems including River LINE and Hudson-Bergen Light Rail; and

WHEREAS, reassignment of this work to the contractor has no impact on the overall project budget;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend the professional services contract (No. 98CJ046) with the joint venture of BRW Inc. and Parsons Brinkerhoff Quade & Douglas of Newark, NJ for additional construction assistance to complete the Newark Light Rail Broad Street extension at a cost not to exceed \$450,000 for a total contract amount of \$27,398,250, subject to the availability of funds.

CONSENT CALENDAR

ITEM 0608-52: KRONOS TIME AND ATTENDANCE SYSTEM TIMECLOCKS, SOFTWARE LICENSES AND SOFTWARE MAINTENANCE

BENEFITS

In support of NJ TRANSIT's objective to use technology to increase efficiencies within the organization, staff recommends the purchase of additional software, hardware and software maintenance to expand the use of the KRONOS Time and Attendance System, Workforce Central.

PURPOSE

NJ TRANSIT currently has approximately 1500 Bus employees, 1500 non-Train and Engine Rail employees, 300 Police, Medical and Transit Information Center employees recording work time on the KRONOS Time & Attendance System, Workforce Central. Time clocks are currently installed at all Bus garages, Maplewood, Headquarters and Ferry Street locations. However, Rail employee time is entered into the KRONOS system manually via timekeepers. To eliminate the need for manual time entry, additional software licenses and timeclocks are required. Additionally, new licenses are required to move non-agreement staff at Headquarters from our existing manual paper time entry to this automated time collection system. Elimination of paper based time recording will make the payroll process more efficient and eliminate the need to enter timesheet data into the system. Kronos, Inc. is the only authorized source of supply for timeclocks, software licenses and maintenance of their system.

ACTION (JUSTIFICATION: Operating Efficiencies)

Staff seeks authorization to contract, on a single source of supply, procurement-by-exception basis, with KRONOS, Inc. of Chelmsford, Massachusetts for the purchase of 75 timeclocks, 470 software licenses and software maintenance at a total cost not to exceed \$347,467, plus five percent for contingencies.

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS

Requested Authorization: \$ 347,467 + 5% for contingencies

Total Project Cost: \$347,467

Projected Date of Completion: December 30, 2007

Anticipated Source of Funds: Transportation Trust Fund

DBE Goals: N/A

Relate & Future Authorization: None

RESOLUTION

WHEREAS, Kronos time-collection software, Workforce Central, is used by NJ TRANSIT at several work locations to collect work time for management review and payroll processing; and

WHEREAS, NJ TRANSIT plans to eliminate reliance on paper based time reporting forms, which will result in efficiencies;

WHEREAS, additional timeclocks and software licenses and maintenance are necessary to eliminate paper reporting; and

WHEREAS, Kronos, Inc. is the single source of supply for timeclocks, software licenses and maintenance of their system;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract, on a single source of supply, procurement-by-exception basis, with KRONOS, Inc. of Chelmsford, Massachusetts for the purchase of 75 timeclocks, 470 software licenses and software maintenance at a total cost not to exceed \$347,467, plus five percent for contingencies, subject to the availability of funds.